

SUSTAINABILITY REPORT 2023

CRÉDITO AGRÍCOLA GROUP



Crédito Agrícola

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1. MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD OF DIRECTORS

In 2023 we experienced an easing of the European energy crisis and a sharp drop in the eurozone's inflation rate¹, although this is still a long way from the monetary policy target of stabilising at close to 2%. It was also a year of numerous challenges, marked by armed conflicts in Europe and the Middle East and by the sharp rise in risks related to cybersecurity, disinformation phenomena and high social polarisation.²

At the same time, climate and environmental challenges continue to be top of mind globally, with an increasingly short window of opportunity. Based on the 6th Assessment Report of the Intergovernmental Panel on Climate Change (2023)³, the increase in global temperature has already exceeded 1.1°C, causing extreme climatic impacts unprecedented in human history, and current scenarios point to a warming that could reach 1.5°C between 2030 and 2035, dragging society towards a collective failure of the Paris Agreement.

At a national level, there are also numerous economic, social and environmental weaknesses: the growth of the Portuguese economy, although higher than initial estimates, stood at 2.3%⁴ – 4.5 p.p. below that recorded in 2022; the (still) high inflation rate in 2023 (5.5%) continued to affect the purchasing power of families, particularly in the most financially vulnerable sections of the population; and the crisis in access to housing has been haunting the quality of life of the Portuguese, with a particularly serious impact on the youngest and most disadvantaged populations. In this regard, I cannot fail to point out that Portugal ranks highly in Europe for energy poverty: around 1.9 million Portuguese are unable to keep their homes warm in the cold months, while 3.7 million suffer from the heat at home during the hottest months⁵, living in homes with leaks, damp or indoor air quality problems, which affects the health and well-being of a huge proportion of the population, both in urban and rural areas.

Alongside this, climate and ecological risks are particularly relevant to Portuguese society. According to the 1st Climate Risk Assessment carried out by the European Environment Agency⁶, Europe is the continent with the fastest warming worldwide, the impacts of which are prominent in the southern countries, especially Portugal, with a negative multiplier effect on five critical dimensions of development: the health of natural ecosystems; the resilience of infrastructures; food security; public health; and the stability of economic and financial systems.

¹ [Eurostat \(2024\) – HICP all items](#). The inflation rate in the eurozone (European Union or EU) in 2022 and 2023 was 8.4% (9.2%) and 5.4% (6.4%) respectively.

² <https://www.weforum.org/press/2024/01/global-risks-report-2024-press-release/>

³ <https://www.weforum.org/agenda/2023/03/the-ipcc-just-published-its-summary-of-5-years-of-reports-here-s-what-you-need-to-know/>

⁴ <https://www.pordata.pt/portugal/taxa+of+growth+of+gdp-2298>

⁵ <https://www.dgeg.gov.pt/pt/destaques/estrategia-de-longo-prazo-de-combate-a-pobreza-energetica-2023-2050-elppe/>

⁶ <https://www.eea.europa.eu/publications/european-climate-risk-assessment>

Recognising the importance of the Crédito Agrícola Group's importance in responding to the most pressing socio-economic and environmental challenges facing Portuguese communities, it is with a sense of purpose and enormous responsibility that we aim to continue building a path of positive impact on people's lives, the economy and the planet.

In 2023, we witnessed the realisation of several inspiring projects that reflect the effort and dedication of all our Employees. I would like to highlight some of the highlights of our year in terms of sustainability:

1. The approval of our **2050 Net Zero Transition Plan**, based on ambitious greenhouse gas emission reduction targets by 2030, with which the CA Group commits to accelerating the decarbonisation of key activities throughout its value chain – from the management of internal operations and suppliers to financing decisions. This commitment was cemented by adherence to two highly relevant frameworks for the sustainability of the banking sector – the United Nations Principles for Responsible Banking; and the Net Zero Banking Alliance, of the Glasgow Financial Alliance for Net Zero, the world's largest coalition of financial institutions committed to the transition to a low-carbon economy.
2. The launch of a new credit product – **CA Casa Energia Eficiente** [CA Energy Efficient House] – with bonuses associated with the purchase of properties with energy class A+, A or B, in order to contribute to the decarbonisation of the real estate stock in Portugal.
3. The **2nd issue of social debt**, amounting to 250 million euros, aimed at continuing to raise funds to finance companies and projects with social objectives, such as the creation of wealth and employment by small and medium-sized enterprises (SMEs) operating in areas considered to be more disadvantaged and the social support provided by private social solidarity institutions (IPSS) to vulnerable groups of the Portuguese population.
4. The publication of **CA Group's 1st ESG Risk Rating** awarded by Sustainalytics, with a view to reinforcing transparency about the quality of the management of the environmental, social and governance (ESG) risks to which the Group is exposed. We were pleased to receive a Rating of 20.0 (medium risk) – at that time the best in the national banking market – which has been used as a tool for the continuous improvement of multiple internal structures that manage environmental, social and governance issues.
5. The **Group's first Dual Materiality Analysis**, which included an exhaustive internal consultation of the entire Group, as well as a small group of experts from academia, associations and customers, which enabled us to anticipate regulatory requirements and update our priorities for action in terms of sustainability, in line with the current economic context and CA's business reality.
6. The **1st impact partnership with Just a Change**, aimed at supporting the fight against energy and housing poverty in Portugal and increasing the energy efficiency of the country's housing stock. With a philanthropic subsidy and volunteer actions, it was possible to help improve the energy efficiency of 20 homes belonging to vulnerable families in three Portuguese cities.
7. The launch of the book **"A Banca Cooperativa e o Desenvolvimento Regional"**⁷ [Cooperative Banking and Regional Development] – financed by Crédito Agrícola – is an important initiative to raise collective awareness of the role that cooperative banking

⁷ <https://www.creditoagricola.pt/institucional/comunicacao/comunicados-de-imprensa/2023/ca-apresenta-livro-sobre-a-banca-cooperativa-e-o-desenvolvimento-regional-e-local>

plays in regional and local development, which is fundamental for social cohesion in Portugal.

8. The launch of the **Awareness Programme for Inclusion and Gender Equality in Leadership Positions**, a topic that will be strongly reinforced in 2024 with the recent approval of the new Diversity, Equity and Inclusion Strategy.

But these projects alone do not reveal the whole story. What really motivates us is the deep conviction that we will continue to make a difference to people's lives, to the business fabric and to the preservation of the planet. We believe that sustainability is not just a slogan or a passing trend, but the only way to build a resilient and prosperous future for generations to come.

The Crédito Agrícola Group is determined to lead this transformation, in partnership with our Customers, Partners and other stakeholders. Together, we can build a greener, more inclusive and sustainable future for everyone.



Licínio Pina | Chairman of the Board of Directors of the Crédito Agrícola Group

2. HIGHLIGHTS

2.1 Highlights 2023⁸

ESG Risk Rating (Sustainabilitycs): **20.0**

No. of Employees: **4 136** (+0.6% compared to 2022)

% Employees by gender:

Women: **49.3%** (+0.8 p.p. compared to 2022)

Men: **50.7%** (-0.8 p.p. compared to 2022)

% Employees in management positions by gender:

Women: **31.1%** (+3.1 p.p. compared to 2022)

Men: **68.9%** (-3.1 p.p. compared to 2022)

Average number of training hours per employee: **40h/employee** (-38.1% compared to 2022)

No. of branches: **618**

% Adapted agencies⁹: **89%** (+27 compared to 2022)

% Isolated agencies¹⁰: **41%** (-6 compared to 2022)

% Local suppliers¹¹: **52.3%** (-2.2 p.p. compared to 2022)

Community Support¹²: **M€3.1** (+21.1% compared to 2022) distributed among **2 838 entities** (+31.7%)

Carbon Footprint:

Scope 1: **2 244 ton CO₂e** (-8% compared to 2022)

Scope 2: **74 ton CO₂e** (-87% compared to 2022)

Scope 3 (categories 1, 3, 5 and 7): **5 200 ton CO₂e** (+21% compared to 2022¹³)

2.2 Main initiatives 2023

In a world exposed to countless risks and challenges of an economic, social and environmental nature, it is up to all of us to put the issue of sustainability at the top of the priorities of the organisations or systems we are part of, and to create the opportunities to make a positive difference to people's lives and to the planet. At the Crédito Agrícola Group, we seek to contribute to a more sustainable, resilient and inclusive economy by carrying out multiple fronts of intervention: banking business, internal management, as well as philanthropic and/or volunteer activities.

⁸ Indicators for the Crédito Agrícola Group.

⁹ Branches adapted for people with reduced mobility

¹⁰ Branches in locations where there are no other banking institutions available

¹¹ Suppliers located in the municipality where there are branches of their Associates.

¹² Through donations and financial sponsorship.

¹³ As explained in Chapter 5.3, the scope of the calculation has been extended, which partly justifies this increase.

Of the numerous initiatives and projects developed by the Group in 2023, we would highlight the following:

- **Net Zero Transition Plan:** a strategy aimed at contributing to the climate transition in Portugal, under which the Group is committed to becoming Net Zero by 2050 through the decarbonisation of key activities throughout its value chain, with a focus on the financing portfolio.
- **1st ESG Risk Rating:** ESG risk assessment process requested by GCA from Sustainalytics with the aim of reinforcing transparency on the quality of the Group's risk management and enriching the information used to define the strategies of the various internal structures that manage environmental, social and governance issues.
- **2nd Social Bond Issue:** a 250 million euro debt issue with the aim of raising funds to finance companies and projects with social objectives, such as the creation of wealth and employment by SMEs operating in disadvantaged areas and the social support provided by private social solidarity institutions (IPSS) to vulnerable groups of the Portuguese population.
- **Dual Materiality Analysis:** carrying out a dual materiality analysis, in line with the Corporate Sustainability Report, in order to update its material topics in the light of the current national and international context, anticipating regulatory requirements and strengthening the information used to define the Group's policies and strategies.
- **Impact partnership with Just a Change:** a project to combat energy poverty, through a philanthropic subsidy and volunteer actions, to improve the energy efficiency of 20 homes belonging to vulnerable families in three Portuguese cities;
- **Welectric Talks:** an awareness-raising project on topics related to sustainable development (energy transition, agri-food, blue economy, combating energy poverty, mobility, green finance, human rights and diversity, equity and inclusion, among others), in the form of videocasts and podcasts, involving external experts;
- **"Cooperative Banking and Regional Development":** funding for a book, based on a study of the crucial role that cooperative banking plays in regional and local development, strengthening social cohesion in Portugal and contributing to the European banking system.

3. SUSTAINABILITY IN CONTEXT: 2023

The need to profoundly change the development paradigm of contemporary societies has fostered a sense of urgency in individual and collective action around environmental and social concerns. The commitment of the different Member States of the United Nations to comply with the 2030 Agenda for Sustainable Development has motivated governments, companies and civil society organisations to accelerate strategic plans aligned with multiple Sustainable Development Goals.

In this regard, the European Union and most of its member states have taken a leading role in defending, promoting and adopting, in particular, environmental and climate policies that encourage and guarantee both the decarbonisation of their own economies and adaptation to the impacts of climate change on European societies and the most vulnerable global societies. The important and decisive role of financing and the financial sector in achieving these ambitions is clear. To this end, in line with the European Commission's Sustainable Finance Action Plan, the European Union has taken a series of measures to ensure that the financial sector redirects available financial resources to: i. pursuing the objectives of the European Green Deal¹⁴, ii. fostering sustainable and inclusive growth; iii. managing the financial risks arising from climate change, resource depletion, environmental degradation and social inequalities; and iv. promoting transparency and long-term vision in economic and financial activities.

In this way, a set of regulations applicable to companies have been developed and applied in stages, which are intended to act as accelerators and thus help them achieve their sustainability goals. Accordingly, 2023 was characterised by the release and/or entry into force of important sustainability-related regulations at a European and Portuguese level, which reflect the growing commitment to the issue and the urgency of accelerating the transition to a greener and fairer economy:

- At European level, the **Corporate Sustainability Reporting Directive** (CRSD – [Directive \(EU\) 2022/2464](#)) stands out. Endorsed in 2023, it requires companies to disclose sustainability information in order to increase transparency and encourage the adoption of more sustainable practices. With regard to the **European Environmental Taxonomy**, defining which economic activities are considered environmentally sustainable, the Environment Delegated Act ([Delegated Regulation \(EU\) 2023/2485](#)) was published in June 2023, establishing technical criteria for determining whether an economic activity contributes substantially to the European Union's goals on the environmental and climate change: water protection, circular economy, pollution and biodiversity.
- The **European Banking Authority's Roadmap on Sustainable Finance** ([Roadmap on Sustainable Finance, EBA – European Banking Authority](#)) was launched, which, published at the end of 2022, aims to support and guide banking institutions in integrating and considering ESG risks, and to accelerate the transition in the area of sustainable finance. It should also be noted that the **Sustainable Finance Disclosure Regulation** (SFDR) has been updated, aimed at ensuring greater transparency in the financial markets in terms of sustainability, particularly in the disclosure of information on financial products, combating greenwashing and making it easier for investors to make a more informed analysis of existing investment options. In April 2023, the European Commission defined 18 categories for the disclosure of Principal Adverse Impacts (PAI), requiring companies to publish information on their impacts in areas such as greenhouse gas (GHG) emissions, water and waste, both in their annual reports and on their websites. In addition, as of January, all funds and financial products under the SFDR are required to provide pre-

¹⁴ Commission Communication entitled "Action Plan: Financing sustainable growth".

contractual information on their sustainability objectives and how they incorporate them into their investment processes.

It is not only through regulatory and legislative pressure that the financial sector is compelled to act; awareness of the role of systemic influence on the choices of economic agents and of the (profitable) opportunities for financing and investment that persist are in themselves factors of decisive preponderance:

- Despite the significant increase in average annual climate finance flows, which doubled over the last 2 years analysed in the Global Landscape of Climate Finance 2023¹⁵, they are still far from ideal. In order to **secure the Paris Agreement, annual global climate finance will have to increase 6-fold by 2030**.
- At the national level, the European Central Bank (ECB)¹⁶ estimates that **Portugal** is the eurozone country with the **greatest need for green investment as a % of GDP per year (>7%)**. The same entity warns¹⁷ that **the cost of inaction (or tardy action) is much higher than the investment needed for a timely transition**, emphasising that the credit risk for banks will be significant in the absence of an effective change, as a consequence of the financial losses associated with assets exposed to climate impacts.

Financial and non-financial companies are key players in building a fairer and more sustainable future. They must assume social and environmental responsibility in a proactive and committed manner. The Crédito Agrícola Group acknowledges this role and aims to be a partner for companies and families in this joint journey.

¹⁵ Climate Policy Initiative. Global Landscape of Climate Finance 2023 (11/2023)

¹⁶ European Central Bank, ECB Economic Bulletin, Issue 6/2022

¹⁷ European Central Bank, The Road to Paris: Stress Testing the Transition Towards a Net Zero Economy (9/2023)

4. SUSTAINABILITY IN THE CRÉDITO AGRÍCOLA GROUP: A COMMITMENT TO THE FUTURE

Grupo Crédito Agrícola is the only financial group:

... in which the profit generated is distributed or reinvested in the region itself

... which uses savings to finance investment projects in the region of its depositors

... in which decision-making is decentralised (greater flexibility and speed of response)

... where employees are recruited by retail units in the region, contributing to local employability

4.1 Our story

The Crédito Agrícola Group (hereinafter "Crédito Agrícola" or "Group") is a cooperative financial group made up of mutual agricultural credit banks (Associates). Nationwide, the Group currently has more than 400,000 Associates, around 1.6 million customers and 618 branches throughout the country.

Founded in 1911, Crédito Agrícola's initial focus was to support the financing of farmers in Portugal, but over the years it has expanded the scope of its activity to other sectors and broadened its area of operation. The Group is currently composed of Caixa Central, Caixas de Crédito Agrícola Mútuo (CCAM) and companies dedicated to insurance and specialised banking (CA Vida, CA Seguros, CA Gest, CA Capital and CA Imóveis), as well as a complementary group of companies whose purpose is to provide the Group with IT, operational, technical and management services (e.g. CA Serviços, CA Informática, CA SGPS). The Group also includes FENACAM – Federação Nacional das Caixas de Crédito Agrícola Mútuo (National Federation of Mutual Agricultural Credit Banks), a cooperative representative institution that provides specialised services to the Group.

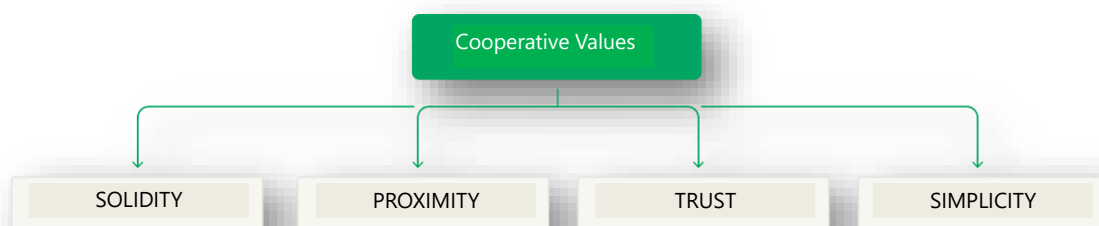
4.2 Our vision, mission and values

The Crédito Agrícola Group's *vision* is "**to become a benchmark for inclusion, sustainability and innovation, maintaining its reputation as the financial group most trusted by the Portuguese people**".

To achieve this reputation, the defined mission was "**to contribute to the economic and social progress of the regions, practising proximity, purposeful and sustainable banking**", based on 4 cooperative values:

- **Solidity:** We are a highly financially solid Group;
- **Proximity:** We foster a close relationship with our customers and local communities;
- **Trust:** We guarantee a professional and personalised service based on trust and transparency, with high ethical standards;
- **Simplicity:** We value simplicity and efficiency in our processes in order to continuously improve the customer experience.

Figure 1 – Cooperative values of the Crédito Agrícola Group.



Caixa Central and the Caixas de Crédito Agrícola Mútuo (CCAM or Associates) are the key players in achieving the Group's mission and together they drive the economic, social and cultural development of the regions in which they operate. In-depth knowledge of the local business and economic fabric, combined with an understanding of the challenges that affect the progress of communities, enable the Associates to take on a fundamental role as an engine of development. Through their proximity to their customers, the Associates contribute to meeting their customers' ambitions and improving their well-being.

Based on its origins, and in line with the progress and sustainable development aspired for the national economy, Crédito Agrícola's operations are governed by a set of **sustainability principles** that complement each other:






- Align decision-making processes in all the Group's areas with the Paris Agreement, the material topics for GCA and the 8 Development Goals Alignment of the decision-making process, in all the Group's areas, with: the Paris Agreement, the Sustainable Development Goals (SDGs) of the United Nations (UN) 2030 Agenda, and the relevant national and European legislation and regulations on sustainability;
- Inclusion of the SDGs in the innovation process and in existing financial products;
- Transparent information on the destination and impact of loans and investments made by the Group;
- Information and advice for customers and other partners on the importance of protecting natural resources and the urgent need to combat climate change;
- Respect for legal requirements.

4.3 Our government model for sustainability

Sustainability has been integrated into the Group's governance model since 2020, taking the form in particular of the Sustainability Office (reporting directly to the Executive Board of Directors (CAE) and the Sustainability Board, supported by different working groups from the various business areas and a group of Sustainability Ambassadors representing the various Associates.






In 2023, the Sustainability department came under the purview of Executive Director Luís Bravo Seabra, who is also responsible for the risk management function, reflecting the strategic importance of the issue within the Group.

Between 1 January and 31 July 2023, the areas of responsibility of the Executive Board of Directors (CAE), as distributed among the members in office under the 2022-2024 mandate, were as follows:

Photo					
Name	Licínio Pina	Ana Paula Ramos	Isabel da Conceição Alves	Luís Bravo Seabra	Sérgio Raposo Frade
Position	Executive Chairman	Executive Director	Executive Director	Executive Director and Chief Risk Officer (CRO)	Executive Director and Chief Financial Officer (CFO)
Departments	<ul style="list-style-type: none"> - Central Human Resources Department (DCRH); - Communication and Institutional Relationships Office (GCRI); - Operations Department (OD); - Legal Affairs Department (DAJ); - Credit Risk Department (DRC); - Sustainability Office (GS); - Audit Department (DA), reporting hierarchically to the Executive Board of Directors (CAE) and functionally to the CAE and General and Supervisory Board (CGS); - Monitoring and Supervision Department (DAS), reporting 	<ul style="list-style-type: none"> - Compliance Department (DC); - Transformation and Development Office (GTD); - Data Protection Office (GPD); - Customer Ombudsman Office (GPC); - Banking Security Department (DSB); - Credit Recovery Department (DREC); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting hierarchically to the CAE and functionally 	<ul style="list-style-type: none"> - Strategic Marketing Department (DME); - Business Promotion Department (DDN); - Product Department (DP); - Direct Banking Department (DBD); - Innovation Digital Department (DID); - Retail Department (DR); - Companies Department (DE); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), 	<ul style="list-style-type: none"> - Global Risk Department (DRG); - Organisation and Processes Department (DOP); - Credit Monitoring Department (DAC); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and 	<ul style="list-style-type: none"> - Strategic Planning and Management Control Department (DPEC); - Accounting and Taxation Department (DCF); - Logistics, Support and Procurement Department (DLSC); - Technology and Data Department (DTD); - Financial Department (DF); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting

	hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE.	to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE.	reporting hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE.	CGS; - Internal Control Office (GCI), reporting hierarchically to the Department and functionally to the CAE.	hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE.
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As part of the implementation of the "ALVORADA" Transformation Programme, under which new structural units were reorganised and created at Caixa Central during 2023, the Executive Board of Directors' responsibilities were distributed as follows as of 1 August 2023:

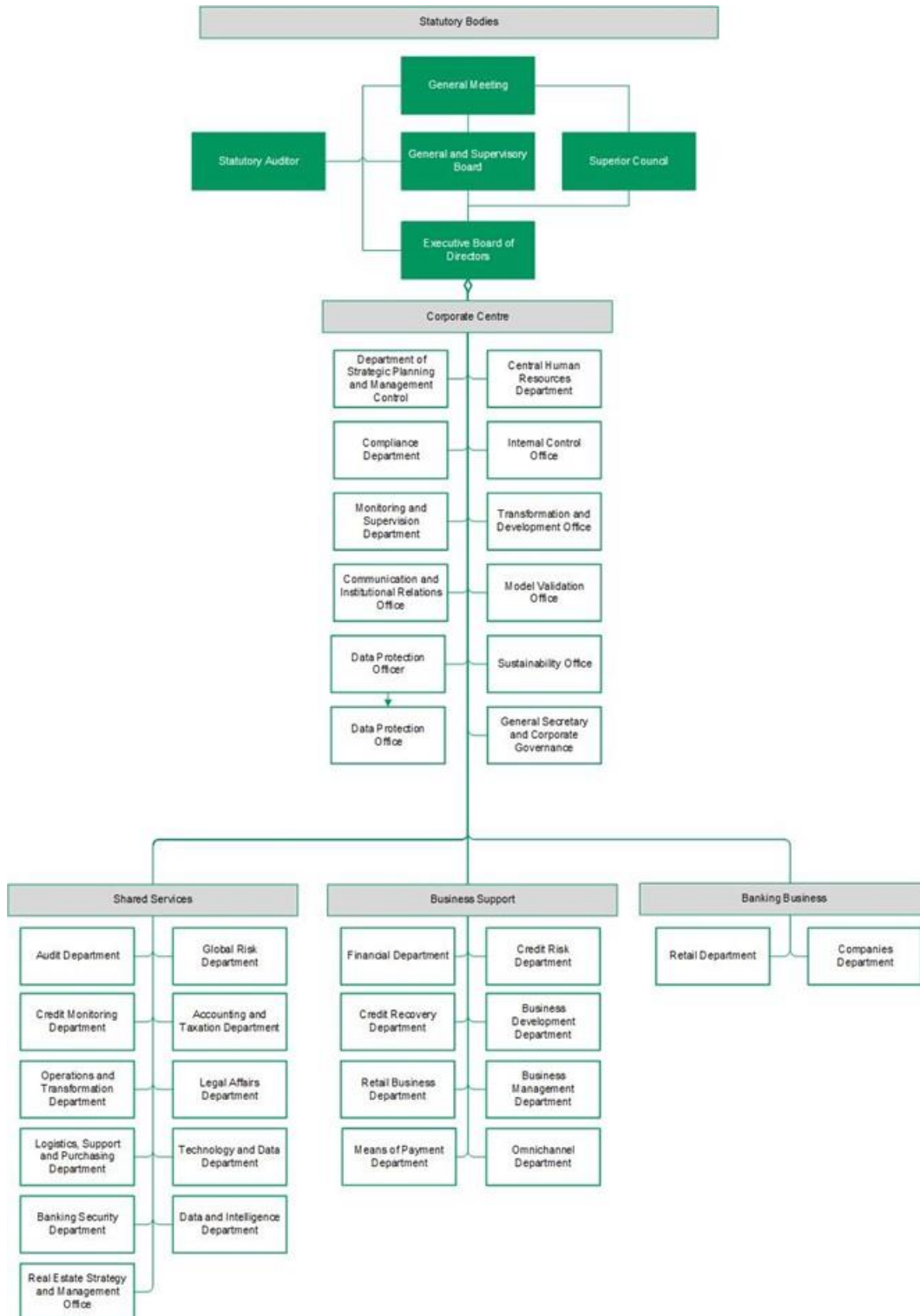
Photo					
Name	Licínio Pina	Ana Paula Ramos	Isabel da Conceição Alves	Luís Bravo Seabra	Sérgio Raposo Frade
Position	Executive Chairman	Executive Director	Executive Director	Executive Director and Chief Financial Officer (CRO)	Executive Director and Chief Financial Officer (CFO)
Departments	Central Human Resources Department (DCRH); - Communication and Institutional Relationships (GCRI); - Operations and Transformation Department (DOT) - Legal Affairs Department (DAJ);	Compliance Department (DC); - Transformation and Development Office (GTD); - Data Protection Office (GPD); - Strategy and Real Estate Management Office (GEGI); - Banking Security Department (DSB); - Credit	- Business Promotion Department (DDN); - Product Payment Method Department (DMP); - Omnichannel Department (DOC); - Retail Department (DR); - Companies Department (DE); - Retail Business Department	Global Risk Department (DRG); - Credit Monitoring Department (DAC); - Sustainability Office (GS); - Audit Department (DA), reporting hierarchically to the CAE	Strategic Planning and Management Control Department (DPEC); - Accounting and Taxation Department (DCF); - Logistics, Support and Procurement Department (DLSC); - Technology and Architecture

	<ul style="list-style-type: none"> - Credit Risk Department (DRC); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE; - General Secretariat and Corporate Governance reporting hierarchically to the CAE and functionally to the CAE and CGS. 	<ul style="list-style-type: none"> Recovery Department (DREC); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE. - General Secretariat and Corporate Governance reporting hierarchically to the CAE and functionally to the CAE and CGS. 	<ul style="list-style-type: none"> (DNR); - Corporate Business Management Department (DGNE); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE. - General Secretariat and Corporate Governance reporting hierarchically to the CAE and functionally to the CAE and CGS. 	<ul style="list-style-type: none"> and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting hierarchically to the Department and functionally to the CAE; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS. - General Secretariat and Corporate Governance reporting hierarchically to the CAE and functionally to the CAE and CGS. 	<ul style="list-style-type: none"> Department (DTA); - Data and Intelligence Department (DDI); - Financial Department (DF); - Audit Department (DA), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Monitoring and Supervision Department (DAS), reporting hierarchically to the CAE and functionally to the CAE and CGS; - Model Validation Office reporting hierarchically to the CAE and functionally to the CAE and CGS; - Internal Control Office (GCI), reporting functionally to the CAE. - General Secretariat and Corporate Governance reporting hierarchically to the CAE and functionally to the CAE and CGS.
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In turn, the Sustainability Board, led by the Sustainability Office, was created in 2022 for the purpose of prioritising cross-cutting discussions on ESG issues. It is hoped that the analysis of the information presented at each meeting, the informed debate and the sharing of ideas between multiple structures can speed up the implementation of the multiple strategic sustainability objectives in the different areas of intervention: business, risk, internal management and positioning.

