



Sustainable development

Our Sustainability agenda

Sustainability is a fundamental and structural element of our value proposition and is the driving force behind all of our initiatives, the development of our People, the relationships with our Suppliers and Partners, and our endeavours in the Community.

We act independently and cooperate with all interested parties to ensure the best solutions to ever-increasing and complex challenges presented by the sustainable development agenda.

In this context, we recognise that it is our purpose to democratise access to a healthy and sustainable basket and to ensure that today we are building a future that respects People, Communities and the Planet.

Action pillars

Products

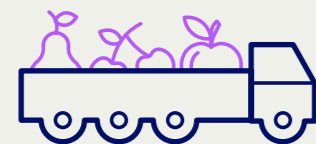
The climate emergency, the biodiversity crisis and the unsustainable use of resources highlight the urgency in transitioning to a mode of production that respects the planet's limits, in conjunction with the need to promote a fairer, more resilient, and transparent value chain.

At the same time, we must drive this transformation by promoting healthier and more responsible consumer behaviour patterns and providing a diversified offer with a smaller footprint and more nutritionally balanced products within competitive conditions.



Sustainable production

Responsible offering



Planet

We are committed to transforming our operations and are on the pathway towards decarbonisation and circularity, because we are mindful of the challenges our Planet is facing, reflected in the growing fragility of the ecosystems that support life.

Faced with this urgent ambition to protect the Planet, we have focused on developing numerous initiatives that generate positive impact throughout our value chain.



Climate action

Circularity



People

Our People are at the heart of our business. Therefore, ensuring working conditions to foster motivation and productivity to bring out the best in them is fundamental to our success.

Thus, we seek to ensure their safety, health and well-being and promote personal and professional development, centered on a culture of strong leadership which supports diversity and inclusion as part of its essence.



Development and well-being

Diversity, equity, and inclusion



Communities

We are conscious of our important role in building more resilient and autonomous communities. As so, we seek to act as a lever for sustainable development by creating positive social value.

We are committed to scaling-up MC's capability of promoting transformation within society, challenging ourselves to go even further in offering extended relief to the Communities where we operate, empowering and mobilising them, and acting with purpose in the present so that we can build a better future.

Supporting society



Raising awareness and mobilising support

Products

Sustainable production

Our vision

To encourage the creation of more transparent and resilient supply networks, contributing to the protection and preservation of ecosystems, we have worked closely with our producers to promote agricultural, livestock and aquaculture practices adapted to climate change. The goal is to foster the protection of water resources and biodiversity that promote soil regeneration while safely meeting the needs of a growing population.

Within the scope of the «Continente Producer's Club», which currently includes 267 producers and organisations of producers, this approach was articulated via the «Declaration for Sustainability», to which all members must subscribe. This commitment is based on 11 principles, encompassing issues such as nature and biodiversity conservation, the promotion of regenerative agriculture, and circularity. The Declaration will be set out in more than 40 action plans covering all product categories produced by the Club's members.

Our performance

With a network mainly comprised of national suppliers (84%), in 2022, MC continued to work closely with its partners, promoting awareness-raising initiatives, encouraging changes in production practices, and providing tools to support the necessary changes.

In total, 37% of «Continente Producer's Club» members have already signed the «Declaration for Sustainability». In parallel, in the year, we engaged with more than 100 producers to calculate circa 300 carbon and water footprints pertaining to their products.

In 2022, Sonae became a signatory to the United Nations Sustainable Ocean Principles, announced during the Sustainable Blue Economy Investment Forum at the UN Oceans Conference, in Lisbon. By signing up to these principles of protecting the oceans and promoting a sustainable blue economy, we reaffirmed our commitment to assess the impact of our business activity on the oceans and integrate this scope into our global strategy. In the past year, based on the Traffic Light System (TLS), we have yet again recorded an increase in the proportion of fish originating from aquaculture or more sustainable fishing methods.

Fishery purchase volume



Our initiatives

Transforming agricultural practices

In 2022, within the scope of the «Continente Producer's Club», we developed 3 complementary programmes to assist our Fruit and Vegetable producers in transforming their agricultural practices:

- The **Agroecology Programme** supports producers in their management processes, environmental planning and the adoption of best practices, through an agroecological assessment method of producers and the surrounding matrix (grassland, bushland, forest, among others);
- The **Zerya Regenerative Programme** is based on an integrated approach to farm management by following a cultivation protocol, enabling producers to guarantee better soil conditions, safeguard plant nutrition, and manage water resources, minimising the environmental impact of the horticultural activity;
- The **Zero Residue Programme** results from the partnership between «Continente Producer's Club» and Zerya, and aims to develop customised agricultural production systems, focusing on best practices to obtain certified products free from pesticide residue.



«Zero Deforestation» commitment

Acknowledging the importance that forests play in balancing ecosystems, MC formalised its «Zero Deforestation» commitment, through which the Company aims to ensure zero deforestation associated with its direct operations and supply chain.

In this context, we aim to guarantee the sustainable supply of raw materials that have driven deforestation acceleration, such as palm oil, wood or soya, by adopting certification schemes and/or other control and monitoring mechanisms.

Therefore, we have invested in mapping the origin and use of these raw materials and reviewing product development requirements, eliminating or reducing their usage whenever possible.

VIAFOOD

MC leads a consortium comprising circa 50 entities, including companies, laboratories, and sector-related associations. The aim is to drive transformation and empowerment of the Portuguese food sector, thus increasing its competitiveness at an international level.

Through research and development and by improving production processes using new technologies, the consortium, which PortugalFoods coordinates, aims to develop more than 130 new products, services and processes by 2025, to promote healthier and more sustainable food.

VIAFOOD represents an overall investment of circa €110 million, which will be co-financed with the Recovery and Resilience Programme (RRP).

Products

Responsible offering

MC Annual Report 2022 36 Sustainable development



Our vision

To democratise access to shopping baskets comprised of healthy and sustainable products, we have developed a set of initiatives to ensure a wide-ranging and top-quality offer at competitive prices.

The constant investment in food innovation has enabled us to introduce our customers to emerging trends in the food sector, as well as a variety of organic products, plant-based alternatives, products low in salt, sugars and fats, free-from products (lactose and gluten-free products, etc.), and food supplements, at affordable price points.

Our performance

In 2022 we optimised the nutritional content of more than 500 private label products, maintaining our commitment to promoting healthy eating habits. This equates to a reduction of 860 tonnes of sugar and 120 tonnes of salt, and the removal of palm oil from 92 products.

Our initiatives

Enhancing food innovation

Through Continte Food Lab, available in 10 stores from the North to the South of Portugal, our Customers became more acquainted with emerging trends in the food sector, using an experimental and dynamic approach. In 2022, the Continte Food Lab tested product portfolio included:

- *Petit Papão*, a range of organic frozen soups and meals for babies, carefully developed by nutritionists to meet the needs of each stage of baby development;
- *True Gum*, a 100% natural, biodegradable chewing gum that doesn't contain additives derived from petrochemicals. Made from the sap of the tropical fruit cicle tree *Manilkara Zapota*, the sugar-free gum is sweetened with xylitol and stevia and is available in various flavours;
- *Simply Green*, a range of powdered mixes used for burgers and falafel, adding variety and convenience to the plant-based alternatives.

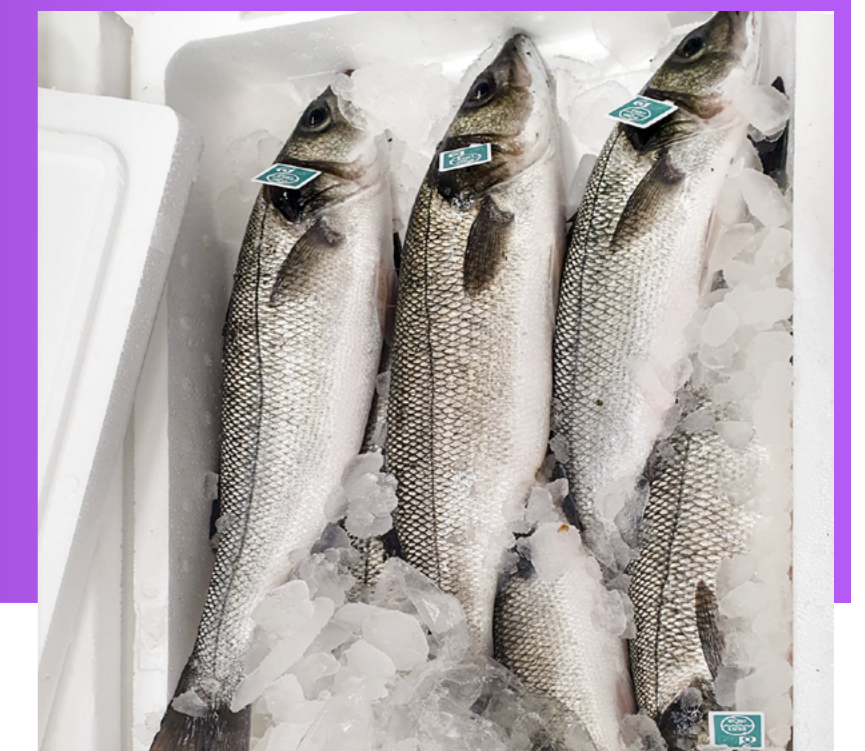


«A minha horta» at Continte

Launched in March 2022, «A minha horta» (My vegetable garden) is an initiative which brought the countryside into Continte stores. These vegetable patches can be found in our Colombo, Matosinhos and Gaia stores and offer customers varieties of lettuce and aromatic herb options, which are cultivated and preserved using a hydroponic system, thus ensuring greater freshness.

Organic seabass

Combining sustainability, innovation and quality, in 2022, we introduced organic seabass, widening the range made available to our Customers. Produced in salt marshes in the *Ria de Aveiro*, this fish has a more intense flavour and meaty consistency. It hails from an integrated cultivation system, where the nutrients in the water (resulting from the fish farming activity) are also used to cultivate algae without using fertilisers or additives.



Planet Climate action

Our vision

Aware of the diverse and complex challenges posed by the climate crisis, we have pledged to decarbonise our operations by 2040. To this end, we developed a roadmap to guide our future efforts and investments, based on 4 key areas:

- the implementation of eco-efficiency measures to reduce our energy consumption;
- the electrification of consumption;
- a programme to change our refrigeration plants;
- investment in the production and acquisition of energy produced from renewable sources.

