

## > CFI.co Meets the CEO of Millennium bcp: Nuno Amado

### A Determined Leader for Challenging Times.

In February 2012, Nuno Amado was elected Chief Executive Officer of Portugal's largest private bank, Millennium bcp (Banco Comercial Português).

Since then, Mr Amado has led the bank through a complex and challenging restructuring program designed to return Millennium to profitability and ensure it remains a market leader in Portugal. Prior to joining Millennium bcp, Nuno Amado was CEO of Banco Santander Totta in Portugal.

The restructuring program designed by Mr Amado and his management included a rights issue to reinforce the bank's capital ratios, as well as a request for temporary capital strengthening via contingent convertible bonds issued to the Portuguese State. In all, Millennium bcp raised EUR 3.5 billion, lifting its core tier 1 capital above 12%, fully compliant with the new regulatory requirements set by the Bank of Portugal and the European Banking Authority.

This capital reinforcement was central to Mr Amado's effort to strengthen Millennium bcp's fundamentals, part of his team's ambitious strategic vision built on three pillars: Strengthening capital and liquidity, creating the conditions to ensure growth and profitability both at home and abroad, and delivering sustainable growth.

The strategic plan also sets out a timetable for repayment of the EUR 3 billion received in temporary capital support through 2017.

To date, the efforts made by Millennium bcp – and the results obtained – show that the strategic path developed by Mr Amado and his management team is the correct one.

With capital and liquidity levels restored and now at historic highs, and with a restructuring program underway in Portugal to adjust the bank's activity to the challenging economic environment, the prospects for a return to sustainable and profitable growth over the medium term are steadily improving.

In 2012, Mr Amado and his management team were able to cut costs significantly, a process that continued in the first half of 2013.

With demand for banking services declining in Portugal because of the overall negative

economic backdrop, Millennium's adjustment has involved the resizing of its branch network as well as a headcount reduction. Both processes were implemented without affecting employee morale or disrupting the high quality customer service for which Millennium bcp is known.

International operations are key to Millennium bcp's outlook. The bank provides universal financial services under the Millennium brand in a number of European and African markets that have great potential. In Poland, Bank Millennium is the sixth largest bank in terms of assets. The bank is also listed on the Warsaw Stock Exchange. In Mozambique, Millennium bcp is the market leader, with a nearly 30% share of the banking and insurance markets. In Angola, Banco Millennium Angola is a strong and growing presence on the local market, with nearly 100 branch offices ensuring nation-wide coverage, and contributing to a remarkable growth in both customer base and deposits.

These international operations have delivered consistent profitability and solid growth, and remain essential factors in the overall strategic approach that Millennium bcp is taking under Mr Amado.

**“In 2012, Mr Amado and his management team were able to cut costs significantly, a process that continued in the first half of 2013.”**

The bank's management team also prepared the sale, in June 2012, of Millennium's bank in Greece; another key strategic step. The sale reduces Millennium's exposure to the risk of that market and eliminates a loss-making operation that weighed heavily on the bottom line in recent years. As a result of the sale, Millennium took a near-5% stake in Piraeus Bank, the acquirer of its Greek operation. These shares will be sold off gradually after an initial lock-up period.

In addition to the strategic plan now being implemented, Mr Amado and his team have renewed Millennium's emphasis on customer service, promoting meetings all across the country that bring together customers, potential customers and senior bank directors. These meetings aim to ensure the bank's continued



In Pictures: Nuno Amado

awareness of local realities and challenges, enhancing its ability to swiftly and effectively provide solutions.

Mr Amado's election as CEO heralded a significant shift in Millennium's corporate governance model: A new structure was adopted with a single Board of Directors that includes independents, shareholder representatives and non-executives as well as the Executive Committee. Under this system, the oversight of management activity is carried out by the full board, of which Mr Amado is Vice-President. A number of committees were instituted to provide oversight for crucial areas including risk management, corporate governance, nominations and evaluations and remuneration.

In addition to being Millennium bcp's CEO, Mr Amado is also a member of the Millennium bcp Foundation's Council of Curators, while in Poland he is Vice-President of Bank Millennium's Supervisory Board.

Outside Millennium, Mr Amado holds various non-executive positions in other Portuguese companies and organizations. He is currently a member of the Portuguese Banking Association's board; a member of the Insititut International D'Études Bancaires; and sits on the BIAL Foundation's Audit Committee as well as on EDP's (Energias de Portugal) Supervisory Board.✱