Caixa Central's Organisational Model

The Sustainability Office, which is part of the Corporate Centre, directly supports the Executive Board of Directors in the creation and management of the Crédito Agrícola Group's Sustainability Strategy.



Boards, Commissions and Committees of Caixa Central



4.4 Our commitment to sustainability

Crédito Agrícola is committed to playing an active role in resolving the environmental and social challenges facing Portuguese society, promoting the development and well-being of local communities and reducing inequalities, meeting the financial needs of its customers and fostering an informed, inclusive and sustainable internal culture.

As a Group with its core business based on banking, Crédito Agrícola aims to satisfy the financial needs and aspirations of its customers by offering personalised products and services that help them achieve their personal, family and professional goals. This ambition is not isolated from the desire to contribute to a greener and more inclusive economy, based on a more sustainable development model.

To this end, the Group has been increasingly promoting the investment and financing of sustainable projects and customers committed to climate transition goals and reducing inequalities. Its presence throughout the country allows it to have a close relationship with different communities, where it plays an important role in their development, supporting initiatives that promote economic, social, environmental and cultural growth.

The Crédito Agrícola Group also seeks to address business opportunities that present prospects for continued return on investment and the strengthening of cooperative values, continuously assuming its role as a cooperative bank.

Material topics and priority SDGs

The Crédito Agrícola Group's approach to materiality plays a fundamental role in the organisation's strategic direction. By identifying and prioritising the most relevant issues for its business, the Group ensures that its efforts are channelled into the most pertinent areas.

To this end, in 2020 the Group defined **13 material topics**, which have guided its approach to sustainability ever since:

- Anti-corruption;
- Anti-competitive behaviour;
- Economic performance;
- Economic impacts;
- Job market;
- Consumer privacy;
- Labour relations;
- Procurement practices;
- Non-discrimination;
- Education and training;
- Local communities;
- Emissions;
- Energy.

The identification of the Group's material topics was based on an internal materiality analysis. Guided by the **SDG Compass** methodology, the exercise was based on a survey of impacts (positive and negative) along the value chain, carried out in a face-to-face workshop involving the participation of directors and managers from various areas.

Committed to contributing to the achievement of the SDGs, the Group has also identified a set of (5) **priority SDGs** (

Figure 2) to which it contributes most actively, comprising the strategic axes of its Sustainability Policy:

- **SDG 8**: Decent Work and Economic Growth
- **SDG 10**: Reducing Inequalities
- **SDG 11**: Sustainable Cities and Communities
- **SDG 12**: Sustainable Production and Consumption
- **SDG 13**: Climate Action

Figure 2 – Priority SDGs of the Crédito Agrícola Group.



Dual Materiality Analysis 2023

The concept of dual materiality, reinforced by the European Commission (Corporate Sustainability Reporting Directive (CSRD) – European Union Directive 2022/2464 of 14 December 2022), establishes that companies must consider as material topics those that affect (or may affect) the company's business (financial materiality) and/or whose business impacts (or may impact) society and the environment (impact materiality).

To this end, and in anticipation of the entry into force of the CSRD, in the second half of **2023 Crédito Agrícola carried out a dual materiality analysis**, aimed at updating its material topics and obtaining a strategic approach more in line with the economic context and its business reality.

This review exercise involved an initial survey of a set of potentially material topics, specific to Crédito Agrícola, which took into account the Group's internal and external information in the context of sustainability (internal policies, SDGs, national and international legislation and standards, sustainability trends, sector trends, sector benchmarks). Next, in order to obtain a cross-sectional contribution from Crédito Agrícola's Employees, a first analysis of the initial list of potentially material topics was carried out through an internal online questionnaire, which, with a participation rate of 30%, made it possible to select a more restricted set of topics to evaluate in greater detail.

Following the dual materiality approach defined, we moved on to a listening exercise, via interviews and focus groups. This stage involved the participation of the Group's most knowledgeable internal stakeholders (Employees of Caixa Central and the different Associates – companies with greatest representation within the Group) and external stakeholders (Academia, Associations and Customers), who, based on the main impacts, risks and opportunities, assessed the different ESG issues in terms of their impact materiality and financial materiality.

This quantitative analysis enabled drawing up a matrix of Crédito Agrícola's dual materiality, and identifying **13 material topics**:

3 environmental topics:

- Energy and climate change;
- Biodiversity, water and ecosystems;
- Responsible use of resources and waste management;

6 social topics:

- Cybersecurity;

- Data protection and security;
- Employee conditions;
- Community support;
- Financial literacy;
- Diversity, Equity and Inclusion (DEI).

4 governance topics:

- Responsible offer and customer-centricity
- Innovation and digitalisation
- Business ethics
- Fighting corruption and preventing conflicts of interest

These topics reflect Crédito Agrícola's main impacts, risks and opportunities, and will form the basis of the Group's strategic approach to sustainability from 2024¹⁸.

The exercise also made it possible to redefine the main SDGs to which Crédito Agrícola will contribute more proactively:

- **SDG 4:** Quality Education
- **SDG 8:** Decent Work and Economic Growth
- **SDG 10:** Reducing Inequalities
- **SDG 11:** Sustainable Cities and Communities
- **SDG 12:** Sustainable Production and Consumption
- **SDG 13:** Climate Action
- **SDG 15:** Protecting Life on Land
- **SDG 16:** Peace, Justice and Effective Institutions

Strategic sustainability priorities

For the 2023-25 horizon, the Crédito Agrícola Group has identified 4 strategic priorities in terms of sustainability:

1. Empowerment, recognition and commitment
2. Stimulating and promoting: ESG supply and demand
3. Anticipate regulatory requirements with more and better ESG information
4. Leading by example – an informed, inclusive and sustainable internal culture

With regard to the priority "**Empowerment, recognition and commitment**", the Group aims to achieve a position that confers recognition and credibility among its wide range of stakeholders. To this end, in 2023 it began to implement a series of actions and initiatives to reinforce, through internal and external communication, the Group's value and impact on the transition to a more sustainable economy in Portugal; to actively involve stakeholders in the Group's mission through two-way communication channels and strategic partnerships; to pursue a culture of accountability and transparency; to internally reinforce the strategic integration of ESG issues across the Group; and to strengthen the involvement, participation and commitment of the various business areas and departments to issues related to sustainability.

¹⁸ It should be noted that the Group's reporting of non-financial information from 2024 onwards will focus on these topics.

As for the priority "**Stimulate and promote: ESG supply and demand**", the Group aims to contribute to redirecting financial resources towards a greener and more socially inclusive economy, which promotes the economic, environmental and social well-being of communities. This commitment was reinforced with the approval of ambitious decarbonisation targets for the financing portfolio under the Net Zero Transition Plan. To this end, in 2023 it strengthened the assessment and implementation of green loans and financing operations with conditions indexed to compliance with ESG criteria (sustainability-linked loans). It also started working on strengthening its offer of green and social financial products and services, while raising awareness and mobilising its internal team.

In order to "**Anticipate regulatory requirements with more and better ESG information**", the Group is committed to strengthening and making universal the collection and processing of granular ESG data that can guarantee compliance with growing regulatory obligations and, at the same time, be useful for a good characterisation of the customer portfolio and credit operations, making it possible to adjust the offer and price and incorporate ESG risks in the evaluation of credit operations.

"**Leading by example – an informed, inclusive and sustainable internal culture**" is the Group's most transversal priority in terms of sustainability, as it is based on the premise that its People are the main driving force behind its business. To this end, in 2023, the Group began a series of internal initiatives, such as: updating its Human Resources Policy, introducing a reference to concerns about Diversity, Equity and Inclusion; developing a Sustainability Training Programme; integrating ESG criteria into external stakeholder relationship policies; and reinforcing measures to decarbonise its own operations through the development of the Net Zero Transition Plan.

The Crédito Agrícola Group is excited to continue this journey, together with all its stakeholders, and is looking forward to the positive impact it can create throughout its value chain.

Sustainability Policy

The Crédito Agrícola Group's **Sustainability Policy**¹⁹ aims to align the Bank's actions with the carbon neutrality objectives of the Paris Agreement and with the principles of the Sustainable Development Goals, and is thus the Group's guiding document in terms of sustainability.

With the growing relevance of ESG issues for customers and local communities, the Sustainability Policy defines the Group's commitment to promoting sustainable development. Covering the entire Group and all business areas, the policy contributes to mitigating risks and identifying new opportunities, benefiting society as a whole.

¹⁹ It should be noted that, in line with the review of the Group's material topics, the Sustainability Policy will be updated accordingly in 2024.

External commitments

Sustainable development can only be achieved if the various institutions, companies and organisations work together in the same direction.

The Crédito Agrícola Group believes that by working together with other entities it can amplify its positive impact and overcome challenges more easily. Below are the main charters, voluntary commitments and working groups to which the Group was associated in 2023:

Subscription to and active participation in the Crédito Agrícola Group's sustainability programmes and working groups

- Letter of Commitment for Sustainable Financing in Portugal, developed in 2019 by the Government of Portugal in collaboration with the Bank of Portugal, the Portuguese Securities Market Commission and the Portuguese Banking Association
- BCSD Portugal Charter of Principles
- United Nations Environment Programme Finance Initiative – UNEP FI
- Working Group of the Portuguese Banking Association (APB)
- Working Group on Reporting and Sustainable Finance, of BCSD Portugal
- Diversity, Equity and Inclusion Working Group, of BCSD Portugal
- Biodiversity Working Group, of BCSD Portugal
- Working Group on Financial Sustainability of the European Association for Cooperative Banks (EACB)
- Working Group of the Partnership for Carbon Accounting Financials (PCAF)
- Technical Reflection Group for Sustainable Financing, under the aegis of the Ministry of the Environment and Climate Action

ESG Rating (Sustainalytics)

The Crédito Agrícola Group stood out in the national banking sector with an ESG Risk Rating of 20.0

In 2023, the Crédito Agrícola Group received an ESG Risk Rating of 20.0 from Sustainalytics, positioning it favourably in the national banking market.

The rating indicates a medium ESG risk, close to the low risk level, which shows that the Group is doing a good job of managing the environmental, social and governance risks to which it is exposed, namely those related to data protection and security; human capital; supply and its governance model; integration of ESG factors in financial decisions; ethics and conduct; and the institution's governance model. It should be noted that prudent and responsible internal

management of these ESG risks has a positive impact on society and the environment and strengthens the Group's resilience in the long term, leveraging the Group's ambition to become a benchmark in Sustainability in the national market.

For further information, see "[CA stands out in the national banking sector with an ESG Risk Rating of 20.0 awarded by Sustainalytics](#)".

4.5 Our ESG risk management

The Group recognises the importance of proactively managing the ESG risks associated with its activity, in order to identify, anticipate and manage current and potential challenges and opportunities. By incorporating ESG considerations into decision-making processes, assessing the sustainability of its value chain and continuously monitoring its progress, the Group reinforces its commitment to responsible and transparent business practices.

Identification and monitoring of ESG risks

The growing perception of the impact of ESG risks on the viability of companies' businesses, and consequently on the performance and robustness of the financial sector, has been increasing, particularly due to pressure from regulators, legislators and other institutional players (e.g. investors, rating agencies, global forums, among others).

It should be noted that, in the latest annual report by the World Economic Forum⁽²⁰⁾ on the perception of risks, of the 10 risks identified for the next 10 years in terms of the severity of the potential impact on the world economy and on humanity, five are environmental (extreme weather events, critical changes in the Earth's systems, loss of biodiversity and collapse of ecosystems, scarcity of natural resources and pollution), two are social (involuntary migration and social polarisation), and three are technological (disinformation, negative results from artificial intelligence, and cyber insecurity).

The analysis and assessment of the exposure of assets to physical risks arising from extreme weather events or medium and long-term climate trends, as well as transition risks related to inefficient and/or ineffective monitoring of the process of transformation of the economy and society, are relevant to the Group's risk management strategy and, consequently, to the adaptation of its offer and business model. The identification, analysis and monitoring of climate risks (physical and transition) are the responsibility of the Global Risk Department, with strong involvement from the Sustainability Office, which is responsible for providing strategic and technical input on the ESG risk component within the scope of the ESG Risk Policy and the Credit Risk Appetite Policy, among others.

Aware that effective ESG risk management is crucial to the Crédito Agrícola Group's business, its approach is based on:

1. The existence of a Sustainability Office, reporting directly to the Board of Directors, responsible for planning and supporting the implementation of the Sustainability Strategy, as well as providing conceptual and technical support to the structures whose activity is impacted by it, namely the risk, marketing and product areas;

²⁰ www.weforum.org/publications/global-risks-report-2024/digest/

2. The existence of a Sustainability Board made up of the Executive Board of Directors and representatives of Caixa Central structures relevant to the implementation of the Strategy;
3. Implementation of a Sustainability Policy which dictates the main sustainability guidelines to be followed by the Group's various entities;
4. Inclusion of a set of ESG risks in the risk matrix;
5. Collection and processing of environmental and social information from corporate and sole proprietorship customers when opening credit operations, in accordance with the guidelines of the European Banking Authority (EBA) on the inclusion of ESG issues when granting and monitoring loans;
6. Anticipation, even if in a preliminary manner, of regulatory exercises, such as climate stress tests and/or the inclusion of ESG risks in the Internal Capital Adequacy Assessment Process (ICAAP) report.

Climate risks

The Group has been integrating the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) since 2020. In the context of ESG risks, we recognise the enormous risks and challenges that climate change can have directly on our business and along the value chain, both in direct and indirect financial terms, through Customers, Suppliers and Society in general. The consequences of extreme weather events are increasingly visible, creating financial constraints in various regions of the country. Regulation is also becoming more demanding, challenging the financial sector while driving the shift to a low-carbon economy.

In an economy in transition, the challenges are not all immediate and have different impacts over time, information monitored by the Group as part of its ongoing risk management approach.

Type Risk	Relevant	Potential financial impacts	Time horizon		
			Short	Medium	Long
Physical Risks	Acute > Increased severity of extreme weather events such as cyclones, droughts and floods	> Need for investment in the infrastructure of the buildings where the Group operates > Increase in non-performing loans by companies and families > Need to renegotiate corporate loans > Physical assets with lower market valuations > Need to increase capital > Greater difficulty in granting credit to companies that may be more exposed to these risks	x	x	x
	Chronic > Changes in rainfall patterns and extreme variations in weather patterns > Average temperature rise > Sea level rise				

<p>Political and legal risks</p>	<ul style="list-style-type: none"> > Increase in the price of the ton of CO₂e emitted > More demanding reporting of the company's non-financial information > More regulation and more demanding in terms of the products and services sold and aspects of their value chain 	<ul style="list-style-type: none"> > Investment in information systems that allow more fluid integration and reporting of non-financial information > Investment in human and technological capital to be able to identify the environmental, social and governance risks of corporate customers that could be impacted by these political and legal risks > Greater difficulty for customers to fulfil their commitments to the Bank, due to increased operating costs. Potential need for renegotiations. Ultimately, it can lead to an increase in corporate loan default > Greater difficulty in granting credit to companies that may be more exposed to these risks 	x	x	x
<p>Technological Risks</p>	<ul style="list-style-type: none"> > Wrong investments in technologies that are out of date with the needs of the near future > Transition costs to the use of more efficient technologies 	<ul style="list-style-type: none"> > The customer's economic value may decrease, as some assets may be strongly devalued > The customer may go out of business, and may not be able to meet its financial obligations to the Bank > They may need to invest in new production lines and new technologies > It is more difficult to grant loans to companies that are more exposed to these risks 		x	x
<p>Market Risks</p>	<ul style="list-style-type: none"> > Changing consumer preferences > Uncertainty in market signals > Rising raw material prices 	<ul style="list-style-type: none"> > Decrease in individual and corporate customers > Increase in the risk of bad loans by the corporate sector > Greater difficulty in granting loans to companies that may be more exposed to these risks 		x	x
<p>Reputational Risks</p>	<ul style="list-style-type: none"> > Changing consumer preferences > Stigmatisation of the sector > Increased stakeholder concern or negative perception 	<ul style="list-style-type: none"> > Loss of customers > Weak capacity for innovation and resilience > Greater difficulty in granting credit to companies that may be more exposed to these risks 		x	x

Award of an environmental and social rating to our customers

In 2021, the Crédito Agrícola Group began a process of characterising the environmental and social performance of corporate customers from different sectors of activity that request financing, as well as the credit operation itself. Inspired by the European Taxonomy and taking into account the sectors with the greatest exposure, the Crédito Agrícola Group created the Environmental and Social Rating. This tool, a pioneer at the time of its creation, enables classifying corporate customers and financing operations according to sustainability principles.

Based on the answers to the questionnaires, each company and/or loan will be graded A, B, C or D in terms of its alignment with the defined sustainability principles:

A – Very Good | B – Good | C – Low | D – Very Low

The construction of the questionnaires also involved the creation of support material – the Manual and Specific Training – which included a set of practical and scientifically-based information on the questionnaires. This information has made it possible to support the employees responsible for implementing the questionnaires, providing them with scientific knowledge that helps the customers themselves in their business decisions.

This initiative allowed Crédito Agrícola to trigger a culture of recognising the ESG impacts of its customers, the need to incorporate ESG risks into traditional risk management and to advise its customers on the regulatory changes that have already been approved and are due to be implemented in the short-term.

In 2023, 26,100 questionnaires were answered, 48% of which were corporate questionnaires and 52% credit operation questionnaires.

Type of Questionnaire and Rating		No. of questionnaires	%
Corporate Questionnaire		12 575	48%
A		187	1%
B		444	4%
C		712	6%
D		11 232	89%
Credit Questionnaire	Operations	13 525	52%
A		1 058	8%
B		3 390	25%
C		7 884	58%
D		1 193	9%
Grand Total		26 100	

Although 89% of the companies that answered the questionnaire had a very low alignment with sustainability principles (D rating), in the case of credit operations this figure corresponds to just 9%, which may indicate that companies are already starting to invest in activities aligned with the transition to more sustainable development. Based on the responses obtained, it can be seen that 1/3 of the credit operations obtained a rating of "good" or "very good" with regard to their alignment with sustainability principles.

With regard to the business questionnaires, it can be seen that the vast majority correspond to micro-enterprises and sole proprietorships (88%), in line with the large representation of these companies in the Portuguese business structure.

CORPORATE QUESTIONNAIRES

Type of company and Rating	No. of questionnaires	%
Micro and sole proprietorships	11 037	88%
A	153	1%
B	397	4%
C	623	6%
D	9 864	89%
SMEs and Large Companies	1 538	12%
A	34	2%
B	47	3%
C	89	6%
D	1 368	89%
Grand Total	12 575	

In the credit operation questionnaires, 30% correspond to loans granted to five main sectors: Agriculture and Livestock; Property Acquisition; Construction and Renovation; Restaurants; Tourism. In these sectors, 40% of the questionnaires obtained an environmental and social rating of "good" or "very good".

The graphs below show the sustainability rating of credit operations for six sectors:

CREDIT OPERATIONS QUESTIONNAIRES

Sector and Rating	No. of questionnaires	%
Agriculture and Livestock	2 367	18%
A	176	7%
B	826	35%
C	914	39%
D	451	19%
Acquisition of property (rural and urban)	470	3%
B	17	4%
C	252	54%
D	201	43%
Construction and Renovation	567	4%
A	12	2%
B	111	20%
C	435	77%
D	9	2%
General	9 533	70%
A	792	8%
B	2 103	22%
C	6 120	64%
D	518	5%
Restaurants	401	3%
A	57	14%
B	225	56%
C	105	26%
D	14	3%
Tourism	187	1%
A	21	11%
B	108	58%
C	58	31%
Grand Total	13 525	

The **Restaurant**, **Tourism** and **Agriculture and Livestock** sectors stand out, as the rating of alignment with sustainability principles is comparatively better than the average results.

Particularly noteworthy are the Tourism and Catering sectors, where more than half of the credit operations were rated A (good) or B (very good).

On the other hand, the environmental and social rating given to credit operations associated with **Construction and Renovation**, and **Property Acquisition** may indicate that companies still have some way to go, and that there are opportunities for improvements in the projects to be financed.

4.6 Our Policies

The Group believes that effective policies are a fundamental pillar of its corporate strategy, and their implementation is crucial to ensuring the long-term success and sustainability of the business.

In this sense, the Crédito Agrícola Group's management approach to sustainability is based, among other things, on a set of strict internal policies and processes that guide its daily activity.

Among the various policies is the Group's **Sustainability Policy**, which sets out its sustainability principles, priority material topics and SDGs, and ESG commitments.

In addition, the Crédito Agrícola Group has the following guiding documents:

- Code of Ethics and Conduct;
- Cookie Policy;
- Complaints Management Policy;
- Integrated Human Resources Management Policy;
- Customer Identification and Acceptance Policy and management of High-Risk Customers;
- Irregularities Reporting Policy;
- Policy for the Prevention, Communication and Sanctioning of Conflicts of Interest and Transactions with Related Parties;
- Privacy and Data Protection Policy;
- Remuneration Policy for Members of CCCAM's Management and Supervisory Bodies;
- Policy on the Selection and Appointment of Statutory Auditors (ROC/SROC) and the Hiring of Non-Prohibited Separate Audit Services;
- Policy for the Treatment of Policyholders, Insured Persons, Beneficiaries or Injured Third Parties;
- Binding Policy on the Prevention of Money Laundering and Terrorist Financing.