We revisit our roadmap yearly to accelerate our actions and integrate the latest practices and technological development.

Our performance

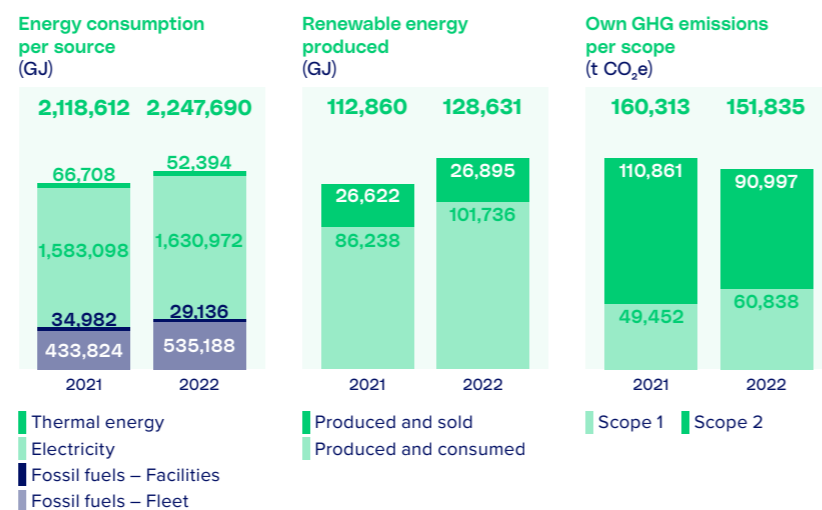
In 2022, MC's total energy consumption totalled 2,247,690 GJ, which accounts for an increase of 6.1% compared to 2021, justified by the Company's organic growth, by the fact that the business returned to normal without the restrictions imposed by the pandemic and by the expansion of solutions such as the «Plug & Charge» network. Electricity accounts for 73% of this consumption and the remaining 27% is associated with fuel consumption and thermal energy. Our electricity production from renewable sources (photovoltaic power plants) increased by 14% in the last year.

Regarding the sources of our Greenhouse Gas (GHG) emissions, 60% comes from electricity consumption and thermal energy, and the remaining amount (40%)

comes from fuel consumption and leakage of fluorinated gases. Nonetheless, when we compare our emission figures with those recorded in 2021, we note a 5% reduction in emissions. Considering the reduction target set for 2030 – reducing our GHG emissions by 55% –, we recorded a decrease of 30.3% compared to 2018.

In 2022, we completed mapping MC's Carbon Footprint, extending it to all applicable categories under scope 3 per the GHG Protocol. This was the first step towards establishing a science-based reduction target (Science Based Targets Initiative – SBTi), and, consequently, the definition of an action plan for a more structured and robust reduction of emissions.

Notwithstanding, MC has been working to reduce the scope 3 carbon footprint, by implementing a set of initiatives, the development of plant-based alternatives to animal protein, projects included in the «Continente Producer's Club» agenda, the transformation of our own or exclusive-brand packaging, the promotion of electric mobility, the fight against food waste and the optimization of waste management, among others.



Our initiatives

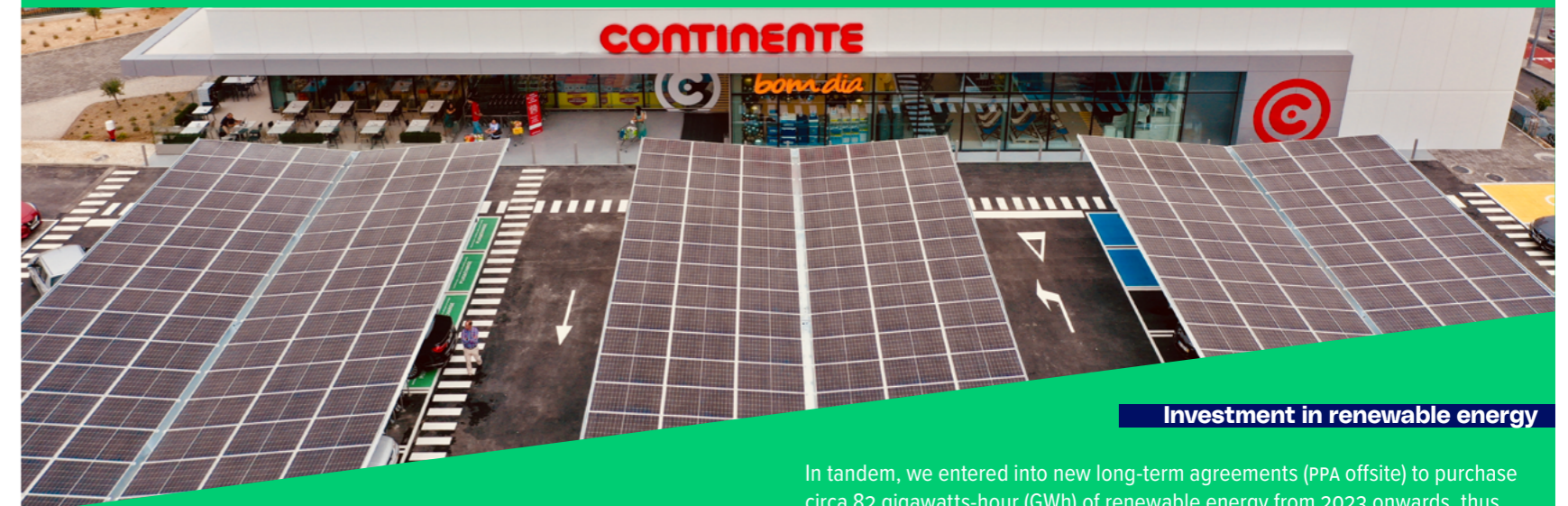
«Energy Forum»

In light of the current energy crisis, we set up the «Energy Forum», aiming to accelerate an eco-efficient culture, boost energy optimisation measures, and increase our capacity to produce renewable energy.

To this end, we updated the Energy Use Handbook (EUH), with tougher guidance pertaining to main equipment (schedules and parameters) and checklists to verify the defined measures. At the same time, we also invested in training and in-store communication. The information and control systems were improved, and we now have daily and weekly reports on energy consumption.

Additional energy audits were conducted in stores with more critical consumption levels, to identify and correct inefficiencies. The preventive maintenance plans for the main equipment were reviewed to optimise procedures and reassess task frequency that impacts energy consumption.

Lastly, these actions were complemented by a series of structural measures. We accelerated the implementation of self-consumption plants, ramped up the installation of doors along the refrigerated compartments and devised additional pilot projects, which will be rolled out according to the results obtained, financial impact and implementation capacity.



Investment in renewable energy

In tandem, we entered into new long-term agreements (PPA offsite) to purchase circa 82 gigawatts-hour (GWh) of renewable energy from 2023 onwards, thus strengthening existing agreements.

The decarbonization of our energy matrix, namely by generating electricity from renewable sources, increased significantly in 2022. By year-end, we had 242 power plants up and running, representing an additional 28 new plants compared to 2021 and a photovoltaic power park with an installed capacity of circa 37 megawatt-peak (MWp).

The contracts negotiated for 2022, amounting to 108.7 GWh, and the local production of renewable energy through photovoltaic power plants meant that circa 30% of MC's electricity consumption came from renewable sources. This investment in renewable energy reduced 36,525 tonnes of CO₂e, compared to the potential emission without these options.

Energy efficiency at the renewed Maia distribution centre

The expansion and renovation project at the distribution centre in Maia, completed in 2022, centred around optimising energy consumption by installing energy-efficient boosting equipment in the revamped cold storage areas. We highlight improvements made to our goods receptions systems in the chilled and frozen operations bays, helping to reduce energy losses between loading and unloading, resulting in greater cold output efficiency.

In all the areas which underwent interventions, we also ensured the use of LED lighting instead of the fluorescent lamps used in the old facilities. With the warehouse expansion, a 50% increase in energy consumption is expected; however, the measures we implemented mean the increase will be lower, circa 25%-30%.



Planet Circularity

Our vision

Promoting circularity is an increasingly visible dimension of our operations, through which we promote the collection and reintegration of materials at the end of their life cycle, for reuse or recycling. In this sense, in 2022, we continued working on significantly transforming our packaging, taking as our starting point the principles of a circular economy and eco-design. The aim is to ensure that by 2025 all our private label or exclusive brand packaging is recyclable, reusable, or compostable.

We have also worked to ensure a more intelligent and assertive waste management process, through the development of several procedures at the supply level that enabled us to reduce stockout. These range from introducing the product expiration date in the store replenishment algorithms to changes in operating procedures and quality control to training and awareness-raising initiatives for our workforce.

These efforts are complemented by mechanisms to accelerate product flow and minimize food waste, as well as food reuse and redistribution initiatives through the food surplus donation programme.

Our performance

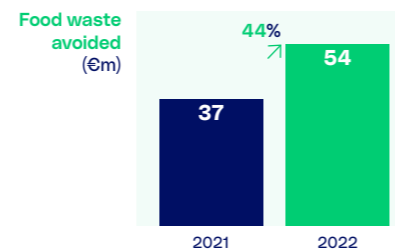
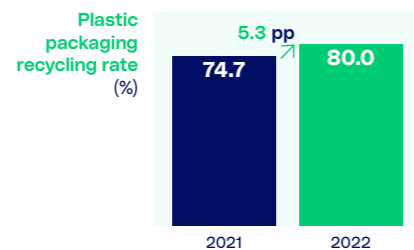
Through the continuous implementation of Environmental Management Systems (EMS), we invested in more efficient use of resources. By the end of 2022, circa 58% of MC's operational area was NP EN ISO14001 certified: 2015, representing a 5 pp growth compared to 2021.

A total of 923,689 m³ of water was withdrawn, representing a 4% increase compared to 2021, associated with business organic growth and returning to normal without the restrictions related to the pandemic.

In 2022, MC managed 73,087 tonnes of waste within the waste management scope, corresponding to a 0.5% increase compared to the previous year. We recorded an increase in the recovery rate of waste produced, reaching 84.8% (+1.2 compared to 2021).

At the end of 2022, our plastic packaging recycling rate was circa 80.0%, per our recycling matrix, representing a 5.3 pp increase compared to 2021. Regarding recycled raw materials incorporation, this figure stood at 14.1% (+2.0 pp compared to 2021).

