



Environment and Climate Policy

Fidelidade Group

Identification of Responsibilities

Draft: Sustainability Directorate (*Direção de Sustentabilidade*)

Review: Directorate of Legal Affairs (*Direção de Assuntos Jurídicos*) and General Directorate of Corporate Affairs (*Direção Geral de Assuntos Corporativos*)

Approval: Executive Board

Approval

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Version History

Version	Date	Overview of amendments
1.0	11/07/2023	First version

Overview of the review of chapters/appendices of the latest version

Revised Chapter/
Appendix

Overview of amendments

NONCOMMITTAL TRANSLATION. THIS IS A FREE TRANSLATION INTO THE ENGLISH LANGUAGE FROM THE ORIGINAL PORTUGUESE VERSION AND IS INTENDED ONLY FOR SUPPORTING PURPOSES. THE ONLY BINDING WORDING IS THE ONE IN THE PORTUGUESE LANGUAGE.

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1. General Provisions

1.1. Framework

Aware of the impact of its business on the environment and on the climate, the Fidelidade Group defines in this document its Environment and Climate Policy (the "Policy") which aims to undertake commitments to protect the environment, prevent pollution, preserve natural resources, protect, and conserve biodiversity and promote mitigation and adaptation to climate change, in addition to complying with the applicable legal obligations.

This Policy lays out the Group's vision in order to contribute to the promotion of a sustainability culture, complementing the Sustainability Policy (*Política de Sustentabilidade*) and presenting its commitments and main implementation mechanisms. It embodies the Group's approach to one of the pillars of its Sustainability Strategy – “To play a proactive role in the ecological transition”, while seeking to consider its responsibility in the social and economic dimensions.

1.2. Scope

This Policy applies to the entire Fidelidade Group in Portugal, excluding the Luz Saúde Group.

The principles set out in this Policy are also applicable as guidelines to Group companies present in other geographies and are also considered, where relevant, in the decision-making process following due diligence assessment in the context of mergers and acquisitions.

2. Commitments

The Fidelidade Group aims not only to act as an individual economic agent, reducing its greenhouse gas emissions and environmental impacts, but also to affect change in society in the necessary and pressing ecological transition. This change is attained through action that involves and considers the expectations of the different stakeholders – employees, partners, suppliers, and clients.

2.1. Operations

The Fidelidade Group intends to:

- Optimise the consumption of resources inherent to its direct activities, minimising, among others, energy, electricity, water and paper consumption, as well as reducing waste production and promoting a circular economy;
- Support and positively differentiate those who are also committed to a more sustainable path in their operations, namely suppliers and partners;
- Reduce greenhouse gas emissions in its operations;
- Contribute to environmental protection and carbon neutrality by developing and financing the implementation of "carbon offset" solutions and carbon sinks, in order to foster sustainable ecosystems and protect biodiversity.

2.2. Business

The Fidelidade Group intends, in this field, to:

- Direct the offer towards products and services that support the energy transition and a more sustainable ecosystem in the Group's different business areas;
- Promote the integration of environmental criteria into investments, incorporate environmental risks and opportunities into its decision-making, and encourage the issuance of green bonds, thus seeking to be an active agent in the ecological transition of the assets in the portfolio;
- Invest in promoting knowledge about climate change among the Group's employees, seeking to maximise the positive impact of its economic activity in order to contribute to mitigating and adapting to these changes.

2.3. Company

The Fidelidade Group intends, in this field, to:

- Promote more environmentally sustainable behaviours along the entire value chain;
- Play a dynamic role in the Portuguese economy, co-operating with other companies and entities in a multi-level and multi-sectoral way to promote a more sustainable economy;
- Align the Group's performance with the best practices and guidelines of key national and global standards and initiatives;
- Communicate performance transparently to all stakeholders;
- Consult stakeholders on environmental concerns;
- Raise awareness of all stakeholders (employees, suppliers, partners, clients, etc.), through specific training, motivating their involvement as proactive agents in the ecological transition;
- Promote environmental literacy in society, namely by encouraging scientific research, involving stakeholders, and disseminating good environmental practices.

These commitments will be embodied in objectives and metrics, with short, medium, and long-term goals, which will directly impact the Group's sustainability performance. They will also have an impact on the variable remuneration models applicable to the Group's employees and members of its Executive Board.

The Group is also committed to developing an Environmental Management System to mitigate its environmental impacts and promote the continuous improvement of its environmental performance.

3. Implementation mechanisms

To ensure the implementation of the commitments comprised in this Policy and the programs associated with it, as well as its monitoring, reporting and continuous improvement, a Sustainability Committee (*Comité de Sustentabilidade*) was established in the Fidelidade Group that closely monitors these topics.

This Committee is comprised of members of Fidelidade's Executive Board, as well as heads of key departments namely those linked to the Group's international operations, with permanent and guest seatings.

In terms of competences, this Committee decides or validates the objectives and metrics to be pursued, as well as their respective targets, and promotes their periodic review.

The aim is to ensure a model for managing environmental impacts, considering the risks and opportunities that could have a significant influence on the sustainable development of the business and its ability to create long-term value, towards improving the Group's environmental performance.

The main responsibilities of the Sustainability Committee (*Comité de Sustentabilidade*) in matters of Environment and Climate are:

- Promote discussions and seek global alignment in order to drive the fulfilment of the Group's Environment and Climate Strategy;
- Promote joint responsibility for results and decision-making on the actions needed to pursue the Group's Strategy;
- Inform, report on implementation and foster the fulfilment of commitments with clear objectives and metrics, which shall be embodied in short, medium and long-term goals for each of the Group's geographies;
- Share internal and external benchmarking of knowledge, experiences and best practices, seeking to ensure good decision-making and continuous improvement;
- Promote sharing, learning, and networking among the different geographies of the Group.

4. External and internal benchmarks

This Policy considers the following benchmarks:

External benchmarks:

- Paris Agreement
- The 2030 Agenda for Sustainable Development Goals
- European Green Deal
- Basic Climate Law (*Lei de Bases do Clima*)
- GRI - Global Reporting Initiative
- UN Global Compact
- Charter of Principles of the BCSD Portugal – Business Council for Sustainable Development
- PSI – Principles for Sustainable Insurance (UNEP FI)

Internal benchmarks:

- Sustainability Policy (*Política de Sustentabilidade*)
- Sustainable Investment Policy (*Política de Investimento Sustentável*)
- Code of Conduct (*Código de Conduta*)

5. Approval, monitoring and review of the Policy

This Policy, and any updates to it, will be submitted to the Executive Board for its analysis and approval. After its approval, it will be disclosed and published on Fidelidade's website and communicated internally to all employees.

Responsibility for implementing and reviewing this Policy lies with the Sustainability Department (*Direção de Sustentabilidade - "DSU"*), with the support of the Legal Affairs Department (*Direção de Assuntos Jurídicos*) and the General Corporate Affairs Department (*Direção Geral de Assuntos Corporativos*).

The DSU is also responsible for monitoring the fulfilment of commitments and following up on implementation mechanisms.

The DSU reports to the Executive Board on the results of the monitoring of the environmental aspects mentioned in this Policy and others that may be relevant, so that this body is up to date on its evolution. An external entity will audit the aspects deemed appropriate before they are disclosed in the Single Integrated Management Report, which will be based on the GRI (Global Reporting Initiative).

This Policy shall be reviewed whenever appropriate and, in particular if:

- There is a modification / amendment of the different aspects comprised in this document: scope, procedures, frequency, etc.
- There is a modification/amendment of the applicable standards (legal, regulatory, or internal).
- There is a modification to the organisational structure of the Fidelidade Group.