4.7 ESG opportunities

In the dynamic and constantly changing scenario in which we find ourselves, ESG considerations transcend the mere question of reputation, becoming increasingly consolidated as a driver of financial performance and the creation of sustainable value in the short, medium and long term.

The Crédito Agrícola Group recognises the opportunities that sustainability offers both for its business and for its stakeholders. Imbued with this conviction, the Group adopts a proactive stance in identifying and capturing these opportunities, with the aim of unlocking value in a shared way.

Social Bond

Following its first issue, in 2021, of a €300 million corporate bond, in July 2023 the Crédito Agrícola Group concluded its second issue of senior preferred debt, amounting to €200 million, which was subsequently reinforced with a tap issue of €50 million fungible with the previous one, launched in August. The Group has once again opted to issue a social bond (PTCCCMOM0006) in accordance with the principles associated with issuing social bonds, in line with its "[Green, Social and Sustainability Bond Framework](#)".

This bond has a maturity of 4 years, with an early repayment option at the end of the 3rd year, with an annual coupon rate of 8.375% for the first 3 years and subsequently remunerated at the 3M Euribor rate plus a margin of 4.974%. Moody's Investor Services gave the issue a "Ba1" rating.

The Crédito Agrícola Group believes that the successful conclusion of these debt issues reflects the market's recognition of CA's profitability, robustness, liquidity and financial resilience, as well as its commitment to supporting the development of the Portuguese economy, fostering the social dynamics of local communities and promoting sustainable development throughout the entire country.

AGRICULTURAL CREDIT SOCIAL BONDS			
Instrument	Date of issue	Maturity date	Value
PTCCCAOM0000	November 2021	November 2026	M€300
PTCCCMOM0006	July 2023	July 2027	M€250
TOTAL			M€550

Between November 2021 and September 2023, the Crédito Agrícola Group financed projects aimed at contributing to "**Micro and SMEs in disadvantaged regions**" and "**Socio-economic promotion and empowerment through non-profit institutions**", as shown below.

Category	Subcategory	Amount financed ²¹	Balance amount ²²	Weighted average maturity ²³
Socio-economic development of the territory	Micro and SMEs in disadvantaged regions	M€995.8	M€611.2	6.3 years
	Socio-economic promotion and empowerment through non-profit institutions	M€25.1	M€12.8	11.2 years
TOTAL		M€1020.9	M€624.0	6.4 years

More information at [Social Bond Allocation and Impact Report Set 2023](#)²⁴.

Sustainable offer

The Crédito Agrícola Group recognises the importance of sustainability and digitalisation for its future. Through the creation of sustainable financial products, which support customers in reducing their negative environmental and social impacts, seeking to combine a response to their needs with responsible environmental action, and the promotion and continuous improvement of digital channels, the Group guarantees its relevance in the market, with the prospect of being increasingly inclusive, flexible and adapting to the circumstances and daily routine of its customers.

²¹ Corresponds to the total of the amounts contracted to open credit operations classified in the above categories.

²² Corresponds to the amount owed on 30 September 2023.

²³ Calculated on the basis of the amount financed.

²⁴ Document in English.

Loans and advances		
	Social	Environmental
Individuals	<u>Health Consumer Credit</u> <u>Credit for Education</u>	<u>Eco-credit</u> <u>Loans for Renewable Energy</u> <u>Mortgage Loans – “CA Casa Energia Eficiente” (CA Efficient Energy House)</u>
Corporate	<u>“Linha de Crédito de Apoio à Economia Social – Social Investe” (Social Economy Support – Social Invest Credit Line)</u> <u>Social Sector Financing Line</u>	<u>“Linha de Crédito para a Descarbonização e Economia Circular” (Decarbonisation and Circular Economy Credit Line)</u> <u>“Linha de Crédito Energias Renováveis” (Renewable Energy Credit Line)</u> <u>CA Car Leasing</u>

Investment

[Amundi Funds Multi-Asset Sustainable Future](#)

[IMGA Iberia Equities ESG](#)

Partnerships and Protocols

[CA & ENERGIE](#)

[CA & DSTSOLAR](#)

[CA & WISECROP](#)

Insurance
“Seguro CA Vida Educação” (CA Vida insurance for education)
Seguro CA Saúde (CA health insurance)
“Seguro CA Clinicard” (CA insurance for clinics)
“Seguro CA Protecção Hospital” (CA insurance for hospital protection)
Seguro CA Mulher (CA women's insurance)
CA Renewable Energy
“Seguro CA Ciclista” (CA insurance for cyclists)

Other ESG Products
Minimum Banking Services Account

For further information, see ["Sustainable Offer - for me"](#) and ["Sustainable Offer - for my company"](#).

4.8 European Environmental Taxonomy

The European Union has led the race towards a more sustainable future with the adoption of the European Green Deal in 2020 and the implementation of numerous initiatives within it, such as the [Environmental Taxonomy Regulation](#). This system classifies economic activities according to their positive and negative environmental impact, making it possible to identify those that can be considered environmentally sustainable.

The Environmental Taxonomy aims to direct investments towards activities that contribute to a green and resilient future, establishing a clear and transparent regulatory framework for the financial market. Environmental Taxonomy thus paves the way for a more sustainable future, directing investments towards activities that benefit the preservation of the planet and the well-being of future generations.

In order to support the implementation of the European Taxonomy, on 6 July 2021, the European Commission endorsed the Disclosures Delegated Act (DDA) – Commission Delegated Regulation (EU) 2021/2178 –, which establishes the information, structure, methodologies and form of data presentation to be followed by financial and non-financial entities, regarding the proportion of sustainable activities in their business, investment or granting of credit, in the form of performance indicators and templates to be adopted by the different entities.

Legal basis for European Taxonomy disclosures

Under the terms of Article 10(5) of the DDA, as of 1 January 2024, financial institutions must disclose the main indicators set out in the regulations (namely the Green Asset Ratio – GAR), and present all the relevant information that accompanies them in compliance with Annexes V, VI, XI and XII of the DDA regulation. Likewise, the disclosures related to the activities of the energy

sector – as per the Complementary Delegated Act on Climate – are also applicable from 1 January 2024.

Additionally, and pursuant to Article 10(7) of the DDA, for the period from 1 January 2024 to 31 December 2025, financial institutions must only disclose indicators, on a relative basis, on the eligibility of activities regulated by the Environmental Delegated Act.

Also noteworthy is the publication by the European Commission of the guidelines for reporting the environmental performance of financial institutions' activities in accordance with the European Taxonomy, on 21 December 2023.

Based on this framework, the Crédito Agrícola Group discloses the mandatory qualitative and quantitative information in accordance with the methodologies described below. Thus, with this disclosure, the Group complies with the following requirements of the European Taxonomy Regulation:

- Qualitative information referred to in Annex XI of the Disclosures Delegated Act;
- Quantitative information referred to in Annexes V and VI of the Delegated Act on Disclosure of Information, including Annex XII on natural gas and nuclear energy, introduced by the Supplementary Delegated Act on Climate.

For the third year running, the Group has reported its progress in terms of applying the eligibility criteria under the European Taxonomy for sustainable activities, the first year in which the level of alignment is reported. In order to value the developments that the Group has made in terms of adopting the Taxonomy – for the purposes of classifying and monitoring the business and characterising the risks on the balance sheet – additional disclosures are presented, on a voluntary basis, but which allow for better transparency and understanding of the sustainability of the Group's business.

Scope of the European Taxonomy

In accordance with the European Taxonomy Regulation, the information presented refers to the period ended on 31 December 2023 and concerns the universe of relevant assets, as described below, for the prudential consolidation perimeter of the Crédito Agrícola Group, consisting of Caixa Central, Associates, FENACAM, Insurance Companies (CA Seguros and CA Vida) and Subsidiaries (Ca Capital, CA Gest, CA Imobiliário – FEIIA, CA Imóveis, CA Serviços, CA Informática, CA Seguros e Pensões, CCCAM Gestão Investimentos e Consultoria Unipessoal, Imovalor CA – FEIIF, Crédito Agrícola SGPS). All the relevant assets of each of the aforesaid entities were assessed against the Taxonomy criteria. The environmental objectives that support the valuation of the assets comprise the first two environmental objectives – climate change mitigation (CCM) and climate change adaptation (CCA) – defined by the Climate Delegated Act, and the additional objectives, the criteria for which are defined in the Environmental Delegated Act, making a total of six environmental objectives:

- Climate Change Mitigation (CCM);
- Climate Change Adaptation (CCA);
- Sustainable use and protection of water and marine resources (RHM);
- Transition to a circular economy (EC);
- Pollution prevention and control (PCP);
- Protection and restoration of biodiversity and ecosystems (BIO).

Given that the Environmental Delegated Act is of recent application, it was noted that most of the Group's customers have not yet reported their eligibility or alignment with the four additional environmental objectives – for this reason, the Crédito Agrícola Group is not disclosing information on the eligibility of exposure to these objectives. Considering the eligibility defined by the six environmental objectives, all exposure to economic activities not qualifying by the European Taxonomy is also excluded.

Nevertheless, using internal estimates based on the Portuguese Economic Activity Classification (CAE), the Group calculated a potential eligibility of 28% of its total exposure to companies that are and are not subject to non-financial reporting obligations (NFRD).

Data as at 31 December 2023, consolidated information	M€	% Exposure
Total exposure to non-financial companies	6 255	100%
Of which, companies with eligible main economic activity classification ²⁵ for the European Taxonomy	4 293	69%
CCM + CCA objectives	2 559	41%
Additional objectives (four environmental)	1 734	28%
Of which, companies covered by non-financial reporting obligations (NFRD)	177	3%
Of which, companies not covered by non-financial reporting obligations (NFRD)	6 078	97%

In order to apply the European Taxonomy criteria, the following assets/portfolios on the Group's balance sheet (including off-balance sheet positions) and belonging to its banking portfolio are assessed:

Loans and advances to non-financial companies: these are financing activities consisting of funds made directly available to the Group's corporate customers. The loans are still outstanding at the date of application of the Taxonomy and are valued on the basis of their gross book value. Regardless of the contractual definitions or the characteristics of any guarantees associated with the operations, the entire portfolio was subjected to the Taxonomy application process.

Loans and advances to households: these are financing activities consisting of funds made available to individuals. The loans are still outstanding at the date of application of the Taxonomy and are valued on the basis of their gross book value. Only loans associated with residential mortgages and the financing of motor vehicles were subject to the Taxonomy application process. Loans granted for the purpose of renovating buildings are partly classified as mortgages – in the remaining cases, the operations were not assessed by Taxonomy as a result of the need to better characterise and assess the use of the funds associated with these operations.

Investments in financial securities: these are debt (e.g. bonds, commercial paper) or equity (e.g. funds, shares) instruments represented by financial securities held in the Group's banking book.

²⁵ According to internal estimates.

The relevant amounts for the application of the Taxonomy correspond to the gross book value of these instruments.

Loans to local governments: loans disbursed to government entities of a local or regional nature (e.g. municipalities). The loans are still outstanding at the date of application of the Taxonomy and are valued on the basis of their gross book value. Regardless of the contractual definitions or the characteristics of any guarantees associated with the operations, the entire portfolio was subjected to the Taxonomy application process. In general, the entities included here are not obliged to disclose non-financial information and the financing provided is of a general nature (i.e. not associated with any specific project) – for this reason, the results resulting from the application of the Taxonomy are not reported.

Non-current assets held for sale: real estate assets received in lieu of payment or recovered as part of credit litigation (residential and commercial properties) and classified under this heading of the Group's balance sheet were subject to the Taxonomy application process, at their gross book value.

Other assets in the banking book: guarantees provided and assets under management (AuM) have been assessed for the purposes of the Taxonomy disclosures. The respective sorting was carried out according to the nature of each item, in accordance with the definitions presented above.

Pursuant to the European Taxonomy Regulation, the presented information refers to the period ended on 31 December 2023, concerning the universe of relevant assets, as described below, for the prudential consolidation perimeter of the Crédito Agrícola Group.

Process of applying the European Taxonomy

The analysis process to determine the extent to which the portfolios and assets defined above are environmentally sustainable, from the Taxonomy's point of view, follows a four-stage approach:

Stage 1 (Eligibility): the asset must be associated with an activity that potentially has a substantial contribution to one or more of the (six) environmental objectives defined in the European Taxonomy Regulation. These assets are therefore called "eligible" – in other words, they correspond to an activity covered by the Delegated Acts of the European Environmental Taxonomy.

If the asset corresponds to an eligible activity, it is then necessary to carry out a more in-depth analysis to assess whether or not it is in line with the technical criteria of the Taxonomy. To do this, the following steps must be followed:

Phase 2 (Alignment): the asset must have a substantial contribution to any of the six environmental objectives currently covered by the EU Taxonomy;

Phase 3 (Alignment): the asset must not cause significant harm to any of the other environmental objectives (Do Not Significant Harm – DNSH); and

Phase 4 (Alignment): minimum social safeguards must be complied with.

In strict accordance with the provisions established by the Disclosures Delegated Act (and with the complementary guidance provided by the European Commission's FAQ of December 2023) the Taxonomy application process is based exclusively on information disclosed by counterparties (i.e. the Taxonomy key performance indicators applicable to non-financial corporations) – in cases

where this information is not available, and even if it can be estimated, it has not been taken into account for the purposes of disclosing the mandatory information for the Taxonomy.

In addition, the way in which the process is applied depends on the type and purpose of the asset:

- **General purpose loans or investments:** the process is based on companies' disclosures of their Turnover and Capital Expenditure (CAPEX), resulting from or related to environmentally sustainable activities. Thus, for this type of operation, the process is carried out twice – both for the valuation of CAPEX and Turnover data;
- **Loans or investments for a specific purpose (use of proceeds):** the process is based on the assessment of eligibility and alignment by the Crédito Agrícola Group itself, underpinned by the analysis of the financed activities in accordance with the technical criteria described in the Taxonomy Delegated Acts.

The external data used (i.e. disclosed by companies) is captured through a platform shared by the Portuguese banking system. For counterparties whose exposure relates to financial securities (investments), the relevant data was obtained from Bloomberg and Refinitiv – Reuters.

In recent years, the Crédito Agrícola Group has been working on implementing Taxonomy as a tool for classifying commercial operations as green or sustainable. During 2024, these efforts will continue to progress, promoting the effective integration of Taxonomy criteria into business decision-making and monitoring processes.

Main assumptions and sources of uncertainty

The regulatory framework supporting the European Taxonomy has been evolving, sometimes having an impact on the interpretation of the applicable requirements. This view is also demonstrated by the European Commission's recent publications, namely the FAQ of 21 December 2023, which aims to clarify some requirements for the preparation of Taxonomy disclosures by financial institutions.

Despite all the efforts made by the Crédito Agrícola Group to gather the required information to disseminate the Taxonomy, the availability of data remained an operational challenge.

In accordance with Article 8 of the Delegated Act for the Disclosure of Information, the Group uses the most recent information published by counterparties – however, for the most part, the information that is available has a reference date of December 2022, which may cause fluctuations in the 2023 update.

In addition, the number of counterparties disclosing the required data is still limited (limited to NFRD companies), especially in the main sectors financed by the Group. In this context, the Crédito Agrícola Group considers the key performance indicators resulting from the application of the European Taxonomy to be of limited comparability between Portuguese and European banking institutions.

In view of the different interpretations and well-founded doubts regarding the application of the Taxonomy classification process for loans to households (and non-current assets held for sale), particularly with regard to compliance with the DNSH criteria, the Crédito Agrícola Group opted not to include these assets in the scope of its reporting (e.g. disclosures of key performance indicators (KPIs) and information models of the Taxonomy).

Without prejudice to the paragraph above, for the sake of transparency of information, and on a voluntary basis, the impacts on the main KPIs (e.g. Green Asset Ratio (GAR)) of the potential inclusion of these assets are presented. Therefore, further detail on these results is presented in the section below, based on the following criteria for determining voluntary alignment with the European Taxonomy for loans to households and non-current assets:

For compliance with the substantial contribution criteria – the assets are associated with financing the acquisition or renovation of properties that were built before 31 December 2020, have a minimum real energy performance certificate of A or higher.

For compliance with the DNSH criteria – the properties referred to in the previous point have a low or negligible level of physical risk, according to the Group's internal model (concerning floods, forest fires and landslides), in a climate scenario aligned with the Current Policies narrative of the Network for Greening the Financial System (reference year, 2080), thus exempting the presentation of plans or other evidence of response to these risk factors.

Properties built after 31 December 2020 were not considered within the scope of the voluntary disclosure, as a result of the absence of detailed information to support not only the validation of the substantial contribution – specifically, the classification of their energy efficiency in the context of the energy performance of the national real estate *stock* – but also of the DNSH criteria, namely the water efficiency of the property and waste management practices including the reuse of waste.

Summary of the main results of applying the Taxonomy

With reference to 31 December 2023, the Crédito Agrícola Group reports a mandatory eligibility ratio of 26.7%, based on the turnover information disclosed by its corporate customers (27.0% based on CAPEX).

For more information on the above, see the [2023 Annual Report of the Crédito Agrícola Group](#).

Assets that meet the criteria of the Taxonomy application process, described in the previous sections, are considered aligned and form part of the Group's Green Asset Ratio (GAR) – as at 31 December 2023, the Group's GAR is 0.50%, valuing the information on the turnover of corporate customers (0.71%, based on CAPEX).

In a transparent approach and considering the information prepared on a voluntary basis (e.g. alignment of loans to households and non-current assets held for sale), the ratios presented above could potentially be revised to 0.51% based on Turnover (0.72% in terms of CAPEX).

The summary of the Taxonomy metrics, using the information presented on a [mandatory basis](#) is as follows:

Taxonomy metrics: Turnover base	Exposure (M€)	Exposure (M€)	Exposure (%)	Aligned (M€)	Aligned (%)
Loans and investments					

Financial companies [a]	1 855	32	0.2%	32	0.2%
Non-financial companies	6 470	50	29.0%	50	0.3%
Subject to NFRD [b]	177	50	0.3%	50	0.3%
Not subject to NFRD	6 293	0	0.0%	0	0%
Loans to households [c]	5 178	4 066	24.8%	0	0%
Local and regional governments [d]	407	0.2	0.0%	0	0%
Non-current assets [e]	223	223	1.4%	0	0%
Total assets of numerator and denominator ²⁶	16 347	4 372	26.7%	82	0.50%
Exposure to companies not subject to the NFRD	6 293	--	--	--	--
Financial derivatives	686	--	--	--	--
Interbank financing	67	--	--	--	--
Cash and other assets	1 461	--	--	--	--
Total denominator assets	8 507	--	--	--	--
Green Assets Ratio (GAR%)					0.50%

The summary of the Taxonomy metrics, using the information presented on a **voluntary basis**, is as follows:

Taxonomy metrics: Turnover base	Exposure (M€)	Exposure (M€)	Exposure (%)	Aligned (M€)	Aligned (%)
Loans and investments					
Financial companies [a]	1 855	32	0.2%	32	0.2%
Non-financial companies	6 470	50	29.0%	50	0.3%
Subject to NFRD [b]	177	50	0.3%	50	0.3%
Not subject to NFRD	6 293	0	0.0%	0	0%
Loans to households [c]	5 178	4 066	24.8%	0.10	0.0%
Local and regional governments [d]	407	0.2	0.0%	0	0%
Non-current assets [e]	223	223	1.4%	1.7	0.01%
Total assets of numerator and denominator ²⁷	16 347	4 372	26.7%	84	0.5%
Exposure to companies not subject to the NFRD	6 293	--	--	--	--
Financial derivatives	686	--	--	--	--
Interbank financing	67	--	--	--	--
Cash and other assets	1 461	--	--	--	--

²⁶ Equivalent to: a + b + c + d + e

²⁷ Equivalent to: a + b + c + d + e

Total denominator assets	8 507	--	--	--	--
Green Assets Ratio (GAR%)					0.5%

5. CREATING VALUE IN THE CRÉDITO AGRÍCOLA GROUP: ACTING TODAY FOR THE BENEFIT OF TOMORROW

By acting with a vision of the future, the Crédito Agrícola Group reaffirms its role as an agent of positive change in society, helping to build a more sustainable and resilient world for all.

For the Crédito Agrícola Group, creating value is a commitment that is reflected in all its operations. Acting today in favour of sustainability, the Group recognises the importance of guaranteeing a prosperous future for the next generations, investing through initiatives that promote economic, social and environmental development in building a positive legacy.

Looking to the future, the Crédito Agrícola Group seeks to implement more sustainable practices throughout its value chain in order to generate shared value with its stakeholders. From responsible resource management to support for local communities, the institution seeks to balance economic growth with environmental preservation and social well-being.

By promoting financial inclusion, supporting rural development projects and fostering financial education, the Group strengthens the fundamental pillars for a fairer and more prosperous future. Furthermore, by financing sustainable projects and adopting transparent governance practices, it reaffirms its commitment to creating long-term value.

This is done by taking into account the trends, risks and opportunities in the external environment surrounding the Group, continually evolving and expanding its reach, exploring partnerships and projects, and building relationships with new customers.

The Crédito Agrícola Group believes that, in doing so, it not only creates value for its stakeholders, but also contributes to the greater good, driving innovation, creating jobs, fostering the growth of local economies and safeguarding the future of the planet.

5.1 Our economic value

The Crédito Agrícola Group aims to have a positive impact on the community in which it operates, whether through its Customers, Employees and/or Partners. The economic value generated and distributed allows wealth to be created and distributed among the different stakeholders.

Compared to the previous year, the economic value distributed in 2023 increased by 47% at the Crédito Agrícola Group and 50% at Caixa Central.

Table 1 – Direct economic value generated and distributed by the Crédito Agrícola Group.

(€)	2021	2022	2022R ²⁸	2023	Variation 2023/2022
ECONOMIC VALUE GENERATED	570 507 347	652 593 982	573 371 102	1 008 826 044	76%
Operating Income	569 861 741	652 024 664	572 801 783	1 008 272 821	76%
Results of shareholdings in associates	645 607	569 318	569 318	553 223	-3%
ECONOMIC VALUE DISTRIBUTED	411 731 041	508 298 480	485 599 026	711 601 607	47%
Employee salaries and benefits	223 271 404	236 439 969	236 439 970	249 483 532	6%
General administrative expenses	115 731 777	129 650 984	129 650 984	135 443 014	4%
Depreciation	33 713 412	34 821 459	34 821 459	36 281 641	4%
Gain / Loss on modification	1 146 860	-5 855 318	-5 855 318	2 139 432	137%
Provisions and impairments ²⁹	-2 151 618	57 376 044	57 385 233	129 110 552	125%
Results of non-current assets held for sale	-629 130	-3 195 663	-3 195 663	43 725 059	1468%
Payments to the State	40 489 455	58 756 637	36 108 689	115 189 155	219%
Minority interests	158 880	304 367	243 671	229 222	-6%
ECONOMIC VALUE HELD	158 776 306	144 295 502	87 772 077	297 224 436	239%
Net Income	158 776 306	144 295 502	87 772 077	297 224 436	239%

Increase in %	2021	2022	2022R ¹⁴	2023	Variation 2023/2022
Economic value generated	-7%	14%	1%	76%	75.4 pp
Economic value distributed	32%	23%	18%	47%	28.6 pp

²⁸ For comparability purposes, a restatement of figures for the period ended on 31 December 2022 was made on an unaudited basis, duly noted where applicable. The restatement is related to the implementation of international financial reporting standards IFRS 17 and 9, as of 1 January 2022, with an impact only on the individual accounts of the Group's insurance companies and, consequently, on the consolidated accounts. All comparisons refer to the restated 2022 figures.

²⁹ The Income Statements show the heading "Provisions and Impairments" as defined in the alternative performance indicators in the 2023 Annual Report.