Also worthy of note is the progress we made in terms of reducing food waste. In 2022, we avoided more than €54 million worth of food waste (€16 million more than in 2021), of which €23 million was by way of accelerating product flow mechanisms and €31 million from our food surplus donation programme.



Our initiatives

«Refill Spot» by Continente

The «Refill Spot» by Continente is a new self-service, automated refill system section within the Continente Matosinhos and Colombo stores. Customers can reuse packaging when purchasing certain products (detergents, dry foods and cat and dog food) to promote savings and packaging circularity.

This initiative is central to Continente's Sustainability agenda because it will enable the Company to test a complementary approach to single-use packaging in a real environment and at scale. With very significant impacts on the entire value chain, from producers to consumers, this initiative will enable us to properly assess the economic, environmental and operational impacts of this new sales model for some products.



FAZ SENTIDO USAR OS SENTIDOS

O selo anti-desperdício alimentar chegou aos produtos da marca Continente! Sempre que o vir num alimento, lembre-se de Observar, Cheirar e Provar antes de desperdiçar.



Too Good To Go seal

MC was the first Iberian retailer to add the «Look, Smell, Taste, Don't Waste» seal to its private label products. This initiative, developed by Too Good To Go, aims to promote food literacy and thus empower consumers to make more sustainable choices, raising awareness regarding the importance of «saving» food with a minimum shelf-life.

Products labelled with «Best Before» or «Best Before the end of» with expired dates are not necessarily food waste. Thus, if the product has been correctly stored, the Too good Too Go seal recommends looking at it to check whether it looks good, smelling it to check it is okay, and, finally, tasting it to check it is fine. If the food passes these 3 tests, its quality is intact and can be consumed.



«Cadernão»

Continente, which leads the way in back-to-school supplies, launched the «Cadernão» (Big Notebook) project, together with the Oxford stationery brand. This initiative aimed to encourage consumers to recycle, while supporting a reforestation initiative in Portugal.

«Cadernão» deposits were made available across all Continente stores, whereby customers could deposit used exercise books, which allowed for a total of 12 tonnes of paper to be collected for recycling. Additionally, for each tonne of paper deposited at these collection points, MC planted 20 trees in the Sonae Forest, totalling 240 trees, corresponding to the total needed to produce the amount of paper collected.

People

Development and well-being

Our vision

At MC, we believe that more value is created when everybody contributes. For this reason, we place our People at the centre of our activity, ambition and journey.

Promoting personal and professional development and focusing on employee well-being is an integral part of our culture and our value proposition as an employer. Every person is different, and this uniqueness gives us an enormous wealth of talent, creativity and energy. When this goes towards the common good, the results always exceed expectations.

We believe that the skill set every one of our People possesses represents a valuable asset to continue leading into the future. For this reason, we encourage continuous learning, sharing experiences and know-how acquired through participation and teamwork.

We promote a working environment prioritising health and safety, providing conditions that proactively contribute towards zero accidents, which simultaneously favours motivation and productivity.

We are greater than the sum of our parts. We advocate a culture of respect, integration and heterogeneity. We are bold, committed, supportive and focused. People are what makes us, and we work for people.

Our performance

In 2022, we invested in our People's personal and professional growth, boosting training initiatives totalling 639,151 hours. At the same time, we continued to promote in-house mobility, valuing the acquisition of different experiences within the organisation. This resulted in a 50% increase in applications from employees already part of MC.

We significantly improved working conditions through our Occupational Health and Safety (OHS) programme. In 2022, the frequency index rate decreased by 17% and the severity index by 19%.

This year, we invested €25 million in strengthening the benefits package for our People in recognition of their dedication and hard work in a particularly challenging economic climate. We also implemented top-notch initiatives with significant cross-sectional impact, fostering the sharing of experiences and the creation of bonds between teams, promoting and strengthening our culture and a sense of belonging within the organisation.

Our initiatives

Investing in skills, opportunities and working conditions

In 2022, we maintained a very clear focus on our People qualification strategy. We are proud to share achievements such as more than 600 training certificates awarded through MC's *Centro Qualifica* (Professional Training Qualification Centre). We also launched a course in Sales Management at the Point of Sale and hosted the 2nd edition of the Retail Management course.

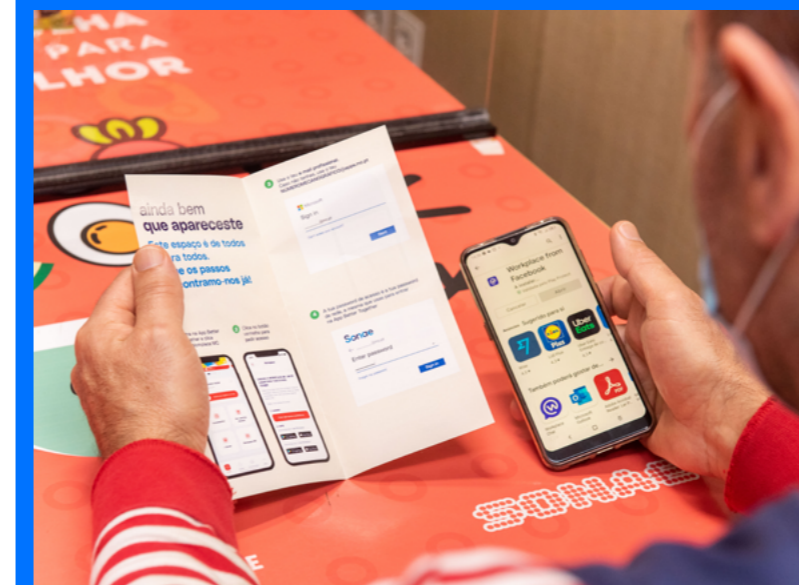
At the same time, we remained on course with our commitment to in-house mobility. Through various awareness and information initiatives, employees sought out new challenges within MC to continue to enrich their professional path. These initiatives meant that in 2022 there was a 50% increase in in-house applications, representing 31% of completed recruitment processes.

In terms of improving working conditions, in 2022, we implemented the Y Model, a programme based on 3 complementary axes: safety, ergonomics and operational efficiency. We carried out a detailed assessment of each axis and the risk forecast of the micro-tasks performed by our People, thus giving us a 360° vision of daily store operations.

Workplace MC

We believe that fostering healthy relationships between our People improves their work experience, increases motivation levels, encourages collaboration and sharing within their job roles, and fosters growth for all involved. In 2022, we launched an in-house social media service called Workplace, a communication platform that aims to bring employees throughout the organisation closer together in a democratic and transversal manner.

This platform offers our People a channel for autonomous sharing of their achievements, experiences and accomplishments, creating a sense of community that matches our vision for employee relations.



ESTA É
A MINHA
MARCA

«Esta é a minha marca»

The «*Esta é a minha marca*» (This is my brand) initiative was born in 2022 to give employees a voice and platform to promote their visibility and make them true ambassadors of the MC brand. The initiative had 2 main action pillars:

- **Our Specialists**, employees from Continente stores were given the opportunity to share know-how and offer advice in their areas of expertise, namely regarding themed promotional trade fairs;
- **Recruitment**, we relied on employees across various banners within MC Operations to provide a first-hand account of their roles to leverage the hiring and vacancy advertising processes, alongside our internal and external communication channels.

The actions boosted individual awareness and interaction between teams from different areas, fostering sharing and networking that brought together the corporate structures and field teams.

Enhancing our benefits package

In a year of increased challenges due to the macroeconomic backdrop, we sought to stand by our People and adopt measures to help mitigate the impact of the sharp increase in the cost of living. In 2022, we boosted the employee benefits package with measures such as increasing food allowance and enhancing the food offering in social areas, among others. During Christmas, the Company also provided its employees with a one-off payment of €500. These initiatives represented an annual investment of more than €25 million.

People

Diversity, equity and inclusion



Our vision

At MC, we value heterogeneity and individuality. We seek to make the most of the extraordinary characteristics of our People across the different business areas, contributing to the creation of a unique community with a culture second-to-none which fosters incredible relationships.

We believe that the rich multitude of our teams enables us to provide complete and cross-cutting responses to the challenges posed by the sector and that respecting and valuing differences has a significant impact on our long-term success.

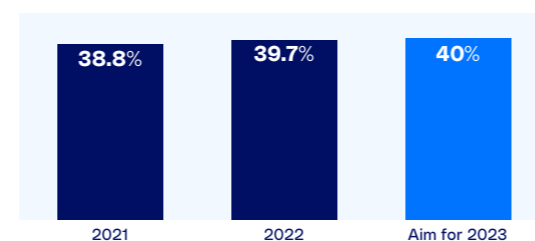
We are firmly committed to our Diversity, Equity, and Inclusion strategy by adopting inclusive recruitment and career progression policies and cross-cutting initiatives to raise awareness and advocate for our People. These are critical issues pertinent to our society's future.

Our performance

At the end of 2022, MC headcount totalled 38,220 people, of whom 68% were women, 75% had a permanent contract, and 75% had a full-time labour contract.

During the year, when pursuing new hires and promotions, we continued to implement initiatives towards achieving our goal of gender equality in leadership positions. Thanks to these efforts, 39.7% of leadership positions were held by women at the end of the year, up by 0.9 pp compared to 2021 and only 0.3 pp shy from the goal set for the end of 2023.

Leadership positions held by women



Our initiatives



LGBTQIA+ Campaign

In 2022, as part of our Diversity, Equity and Inclusion strategy, we launched an LGBTQIA+ awareness campaign under the slogan «Be an ally». Via this initiative, we reinforced our stance: we stand for respect and dignity and value uniqueness.

We also launched the second edition of the podcast #PoderFalarÉPoderSer (PowerToSpeakIsPowerToBe), featuring Jens Schadendorf, the author of GaYme Changer. This episode reflected upon the importance of this topic for various business areas across the organisation, namely People, Client and Strategy management.

Women In Leadership (WIL)

At MC, we continued to make progress towards gender equality. Our aim is that by 2023 women will occupy 40% of our senior management positions. We have proactively worked on this goal in recent years in terms of recruitment, assessment processes and promotions.

The actions implemented have contributed to getting closer to our objective. At the end of 2022, a total of 39.7% of leadership positions at MC were held by women. This represents an increase of 0.9 pp year-on-year and solely 0.3 pp shy from the goal set for the end of 2023.