Economic value held	-48%	-9%	-45%	239%	283.4 pp
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Weight in value generated	2021	2022	2022R¹⁴	2023	Variation 2023/2022
Economic value distributed	72%	78%	85%	71%	-14.2 pp
Economic value held	28%	22%	15%	29%	14.2 pp

Capitalisation (€)	2021	2022	2022R¹⁴	2023	Variation 2023/2022
Assets	26 001 520 190	24 894 754 257	24 980 600 006	25 302 040 861	1%
Liabilities	23 982 967 901	22 853 089 851	22 873 383 100	22 864 508 768	0%
Equity	2 018 552 289	2 041 664 407	2 107 216 907	2 437 532 093	16%

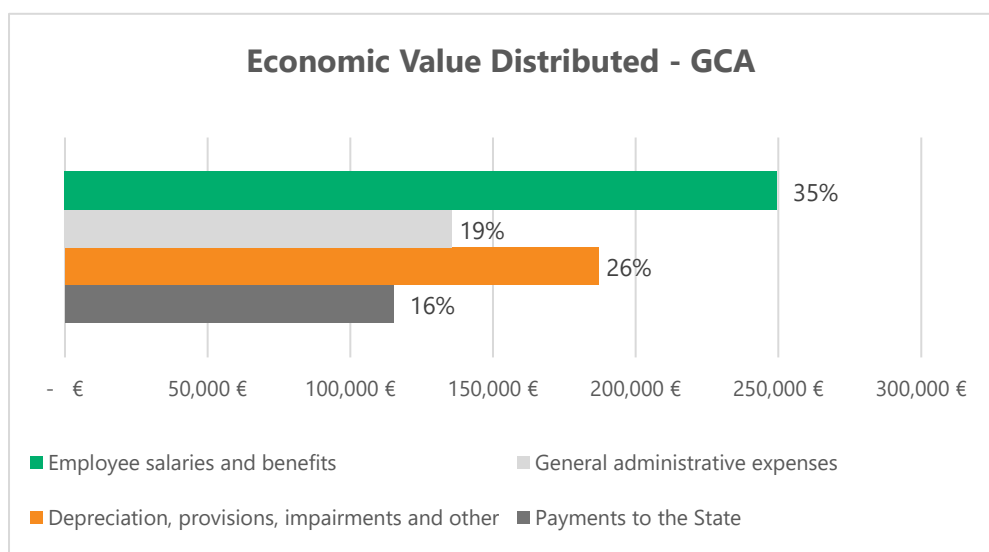
Table 2 – Direct economic value generated and distributed by Caixa Central.

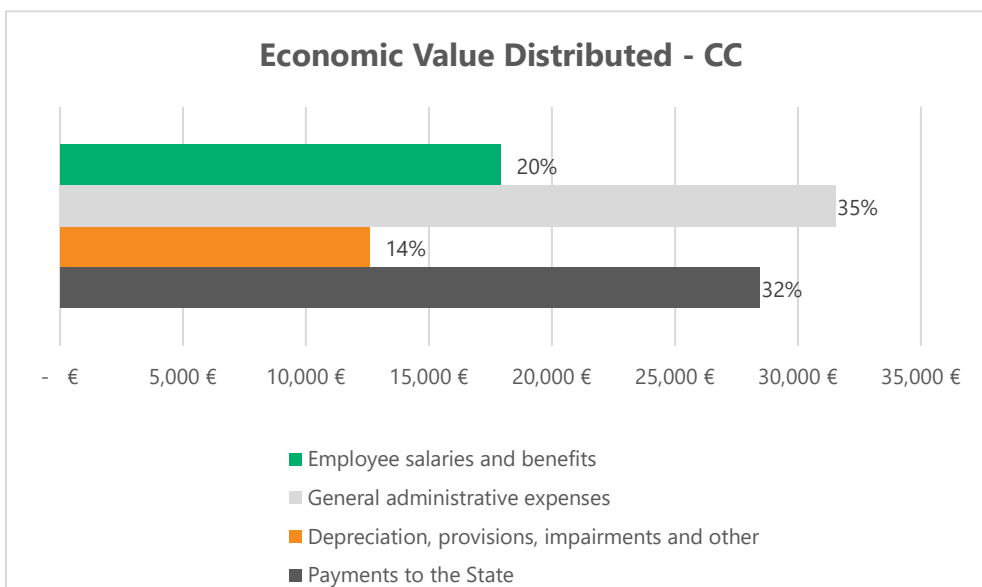
(€)	2021	2022	2023	Variation 2023/2022
ECONOMIC VALUE GENERATED	88 406 823	82 359 661	156 472 344	90%
Operating Income	88 406 823	82 359 661	156 472 344	90%
ECONOMIC VALUE DISTRIBUTED	45 637 434	60 016 963	90 200 935	50%
Employee salaries and benefits	17 098 415	18 472 804	17 923 960	-3%
General administrative expenses	23 704 624	26 943 519	31 510 929	17%
Depreciation	3 294 884	3 180 913	3 342 238	5%
Gain / Loss on modification	8 227	-810 568	-207 157	74%
Provisions and impairments ¹⁵	-10 803 379	5 364 264	8 638 334	61%
Results of non-current assets held for sale	148 659	-69 240	554 793	901%
Payments to the State	12 186 003	6 935 270	28 437 838	310%

ECONOMIC VALUE HELD	42 769 389	22 342 698	66 271 409	197%
Net Income	42 769 389	22 342 698	66 271 409	197%

Capitalisation (€)	2021	2022	2023	Variation 2023/2022
Assets	13 869 784 037	12 707 070 144	12 882 332 709	1%
Liabilities	13 453 987 000	12 183 335 138	12 294 172 693	1%
Equity	415 797 037	523 735 006	588 160 016	12%

As in previous years, the economic value distributed by the Crédito Agrícola Group and Caixa Central in 2023 continued to be concentrated in three main stakeholders: Employees, Suppliers and the State.





5.2 Our social value

The Crédito Agrícola Group recognises that its Employees are the fundamental pillar of its success and continuously invests in their well-being and professional development. With regard to the social dimension, the Group also prioritises the satisfaction and loyalty of its customers (current and potential), offering financial solutions suited to their different needs, and maintaining a close and trusting relationship. The Group has increasingly strengthened its relationship with its suppliers, focusing on ethical and transparent partnerships that contribute to mutual growth. In addition, in line with its origins, the Crédito Agrícola Group is committed to making a positive contribution to the communities in which it operates, supporting social, cultural and environmental initiatives that promote sustainable development and collective well-being.

Thus, through a socially responsible approach, the Crédito Agrícola Group strengthens ties with its stakeholders, reinforcing its position as an agent of positive change in society.

Crédito Agrícola Group, a Cooperative Bank

As the financial sector continues to evolve, the importance of cooperative banking is becoming ever greater. Cooperative banking is a banking system in which financial institutions are owned and managed by the people who use their services, and is naturally in harmony with the ambition of sustainable development.

The Crédito Agrícola Group, as a cooperative bank, plays a fundamental role in promoting economic democracy and financial inclusion, providing accessible financial services that help to reduce poverty and inequality and enable people to be active agents in the local economy.

Giving priority to the well-being of their customers and communities, cooperative banks have an intrinsic commitment to sustainable development, being committed to sustainable development through long-term decisions. This includes offering sustainable banking products, investing in local companies and supporting environmental and social initiatives.

It is also worth highlighting its resilience during economic crises, due to a government model that is less exposed to speculative practices.

Finally, they play a crucial role in supporting local economies, not only by creating jobs, but also through local investment and loans to SMEs, which promote economic growth and strengthen the sense of community.

Employees

General characterisation

The Crédito Agrícola Group recognises that its human resources are its main internal asset for ensuring the success of its business. It is therefore crucial to promote an organisational culture in which employees feel welcomed, integrated, valued and empowered. To this end, the Group is committed to promoting equal opportunities and professional growth for all, respecting employment rights and creating a safe, productive and inclusive working environment.

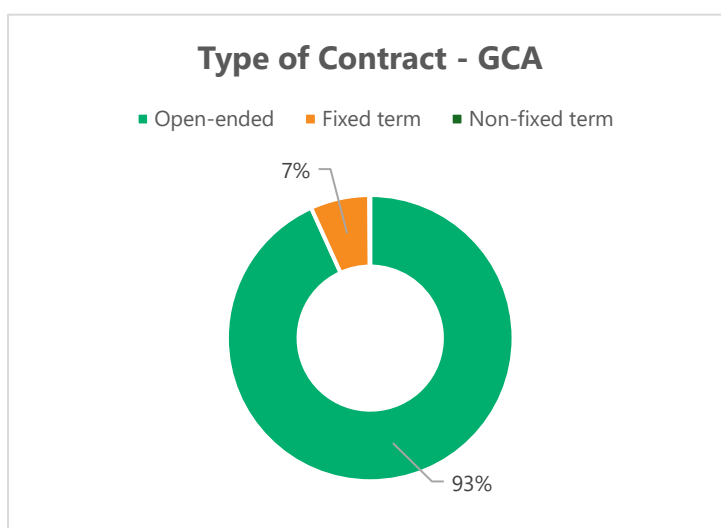
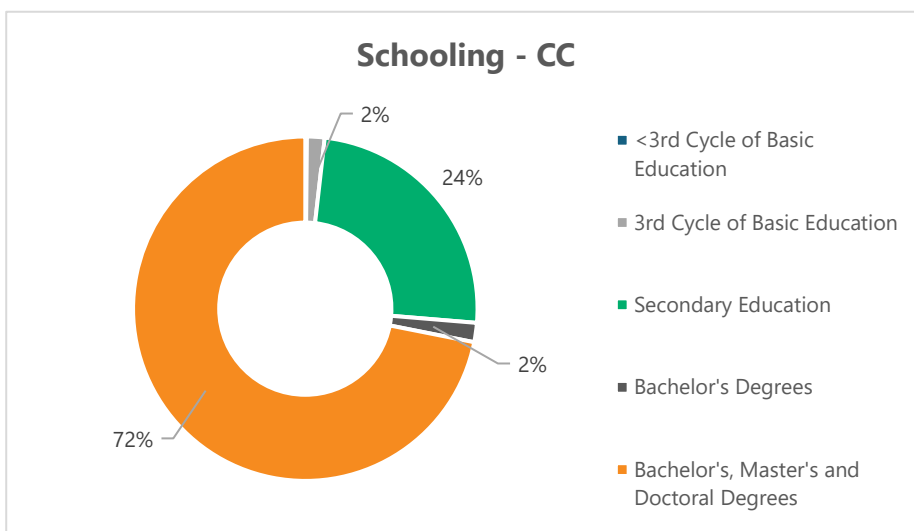
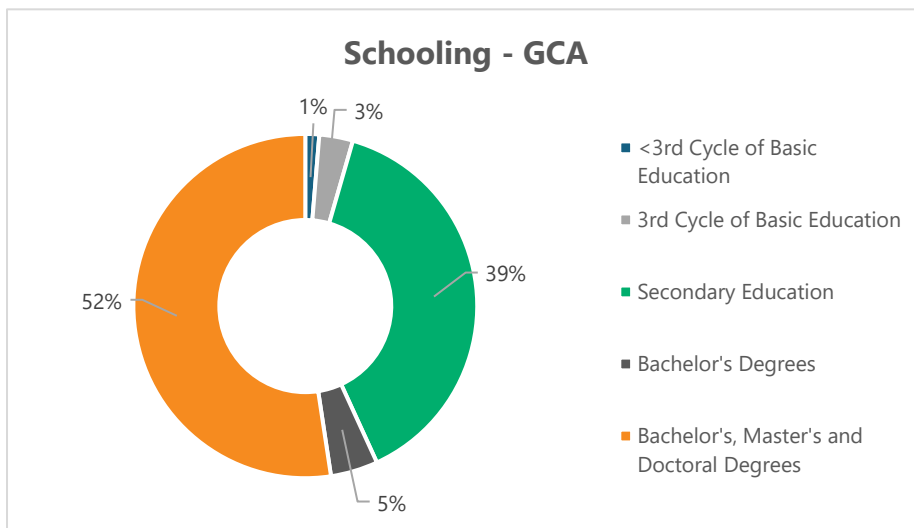
In 2023, the Crédito Agrícola Group had 4,136 employees, remaining relatively stable compared to previous years. As can be seen, there is a high degree of gender parity in the overall number of employees (49.3% female and 50.7% male). In terms of education level, more than half (56.8%) have higher education, i.e. a bachelor's degree, bachelor's degree, master's degree and/or doctorate, with an 11% increase in the number of employees with these qualifications compared to 2022.

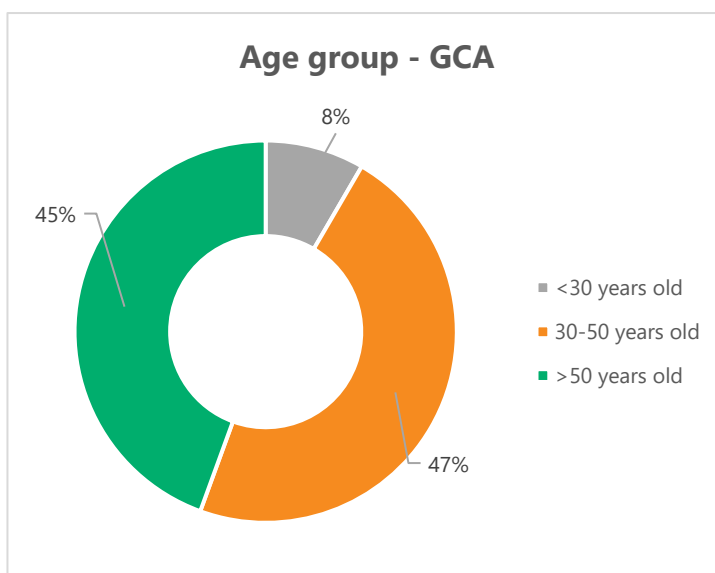
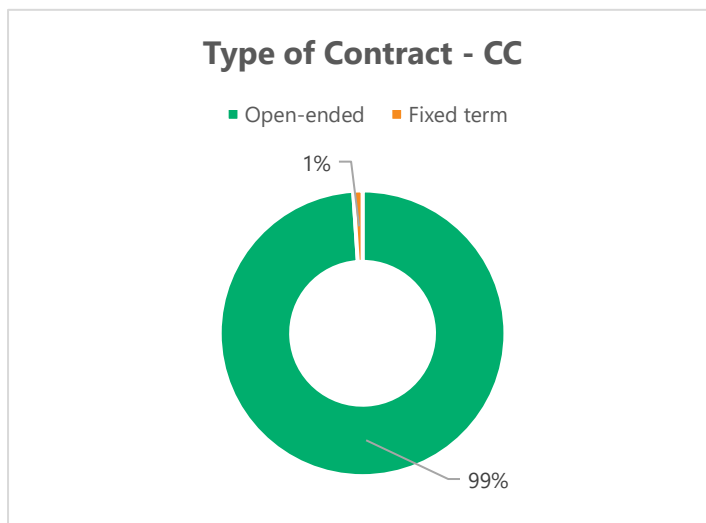
Of the total Crédito Agrícola Group, Caixa Central represents 16.1% of the workforce, with 665 employees. The Group shows gender balance, with 49.3% of employees being female and 50.7% male. There is also a balance at Caixa Central, albeit with an inverse trend, where female employees account for 51.4% and male employees 48.6%. Like the Group, the majority of Caixa Central's employees have completed higher education (73.7%), an increase of 25% on the previous year.

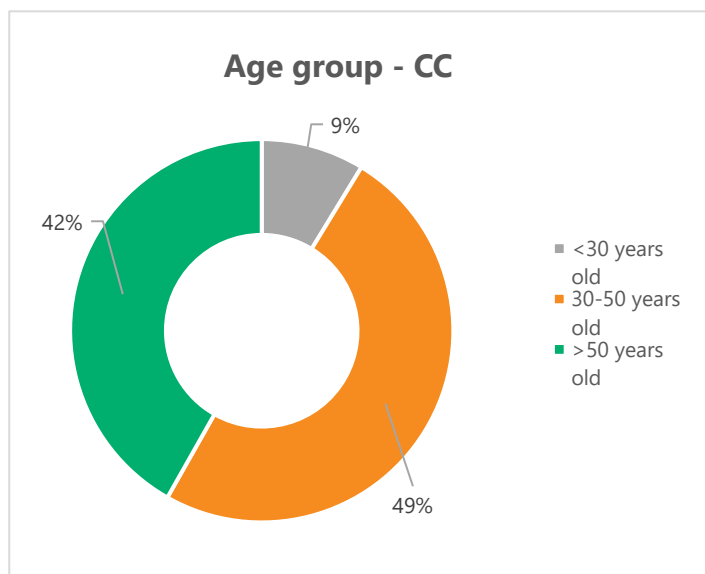
Table 3 – Total number of employees of the Crédito Agrícola Group and Caixa Central.

Total number of employees	2021	2022	2023
Crédito Agrícola Group	4 080	4 110	4 136
Caixa Central	604	629	665

Employees by Gender	Gender	2023
Crédito Agrícola Group	Women	49.3%
	Men	50.7%
Caixa Central	Women	51.5%
	Men	48.6%







On this point, the increase in the percentage of young employees, i.e. those under 30 years old, is a positive development.

Trade union membership	Crédito Agrícola Group	Caixa Central
Number of employees with trade union membership	3825	625
% Employees with trade union membership	92.5%	94.0%

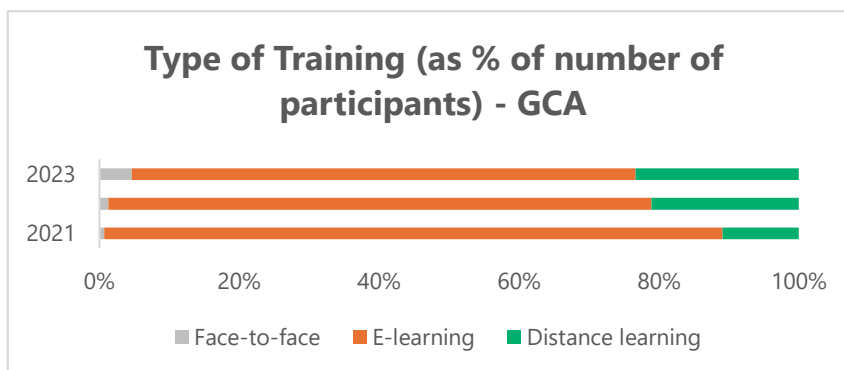
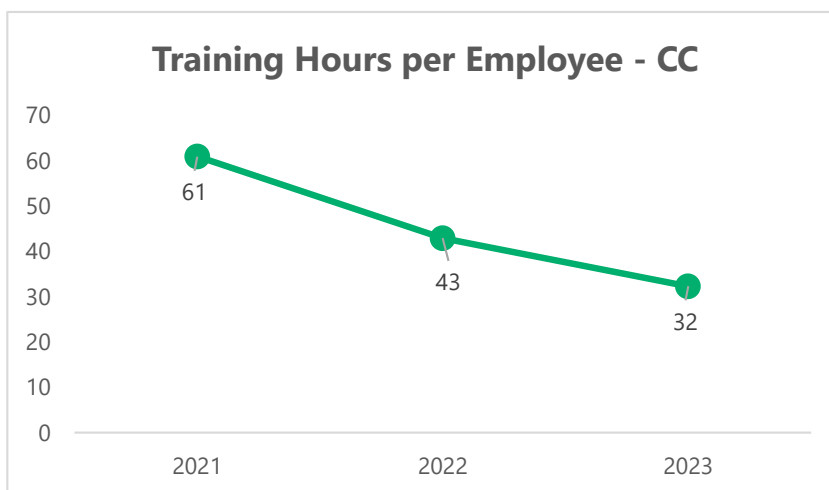
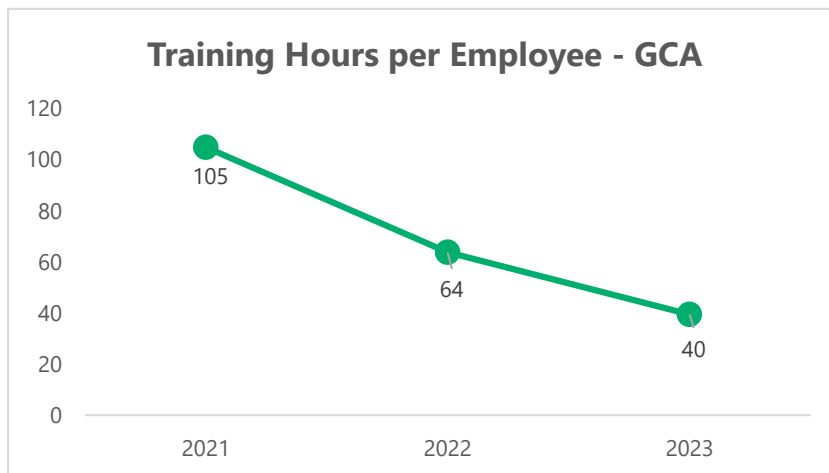
Geographic Distribution	Region	2023
Crédito Agrícola Group	North	17.5%
	Centre	61.2%
	South	18.8%
	Azores	2.4%
	Madeira	0.1%

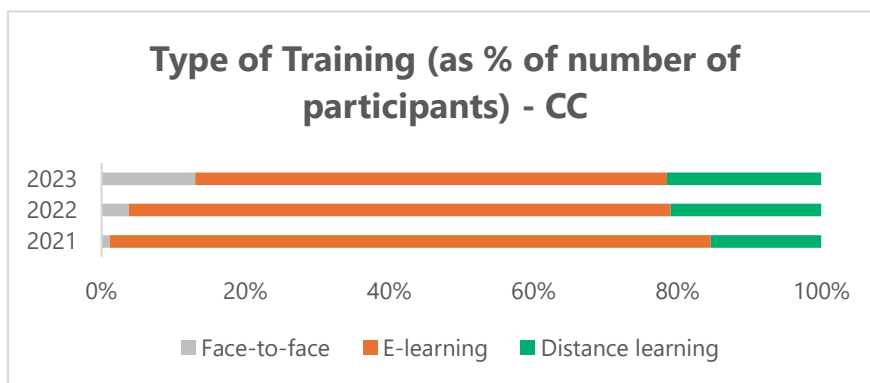
Professional capacity-building and development

Given the constantly evolving business landscape, it is crucial that employees have the right skills and knowledge to keep up with the changes and face the challenges that arise. In addition, ensuring ongoing training and education not only promotes greater personal development, but also increases job satisfaction.

In 2023, each employee of the Crédito Agrícola Group had an average of 40 hours of training, a reduction of around 40% on the previous year. Caixa Central, on the other hand, gave an average of 32 hours of training to each employee, around 25% less than in 2022. Aware of this reduction, the Group is committed to increasing these figures in 2024.

In terms of type, the Group continued to favour training in e-learning format, based on the flexibility and wider range of opportunities offered by this type of training.





Benefits and support for our employees

The Group offers its employees a variety of support and advantages, both in terms of financial benefits and access to sporting, cultural and recreational activities.

Taking into account the Crédito Agrícola Group’s organic structure, autonomy and decision-making power, the support and benefits presented below may not be transversal, so the employees of the Associates, Participated Companies, FENACAM and Caixa Central may have access to different benefits.

Benefits

- Bonuses for dedication, productivity, attendance and performance;
- Financial contribution towards tuition fees for higher education courses (which fall within the scope of the employee's activity);
- Financial support for the purchase of clothing;
- Christmas presents for employees and their children;
- Birthday present and partial time off on birthday;
- Marriage and childbirth allowances;
- Flexible working hours;
- Subsidy for public transport passes;
- Reimbursement for the purchase of mobile phones, tablets and smartphones for personal use;
- Access to communication packages under special conditions;
- Free coffee and fruit and support in the cafeteria;
- Numerous protocols and partnerships with companies in the health, tourism, restaurant and hotel sectors, among others;
- Formalisation of the hybrid work format;
- Access to weekly medical consultations at Caixa Central's facilities.

Sports and Culture³⁰

- Travel at special prices for employees and their spouses;
- Free access to social, cultural and sporting activities through the respective centres.

Benefits linked to the Group's activities

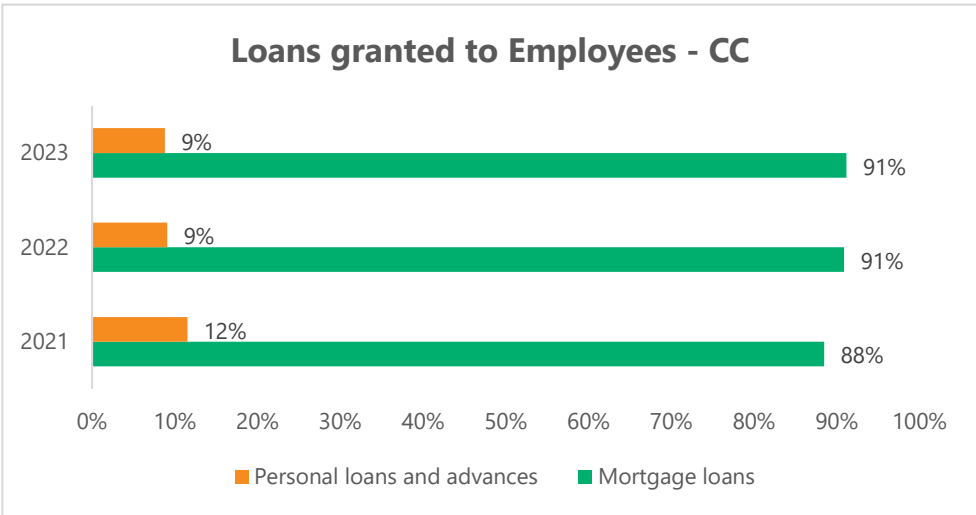
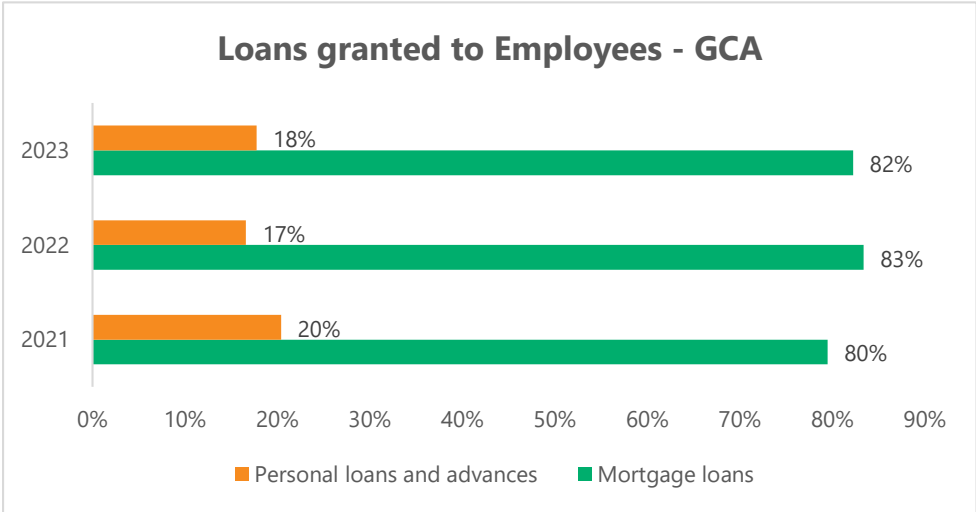
- Access to Personal Loans and Mortgage Loans at better rates
- Discounts on the price of financial products and services:
 - Exemption from account maintenance fees;
 - Exemption from the fee for one-off SEPA+ credit transfers and immediate transfers when made on CA Online and CA Mobile;
 - Exemption from the fee for provision of a debit card;
 - Exemption from classic and twist credit card fees;
 - Exemption from mortgage loan fees under the collective labour agreement (ACTV);
 - Exemption from personal loan fees;
 - 50% discount on all other pricing fees.

Loans granted to our Employees

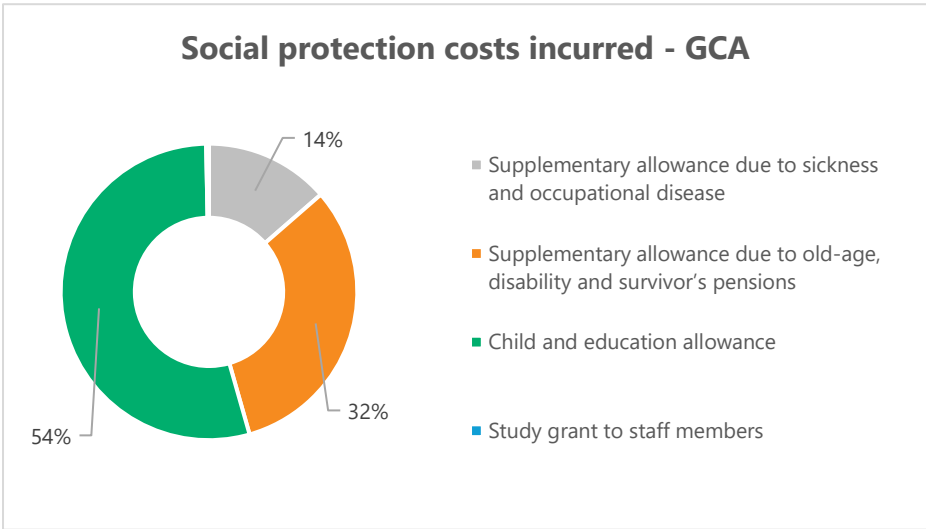
The Group's commitment to facilitating access to housing for its employees continued in 2023. At the Crédito Agrícola Group, 82.3% of the total loans granted to employees were for mortgage loans, and 17.8% were for individual loans and other advances. The figures for Caixa Central were 91.2% and 8.8% respectively.

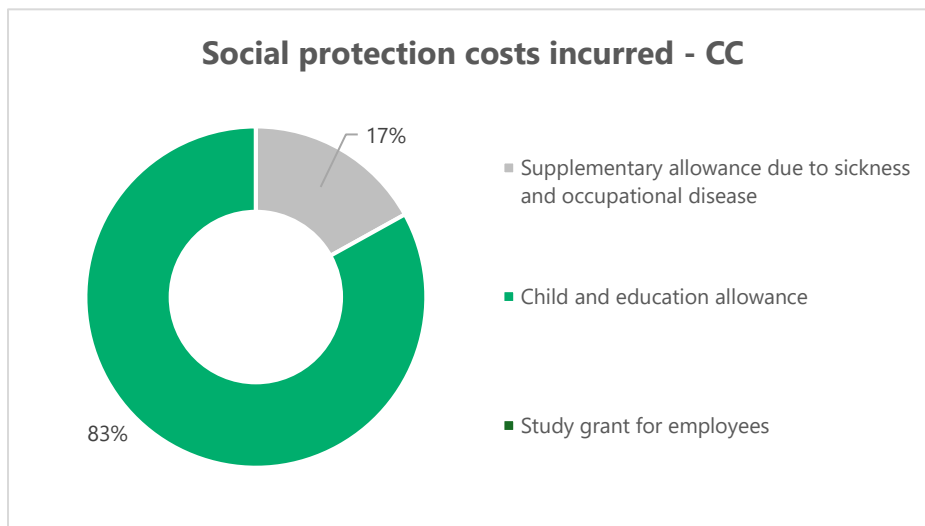
In a context of increasing difficulty in accessing housing, especially in the urban centres of Portugal, the Group believes that this benefit is an important asset for its employees, and is committed to continuing to evaluate and adapt its internal support policies, with the aim of making a positive contribution to the well-being and quality of life of its employees.

³⁰ Provided by the Crédito Agrícola Culture and Sports Centre for its Associates.



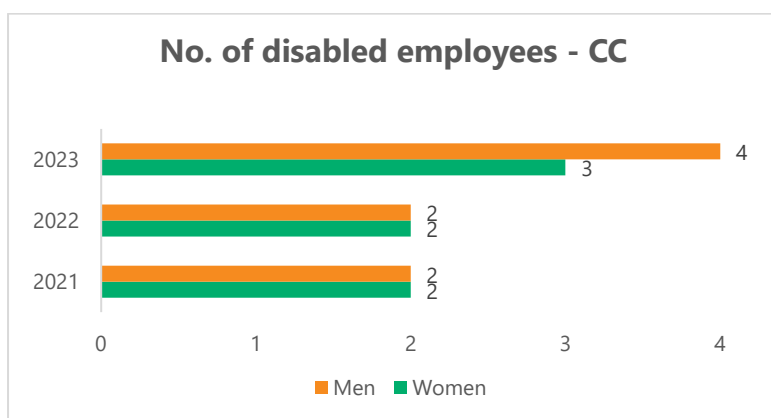
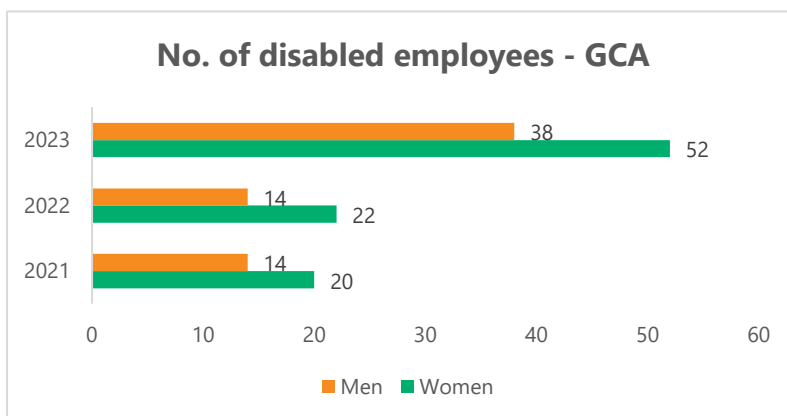
In addition to the benefits mentioned above, the Group bears an additional set of social protection costs. As in the previous year, child and study allowances stand out, representing 54.1% and 83.1% of the social protection costs borne by the Crédito Agrícola Group and Caixa Central, respectively, in 2023.

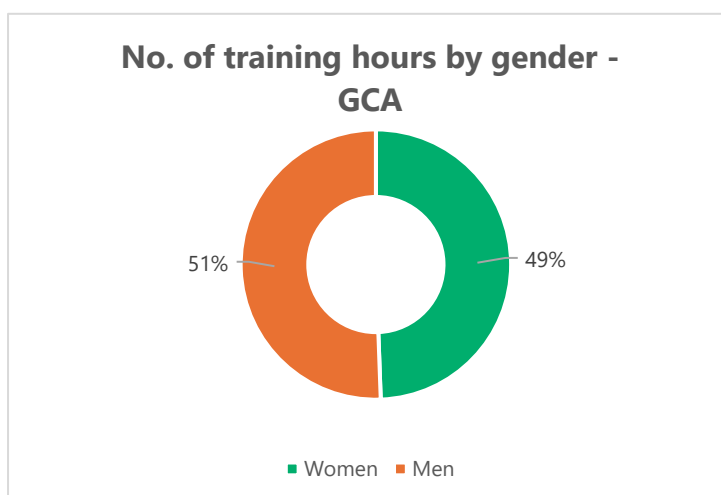
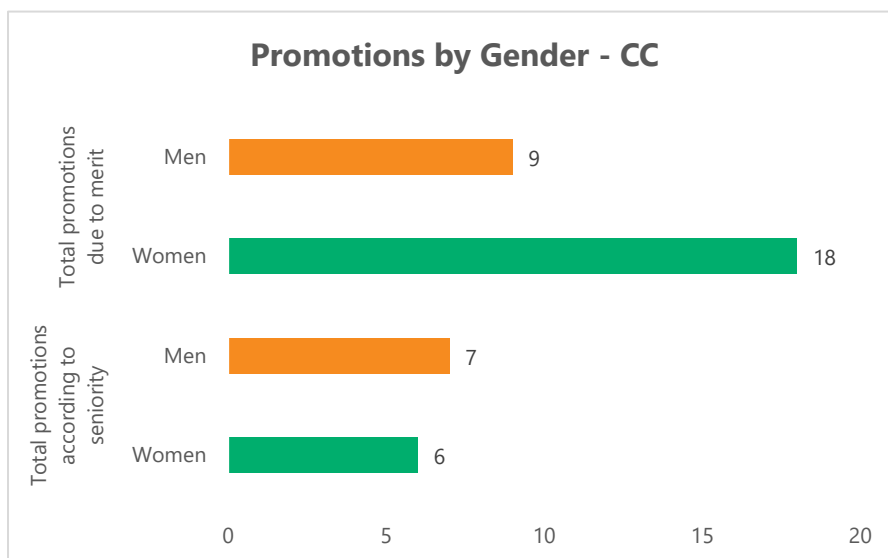
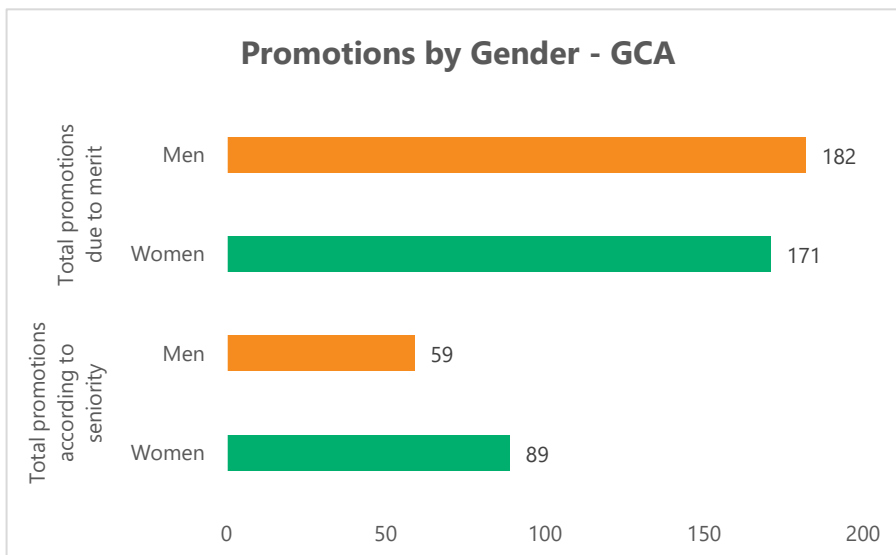


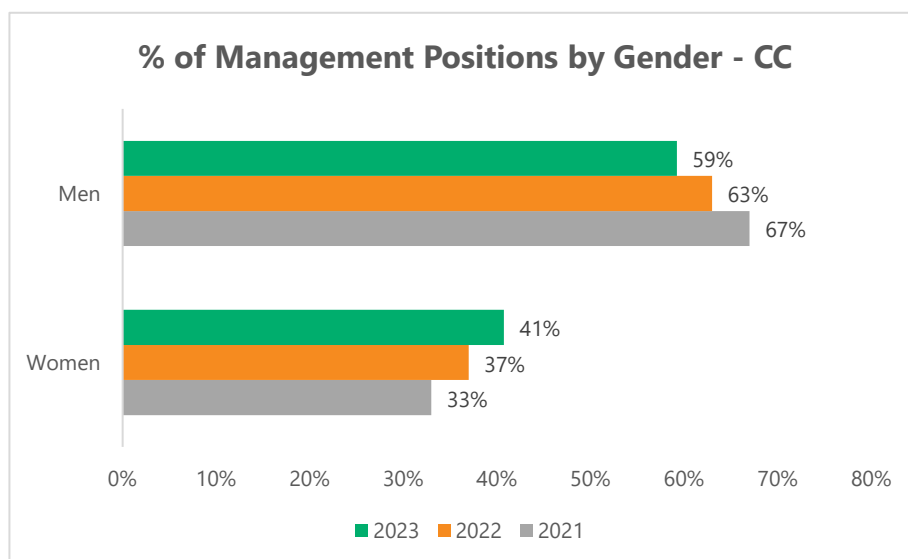
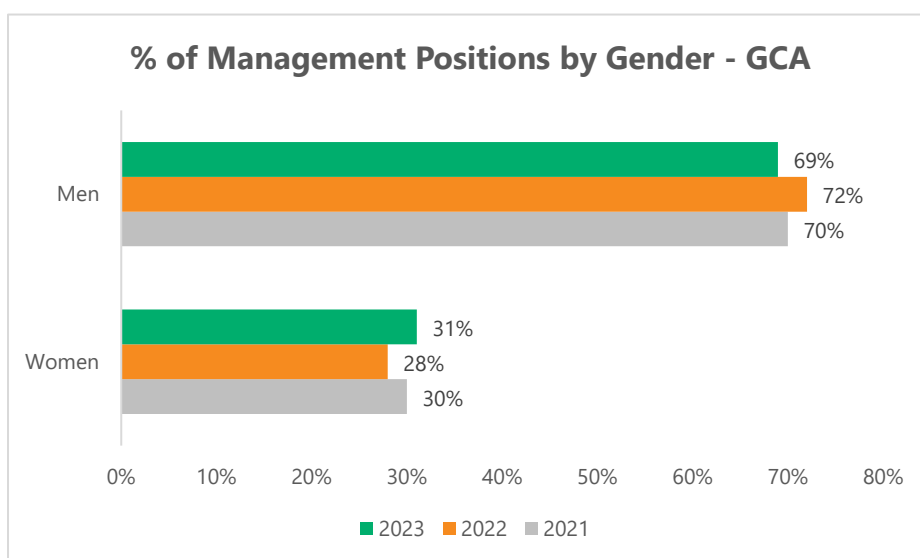
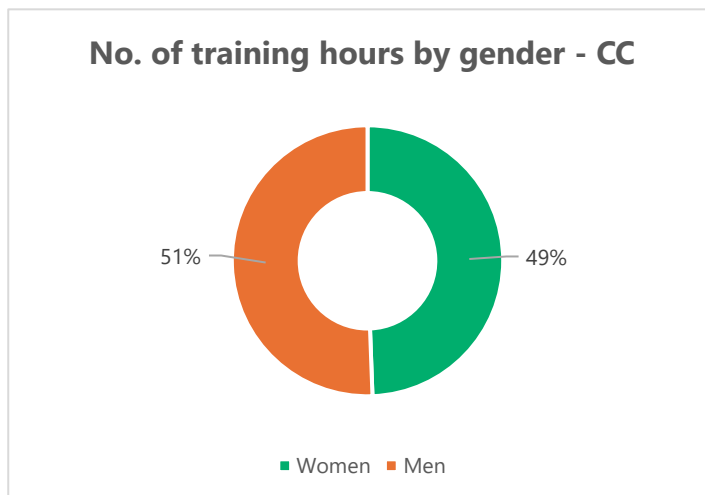


Fostering a culture of Diversity, Equality and Inclusion

Recognising the added value of a diversity of experiences and perspectives, the Crédito Agrícola Group prioritises the promotion of an inclusive work culture, where all Employees feel valued, listened to, celebrated and respected.







Internal initiatives

In 2023, the Group promoted a series of initiatives aimed at its employees, which were designed, among other things, to promote their well-being. The following stand out in particular:

Healthy Hour moments: a CA Vida initiative characterised by various online sessions that encourage and promote the physical and psychological well-being of its employees.

Awareness Programme for Inclusion and Gender Equality in Leadership Positions: in 2023, the Central Human Resources Department (DCRH) launched the first phase of this programme for all employees of the Crédito Agrícola Group, in partnership with ISCTE Executive Education. Three focus groups were held, from which the most important issues to be addressed emerged, followed by nine thematic videos and one seminar. This programme was completed by 4,178 employees (out of a GCA universe of 4,310 employees), and a second phase is currently underway for Top Management and Middle Management (1,157 employees).

CA Group participation in the BCSD Portugal study "Diversity, Equity & Inclusion in the Portuguese Business Environment": the DCRH provided information for indicators to characterise the Organisation's diversity, equity and inclusion by filling in an information collection form, which obtained responses from 73 national companies and 1,376 employees (out of a potential universe of 107 companies). The study found a huge variety in the topics covered, calling for an inclusive and diverse environment in all its spheres.

Customers

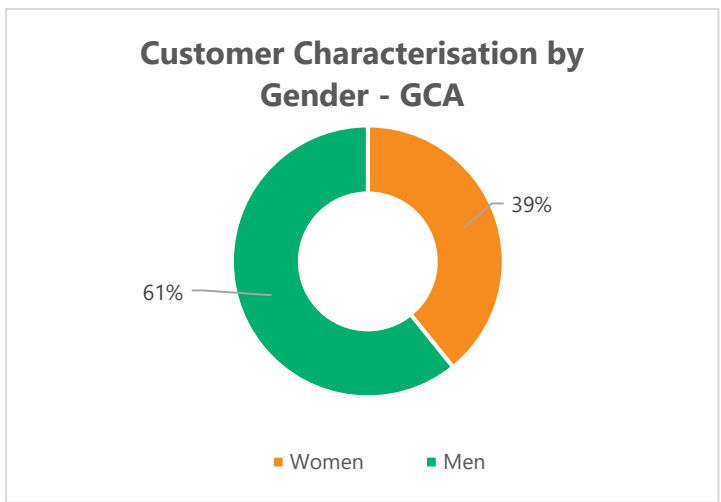
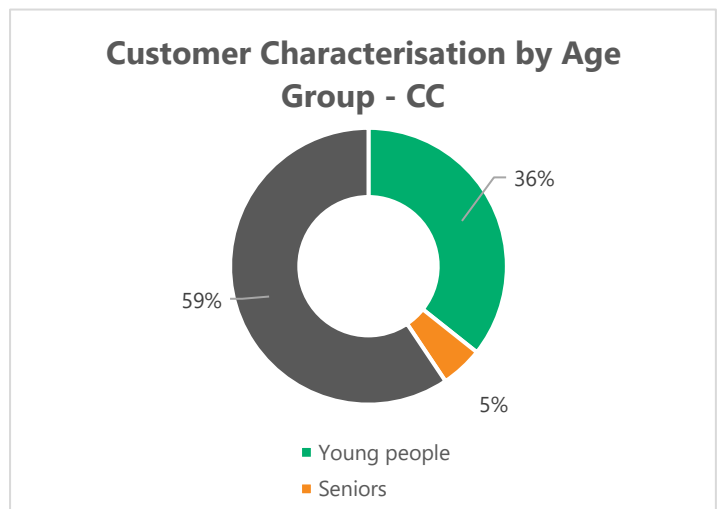
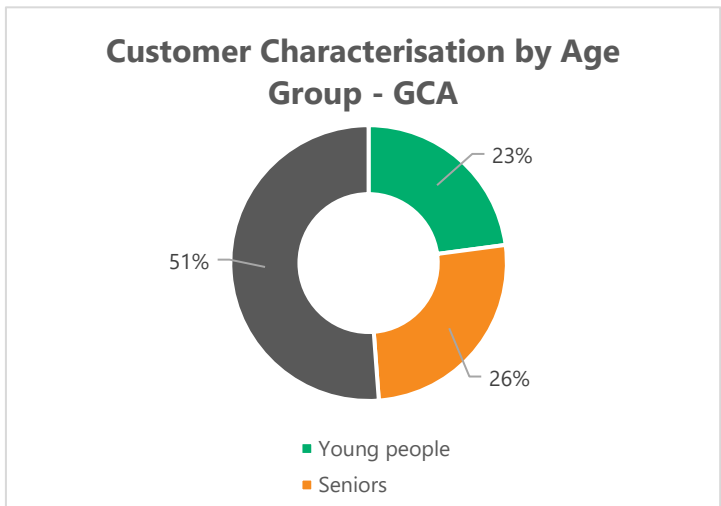
The Crédito Agrícola Group places the customer at the heart of its strategy and actions, focusing on understanding their needs and expectations, offering personalised and innovative solutions, and fostering solid relationships based on trust, transparency and proximity.

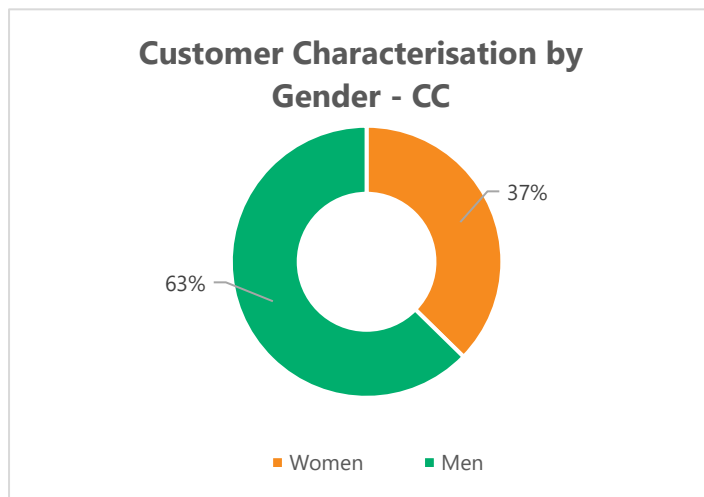
It believes that building solid, long-lasting relationships with its customers is essential to the Group's long-term success. To this end, the Crédito Agrícola Group is committed to excellence in customer service and the quality of its products and services, and to promoting attentive listening and transparent communication, which will enable it to retain its customers and guarantee their long-term satisfaction.

In 2023, the Group had approximately 1,600,000 Customers, 400,000 Associates and 618 Branches, spread across the different geographies of mainland Portugal, the Azores and Madeira.

Customer characterisation

In 2023, the Crédito Agrícola Group continued to focus on a strategy of proximity that meets the needs of its customers, covering all age groups, qualifications, genders and geographies.





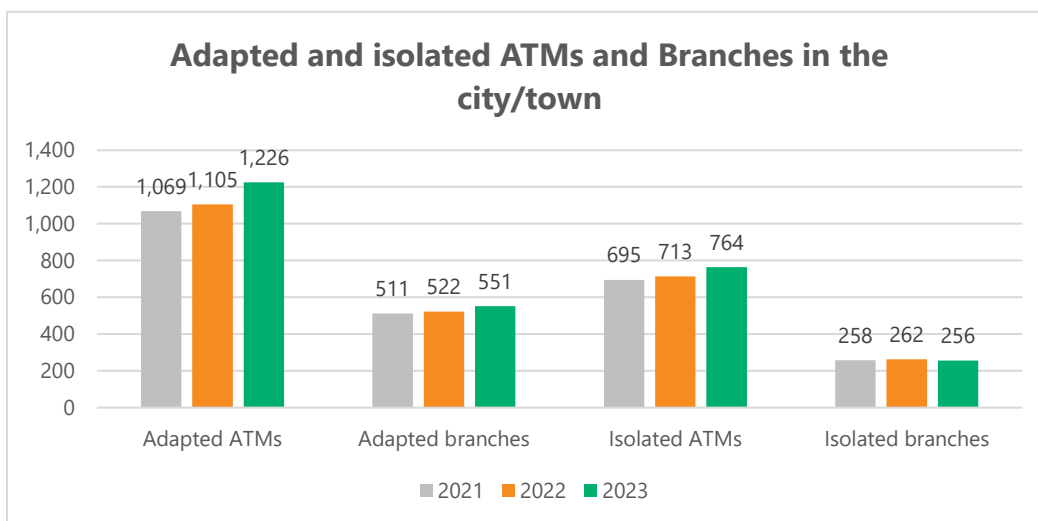
Removing barriers and promoting accessibility

It is one of the Group's priorities to ensure that its services and agencies are accessible and equipped with the necessary features to serve all its customers in the best possible way, from the north to the south of Portugal.