«Vila com Vida» Project

Continuing efforts which began in 2021 and under the scope of our inclusive employability policy, which is part of our DE&I strategy, we collaborated with the Vila com Vida association to test a framework to integrate people with mild intellectual disabilities into our store workforce.

In 2022, we integrated 74% of the candidates who took part in this initiative. We received very positive feedback from the store teams that welcomed them, their relatives and the Vila com Vida association. Throughout all the stages, the key highlights were learning, mutual help and personal growth experienced by all participants, in addition to a feeling of belonging and a sense of pride for being part of a movement with such a significant impact on the lives of our new colleagues.



Communities Supporting society

Our vision

We are committed to scaling up our role as a transformer, in the sense that we can positively impact the Communities where we operate and thus can leverage sustainable development. We are conscious of our contribution to building a more resilient, cohesive and fair society. As such, we have made headway in realising this ambition by working across several complementary lines of action.

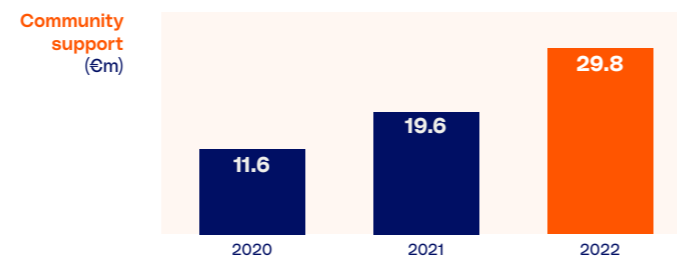
We significantly contribute to supporting our Communities by donating surplus food, devising voucher campaigns and collection of goods, emergency response campaigns and donations. Additionally, we develop solidarity products, which, by creating shared value, enables us to offer aid to even more institutions.

Our performance

Throughout the year, we continued to work closely with a vast nationwide network, significantly increasing the relief assigned to these institutions. Community support totalled €29.8 million in 2022, up 52% year-on-year, directed towards 1,276 institutions. In 2022, we ran the Ukraine Relief Effort. We raised a record-breaking €1.6 million to help support populations affected by the war in Ukraine.

In this regard, we grew our Surplus Food Donation Programme by donating circa €26 million worth of food to institutions and families. On the one hand, this prevented food waste, and on the other helped support the community by providing excellent quality food ready for consumption.

Within the scope of creating products with purpose, we highlight the campaign to sell *Missão Continente* solidarity bags, which raised over €320 thousand to support 5 important social institutions: *Liga Portuguesa Contra o Cancro* (Portuguese League Against Cancer), *Associação Ajudar Moçambique* (Association Help Mozambique), *Fundação do Gil*, *Associação Portuguesa de Apoio à Vítima* (Portuguese Association for Victim Support) and *CASA — Centro de Apoio ao Sem Abrigo* (Centre for Support for the Homeless).



Our initiatives



«Missão de Apoio à Ucrânia» campaign

Missão Continente raised €1.6 million as part of the «*Missão de Apoio à Ucrânia*» (Ukraine Support Mission) to address the social emergency triggered by the outbreak of war in Ukraine. All the money raised went to the Portuguese Red Cross Emergency Fund to help the victims on the ground affected by the conflict, as well as the refugees who, in this case, fled to Portugal.

Between the 4th and 27th of March, MC and Sonae group customers contributed by purchasing solidarity vouchers worth €1 or €5. *Missão Continente* contributed with a €100 thousand donation, and the Zippy and Losan banners donated a total of €10 thousand. Other partner entities also contributed to this donation.

The «Ukraine Support Mission» was *Missão Continente's* record-breaking fundraiser, in a joint effort with the Portuguese Red Cross that illustrated the strong sense of Portuguese solidarity in believing in and contributing to this mission.

Partnerships for impact

Throughout 2022, *Missão Continente* remained focused on generating positive and significant social changes in its communities and pursued efforts to support local, impactful projects. Via these initiatives, we endeavoured to build purpose, tying in financial support with monitoring, capacity-building, mentoring and using communication and partnership platforms to generate sustainable economic, social and environmental value.

Within this scope, in 2022, we invested in the *Pelos Dois* project (by DTC Social), bringing rescue dogs and prisoners together in a rehabilitation programme. We also invested in the *Ser Mulher* project (by *Mundo a Sorrir*), a project by Women for Women, to help women victims of domestic violence/abuse regain their physical and psychological confidence. Another project we focused on was *@mum_on_cv* (by *Vida Norte*) to empower pregnant women and new mums regarding employability and returning to the labour market.



Surplus food donations

In 2022, *Missão Continente* donated circa €26 million in food products to more than 1,000 institutions nationwide. Donated items are considered surplus when they cannot be sold but preserve all the necessary conditions to be safely consumed, thus avoiding food waste from a circular economy standpoint.

The daily donations delivered with this programme enabled MC to reinforce its commitment to reducing food waste generated in its business activities and simultaneously provide vital support to Portuguese families in vulnerable situations.

«Presentes à Mesa» campaign

As part of the fight against hunger and to help people in need, MC launched the Christmas campaign «*Presentes à Mesa*» (Presents at the Table), raising over €1 million thanks to contributions from our customers. The donations went to the Food Emergency Network and 330 institutions nationwide that act locally in the fight against poverty and hunger.

The campaign ran from the 13th of November until the 8th of January 2023 at *Continente* stores and online. Customers could purchase solidarity vouchers worth €1 or €5, thus supporting an institution on a national level and a local institution, and making a direct contribution to the community. *Missão Continente* partnered with the Portuguese Football Federation, the Portuguese Nutrition Association and the National School of Public Health.



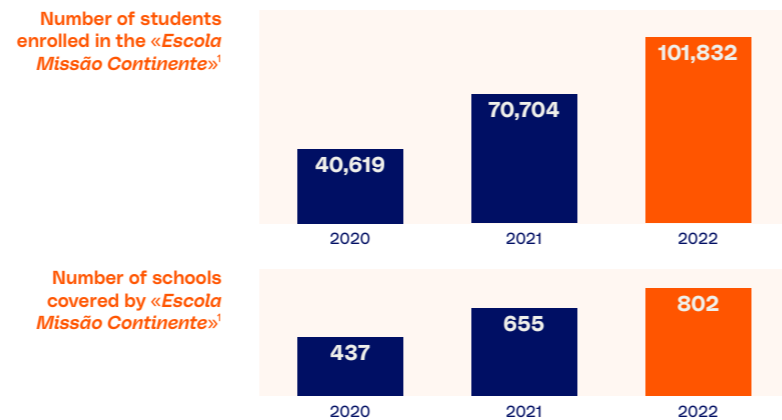
Communities

Raising awareness and mobilising support

Our performance

In 2022, we progressed in our efforts to raise awareness regarding the importance of a healthy and sustainable lifestyle. We extended coverage of our *Escola Missão Continente* programme to more than 100,000 students in over 800 schools, representing a 44% and 22% increase, from last year.

We remained on course with our interventions across 5 priority lines of action as defined by *Missão Continente*: 'Food Waste', 'Social Inclusion', 'Ageing', 'Health' and 'Employment and Digital Transition'. We also carried out the «III Great National Sustainability Survey», a study that aimed to bring the topic of sustainable development to all its dimensions of society's agenda.



Our vision

We seek to raise awareness and mobilise communities to make better choices for a more sustainable future. We are a platform for raising awareness and disseminating good practices within the scope of healthy eating, active lifestyle and conscientious consumption, to contribute to healthier and more sustainable generations.

Alongside our partners and specialists in various areas of intervention, we deepened our know-how to develop strategies that respond to the real needs of society. We sought to assess the present and future social, civic and ecological issues, listening to the Communities and debating proposals for intervention in Society, to create positive social value. Our mission is to act in the present to build the future!

Our initiatives

«Escola Missão Continente»

The mission of the «*Escola Missão Continente*» is to promote healthy eating, conscientious consumption and an active lifestyle within school communities ranging from preschool to Years 5 and 6 (2nd Cycle of Basic Education). In its 7th edition, which corresponds to the 2022/23 academic year, *Escola Missão Continente* collaborated with 101,832 students and 7,874 teachers across 802 schools from all districts on mainland Portugal and the islands. In this context, schools were provided with content, educational activities, challenges, fun and educational materials, and field visits to encourage younger generations to be healthier and happier.

In 2022, «*Escola Missão Continente*» announced the 1st year results of the study to assess the programme's impact on child health. This was the country's first study of its kind and involved 36 schools spanning Years 1 to 4 (the 1st cycle of compulsory education in Portugal) for 4 consecutive years (2021-2025). The results showed an increase in the consumption of fresh fruit and vegetables by 12% and 9%, respectively, and a decrease in the intake of soft drinks by 11%, considering the sample of students who participated in the educational programme in 2021/22.



Progress across *Missão Continente's* 5 priority areas

During the Plenary Session of its Strategic Council meeting, *Missão Continente* identified 5 priority areas for action in Portugal for the coming years: 'Food Waste', 'Social Inclusion', 'Ageing', 'Health' and 'Employment and Digital Transition'.

In 2022, the Reflection Groups created to study these themes in depth continued their efforts, assessing and promoting initiatives to support the Community. The second round of Reflection Group meetings took place at the beginning of May. Participation included the most senior representatives from circa 20 public and private organisations in Portugal.

The Groups, which focused on the 5 key areas, were comprised of members from the Portuguese Association of Distribution Companies (APEDE), the Directorate-General of Education (DGE), the Directorate-General of Health (DGS), the National Association of Family Health Units (USF-AN) and the Agency for Competitiveness and Innovation (IAPMEI), among other important national institutions.

The *Missão Continente* Strategic Council comprises members who are experts in their field and exert influence across different sectors. The goal is to monitor and foster debates on issues related to their business activities, thus enabling consistency throughout the year between *Missão Continente* and its social partners.