To this end, it has been continuously improving the conditions of its automated teller machine (ATM) points and branches, in a constant quest to improve their accessibility and inclusion. In 2023, the Group increased the number of ATMs and branches adapted for people with reduced mobility, which amount to 1,226 ATMs and 551 branches respectively, although it is aware that the mission of ensuring accessibility in all its forms is still unfinished.

Because it believes that territorial cohesion and access to banking services are a critical success factor for a developed economy and a universal right, the Crédito Agrícola Group has more than 760 ATMs and 250 branches in places where there are no other banking institutions.

These values have been reinforced every year and reflect the essence of a proximity service that is in tune with the principles and goals of sustainable development and the cooperative genesis of the Group.



Our Credit Offer

Crédito Agrícola Group Individual Customer Offer	2021	2022	2023	Variation 2023/2022
Total loans granted (M€)	760	672	505	-24.9%
Mortgage loans granted (M€)	546	490	329	-32.9%
Financial inclusion No. of Minimum Banking Services Accounts	1 126	3 736	2 200	-41.1%
Loans granted in most underprivileged areas ³¹ (M€)	100	81	58	-28.4%
Eco-credit (k€)	342	302	342	+13.2%
Support for Education (k€)	1 231	844	911	+7.94%

In the segment of individual customers, the Crédito Agrícola Group continues to promote financial inclusion, although demand for minimum banking service accounts was lower than in the same period of the previous year (-41.1%). The granting of mortgage loans and other loans in more deprived areas, while remaining solid and a priority, fell by 32.9% and 28.4%, respectively, as a result of the national economic downturn, particularly due to the increase in housing prices. In turn, Eco-credit increased by 13.2%, and Support for Education increased by 7.9%.

³¹ The Portuguese municipalities with the lowest per capita purchasing power were considered; Source: [INE, 2021](#).

Crédito Agrícola Group Corporate Customer Offer	2021	2022	2023	Variation 2023/2022
Total loans granted (M€)	1 847	2 006	2 513	+25.3%
Loans granted to micro and small companies (M€)	1 031	1 134	1 247	+9.9%
Loans granted to sole proprietorships (M€)	116	114	110	-3.8%
Loans granted in most underprivileged areas (M€) ³²	154	167	183	+9.8%
Loans granted to the health and social support sector (M€)	64	50	65	+29.8%
Loans granted in the renewable energy sector (M€)	5	7	51	+628.1%
Loans for waste treatment and recovery (M€)	10	4	8	+110.0%
Loans for water and effluent treatment (M€)	30	10	20	+96.7%
Microcredit (k€)	15	0	0	--

In the Corporate Customers segment, in 2023 the Group increased its support for micro and small companies by around 10%, to a total of €1,247m in loans. In addition, the Group continued to promote the financing of sole proprietorships (ENI) (albeit with a slight reduction compared to 2022), companies in deprived areas (i.e. in the 25 Portuguese municipalities with the lowest per capita purchasing power; Source: [INE, 2021](#)), and companies and institutions in the health and social support sector. There was also a significant increase in loans granted for renewable energy projects, waste treatment and recovery, and water and effluent treatment.

³² The Portuguese municipalities with the lowest per capita purchasing power were considered; Source: [INE, 2021](#).

Caixa Central Individual Customer Offer	2021	2022	2023	Variation 2023/2022
Total loans granted (M€)	61	55	40	-27.3%
Mortgage loans granted (M€)	51	48	33	-31.9%
Financial inclusion No. of Minimum Banking Services Accounts	16	10	23	+130.0%
Eco-credit (k€)	24	3	0	-100.0%
Support for Education (k€)	130	62	172	+177.4%

At Caixa Central, there was a reduction of around 25% in total loans to individual customers in 2023 compared to the previous year. This reduction was partly due to the 31.9% drop in the value of mortgage loans granted, in line with the Group's trend. However, it is important to note the significant increase (+177.4%) in the education support offer compared to 2022.

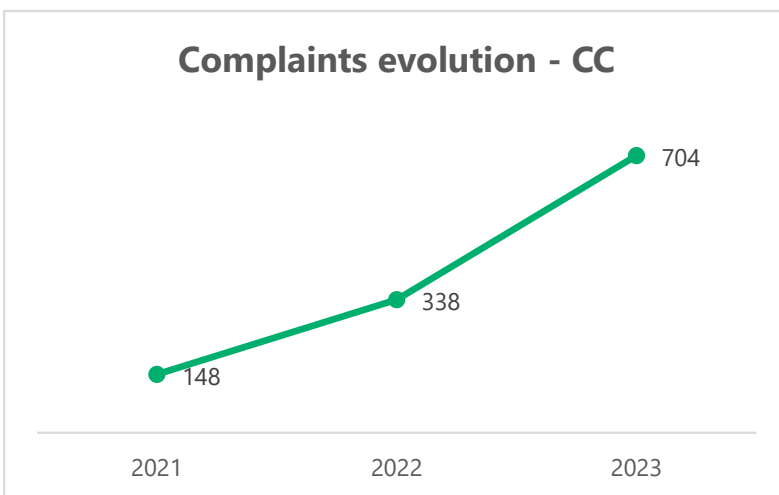
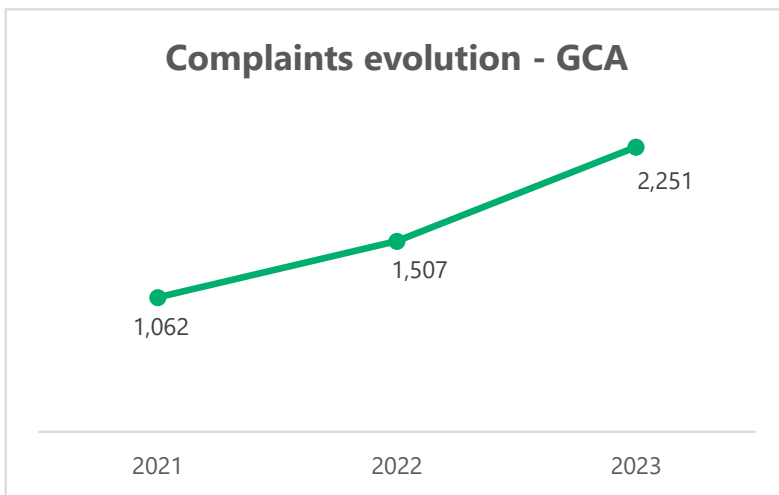
Caixa Central Corporate Customer Offer	2021	2022	2023	Variation 2023/2022
Total loans granted (M€)	249	363	618	+70.4%
Loans granted to micro and small companies (M€)	54	87	101	+16.6%
Loans granted to sole proprietorships (M€)	0	1	1	0.0%
Loans granted to the health and social support sector (M€)	2	2	3	+46.5%
Loans granted in the renewable energy sector (M€)	0	7	46	+557.1%
Loans for waste treatment and recovery (M€)	5	0.3	2	+450.0%
Loans for water and effluent treatment (M€)	13	0	0	--

Contrary to the offer for individual customers, loans granted to corporate customers in 2023 increased by 70.4%, with a 16.6% increase in loans granted to micro and small companies. Also noteworthy is the increase in credit granted in the areas of renewable energies and waste treatment and recovery, which together increased by a total of 40.7 million euros.

Satisfaction of our Customers

The Crédito Agrícola Group continued on its path of digitalisation, improving its online services and offering greater convenience to its customers. However, these advances have brought new challenges, such as the increase in computer fraud and customer complaints.

Cybersecurity issues are a priority and central to the financial sector, and to the Group in particular, so work continued to be done to strengthen internal processes and, at the same time, to promote digital literacy among its customers.



In 2023, Crédito Agrícola's Customer Ombudsman Office received 2,251 complaints, an increase of 49.4% on the previous year. Meanwhile, Caixa Central recorded a total of 704 complaints, more than double the figure for 2022 (+108.3%).

It should be noted, however, that of the total number of complaints filed in 2023, 96% of the cases were unfounded.

Banco de Portugal's Behavioural Supervision Report 2023³³ reveals that the Crédito Agrícola Group has a considerably lower average number of complaints to the Supervisor than other institutions. While the sector average is 0.59 complaints per 100,000 consumer credit contracts, Crédito Agrícola has only 0.36 complaints. The result can be explained by the close relationship

³³ https://www.bportugal.pt/sites/default/files/documents/2024-04/rsc_2023_pt.pdf

between the customers and the Associates, together with the stance adopted by these institutions in relation to the concerns raised by their customers.

Although it is certainly not the only factor, the Group believes that this closeness and trust contribute to the high level of customer satisfaction³⁴, which, in line with previous years, was 81% in 2023.

Customer	Crédito Agrícola Group	Caixa Central
Customer Satisfaction Index	81%	81%

We would also like to highlight that, for the second year running, the Crédito Agrícola Group was voted "Consumer Choice 2023" as Best Bank in the "Small and Medium-sized Banks" category. This distinction results from the preference of national consumers with an overall satisfaction rating of 82.8%, a satisfaction score of 83.0% and a recommendation score of 82.0%. It should be noted that in 2023 the Group came first in 8 of the 10 categories under evaluation.



We are proud of our customers

Hotel Areias do Seixo – Sustainable Tourism

Located less than an hour from Lisbon, Hotel Areias do Seixo is a rural hotel based on a strong sustainability policy, which continually seeks to have the least possible environmental impact, while creating socio-economic value for the region.

"21 years ago, starting to think about these [sustainability] issues was quite challenging (...), and we wanted to integrate these ways of reducing our footprint, of reducing the impact of our project, while still creating a 5-star standard." – Gonçalo Alves, co-founder of Hotel Areias do Seixo

Since energy consumption is a major concern for the hotel, the company has invested in measures to improve energy efficiency, as well as making use of renewable energy. This includes the use of geothermal energy to air-condition the facilities, as well as solar energy to heat sanitary water and

³⁴ Quality of service index in the mystery shopper study.

the swimming pool (which guarantees around 70% of needs) and to produce energy for self-consumption (which aims to cover up to 50% of needs in the coming years).

Water efficiency is another important concern for the hotel, which, among other things, captures water from the roof for use in irrigation systems and internal circuits (such as flushing toilets and technical washing areas).

The reuse of existing materials in the decoration of the space has also been one of the hotel's guiding principles since its creation. Areias do Seixo promotes the recycling of all its waste, including the composting of organic waste, and has a vegetable garden, which partly supplies the food needs of its own restaurant.

The local community benefits from this project as, in high season, the hotel employs more than 150 people, most of whom live in the region. In addition, the company hires local producers and service providers, which not only reduces the carbon footprint in the value chain, but also boosts the region economically. Their presence and attraction of tourists to the Torres Vedras area also translates into an important contribution and economic stimulus for other activities in the region (restaurants, other tourist activities, etc.)

Since its inception, the project has enjoyed the support of the Crédito Agrícola Group, with which it continues to maintain a close relationship.

Suppliers – Impact on the Local Economy

For the Crédito Agrícola Group, suppliers are more than just providers of goods and services – it sees them as partners in its value chain, who directly impact the reputation, quality and profitability of the business. As such, the Group values its relationships with its Suppliers, working closely together to build lasting partnerships based on mutual growth and success, ensuring a resilient and sustainable supply chain.

The commitment to local suppliers plays a crucial role in the development and sustainability of communities. By seeking to prioritise local companies, the Crédito Agrícola Group contributes to boosting the regional economy, generating employment, income and strengthening the social fabric. Furthermore, the focus on proximity supply makes it possible to reduce the carbon footprint by reducing the need for logistical transportation.

In 2023, the Group contributed €128.3M to the local economy through the payment of goods and services to local suppliers³⁵. Corresponding to 45% of the total amount paid to suppliers, this figure was down by around 3 p.p. on the previous year. With regard to the number of suppliers, the Group used 4,077 local suppliers, which corresponds to 52% of the total and reflects a slight percentage reduction compared to 2022.

As for Caixa Central, its percentage of local suppliers fell by 4.3% compared to 2022. Caixa Central made purchases of €15.4 million from local suppliers, compared to around €22.2 million in the same period last year.

³⁵ The Crédito Agrícola Group considers "local suppliers" to be suppliers located in the municipality where its Associates have branches.

Local suppliers		2021	2022	2023	Variation 2023/2022
Crédito Agrícola Group	% number of local suppliers	56%	55%	52%	-3 pp
	% value of local purchases	52%	48%	45%	-3 pp
Caixa Central	% number of local suppliers	53%	48%	46%	-42 pp
	% value of local purchases	31%	34%	31%	-3 pp

Sustainable Procurement

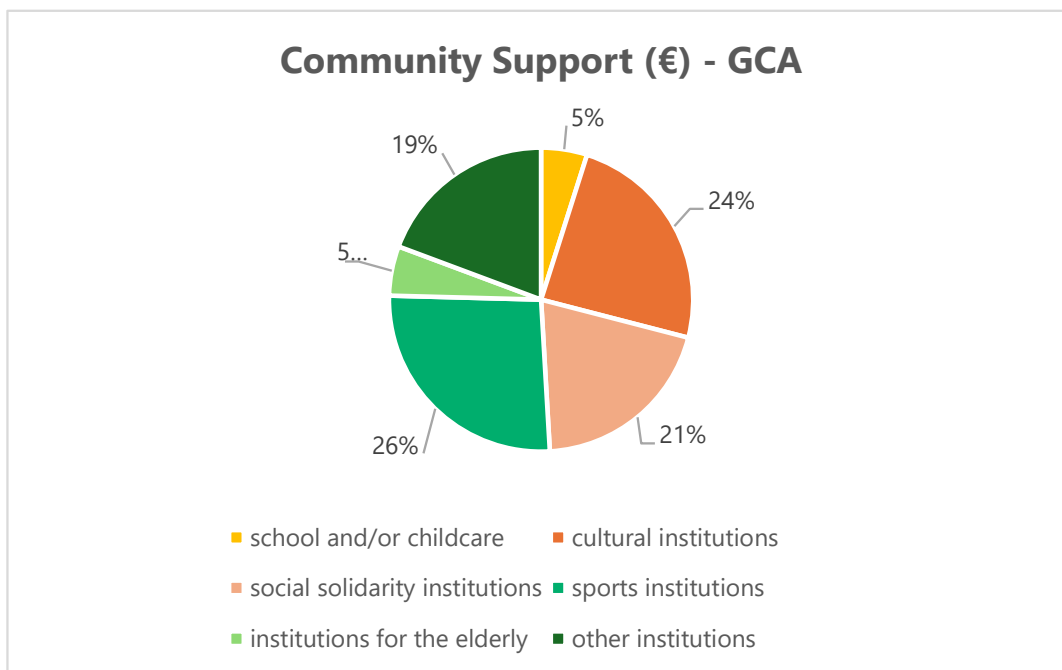
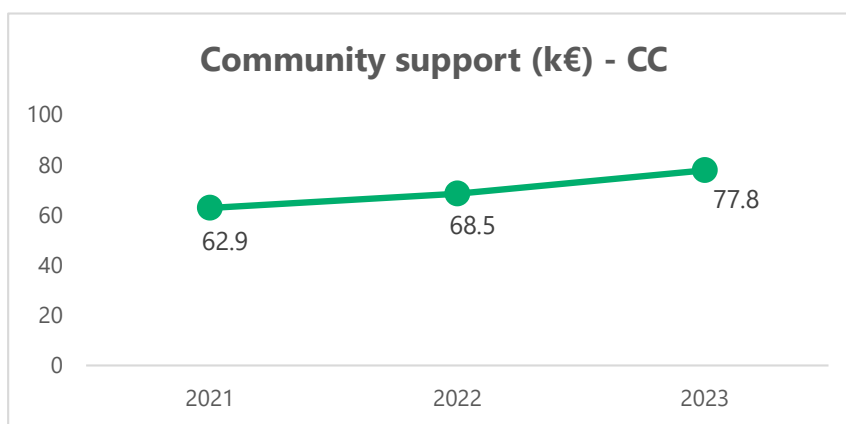
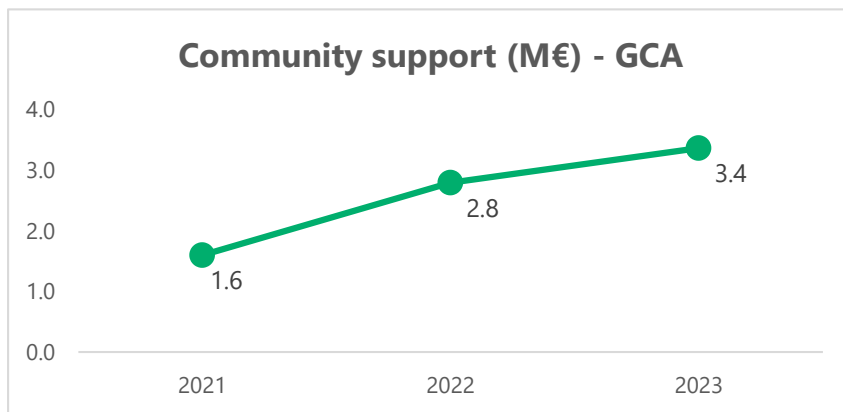
In pursuit of its principles and commitments, with the aim of creating positive impacts on the economy, people and nature and avoiding, reducing or mitigating the creation of adverse social and environmental impacts, the Group considers it essential to implement and/or promote responsible and sustainable management practices throughout its value chain, leveraging the close and trusting relationships it aims to build with all its external stakeholders, such as customers, suppliers, partners, beneficiaries and local communities. With this in mind, in 2023 the Group began drawing up a "Sustainable Code of Conduct for Suppliers of the Crédito Agrícola Group", which is expected to come into force in 2024.

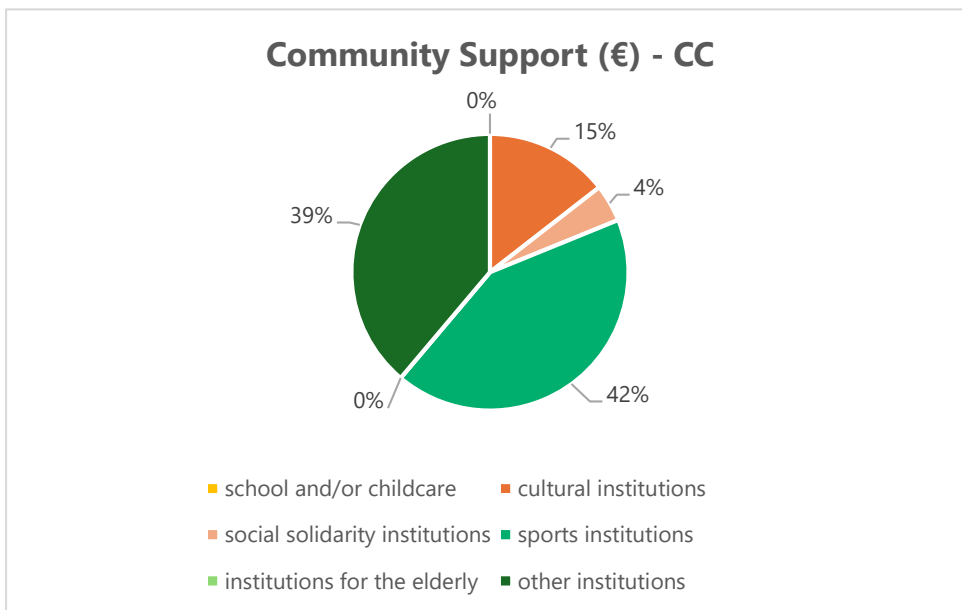
Community

Proximity and support for the community are central to the activity of the Crédito Agrícola Group. The Group believes that by collaborating and investing in local initiatives, it can strengthen its relationship with community members, promote joint problem-solving and promote the well-being of the communities in which it operates, creating a more positive, prosperous and resilient future for all.

It is also the only cooperative bank in Portugal whose activities help to combat the desertification of the interior on numerous fronts: Profit invested in the actual region; Human Resources hired locally; Decentralised decision-making; The only banking contact point in 1,020 locations nationwide (isolated branches and ATMs); and a pioneer in numerous technological solutions over the years. In the Group, the initiatives of support to the community go beyond the traditional model, and are aimed at the construction of solid and close relationships with the communities, ultimately seeking to foster their development and resilience. In 2023, between donations and financial sponsorships, the Crédito Agrícola Group supported the community with more than €3M³⁶, representing a 20% increase compared to 2022. Caixa Central also increased its support by 13.6%, giving the Community around 78 thousand euros.

³⁶ Monetary value granted in the form of a donation and/or sponsorship.

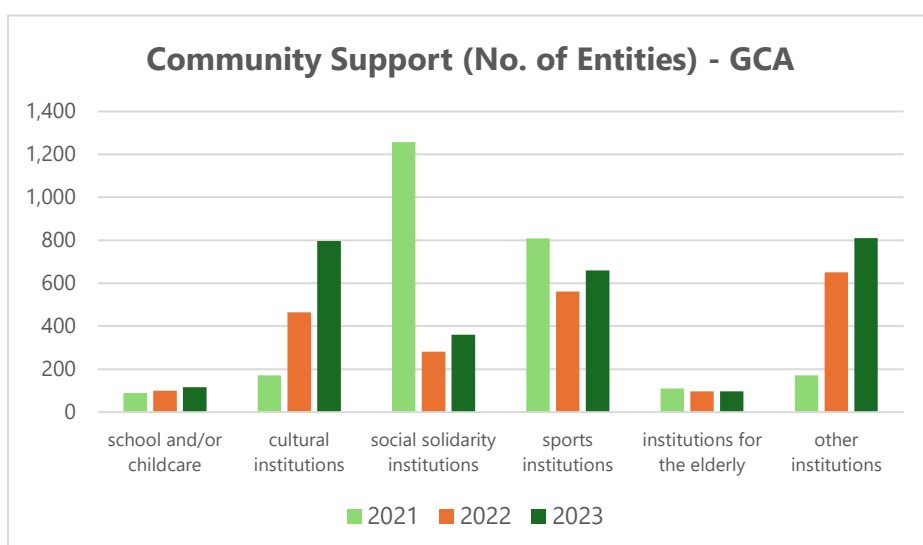


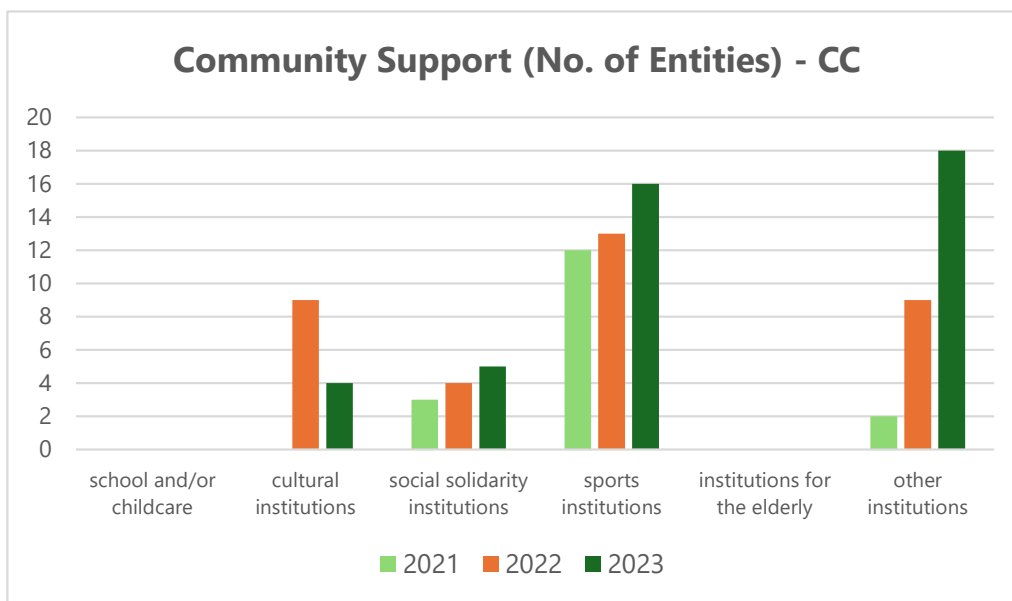


The Group continues to promote its role of proximity to various institutions, whether they operate more locally or across the country.

In 2023, the Group increased the number of organisations supported by 31.7% compared to the previous year, to a total of 2,838. In line with this, Caixa Central also distributed support to more entities in 2023, a total of 43 (+22.9%). This support is mainly given to organisations linked to sport and culture.