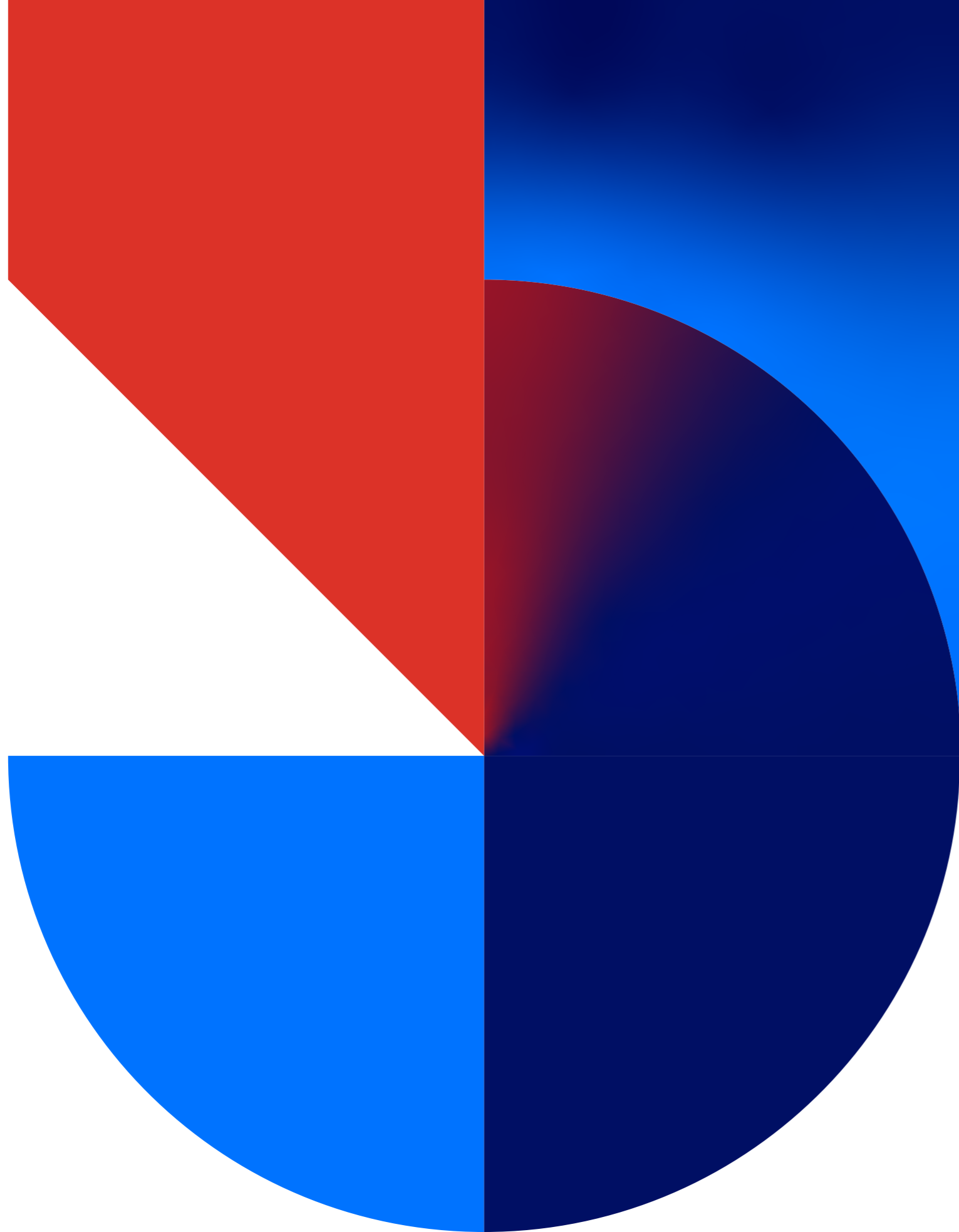


Sustainability Barometer

Missão Continente is committed to sustainable development, thus positively contributing to the communities in which it operates. In this scope, it conducted the 3rd edition of the «Great National Sustainability Survey», focusing on lifestyles and socio-ecological, civic and economic transitions within the post-pandemic context.

The study was coordinated by OBSERVA/ICS-University of Lisbon and followed on from work carried out on the 2016 and 2018 surveys, aiming to ensure that sustainability is a part of society's agenda and to identify real solutions that will make a difference. The surveys address issues as diverse as food, food waste, the circular economy, product traceability, social inclusion, national production, environmental sustainability and conscientious consumption.

Among multiple findings, the results indicate that 40.7% of Portuguese consumers reused meals by taking a packed lunch to work, 32.1% purchased and consumed less meat, and 24.2% purchased more organic food from sustainable agriculture. The results also showed that the COVID-19 pandemic impacted how the Portuguese relate to nature and carry out daily activities, namely in how often they use these leisure spaces.



Appendix



Non-financial information supplement

The Non-Financial Information Supplement was prepared in accordance with the GRI Standards, covering the time period from 1st January 2022 to 31st December 2022, for the activity scope covered in the chapter «Business at a glance» of the Annual Report, sub-chapter «About MC», which includes Arenal (Tomenider).

This Supplement was prepared in accordance with the 2021 version of the GRI Sustainability Reporting Guidelines (GRI Standards). This report also highlights our performance in terms of the Principles of the United Nations Global Compact (UNGC), the SASB Standards and the Sustainable Development Goals (SDGs), in addition to responding to the requirements of Portuguese Decree-Law no. 89/2017, published on 28th July 2017, and Spanish law no. 11/2018, dated 28th December.

This Supplement complements the information reported in the «Sustainable development» chapter of the 2022 Annual Report.

The information included in the Non-Financial Information Supplement was subject to verification by an external entity – KPMG.

Table GRI Content

Statement of use	MC reported in accordance with the GRI Standards, covering the time period from 1 st January 2022 to 31 st December 2022
Version used	GRI 1: Foundation 2021
GRI Sector Standards applicable	No sector standards applicable at the date of publication of this report

GRI index and correspondence table | sustainability indicators

The GRI content summary and the indicators with corresponding standards are presented below, highlighting our performance in terms of the Sustainable Development Goals (SDGs), the Principles of the UN Global Compact (UNGC), and the SASB Standards – Food retailers & distributors.

GRI	References	SDG ¹	UNGC ²	SASB ³
General disclosures				
The organization and its reporting practices				
2-1	Chapter «Business at a glance»			
2-2	Chapter «Financial statements»			
2-3	Appendix – «About this report»			
2-4				
2-5	Appendix – «Independent Limited Warranty Report»			
Activities and workers				
2-6	Chapter «Business at a glance»; Supplier Code of Ethics and Conduct ; Sustainability Declaration of Continente Producer's Club (CPC) ; Sustainable Fishing Policy ; Zero Deforestation Commitment ;			FB-FR-000.A Number of stores and Warehouses FB-FR-000.B FB-FR-000.B - Store Area and Warehouses
2-7			6	
2-8				
Governance				
2-9	Chapter «Governing principles and practices»			
Strategy, policies and practices				
2-22	Sub-chapter «Message from the CEO» and chapter «Sustainable development»			
2-23	Chapter «Governing principles and practices»			
2-27				FB-FR-310a.4 Total amount of monetary losses as a result of legal proceedings associated with: (1) violations of labour law and (2) discrimination in employment
2-28				

CONTINUES

1. Sustainable development goals; 2. UN Global Compact Principles; 3. SASB – Food retailers & distributors

GRI	References	SDG ¹	UNGC ²	SASB ³
Stakeholder engagement				
2-29				
2-30			3	FB-FR-310a.2 Percentage of the active labour force covered by collective bargaining agreements FB-FR-310a.3 (1) Number of work stoppages and (2) total days lost
Material topics				
Material aspects				
3-1	Chapter «Sustainable development»			
3-2	Chapter «Sustainable development»			
3-3	Chapters «Sustainable development», «Governing principles and practices», «Business at a glance», sub-chapter «Strategic priorities»			

Strategic agenda	Material topics	Management of material topics
Climate action	GHG emissions scope 1 and 2 GHG emissions scope 3	As stated in the «Sustainable development» chapter, MC is aware of the diverse and complex challenges posed by the climate crisis. Thus, it intends to ensure the decarbonisation of operations, in line with the 1,5°C scenario, through the following commitments and targets: <ul style="list-style-type: none"> • Reduce own GHG emissions (scope 1+2) by 55% until 2030, compared to 2018; • Achieve carbon neutrality of our operations (scope 1+2 GHG emissions) by 2040, ten years ahead of the EU target; • Submission of SBTi GHG emission reduction target (SBTi near-term target); • To have resilient and climate friendly facilities, by integrating the climate dimension in the selection of locations, and incorporating adaptation and resilience measures in the store remodelling plan, by implementing eco-efficiency measures in order to optimise our energy consumption, by electrifying our consumption, and with a programme to change our refrigeration plants; • Decarbonisation of the energy matrix, through investment in the production and acquisition of energy effectively produced from renewable sources; • Decarbonisation of transport (function and service fleet and last mile) and compensation of 100% of GHG emissions associated with fossil fuel consumption by the light vehicle fleet, until the fleet is fully electric, through tree planting and conservation actions; • Promote the reduction of emissions in the supply chain.

CONTINUES

1. Sustainable development goals; 2. UN Global Compact Principles; 3. SASB – Food retailers & distributors

Strategic agenda	Material topics	Management of material topics
Circularity	Packaging of products and waste Food waste	MC intends to guide its actions towards greater efficiency in resource consumption and strengthen circularity, as mentioned in the «Sustainable Development» chapter, through the following commitments and targets: <ul style="list-style-type: none"> • Develop sustainable packaging for products, ensuring that, by 2025, 100% of our own-brand or exclusive brand packaging is recyclable, reusable or compostable and that it incorporates 30% recycled raw material; • Integrate circularity into operations management, with the aim of boosting the efficient consumption of resources; • Implement waste collection systems for recovery and/or reintegration of materials into the chain, while promoting awareness-raising actions and consumer involvement; • Strengthen initiatives to reduce food waste by defining a hierarchy of priorities and measures to optimise operations.
Sustainable production	Sustainable farming Deforestation Water consumption Animal Welfare and sustainable fishing Supply chain management and human rights	With the ambition of boosting the creation of more transparent, resilient and sustainable supply chains, as referred in the chapter «Sustainable development», the MC has established the following commitments and targets: <ul style="list-style-type: none"> • Ensure Zero Deforestation in direct operations and supply chains by 2030, ensuring sustainable sourcing of raw materials through the adoption of certification schemes and/or other control and monitoring mechanisms; • Sustainable Fishing Policy and use of the «Traffic Light System» (TLS), a tool that makes it possible to assess purchases according to the level of fishing sustainability, with the aim of minimizing the impacts of fishing activities on marine biodiversity and promoting the adoption of sustainable fishing practices, considering a set of principles of action that encourage the protection of ecosystems; • Sustainability Declaration of Continate Producer's Club (CPC), based on eleven principles and various initiatives that aim to promote sustainable production and consumption and a food system that respects the environment; • Certification of production practices, leveraging, among others, the certifications already adopted (Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC) for fish, Animal Welfare for butchery); • Encourage the decarbonisation of production and the adoption of agricultural, livestock and aquaculture practices that are resilient to extreme climate events; • Implement policies promoting socially sustainable production, leveraging practices to safeguard human rights and dignity.
Responsible offering	Product labelling and marketing Quality and nutrition Customer experience and services	MC has the ambition of progressively contributing to the democratisation of access to a healthier and more sustainable basket, as mentioned in the «Sustainable development» chapter, and has set the following commitments and targets: <ul style="list-style-type: none"> • Ensure a broad, high quality offer at competitive prices; • Promote responsible consumption; • Make available a nutritious and healthy offer, leveraging the nutritional optimisation of own-brand products, and having alternatives in line with the multiple existing dietary restrictions.

CONTINUES

Together with the highlighted issues, it is worth mentioning that topics concerning our People and our relation with the Community represent intrinsic questions that pertain to MC's principles and values. They have a high maturity and integration within our businesses, and are thus addressed and managed through a complementary set of instruments.

GRI	References	SDG ¹	UNGC ²	SASB ³
Economic disclosures				
Economic performance				
201-1	Chapter «Financial statements»			
201-2	Chapter «Governing principles and practices», sub-chapter «Risk management»			
201-3				
201-4				
Market presence				
202-2			6	
Indirect economic impacts				
203-1	Chapter «Sustainable development»			
203-2	Chapter «Sustainable development»			
Procurement practices				
204-1				
Anti-corruption				
205-1	Chapter «Governing principles and practices», sub-chapter «Risk management»		10	
205-2	Employee Code of Ethics and Conduct		10	
205-3			10	
Environmental disclosures				
Materials				
301-1	Chapter «Sustainable development»		7, 8	FB-FR-430a.4 Discussion of strategies to reduce the environmental impact of packaging
301-2			7, 8	
301-3			7, 8	

CONTINUES

GRI	References	SDG ¹	UNGC ²	SASB ³
Energy				
302-1	Chapter «Sustainable development»		7, 8	FB-FR-110a.1 Fleet fuel consumed FB-FR-130a.1 (1) Energy consumed, (2) percentage of electricity consumed from the grid and (3) percentage of renewable energy
302-3			8	
302-4	Chapter «Sustainable development»		8, 9	
Water and effluents				
303-1			7, 8	
303-2			7, 8	
303-3	Chapter «Sustainable development»		8	
303-4			8	
303-5			8	
Biodiversity				
304-1			8	
304-2	Chapter «Sustainable development»		8	
304-3	Chapter «Sustainable development»		8	
Emissions				
305-1	Chapter «Sustainable development»		7, 8	FB-FR-110b.1 Greenhouse Gas emissions (scope 1)
305-2	Chapter «Sustainable development»		7, 8	
305-3	Chapter «Sustainable development»		7, 8	
305-4			8	
305-5	Chapter «Sustainable development»		8, 9	
305-6			7, 8	FB-FR-110b.2 Percentage of refrigerants consumed with zero ozone-depleting potential.
305-7			7, 8	

















CONTINUES

1. Sustainable development goals; 2. UN Global Compact Principles; 3. SASB — Food retailers & distributors

GRI	References	SDG ¹	UNGC ²	SASB ³
Waste				
306-1			8	
306-2			8	
306-3	Chapter «Sustainable development»		8	
306-4	Chapter «Sustainable development»		8	FB-FR-150a.1 (1) Amount of food waste generated (2) percentage diverted from the waste stream
306-5			8	
Social performance				
Employment				
401-1				
401-3			6	
Occupational health and safety				
403-1				
403-2	Chapter «Sustainable development»			
403-3	Chapter «Sustainable development»			
403-4				
403-5				
403-6	Chapter «Sustainable development»			
403-7				
403-8				
403-9				
Training				
404-1	Chapter «Sustainable development»		6	
404-2	Chapter «Sustainable development»			
404-3				
Diversity and equal opportunities				
405-1	Chapter «Sustainable development» Plan for Gender Equality		6	
Non discrimination				
406-1			6	

CONTINUES

1. Sustainable development goals; 2. UN Global Compact Principles; 3. SASB — Food retailers & distributors

GRI	References	SDG ¹	UNGC ²	SASB ³
Freedom of association and collective bargaining				
407-1			3	
Child labour				
408-1	Supplier Code of Ethics and Conduct	 	5	
Forced or compulsory labour				
409-1	Supplier Code of Ethics and Conduct		4	
Security practices				
410-1			1	
Human rights assessment				
412-1			1	
412-2		 	1	
412-3	Human Rights Policy		1, 2	
Local communities				
413-1	Chapter «Sustainable development»	  		
Supplier social and environmental assessment				
414-1 & 308-1			FB-FR-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare
Customer health and safety				
416-1			FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers.
Marketing and labelling				
417-1		 	FB-FR-270a.1	Number of incidents of non-compliance with industry or regulatory labelling and/or marketing codes.
			FB-FR-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labelling practices

CONCLUSION

GRI Disclosures

GRI 2 - GENERAL DISCLOSURES

1. The organization and its reporting practices			
2-1 V	Organisational details	Name of the organization: MCretail, SGPS, S.A. is a public limited company, registered at the Porto Commercial Registry Office.	Location of headquarters: Rua João Mendonça, 529, 4464-501 Senhora da Hora, Matosinhos, Portugal. MC operates in Portugal and Spain.
2-2 V	Entities included in the organisation's sustainability reporting	See chapter «Financial statements».	
2-3 V	Reporting period, frequency and contact point	MC publishes an integrated report annually. The reporting period for this report covers 1 st January 2022 through to 31 st December 2022.	Contact point for questions regarding this report: rpsonaemc@sonaemc.com
2-4 V	Restatements of information	1. This report updates the data reported for the indicators 301-2 and 412-2 in the 2021 Annual Report. The following indicators were also updated 302-1, 302-3, 305-1, 305-3, 305-4 and 305-7, as a result of changes in measurement methodology used for consolidating information and calculation. 2. Regarding the 2021 indicators presented in a comparative way, on 1 st September 2021 Maxmat no longer comprised MC's portfolio, hence we only consolidated the environmental information until 31 st August 2021.	Previous years' reported figures for indicator 404-2 have been restated, following a review of the skills improvement programmes that took place in 2022 (data migration between programmes).
2-5 V	External assurance	The non-financial information included in the 2022 Annual Report and the respective «Non-financial information supplement» was subject to verification	by an external entity, KPMG & Associados – Society de Revisores Oficiais de Contas, S.A.

2. Activities and workers

2-6 V	Activities, value chain and other business relationships	<p>Via a multi-format and omnichannel business portfolio, MC's mission is to serve families on a daily basis by offering a wide-ranging and responsible product offering, quality products and services at competitive prices, in a close proximity and convenient format.</p> <p>With the aim of securing its purpose and in line with its values, MC continuously invests in a relationship of proximity, trust and respect with its Suppliers. More specifically, with its own-label Suppliers, MC takes on the double role of assessing and qualifying partners to work with the company, seeking to make improvements to maximise efficiency and sustainability across operations and products supplied.</p> <p>The Supplier Code of Ethics and Conduct provides a framework for the environmental, social and ethical concerns we aim to secure throughout the value chain. These are complemented by an assortment of specific procedures and instruments:</p> <ol style="list-style-type: none"> 1. Selection, qualification and assessment of Suppliers according to internally defined environmental and social criteria; 2. The Sustainability Declaration of Continente Producer's Club (CPC) is based on eleven principles and several initiatives aimed at stepping up our national product offering to be more sustainable; 3. Sustainable Fishing Policy and the Traffic Light System (TLS), a tool that enables us to assess purchases according to their sustainability levels. 4. Zero Deforestation Commitment and certification of the origin of raw-materials used in the development of our own label goods; 5. The Charter of Principles for CO₂ & Climate Change and the Letter of Principles for Plastic; <p>Furthermore, see disclosures for the following indicators: 204-1; 304-2; 308-1; 407-1; 408-1; 409-1 and 414-1. Markets covered: Portugal and Spain. For additional information, consult chapter «Business at a glance». Size of the organisation: for additional information, consult chapter «Business at a glance».</p>
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GRI 2 - GENERAL DISCLOSURES

2. Activities and workers							
2-7 V	Employees						
Countries with operations by number of Employees							
		2021		2022			
Portugal		35,531		37,025			
Spain		1,076		1,195			
Countries with operations by contract type							
		PC	TC	T	PC	TC	T
		2021			2022		
Portugal		26,930	8,601	35,531	27,622	9,403	37,025
Spain		636	440	1,076	925	270	1,195
PC Permanent Contract		TC Temporary Contract		T Total			
No. of contracts by type							
		M	W	T	M	W	T
		2021			2022		
Permanent contract		8,380	19,186	27,566	8,718	19,829	28,547
Temporary contract		3,106	5,935	9,041	3,455	6,218	9,673
Total		11,486	25,121	36,607	12,173	26,047	38,220
Full-time		9,275	18,750	28,025	9,654	19,055	28,709
Part-time		2,211	6,371	8,582	2,519	6,992	9,511
Total		11,486	25,121	36,607	12,173	26,047	38,220
Non-guaranteed hours							
		M	W	T	M	W	T
		Men			Women		
		2021			2022		
M Men		–	–	–	–	–	–
W Women		–	–	–	–	–	–
T Total		–	–	–	–	–	–

CONTINUES

2. Activities and workers

2-7
V

Employees

Average contracts by type – Permanent / Temporary

		2021						2022								
		M	W	T	M	W	T	M	W	T	M	W	T			
		Permanent			Temporary			Permanent			Temporary					
Executives	<30 years old	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	30-50 years old	20	5	25	-	-	-	24	6	30	-	-	-	-	-	-
	≥50 years old	24	3	27	-	1	1	19	5	24	-	-	-	-	-	-
	Total	44	8	52	-	1	1	43	11	54	-	-	-	-	-	-
Senior & Middle Managers	<30 years old	2	3	5	-	-	-	4	1	5	-	-	-	-	-	-
	30-50 years old	270	199	469	-	-	-	288	214	502	-	-	-	-	-	-
	≥50 years old	137	71	208	-	-	-	143	85	228	-	-	-	-	-	-
	Total	409	273	682	-	-	-	435	300	735	-	-	-	-	-	-
Coordinators & Supervisors	<30 years old	71	129	200	7	47	54	76	158	234	1	15	16			
	30-50 years old	535	969	1,504	3	34	37	545	1,065	1,610	5	16	21			
	≥50 years old	133	219	352	-	6	6	148	259	407	-	2	2			
	Total	739	1,317	2,056	10	87	97	769	1,482	2,251	6	33	39			
Technicians & Specialists	<30 years old	188	423	611	15	58	73	210	491	701	9	37	46			
	30-50 years old	378	836	1,214	1	8	9	384	859	1,243	5	10	15			
	≥50 years old	79	186	265	-	-	-	88	189	277	-	1	1			
	Total	645	1,445	2,090	16	66	82	682	1,539	2,221	14	48	62			
Representatives	<30 years old	2,304	3,859	6,163	2,534	4,398	6,932	2,463	4,095	6,558	2,697	4,362	7,059			
	30-50 years old	3,270	8,850	12,120	513	1,241	1,754	3,297	8,739	12,036	692	1,545	2,237			
	≥50 years old	947	3,334	4,281	31	136	167	1,029	3,663	4,692	46	230	276			
	Total	6,521	16,043	22,564	3,078	5,775	8,853	6,789	16,497	23,286	3,435	6,137	9,572			

M Men W Women T Total

Note: in previous years, Go Natural Restaurants employees were not included in this indicator.