No. of Supported Entities	2021	2022	2023
Crédito Agrícola Group	2 607	2 155	2 838
Caixa Central	17	35	43





Community support initiatives

In 2023, the Crédito Agrícola Group supported, under its direct responsibility and/or through its companies, a series of initiatives to support the Community. The following stand out:

Recovery of houses with Just a Change: social project developed in partnership with the Just a Change Association to combat energy poverty; with philanthropic support worth 50,000 euros, which helped to recover and improve the energy efficiency of 20 houses in Portugal and enabled the start of a corporate empowerment and volunteering programme, in which 26 Group employees took part in Lisbon, Porto and Guimarães.

AGRI.DOAR 2023 Christmas Campaign: participation in the AGRI.DOAR initiative, which, with the participation of 51 other entities in the agricultural sector, raised around €30,000, which was donated to the Association for the Education and Rehabilitation of Disabled Citizens of Mafra (APERCIM); the Crédito Agrícola Group contributed €2,000.

Volta Solidária CA (CA Solidarity Trip) (2nd edition): an initiative organised by the Crédito Agrícola Group, with the support of the Crédito Agrícola Culture and Sports Centre and in partnership with the Lisbon Transplant Centre, which included awareness-raising sessions on blood diseases and bone marrow donation. The initiative also included a donation of €5,000 to the Portuguese Association Against Leukaemia.

CA Day – Always Sustainable: celebration of the anniversary of the Crédito Agrícola Group, with 2 competitions linked to sustainable initiatives:

- Competition aimed at Social Economy Entities, with 4 prizes worth €10,000 each awarded to customers wishing to implement projects in the area of decarbonisation, circular economy or ecosystem services;
- Competition for Individual Customers, with the award of 3 electric bicycles to Customers of CA sustainable products.

CA Vida – Corrida Sempre Mulher: sponsorship of the "Corrida Sempre Mulher" (Always Woman Race) which had more than 12,000 participants and raised €133,000 for the Portuguese Association for the Support of Women with Breast Cancer.

Support for the Portuguese League Against Cancer: donation of €15,000 to the Portuguese League Against Cancer for the purchase of a mobile mammography machine.

CA Vida at KidZania: insurance literacy initiative for children, through a dedicated space at KidZania.

"Banking Open Day": a financial literacy initiative organised jointly with the Portuguese Banking Association, where young people from Pombal had the opportunity to learn more about digital banking and new trends in the sector.

"At my School's Bank": an initiative in which the Group took part, in collaboration with the Portuguese Banking Association (APB), on financial literacy, which included several sessions aimed at around 230 students from the 3rd cycle and secondary school who had the opportunity to learn more about Family Budget Planning and Management.

"Donate Love" action: an initiative to support the young people of the Entre Mundos Specialised Children and Youth Home, which involved collecting letters with Christmas wishes from the children at the Home, and the subsequent materialisation of the gifts requested.

Other support granted regularly to social organisations:

- Comunidade Vida e Paz;
- Fundação António Luís de Oliveira (António Luís de Oliveira Foundation);
- Crescer Ser;
- Casa do Infantado;
- Centro Juvenil Padre Amadeu Pinto (Father Amadeu Pinto Youth Centre);
- Orquestra Geração (Generation Orchestra);
- Associação Integrar (Integrate Association);
- Associação Portuguesa de Pais e Amigos do Cidadão Deficiente Mental (Portuguese Association of Parents and Friends of Mentally Handicapped Citizens);
- Centro Social e Jardim Infantil de São Cristóvão (São Cristóvão Social Centre and Kindergarten).

For further information, see "**CA Initiatives**".

5.3 Our environmental value

In line with its Sustainability Policy, the Crédito Agrícola Group's ambition goes beyond merely minimising its environmental impact. Through continuous measures to mitigate its carbon footprint and the implementation of other practices to reduce its environmental footprint, the Group is committed to making a positive contribution to a more balanced planet, actively working to create a more sustainable future for all.

Resource consumption

Monitoring environmental impact is essential for the Group in order to continually promote its reduction throughout the value chain and to guarantee to stakeholders that operations are carried out in an increasingly sustainable and responsible manner.

In 2023, the Crédito Agrícola Group showed a reduction in all the reported indicators (electricity, water, diesel and natural gas consumption), except for petrol consumption, which increased by 49%. The explanation lies in the increased number of petrol-fuelled and hybrid vehicles in its own fleet, by 28% and 75% respectively.

In the opposite direction, Caixa Central saw an increase in all consumption indicators, except for fuel consumption (diesel), due to the reduction of 9 vehicles of this type.

Electricity (MWh)	2021	2022	2023	Variation 2023/2022
Crédito Agrícola Group	20 064.02	16 906,67	15 850.78	-6%
Caixa Central	1 715.16	1 893.96	1 949.86	3%

Water (m ³)	2021	2022	2023	Variation 2023/2022
Crédito Agrícola Group	48 350.94	47 098,02	43 026.19	-9%
Caixa Central	2 340.00	3 181.32	3 510.64	10%

Diesel (thousand litres)	2021	2022	2023	Variation 2023/2022
Crédito Agrícola Group	762.63	742.58	652.93	-12%
Caixa Central	18.88	28.28	24.71	-13%

Petrol (thousand litres)	2021	2022	2023	Variation 2023/2022
Crédito Agrícola Group	142.27	188.52	281.73	49%
Caixa Central	10.91	21.35	28.04	31%

Natural gas (MWh)	2021	2022	2023	Variation 2023/2022
Crédito Agrícola Group	70.39	76.98	68.83	-11%
Caixa Central	9.03	9.70	13.06	35%

In line with the ambition of its Net Zero Transition Plan (below) launched at the end of 2023, in the coming years the Crédito Agrícola Group intends to continue on this path of reduction.

Crédito Agrícola Net Zero Transition Plan

At the end of 2023, following the COP28 climate negotiations, the Crédito Agrícola Group launched its Net Zero Transition Plan, reinforcing its contribution and that of the banking sector to the fight against climate change, in line with the Paris Agreement.

In line with its unique cooperative values in the Portuguese market and its responsibility towards sectors of activity with high exposure to climate risks, the Crédito Agrícola Group is committed to becoming Net Zero by 2050, and to reducing GHG emissions associated with its internal management by 60% by 2030.

In addition, in terms of its business, the Group has set emission reduction targets in 8 sectors of activity represented in its loan portfolio, namely: Residential Real Estate, Commercial Real Estate, Agriculture, Hotels and Restaurants, Energy, Aviation, Waste and Wastewater, and Automotive.

The Crédito Agrícola Group thus becomes the Portuguese bank with the highest (public) ambition in terms of the number of business sectors in its loan portfolio covered by Net Zero targets by 2030.

In line with the Roadmap to Carbon Neutrality 2050 and international benchmarks such as the Science-Based Targets Initiative (SBTI), the Group committed to implementing a series of initiatives such as:

- 1_ The transformation of the financing offer to include incentive mechanisms for the climate transition of business and individual customers
- 2_ Adapting the way banking is done in order to support customers more closely and pedagogically in the transition process
- 3_ Changing the policies for granting and accepting credit operations so that they reflect good climate risk management
- 4_ The implementation and/or reinforcement of internal decarbonisation initiatives in terms of mobility, energy efficiency, the reduction and reuse of resources and materials and responsible waste management, in order to mobilise and lead by example
- 5_ The creation of a culture of ESG data, essential for measuring impacts and monitoring compliance with this

Recognising that its success will also depend on the involvement and commitment of the various stakeholders involved, Crédito Agrícola's Net Zero Plan represents a strong commitment to sustainable development and building a more resilient future. Its implementation will be a challenge, but also an opportunity for Crédito Agrícola to assert itself as a leader in sustainable banking.

For further information, see "[Our Net Zero commitment](#)".

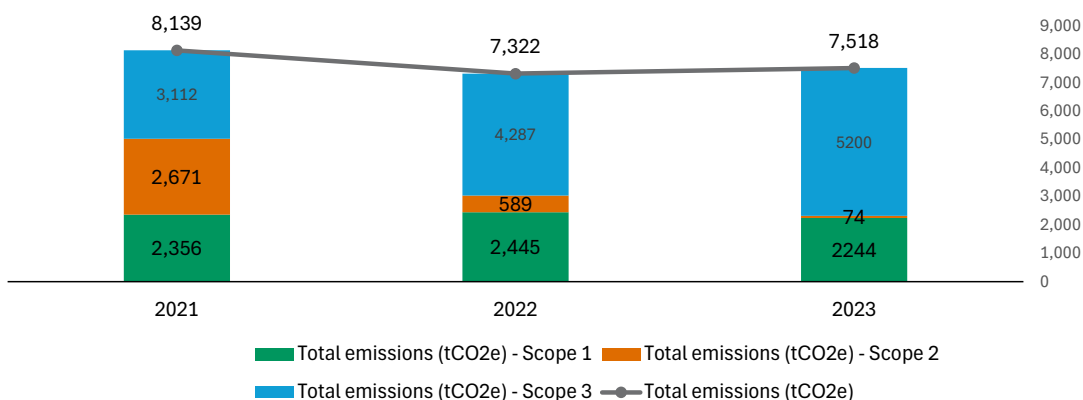
Carbon footprint

In 2023, the Crédito Agrícola Group continued the process of accounting for greenhouse gas (GHG) emissions resulting from its activity, i.e. direct emissions (scope 1), indirect emissions (scope 2) and indirect emissions from the value chain (scope 3).

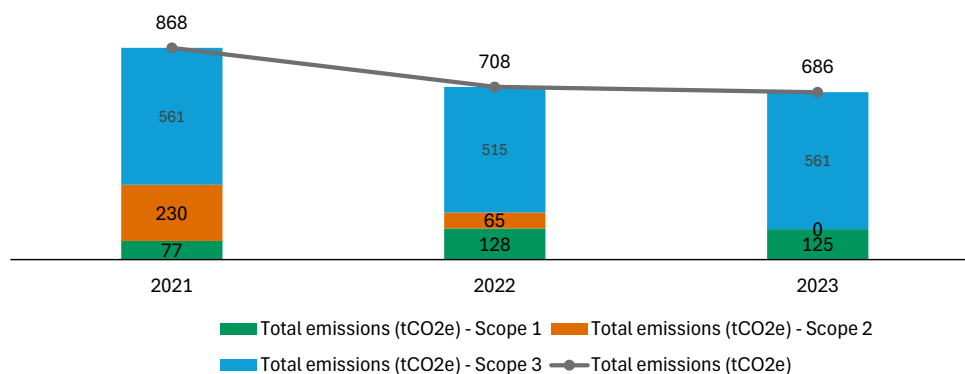
In order to improve the picture of the Crédito Agrícola Group's emissions, for indirect emissions from the value chain, where only category 7 relating to Employee travel was calculated, in 2023 the following categories from scope 3 were added to the report:

- category 1: products and services purchased
- category 3: activities related to energy and fuel, not included in scope 1 and 2
- category 5: waste

Total emissions (tCO₂e) - GCA



Total emissions (tCO₂e) - CC



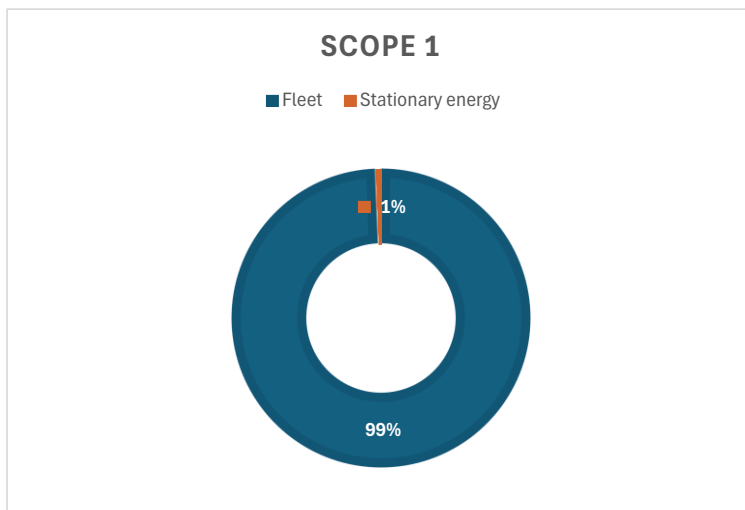
GCA Carbon Footprint (ton Co₂e) – Scope 1, 2 and 3

	2021	2022	2023
Scope 1	2 356	2 445	2 244
Scope 2	2 671	589	74
Scope 3 (cat.1)	--	--	8
Scope 3 (cat.3)	--	--	608
Scope 3 (cat.5)	--	--	9
Scope 3 (cat.7)	3 112	4 287	4 576
TOTAL	8 139	7 322	7 518

CC Carbon Footprint (ton Co₂e) – Scope 1, 2 and 3

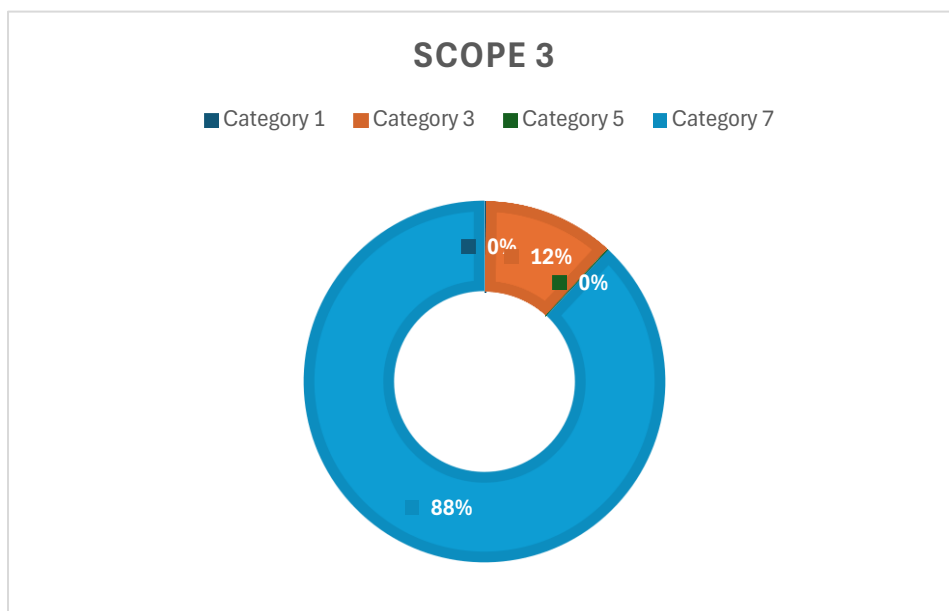
	2021	2022	2023
Scope 1	77	128	125
Scope 2	230	65	0.0
Scope 3 (cat.1)	--	--	1
Scope 3 (cat.3)	--	--	32
Scope 3 (cat.5)	--	--	1
Scope 3 (cat.7)	561	515	528
TOTAL	867	708	686

In 2023, the Crédito Agrícola Group, for scope 1, recorded a reduction of 8% compared to 2022, and Caixa Central, a reduction of 2%. The fleet continued to be the most important element in scope 1, accounting for 99% of emissions for the Crédito Agrícola Group and 97% for Caixa Central. The reductions seen in this area are essentially due to the various sustainable mobility measures implemented in the company's own fleet (namely, an increase in hybrid and electric vehicles).



With regard to scope 2, in 2023, the Crédito Agrícola Group has a total of **74 tons of CO₂e** and Caixa Central has a total of **0 tons of CO₂e**, due to the signing of green energy contracts during 2022 (except for 3 Associates), representing an 87% reduction in greenhouse gas emissions for the Group and 100% for Caixa Central. The measures implemented during 2022 reinforce the ambitions of the Group's Net Zero Transition Plan.

In scope 3, the Group recorded an increase of **913 tons of CO₂e** compared to the previous year, corresponding to an increase of 21%. The explanation partly lies in the fact that more categories have been reported in addition to category 7, which has already been reported since 2021, as mentioned above.



It should be noted that there are limitations in the calculations; only the provision of water services for category 1 was taken into account. Nevertheless, it is the Group's objective to improve the reporting of the categories already introduced, as well as to increase the number of categories to be reported, so that scope 3 effectively portrays the Group's activity.

Thus, in 2023, there was an increase in GHG emissions of 3% for the Group and a decrease of 3% for Caixa Central, with the signing of the green energy contract being decisive for this result.

In the coming years it is expected that the reported indirect emissions of the value chain will continue to increase, due to the addition of more categories and improvements in the calculation limitations already detected; however, this is a fundamental step towards the commitment to Crédito Agrícola's Net Zero transition plan and the desired transparency in GCA reporting.

The calculation of the 2023 CO₂e emissions relating to Category 15 scope 3 (i.e. financing and investments) of GCA and Caixa Central will be reported in the Group's Market Discipline Report, to be published ideally by the end of June 2024.

Environmental initiatives

In environmental terms, the Group has developed a number of programmes and initiatives, including the following in 2023:

- **Associação Plantar uma Árvore (Plant a Tree Association):** a corporate volunteering initiative promoted by CA Seguros with a donation of €5,000 to support the rehabilitation of the Sintra-Cascais Natural Park by planting trees, which was attended by 9 volunteers from the Group;
- **Reforestation Action:** an action promoted by the Zero Association, attended by around 40 participants, 12 of whom are part of Crédito Agrícola's motorcyclist club Núcleo Motard, in an action to replant native trees and shrubs, following on from reforestation actions carried out in previous years. This is a forestry project by the environmental organisation "Zero" in the Leiria National Forest, which the Núcleo Motard has supported and participated in voluntarily since 2019 as a way of offsetting the emissions from its bikers' journeys throughout the year. According to data from the Institute for Nature Conservation and Forests (ICNF), there are currently 1,234 hectares that have been reforested in the Leiria National Forest in the context of volunteer actions such as this one.

6. THE FUTURE IS SUSTAINABLE

6.1 What will happen in 2024

The Group will continue to strengthen its contribution to a more sustainable, inclusive and resilient economy. In 2024, the following priorities stand out:

Increased use of sustainable financing instruments:

- New ESG offer (individuals and companies): launching credit products (new or reformulated), with a focus on alignment with the European Union's Environmental Taxonomy, in the target sectors of the Net Zero Plan and/or to address particular societal challenges (in the environmental and/or social sphere).
- ESG-linked operations, Sustainability Linked Loans or Green Loans: with the aim of supporting the transition of larger companies by financing green investment and/or financing conditional on meeting ESG objectives (e.g. reducing inequality, increasing energy efficiency, among others).

Operationalisation of the (new) Proximity, Transition and Impact Programme: with the aim of supporting and facilitating CA customer transition to an inclusive, low-carbon economy. To this end, the Programme will be developed based on a close, constructive and pedagogical approach with customers and includes the implementation of initiatives and projects aimed at meeting the specific and most pressing needs of micro, small and medium-sized enterprises on their sustainability journey, both on the strategic and regulatory fronts. Initiatives of a different nature are expected to be implemented, including capacity-building activities, communication and new partnerships.

Operationalisation of the (new) CA Sustainable & Circular 2.0 Strategy: focusing exclusively on the main emissions associated with the Group's operational management (scope 1, scope 2 emissions and scope 3 categories 5, 6 and 7), the project reflects Crédito Agrícola's desire to lead the transition to a more sustainable economy by example, fostering a relationship of credibility and coherence between internal practices and its external commitments. It is divided into 4 strategic axes – clean mobility; circular economy; sustainability in the value chain; and renewable energies & energy saving – which include the operationalisation of more than 60 actions over the next few years.

Improving the collection and management of ESG data: with a view to better informing decision-making processes, as well as improving the management of risks and impacts of the different activities in the value chain.

Design of the (new) Diversity, Equity and Inclusion Strategy: covering the entire value chain, it focuses on relations with all stakeholders (Human Resources, Customers, Suppliers), with the aim of contributing not only to a more inclusive internal culture conducive to greater innovation and productivity, but also to combating the financial exclusion that persists in the country.

Strengthening impact partnerships (philanthropy and volunteering) in the social and environmental areas: with the aim of leveraging all fronts of intervention to multiply the positive impact on people and the planet.

7. ANNEXES

7.1 Limited Reliability Report



Independent Limited Assurance Report

(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)

To the Board of Directors

Introduction

We were engaged by the Board of Directors of Caixa Central - Caixa Central de Crédito Agrícola Mútuo, CRL ("Crédito Agrícola" or "Company") to perform a limited assurance engagement on the indicators identified below in section "Responsibilities of the auditor" that are part of the sustainability information included in the Sustainability Report, for the period ended December 31, 2023, prepared by the Company for the purpose of communicating its annual sustainability performance.

Responsibilities of the Board of Directors

It is the responsibility of the Board of Directors to prepare the indicators identified below in section "Responsibilities of the auditor", included in the Sustainability Report, in accordance with the sustainability reporting guidelines "Global Reporting Initiative" and with the instructions and criteria disclosed in the Sustainability Report, as well as to maintain an appropriate system of internal control that enables the adequate preparation of the mentioned information.

Responsibilities of the auditor

Our responsibility is to issue a limited assurance report, which is professional and independent, based on the procedures performed and specified in the paragraph below.

Our work was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants and we have fulfilled other technical standards and recommendations issued by the Institute of Statutory Auditors. These standards require that we plan and perform our work to obtain limited assurance about whether the sustainability indicators identified in the Annex "GRI Table" of the Sustainability Report, are free from material misstatements.

For this purpose the above mentioned work included:

- a) Inquiries to management and senior officials responsible for areas under analysis, with the purpose of understanding how the information system is structured and their awareness of issues included in the report;
- b) Identification of the existence of internal management procedures leading to the implementation of economic, environmental and social policies;
- c) Testing, on a sampling basis, the efficiency of processes and systems in place for collection, consolidation, validation and reporting of the performance information analysed, through calculations and validation of reported data;
- d) Confirmation that operational units follow the instructions on collection, consolidation, validation and reporting of performance information;

PricewaterhouseCoopers & Associados – Sociedade de Revizores Oficiais de Contas, Lda.
Sede: Palácio Sottomayor, Rua Sousa Martins, 1 - 3ª, 1069-316 Lisboa, Portugal
Recepção: Palácio Sottomayor, Avenida Fontes Pereira de Melo, nº16, 1050-121 Lisboa, Portugal
Tel: +351 213 599 000, Fax: +351 213 599 999, www.pwc.pt
Matriculada na CRC sob o NIPC 506 628 752, Capital Social Euros 314.000
Inscrita na lista das Sociedades de Revizores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 20161465

PricewaterhouseCoopers & Associados – Sociedade de Revizores Oficiais de Contas, Lda, pertence à rede de entidades que são membros da PricewaterhouseCoopers International Limited, cada uma das quais é uma entidade legal autónoma e independente.

- e) Execution of substantive procedures, on a sampling basis, in order to collect evidence of the reported information;
- f) Comparison of financial and economic data included in the sustainability information with the data audited by PricewaterhouseCoopers & Associados, SROC, Lda, in the scope of the audit of Company's financial statements for the year ended December 31, 2023; and
- g) Verification that the sustainability information included in the Sustainability Report complies with the requirements of GRI Standards.

The procedures performed were more limited than those used in an engagement to obtain reasonable assurance and, therefore, less assurance was obtained than in a reasonable assurance engagement.

We believe that the procedures performed provide an acceptable basis for our conclusion.

Quality management and independence

We apply the International Standard on Quality Management 1 (ISQM1), which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and of the ethics code of the Institute of Statutory Auditors.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Indicators identified above in section "Responsibilities of the auditor", included in the Sustainability Report, for the period ended December 31, 2023, were not prepared, in all material respects, in accordance with GRI Standards requirements and with the instructions and criteria disclosed in the Sustainability Report and that Crédito Agrícola has not applied, in the sustainability information included in the Sustainability Report, the GRI Standards guidelines.

Restriction on use

This report is issued solely for information and use of the Board of Directors of the Company for the purpose of communicating its annual sustainability performance in the Sustainability Report and should not be used for any other purpose. We will not assume any responsibility to third parties other than Crédito Agrícola by our work and the conclusions expressed in this report, which will be attached to the Company's Sustainability Report.

May 24, 2024

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Signed on the original

António Joaquim Brochado Correia, ROC no. 1076
Registered with the Portuguese Securities Market Commission under no. 20160688

7.2 About the report

This document contains non-financial/sustainability information on the Crédito Agrícola Group and Caixa Central, and covers the activities carried out by all its member entities³⁷.

The report contains information for the period from 1 January to 31 December 2023, with figures for 2022 and 2021 being presented where relevant for comparative analysis. The information is reported in accordance with the GRI Standards (2021) of the Global Reporting Initiative (GRI), for the "In accordance" option.

³⁷ The composition of the Group can be found in the Report and Accounts of the Crédito Agrícola Group 2023, under "Corporate Governance Structure and Practices".