CONTINUES

2. Activities and workers

2-7
V

Employees

Average contracts by type – Full-time / Part-time

		2021						2022							
		M	W	T	M	W	T	M	W	T	M	W	T		
		Full-time			Part-time			Full-time			Part-time				
Executives	<30 years old	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	30-50 years old	20	5	25	-	-	-	24	6	30	-	-	-	-	-
	≥50 years old	24	3	27	-	1	1	19	5	24	-	-	-	-	-
	Total	44	8	52	-	1	1	43	11	54	-	-	-	-	-
Senior & Middle Managers	<30 years old	2	3	5	-	-	-	4	1	5	-	-	-	-	-
	30-50 years old	270	197	467	-	2	2	286	213	499	2	1	3	3	
	≥50 years old	137	71	208	-	-	-	142	85	227	1	-	1	1	
	Total	409	271	680	-	2	2	432	299	731	3	1	4	4	
Coordinators & Supervisors	<30 years old	78	183	261	-	-	-	77	170	247	-	3	3	3	
	30-50 years old	540	981	1,521	-	1	1	548	1,057	1,605	2	24	26		
	≥50 years old	131	214	345	-	-	-	148	259	407	-	2	2		
	Total	749	1,378	2,127	-	1	1	773	1,486	2,259	2	29	31		
Technicians & Specialists	<30 years old	202	478	680	1	3	4	219	526	745	-	2	2		
	30-50 years old	378	839	1,217	1	5	6	388	865	1,253	1	4	5		
	≥50 years old	78	186	264	1	-	1	88	190	278	-	-	-		
	Total	658	1,503	2,161	3	8	11	695	1,581	2,276	1	6	7		
Representatives	<30 years old	3,093	4,950	8,043	1,745	3,320	5,065	3,181	4,684	7,865	1,979	3,773	5,752		
	30-50 years old	3,388	7,958	11,346	395	2,129	2,524	3,535	8,088	11,623	454	2,196	2,650		
	≥50 years old	910	2,580	3,490	68	881	949	995	2,906	3,901	80	987	1,067		
	Total	7,391	15,488	22,879	2,208	6,330	8,538	7,711	15,678	23,389	2,513	6,956	9,469		

M Men W Women T Total Note: In previous years, Go Natural Restaurants employees were not included in this indicator.

2-8
V

Workers who are not employees

No. of workers who are not Employees 2022

	M	W	T
No. of workers who are not Employees	734	375	1,109

M Men W Women T Total Note: the indicator includes temporary workers and interns.

CONTINUES

3. Governance

2-9 V	Governance structure and composition	For more information on Corporate Governance, see chapter « Governing principles and practices ».
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4. Strategy, policies and practices

2-22 V	Statement on sustainable development strategy	For more information, see the sub-chapter « Message from the CEO » and the chapter « Sustainable development ».
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2-23 V	Policy commitments	<p>At MC, our actions are guided by a set of principles and values rooted in our DNA, as we seek to inspire those around us to build a legacy of excellence for the future. The Code of Ethics and Conduct sets out the principles that govern the Company activities, as well as the ethical and moral conventions that must be respected by all members of our Governing Body and all of our Employees in their relationships with Clients, Suppliers and other stakeholders. Via the Code of Ethics and Conduct, we ensure that all of our activities are governed by and adhere to the principles of ethics and trust we set forth.</p> <p>Furthermore, to support the integration of sustainable development principles in our management practices, over the years we have been subscribing to a set of policies and commitments (directly or through Sonae SGPS) and to develop internal benchmarks, such as:</p>	<p>United Nations Universal Declaration of Human Rights; United Nations Global Compact Principles; The Charter of Principles of BCD Portugal; CEO Guide For Human Rights (WBCSD); Women Initiative of the European Roundtable of Industrials (ERT); CEO Pledge, Lead Network; Future of Work Leadership Statement (WBCSD); Paris Pledge for Action; New Plastics Economy Global Commitment; The National Pact For Plastic; Business for Nature's Call to Action; Science Based Targets Network (SBTN) Corporate Engagement Program; Environmental Policy; Plan for Gender Equality; Supplier Code of Ethics and Conduct; Sustainability Declaration of Continente Producer's Club (CPC); Sustainable Fishing Policy; Zero Deforestation Commitment; Charter of Principles for CO₂ & Climate Change and Letter of Principles for Plastic.</p> <p>For more information, see responses to indicator 2-6; consult chapter «Governing principles and practices».</p>
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2-27 V	Compliance with laws and regulations	<p>MC considers that a significant fine is one in which the monetary value is higher than or equal to € 12,000. This figure corresponds to the minimum administrative fine for committing a serious environmental offense (Law number 114/2015, of 28th August)</p>	<p>In 2022, MC was issued with an administrative fine for committing a serious environmental offense for wastewater disposal without a license. The fine was suspended for a period of one year, subject to strict compliance with the requirements set out in the authorization issued.</p>
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	Number of non-monetary sanctions (no.)	Significant fines (no.)	Total monetary value of significant fines (€)
Reporting period	2	1	24,000
In previous reporting periods – 2020 and 2021	11	0	0

2-28 V	Membership associations	<p>In addition to the Sonae Group representation, MC is a member of the following associations: APED (Portuguese Association of Distribution Companies); APLOG (Portuguese Logistics Association);</p>	<p>ACEPI (The Portuguese Digital Economy Association); GS1 Portugal; APAN (Portuguese Association of Advertisers), AHRESP (The Portuguese Hotel and Restaurant Association) and the Consumer Goods Forum.</p>
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CONTINUES

5. Stakeholder engagement

2-29 V	Approach to stakeholder engagement	<p>Establishing long lasting relationships with its stakeholders is paramount for MC. We are committed to listening to everyone through regular dialogue. We listen to our stakeholders with the aim of identifying, prioritising and managing material topics which have a relevant impact on our Business and the Community.</p>	<p>With the goal of implementing a culture of engagement, we have established structured and interactive communication with each stakeholder group, through a diversified range of means of communication and information monitoring, which enables us to identify the respective material topics.</p>
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Stakeholders	Channels	Topics	
Customers	<p>MC focuses its actions on developing a relationship based on transparency and trust with its Customers, built upon a competitive and responsible value proposition, tailored to their needs.</p> <p>In this sense, listening to and getting to know our Customers is paramount so that we can respond to their needs, as well as define and adjust our value proposition.</p>	<ul style="list-style-type: none"> Engaging with Customers at our stores and through our digital platforms and the online collection points Customer service call centre Sonae Ombudsman Communication campaigns and brand activation initiatives MC social media and website Market studies and focus groups 	<ul style="list-style-type: none"> Quality and safety Product source and traceability Nutritional information and environmental footprint Product innovation Price Shopping experience and relationship with the customer Transparent communication Working environments and conditions Sustainability Observance and compliance with the law regarding privacy and data protection laws
Employees	<p>MC attributes a great deal of importance to the professional and personal development of its Employees. We listen to our teams so that we can foster inclusive, healthy and safe working environments which offer equal opportunities.</p>	<ul style="list-style-type: none"> Meetings and recurrent interactions in a professional environment Events and informal gatherings Training programmes In-house communication Forums and knowledge sharing groups Employee satisfaction and pulse surveys Checking in with Employees Performance reviews Sonae Ombudsman 	<ul style="list-style-type: none"> Talent attraction and retention Human Capital Development Remuneration and career progression criteria Employee journey Diversity and inclusion Working environments and conditions Transparent communication Ethics
Suppliers	<p>By way of regular and open communication with our Suppliers we build and secure long-term trust-based relationships, which enables us to respond to our Customers' needs by offering differentiated, responsible and quality sourced products and to secure the growth and development of our Supplier Community.</p>	<ul style="list-style-type: none"> Partnership projects Meetings and negotiations Supply contracts Performance assessment, qualification and auditing Pulse surveys Supplier Portal Sonae Ombudsman Technical datasheets 	<ul style="list-style-type: none"> Development requisites Quality control Price Source and traceability Nutritional information and environmental footprint Transparent communication Supplier relationship management

CONTINUES

5. Stakeholder engagement

Stakeholders		Channels	Topics
Shareholders	MC aims to generate sustainable long-term value for its Shareholders, maintaining a close relationship through constant communication so that we can meet their expectations in terms of creating economic, social and environmental value.	<ul style="list-style-type: none"> • Meetings with Shareholders • Meetings with financial institutions • Corporate presentations • Periodic financial communication • Governing Bodies and Committee meetings 	<ul style="list-style-type: none"> • Governance Model • Responsible investment • Economic, social and environmental performance • Ethics • Crisis and risk management • Brand management and reputation • Transparent communication
Society	We work with government and regulatory agencies to help develop and implement regulation pertinent to our business; we are an active member of several associations so that we can monitor and integrate best practices and trends and promote the sustainable development of the sector; we maintain regular communication with local communities and NGOs so that we can have a positive impact on people's lives.	<ul style="list-style-type: none"> • Meetings with public entities and policymakers • Membership associations • Interactions with the Media • Interactions with NGOs • Presentations, conferences and other public meetings • Events and festivals for the Community as a whole • Publications 	<ul style="list-style-type: none"> • Transparent communication • Community engagement • Community support • Sustainability • Diversity and inclusion • Ethics • Working environment and conditions • Environmental impacts

In 2022, we registered, analysed and dealt with more than 166 thousand complaints, suggestions, compliments and requests for information concerning the various MC Businesses. We have a certified Suggestions and Complaints Management System that allows us to identify various development opportunities and implement improvements and changes both at product and operational level.