7.3 GRI table

GRI 2: GENERAL CONTENTS	
The Entity and its Reporting Practices	
2-1: Entity details	
Crédito Agrícola Group	Caixa Central
Registered office: Rua Castilho, 233-233 A 1099-004 Lisbon Location of activities: Portugal See " Legal Regime " (www.creditoagricola.pt/institucional/o-grupo-ca/estrutura-do-grupo/rjcam)	Registered office: Rua Castilho, 233-233 A 1099-004 Lisbon Location of activities: Portugal See " Legal Regime " (www.creditoagricola.pt/institucional/o-grupo-ca/estrutura-do-grupo/rjcam)
2-2: Entities included in the entity's sustainability report	
Crédito Agrícola Group	Caixa Central
Caixas de Crédito Agrícola Mútuo, Caixa Central, FENACAM, CA Seguros, CA Gest, CA Vida, CA Capital, CA Imóveis, CA Informática and CA Serviços. The scope of the reporting of non-financial information is consistent with the reporting of financial information.	Caixa Central.
2-3: Reporting period, frequency and contact point	
Crédito Agrícola Group	Caixa Central
Reporting period: from 1 January to 31 December 2023 (Note: the document contains information for 2021 and 2022, whenever possible and/or relevant) Reporting cycle: annual Contact: Sustainability Office - sustentabilidade@creditoagricola.pt	Reporting period: from 1 January to 31 December 2023 (Note: the document contains information for 2021 and 2022, whenever possible and/or relevant) Reporting cycle: annual Contact: Sustainability Office - sustentabilidade@creditoagricola.pt
2-4: Restatements of information	
Crédito Agrícola Group	Caixa Central
No significant updates have been made to the structure or information from previous years, with the exception of the 2022 figures for indicator GRI 201-1.	No significant updates have been made to the structure or information from previous years, with the exception of the 2022 figures for indicator GRI 201-1.

2-5: External assurance

Crédito Agrícola Group	Caixa Central
See "7.3 - External Verification".	See "7.3 - External Verification".

Activities and Workers

2-6: Activities, value chain and other business relationships

The Crédito Agrícola Group's financial products are available throughout the country, to both individual and corporate customers. There are no significant changes to report in the supplier chain.

Also, see "5.2 - Our social value".

2-7: Employees

Crédito Agrícola Group	Caixa Central
See "5.2 - Our social value".	See "5.2 - Our social value".

2-8: Non-employee workers

Not applicable.

Governance

2-9: Governance structure and composition

See "4.3 - Our governance model for sustainability".

2-10: Appointment and selection to the highest governance body

See "4.3 - Our governance model for sustainability".

2-11: Chair of the highest governance body

See "4.3 - Our governance model for sustainability".

2-12: Role played by the highest governance body in overseeing impact management

See "4.3 - Our governance model for sustainability".

2-13: Delegation of responsibility for impact management

See "4.3 - Our governance model for sustainability".

2-14: Role of the highest governance body in sustainability reporting

See "4.3 - Our governance model for sustainability".

2-15: Conflicts of interest

Policy on the Prevention, Communication and Remediation of Conflicts of Interest and Transactions with Related Parties

Also, see "4.6 - Our Policies".

2-16: Communication of critical concerns

Crédito Agrícola Group Irregularities Reporting Policy; Code of Ethics and Conduct

Also, see "4.6 - Our Policies".

2-17: Collective knowledge of the highest governance body

In 2023, the Executive Board of Directors did not participate in any training on sustainability. Preparations have been made for training the 141 sustainability ambassadors, specific training for the Product and Risk Departments and for members of the Executive Board of Directors, in 2024.

2-18: Evaluation of the performance of the highest governance body

1. Description of the processes for assessing the performance of the highest governance body The Remuneration Policy for the Members of the Management and Supervisory Bodies for 2023, approved by the General Meeting on 16/12/2023, was drawn up in accordance with the principle of proportionality, respecting the Group's size, risk profile, internal organisation and complexity, having been duly approved and reviewed by the competent governing bodies. It identifies the objectives and criteria for setting the fixed component of remuneration, based mainly on professional experience, the responsibility of the functions at the Group level and the context in which they are performed. The criteria are also defined for setting the variable component of remuneration, and the maximum limit to be allocated in compliance with the legal provisions in force. The execution of the Remuneration Policy of the Members of the Management and Supervisory Bodies of Caixa Central is regulated by the Implementing Regulation of the Remuneration Policy of the Members of the Executive Board of Directors, which establishes the rules for its execution, covering the annual fixed remuneration, the annual variable remuneration and the long-term variable remuneration, namely the definition of the predefined criteria for the assessment of the individual performance of Members of the Executive Board of Directors, which substantiates the right to a variable component of remuneration and its mode of application and weighting. The Regulation also complies with the requirements in Article 115-E(7) with respect to the deferral of part of the variable remuneration. The process of the General and Supervisory Board's allocation of performance bonuses to the members of the Executive Board of Directors, as variable remuneration, begins with the Remuneration Committee's preparation of the elements supporting the Performance Assessment, based on predefined criteria. The calculation of the value of the annual variable remuneration is the result of the sum of two autonomous and independent components: 80% comes from the assessment of the degree of fulfilment of the quantitative objectives (weighted arithmetic average of the key performance indicators (KPIs), taking into account the weight of each one and the degree to which it has been achieved, attributable to a minimum achievement of 85%), defined and reported to the Executive Board of Directors, in the person of its Chairman, at the beginning of the period to which the performance assessment refers; and 20% comes from the qualitative assessment, carried out for each member of the Executive Board of Directors on the basis of a pre-defined questionnaire. The qualitative assessment of the Chairman of the Executive Board of Directors is carried out by the members of the General and Supervisory Board, while the assessment of the other members of the Executive Board of Directors, at the proposal of the Chairman of this body, is also carried out by the General and Supervisory Board. The objectives of the quantitative KPIs are reviewed annually. The figures for calculating the achievement of the KPIs are calculated by the respective departments involved and validated by the Audit Department, whose conclusions are reported to the Remuneration Committee for the assessment exercise. Once the objectives have been achieved, the Remuneration Committee submits a proposal to the General and Supervisory Board for appraisal and approval in plenary for each member of the Executive Board of Directors.

2. Report on whether this evaluation is independent or not and how often it is carried out

The assessment of the management body’s performance is carried out on an annual basis and executed independently by the General and Supervisory Board, based on the previous work carried out by the Remuneration Committee, in accordance with the rules defined in the Remuneration Policy for Members of the Management and Supervisory Bodies and in the Regulation for the Implementation of the Remuneration Policy for Members of the Management Body. In carrying out the qualitative assessment, the members of the General and Supervisory Board take into account the monitoring, carried out on an ongoing basis throughout the period to which the assessment refers, of the work carried out by the Executive Board of Directors on an ongoing basis throughout the period to which the assessment refers.

3. Description of the measures taken in response to the assessments, including changes in the composition of the highest governance body and in organisational practices

Not applicable.

2-19: Remuneration policies

Remuneration Policy for Members of CCCAM's Management and Supervisory Bodies; Remuneration Policy for CCCAM's Employees.

Also, see "4.6 - Our Policies".

2-20: Process to determine remuneration

Remuneration Policy for Members of CCCAM's Management and Supervisory Bodies; Remuneration Policy for CCCAM's Employees.

Also, see "4.6 - Our Policies".

2-21: Annual total compensation rate

Crédito Agrícola Group	Caixa Central
Total annual remuneration	Total annual remuneration
7.5	6.2
Percentage Change	Percentage Change
1.7	0.9

Strategy, Policies and Practices

2-22: Statement on sustainable development strategy

See "1 - Message from the Chairman of the Executive Board of Directors".

2-23: Policies

See "4.6 - Our Policies".

2-24: Incorporation of Policies

See "4.6 - Our Policies".

2-25: Processes to repair negative impacts

See "4.5 - Our ESG risk management".

2-26: Mechanisms for seeking advice and raising concerns

Crédito Agrícola Group's Irregularities Reporting Policy and Code of Conduct and Ethics.

Also, see "4.6 - Our Policies".

2-27: Compliance with laws and regulations

0 cases of non-compliance, fines and sanctions to report for 2023.

Note: Does not include the fines set by the Bank of Portugal against Caixa Central in the summary administrative offence proceedings brought against it in 2023

2-28: Membership of associations

In particular: Act4nature Portugal, BCSD Portugal, Partnership for Carbon Accounting Financials (PCAF), European Association for Cooperative Banks, Portuguese Banking Association (APB) and United Nations Environment Programme Finance Initiative (UNEP FI).

Also, see "**4.4 - Our commitment to sustainability**".

Stakeholder engagement

2-29: Stakeholder engagement approach

See "**5.1 - Our economic value**", "**5.2. -Our social value**" and "**5.3 - Our environmental value**".

2-30: Collective bargaining agreements

All of GCA's employees are covered by a Collective Labour Agreement, with the exception of CA Gest and CA Imóveis, which do not have any collective bargaining instruments applicable to them, and their employment relationships are governed by current labour legislation.

3: MATERIAL TOPICS

3-1: Process to determine material topics

The identification of GCA's material topics was based on a materiality analysis carried out internally in 2020. Guided by the Sustainable Development Goal (SDG) Compass methodology, the exercise was based on a survey of impacts (positive and negative) along the value chain, carried out in a face-to-face workshop involving Caixa Central directors and managers. Based on the identified impacts, different topics were defined and classified, of which the most relevant and priority for the Group were considered the material topics.

Note: In 2023, the GCA carried out a new materiality analysis, following the dual materiality methodology, under the Corporate Sustainability Reporting Directive (CSRD). New material topics have been identified which will form the basis of the 2024 sustainability report.

Also, see "**4.4 - Our commitment to sustainability**".

3-2: List of material topics

Anti-corruption; Anti-competitive behaviour; Economic performance; Economic impacts; Labour market; Consumer privacy; Labour relations; Procurement practices; Non-discrimination; Education and training; Local communities; Emissions; and Energy.

3-3: List of material topics

The GCA assesses and monitors a set of indicators, on an annual and/or yearly basis, in order to know the evolution and performance of its material topics. This periodic analysis enables identifying opportunities for improvement and actions to be implemented that reinforce and/or reorient the way in which material topics are managed, whenever necessary. In addition, there are complaints mechanisms, and internal and external auditing processes, which are also taken into account in this management approach of continuous improvement.

Also, see the following GRI indicators: **201** Economic Performance; **202** Market Presence; **203** Indirect Economic Impacts; **204** Purchasing Practices; **205** Anti-Corruption; **206** Unfair Competition; **302** Energy; **305** Emissions; **402** Labour Relations; **404** Capacity Building and Education; **405** Diversity and Equal Opportunities; **406** Non-Discrimination; **413** Local Communities; and **418** Customer Privacy.

200: ECONOMIC

201: Economic Performance

201-1: Direct economic value generated and distributed

See "5.1 - Our economic value".

201-2: Financial implications and other risks and opportunities arising from climate change

See "4.5 - Our ESG risk management".

201-3: Defined benefit plan obligations and other retirement plans

In terms of retirement benefits, the only pension plan available to Caixa Central, CCAM, CAS and CAI employees is the result of the application of the ICAM Collective Labour Agreement. By conventional obligation, all active employees with an open-ended employment contract are participants in the Pension Fund. Pursuant to the ICAM Collective Labour Agreement, employees hired from 1 May 1995 onwards contribute to the Pension Fund with 5% of their monthly minimum retribution (level and seniority bonuses), where the employer is responsible for endowing the Fund with the contributions payable to it on an annual basis, calculated in accordance with the actuarial valuation carried out by the respective Management Entity. Whenever there are unforeseen additional liabilities, the Management Entity is responsible for determining the value of the financial impact caused on the Fund's assets, and the employer is responsible for endowing the Fund with the same value that was determined. Note: it was not possible to obtain information on points a., b. and c. of the indicator.

201-4: Financial assistance received from government

€0.

Note: only includes support granted by the Portuguese State to financial institutions in the context of stress situations that may affect their viability and sustainability.

202: Market Presence

202-1: Ratio between the lowest wage and the local minimum wage, broken down by gender

Crédito Agrícola Group			Caixa Central		
Ratio	Women	Men	Informed members	Women	Men
Entry-level minimum wage (excluding members of the Board of Directors)	760.00 €	760.00 €	Entry-level minimum wage (excluding members of the Board of Directors)	1,068.28 €	1,068.28 €
National minimum wage	760.00 €	760.00 €	National minimum wage	760.00 €	760.00 €
Ratio	1.00	1.00	Ratio	1.41	1.41

202-2: Proportion of senior management hired from the local community

The information exists, but it is not structured in such a way as to be reported, so it is not possible to present this data.

203: Indirect Economic Impacts

203-1: Infrastructure investments and services supported

See "4.4 - Our commitment to sustainability", "4.7 - ESG opportunities", "5.2 - Our social value" and "5.3 - Our environmental value".

203-2: Significant indirect economic impacts

See "4.5 - Our ESG risk management" and "5.3 - Our economic value".

204: Procurement Practices

204-1: Proportion of spending on local suppliers

See "5.2 - Our social value".

205: Anti-Corruption

205-1: Operations assessed for risks related to corruption

0% - in 2023 no exercises were carried out to analyse GCA's operations with regard to corruption-related risks.

205-2: Communication and training on anti-corruption policies and procedures

Crédito Agrícola Group				Caixa Central			
Informed members	2021	2022	2023	Informed members	2021	2022	2023
Senior Management	N/A	6%	2%	Senior Management	N/A	12%	6%
Middle Management	N/A	3%	5%	Middle Management	N/A	9%	4%
Lower-level Management	N/A	17%	7%	Lower-level Management	N/A	9%	3%
Highly skilled and skilled professionals	N/A	73%	85%	Highly skilled and skilled professionals	N/A	69%	87%
Semi-skilled professionals	N/A	1%	1%	Semi-skilled professionals	N/A	0%	0%
Unskilled professionals	N/A	0%	0%	Unskilled professionals	N/A	1%	0%

Crédito Agrícola Group				Caixa Central			
Trained members	2021	2022	2023	Trained members	2021	2022	2023
Senior Management	N/A	6%	2%	Senior Management	N/A	12%	6%
Middle Management	N/A	3%	5%	Middle Management	N/A	9%	4%
Lower-level Management	N/A	17%	7%	Lower-level Management	N/A	9%	3%
Highly skilled and skilled professionals	N/A	73%	85%	Highly skilled and skilled professionals	N/A	69%	87%
Semi-skilled professionals	N/A	1%	1%	Semi-skilled professionals	N/A	0%	0%
Unskilled professionals	N/A	0%	0%	Unskilled professionals	N/A	1%	0%

205-3: Confirmed incidents of corruption and actions taken

Information not ascertained.

206: Anti-Competitive Behaviour

206-1: Legal actions for unfair competition, antitrust and antimonopoly

Crédito Agrícola Group	Caixa Central
Information not available.	In 2023, Caixa Central identified 1 legal action related to anti-competitive behavior/unfair competition/monopoly practice.

300: ENVIRONMENTAL

302: Energy

302-1: Energy consumption within the organisation

Crédito Agrícola Group				Caixa Central			
Consumption (GJ)	2021	2022	2023	Consumption (GJ)	2021	2022	2023
Diesel	27,050	26,865	23,559	Diesel	682	1,022	893
Diesel (generator)	28	19	43	Diesel (generator)	5	5	22
Petrol	4,848	6,363	9,510	Petrol	368	721	947
Natural gas	253	226	248	Natural gas	3	35	47
Electricity	179,390	154,853	142,683	Electricity	15,439	17,046	17,552
Electricity Produced	1,396	1,752	1,946	Electricity Produced	0	0	0
TOTAL	212,965	190,078	177,989	TOTAL	16,497	18,829	19,461

302-2: Energy consumption outside the organisation

No information available.

302-3: Energy intensity

Crédito Agrícola Group				Caixa Central			
Ratio	2021	2022	2023	Ratio	2021	2022	2023
GJ per number of employees	51.3	45.4	43.0	GJ per number of employees	27.5	29.9	29.3
GJ per profit made	1.3	1.3	0.6	GJ per profit made	0.4	0.8	0.3

The ratios were calculated on the basis of total energy consumption within the organisation, according to GRI 302-1 figures.

302-4: Reduction of energy consumption

Crédito Agrícola Group				Caixa Central			
Reduction in energy compared to the previous year	2021	2022	2023	Reduction in energy compared to the previous year	2021	2022	2023
GJ	6,378.5	13,221.8	12,088.8	GJ	268.0	2,295.6	632.0
%	-3%	-9%	-6%	%	-2%	4%	3%

302-5: Reductions in energy requirements of products and services

Information not available. However, it should be noted that the Group favours replacing petrol/diesel vehicles with hybrid/electric vehicles in its own fleet whenever possible.

305: Emissions

305-1: Direct (Scope 1) GHG emissions

Crédito Agrícola Group				Caixa Central			
GHG emissions (ton CO ₂ e)	2021	2022	2023	GHG emissions (ton CO ₂ e)	2021	2022	2023
Stationary and mobile combustion	2,355.5	2,445.4	2,243.7	Stationary and mobile combustion	76.6	127.8	124.8
Fugitive emissions	0.0	0.0	0.0	Fugitive emissions	0.0	0.0	0.0
TOTAL	2,355.5	2,445.4	2,243.7	TOTAL	76.6	127.8	124.8

The calculations include the main GHG (CO₂, N₂O and CH₄), based on the GHG Protocol methodology and tools (approach: Operational Control), and considered emission factors (EF) and global warming potentials (GWP) from the following sources of information: DEFRA 2023.

Also, see "5.3 - Our environmental value".

305-2: Energy indirect (Scope 2) GHG emissions

Crédito Agrícola Group				Caixa Central			
GHG emissions (ton CO ₂ e)	2021	2022	2023	GHG emissions (ton CO ₂ e)	2021	2022	2023
Electricity	2,670.4	589.2	74.3	Electricity	229.8	64.9	0.0
Electricity (self-consumption)	0.0	0.0	0.0	Electricity (self-consumption)	0.0	0.0	0.0
TOTAL	2,670.4	589.2	74.3	TOTAL	229.8	64.9	0.0

The calculations include the main GHG (CO₂, N₂O and CH₄), based on the GHG Protocol methodology and tools (approach: Operational Control), and considered emission factors (EF) and global warming potentials (GWP) from the following sources of information: APREN. It should be noted that the Group has contracted the supply of electricity from renewable sources since March 2022, covering 95% of GCA. Also, see "5.3 - Our environmental value".

305-3: Other indirect (Scope 3) GHG emissions

Crédito Agrícola Group				Caixa Central			
GHG emissions (ton CO ₂ e)	2021	2022	2023	GHG emissions (ton CO ₂ e)	2021	2022	2023
Category 1	N/A	N/A	7.6	Category 1	N/A	N/A	0.6
Category 3	N/A	N/A	607.9	Category 3	N/A	N/A	32.2
Category 5	N/A	N/A	8.7	Category 5	N/A	N/A	0.7
Category 7	3 112.0	4 287.0	4 576.0	Category 7	561.0	515.0	527.8
TOTAL	3 112.0	4 287.0	5 200.1	TOTAL	561.0	515.0	561.3

The calculations include the main GHG (CO₂, N₂O and CH₄), based on the GHG Protocol methodology and tools, and considered emission factors (EF) and global warming potentials (GWP) from the following sources of information: NIR (Portugal, 2023) and UK Government GHG Conversion Factors for Company Reporting (2023) and IPCC 2007. The calculation of the 2023 CO₂e emissions relating to Category 15 scope 3 (i.e. financing and investments) of GCA and Caixa Central will be reported in the Group's Market Discipline Report, to be published in June 2024 (indicative date).

Also, see "5.3 - Our environmental value".

305-4: Greenhouse gas (GHG) emissions intensity

Crédito Agrícola Group				Caixa Central			
Ratio	2021	2022	2023	Ratio	2021	2022	2023
ton CO ₂ e per number of employees	2.0	2.0	1.8	ton CO ₂ e per number of employees	1.4	1.1	1.0
ton CO ₂ e per profit made	0.05	0.06	0.03	ton CO ₂ e per profit made	0.02	0.03	0.01

The ratios were calculated based on the sum of Scope 1 and 2 GHG emissions, according to GRI figures 305-1 and 305-2.

305-5: Reduction of greenhouse gas (GHG) emissions

Crédito Agrícola Group				Caixa Central			
GHG emission reduction	2021	2022	2023	GHG emission reduction	2021	2022	2023
ton CO ₂ e	-3 104.4	103.9	-197.4	ton CO ₂ e	-491.5	161.7	21.6
%	61.7%	-1%	3%	%	131%	-19%	-3%

305-6: Emissions of ozone-depleting substances (ODS)

Not applicable. The Group has no equipment or facilities that emit substances contributing to the destruction of the ozone layer.

305-7: NO_x, SO_x and other significant atmospheric emissions

Crédito Agrícola Group				Caixa Central			
Other emissions (kg)	2021	2022	2023	Other emissions (kg)	2021	2022	2023
NO _x	7 990.3	7 570.8	6 997.5	NO _x	274.6	318.7	209.4
NM VOC	0.0	1.2	0.0	NM VOC	0.0	0.0	0.0
PM2.5	2 740.3	2 613.1	2 244.0	PM2.5	107.6	110.5	69.2
PM10	0.2	0.2	0.3	PM10	0.0	0.0	0.1
SO _x	1.4	1.4	2.1	SO _x	0.3	0.2	1.0

The calculations were based on the GHG Protocol methodology and tools, and considered emission factors (EF) from the following sources of information: NIR (Portugal, 2023) and Guide to the Inventory of Air Pollutant Emissions (European Environment Agency, 2019 – <http://efdb.apps.eea.europa.eu>)

400: SOCIAL

401: Employment

401-1: New hires and employee turnover

The Group does not have this consolidated information.

401-2: Benefits offered to full-time employees that are not offered to temporary or part-time employees

The Group does not have this consolidated information.

401-3: Maternity/paternity leave

The Group does not have this consolidated information.

402: Labor relations

402-1: Minimum notice periods regarding operational changes

The Crédito Agrícola Group and Caixa Central comply with the time limits established in the law.

404: Training and Education

404-1: Average hours of training, per year, per employee

See "5.2 - Our social value".

404-2: Programmes for upgrading employee skills and transition assistance programmes

In addition to the Group's existing training and qualification programmes, a Career Monitoring Programme was implemented in 2023, applicable to all employees of the Crédito Agrícola Group.

404-3: Percentage of employees receiving regular performance and career development reviews

All CA Group employees with more than 6 months' effective employment are covered by the annual performance appraisal.

405: Diversity and Equal Opportunities

405-1: Diversity in governance bodies and employees

The Group does not have this consolidated information.

406: Non-discrimination

406-1: Incidents of discrimination and corrective actions taken

In 2023, no cases of discrimination were reported in the Group.

413: Local Communities

413-1: Operations with local community engagement, impact assessments and development programmes

Support to 116 schools and/or childcare facilities: 132,293 euros in donations + 32,620 euros in sponsorships + 4 hours of volunteering

Support to 793 cultural institutions: 353,735 euros in donations + 459,860 euros in sponsorships + 683 hours of volunteering

Support to 355 social solidarity institutions: 648,774 euros in donations + 26,750 euros in sponsorships + 24 hours of volunteering

Support to 643 sports institutions: 222,924 euros in donations + 664,830 euros in sponsorships + 500 hours of volunteering

Support to 96 institutions for the elderly: 171,869 in donations + €5,614 in sponsorships

Support to 792 other institutions: 227,159 in donations + 423,590 in sponsorships

Also, see "5.2 - Our social value".

418: Customer Privacy

418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data

Crédito Agrícola Group				Caixa Central			
No.	2021	2022	2023	No.	2021	2022	2023
Complaints	N/A	11	8	Complaints	N/A	1	1
Cases of leakage, theft or loss of information	N/A	13	8	Cases of leakage, theft or loss of information	N/A	1	1

7.4 List of abbreviations

APB – Portuguese Banking Association

BCSD Portugal – Business Council for Sustainable Development Portugal

CCAM – Mutual Agricultural Credit Bank (or Associate)

CCCAM (or **CC**) – Caixa Central de Crédito Agrícola Mútuo (or Central Bank)

CSRD – Corporate Sustainability Disclosure Directive

EACB – European Association of Co-operative Banks

ESG – Environmental, Social and Governance

GCA – Crédito Agrícola Group

GRI – Global Reporting Initiative

UN – United Nations Organisation

PCAF – Partnership for Carbon Accounting Financials

SFDR – Sustainable Finance Disclosure Regulation

UNEP – United Nations Environmental Programme

UNEP FI – United Nations Environment Programme Finance Initiative

Sustainability Report

Crédito Agrícola Group

Year

2023

Consulting and Support

SYSTEMIC – SystemicSphere, Consultoria Económica, Social e Ambiental, Unipessoal, Lda

www.systemic.pt