2-30 V	Collective bargaining agreements	At MC, 95.8% of total Employees are covered by collective bargaining agreements through their employment contract.	In 2022, we had no work stoppages involving 1,000 or more workers lasting one full shift or more, and zero days were lost as a result of stoppages.
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CONCLUSION

Material topics

3-1 V	Process to determine material topics	<p>Throughout the years we have worked closely with our stakeholders to welcome their contributions regarding the impacts of our business activities. In 2022 we carried out a robust consultation process involving different stakeholders.</p> <p>The topics were identified on the basis of a holistic and thorough analysis of the activity carried out by MC, which involved the following aspects:</p> <ul style="list-style-type: none"> • Analysis of the main trends in the sector and the current and emerging regulatory framework; • Benchmarking against the main players in the sector and respective competitors; • Listening to customers and employees, by way of carrying out surveys and focus groups; • Listening to suppliers, partner entities and NGOs by way of carrying out surveys; • Maturity of the organisation, based on the development of an organisational diagnosis and a number of working sessions with our teams. 	<p>Additionally, we ensured a reflection to meet MC's structure and positioning, strategy and commitments undertaken, the performance registered, the significant impacts, actual or potential, on society and the environment associated to the operations and the upstream and downstream value chain, as well as the risks and opportunities that the sustainable development agenda may represent for the Company.</p> <p>This analysis resulted in outlining a set of agendas that bring together the most material issues to fulfil our ambition to democratise access to healthy and sustainable shopping basket and guarantee that today we are building a future that respects People, Communities and the Planet.</p>
3-2 V	List of material topics	<ul style="list-style-type: none"> • Climate Action (GHG emissions scopes 1 and 2; GHG emissions scope 3); • Circularity (Product packaging, Waste and Food Waste); • Sustainable Production (Sustainable Agriculture, Deforestation, Water Consumption, Animal Welfare and Sustainable Fisheries, Supply Chain Management and Human Rights); • Responsible Product Offering (Product Labelling and Marketing, Quality and Nutrition, Customer Service and Experience). 	<p>Alongside the aspects highlighted, it should be noted that the issues related to our People and our Relationship with the Community represent intrinsic issues in terms of MC principles and values which are extremely mature and integrated at business level. Therefore, they are addressed and managed through a complementary set of instruments.</p>
3-3 V	Management of material topics	<p>In order to build a sustainable tomorrow, we have applied a sustained action, which we regularly monitor and assess in accordance with information disclosed in this Report.</p> <p>Material topics and the agendas they integrate will be worked on transversally from 2023 onwards with the progressive definition of policies, guiding principles, objectives and goals to be achieved by MC. Throughout this Report we disclose a number of initiatives promoted to address these same material topics.</p>	<p>For more information on the approach to the precautionary principle, see chapter «Governing principles and practices».</p>

GRI 200 – ECONOMIC DISCLOSURES

201: Economic performance			
201-1 V	Direct economic value generated and distributed	The direct economic value generated and distributed comprises the following parts: economic value generated (revenues), economic value distributed (operating costs, Employee salaries and benefits, payments to investors, payments to the State, donations and other investments in the Community) and accumulated economic value.	For additional information, see chapter «Financial statements».
201-2 V	Financial implications and other risks and opportunities due to climate change.	MC adopted the recommendations as defined by the Task Force on Climate-related Financial Disclosures (TCFD), an initiative that promotes the recommendations for management and disclosure of financial risks associated with climate change.	For more information, see chapter «Governing principles and practices», sub-chapter «Risk management».
201-3 V	Defined benefit plan obligations and other retirement plans	MC does not have a pension fund.	
201-4 V	Financial assistance received from government	In 2022, MC received circa €60 million. These figures refer to the amount received within the scope of tax credits and represent MC's best estimates considering that, in the closing date for this report, applications for SIFIDE (Tax Incentives Scheme for Business R&D) were not yet completed.	It is worth highlighting that the Government is not part of the Company shareholder structure.

202: Market presence			
202-2 V	Proportion of senior management hired from the local community	100% of MC top management is hired locally.	

203: Indirect economic impacts			
203-1 V	Infrastructure investments and services supported	From the moment a new facility is inaugurated, MC ensures it has the necessary conditions so as to cause minimal negative impact in the Communities. During its operation, the Company develops several initiatives to support the local Community, meeting the different needs. Oftentimes the initiatives are carried out in partnership with local entities.	In 2022, circa €29.8 million were donated to the Community, spanning more than 1,276 institutions across the country.
203-2 V	Significant indirect economic impacts	For additional information, see chapter «Sustainable development».	

204: Procurement practices			
204-1 V	Proportion of spending on local suppliers		
	Percentage of costs on Suppliers		
		2021	2022
	Foreign	15%	16%
	National	85%	84%

CONTINUES

GRI 200 – ECONOMIC DISCLOSURES

205: Anti-corruption			
205-1 V	Operations assessed for risks related to corruption	Risk Management is aligned with MC's planning process, based on a structured and disciplined approach that aligns strategy, processes, people, technologies and knowledge. The goal is to identify, assess and manage opportunities and threats that MC businesses face in the pursuit of their business objectives and value creation.	The PPR for the year 2022, which is currently being finalised and will cover the entire organisation and MC business activity and its subsidiaries and affiliates, has not identified any critical risks. No complaints were received regarding corruption cases in 2022.
205-2 V	Communication and training about anti-corruption policies and procedures	In order to prevent, detect and sanction acts of corruption and related infractions, carried out against or through the entity, MC is developing a Regulatory Compliance Programme which includes: i) plan for the prevention of risks of corruption and related infractions (PPR); ii) anti-corruption policy; iii) whistleblowing channel; iv) training programme.	
205-2 V	Communication and training about anti-corruption policies and procedures	The Code of Ethics and Conduct , which establishes the principles and rules related to conflicts of interest, gifts or rewards to Employees, including anti-corruption policies, is shared with all Employees during their induction training.	In 2022, a total of 10,000 Employees received anti-corruption training.
205-3 V	Confirmed incidents of corruption and actions taken	No corruption cases were recorded in 2022.	

CONCLUSION

301: Materials

301-1 V	Materials used by weight or volume	<p>MC aims to use materials consumed as part of its value chain and operation in a sustainable manner. Given the specificities of retail, packaging takes on a particularly material dimension at this level.</p> <p>Packaging plays a central role in the development of our products, with relevant impacts on guaranteeing product quality and shelf life, ensuring the conditions for correct storage and transport to our stores and from our stores to our customers' homes, and so that the products can be consumed safely.</p> <p>Notwithstanding the importance of packaging, and aware of the underlying impact of its single-use, we have defined an approach that aims to leverage the application of eco-design principles in packaging designing, favouring the use of the most appropriate materials, reducing the use of resources throughout the value chain, minimising the possibility of packaging parts being released into the environment, facilitating the processes of appropriate use and disposal by the consumer and seeking to ensure that all packaging is recyclable and effectively recycled, per a design4recycling approach.</p>	<p>By 2025 our ambition is to ensure that all our packaging for MC's own and exclusive brands are recyclable, reusable or compostable and that it incorporates 30% of recycled raw materials. At the end of 2022, our plastic packaging recycling rate was circa 80%, in accordance with our recycling matrix, which represents a 5.3 pp increase compared to 2021, and our recycled raw-materials incorporation rate stood at 14.1% (+2.3 pp compared to 2021).</p> <p>The materials reported are the most relevant by weight and volume.</p>
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301-2 V	Recycled input materials used			2021		2022	
	Use materials (t)	Virgin	Recycled	Total	Virgin	Recycled	Total
	Plastic Packaging	13,810	1,895	15,706	14,967	2,462	17,429
	Plastic Product	2,054	3,289	5,343	1,924	3,653	5,578
	Paper and cardboard	6,438	2,846	9,284	8,741	671	9,412
	Glass	NA	NA	9,880	NA	NA	11,606
	Metal	NA	NA	4,020	NA	NA	4,298
	Wood (t)	NA	NA	66	NA	NA	69

Note 1: values for 2021 were restated due to changes in calculation methodology.

Note 2: the consumption of plastic used in the product has a less expressive value, due to the fact that the mapping work of this typification is still in progress.

CONTINUES

301: Materials

301-3 V	Reclaimed products and packaging materials		2021	2022
	Reclaimed products and packaging (t)			
	Paper and cardboard		40,299	39,935
	Plastic		3,018	2,565
	Wood		622	645
	Apparel		591	629
	Cork		30	25
	Coffee capsules		2	5
	Cooking oil		121	75
	Batteries and stacks		39	30
	Light bulbs		7	9
	IT consumables		12	10

Under the Deposit and Refund System pilot programme, in the 21 machines installed in our stores, we collected circa 2.3 million packages in 2022. This figure is lower than the one recorded in 2021 and we believe this is related to the change in the incentive model.

In the pilot programme we secured the collection of a total of 14.7 million packages.

302: Energy

302-1 V	Energy consumption within the organization		2021	2022
	Energy consumption per source (GJ)			
	Fossil fuels – Fleet		433,824	535,188
	Fossil fuels – Facilities		34,982	29,136
	Energy consumption		1,583,098	1,630,972
	Thermal energy consumption		66,708	52,394
	Total		2,118,612	2,247,690

	Renewable energy produced (GJ)	2021	2022
	Produced and consumed	86,238	101,736
	Produced and sold	26,622	26,895
	Total	112,860	128,631

	Acquired Renewable Energy – PPA (GJ)	143,715	391,381
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Note: figures for previous years have been updated due to changes in methodology for consolidating information.

CONTINUES

302: Energy			
302-3 V	Energy intensity		
	Energy intensity	2021	2022
	Total energy consumption (GJ)	2,118,612	2,247,690
	Sales Area (m ²)	828,000	850,000
	Energy intensity ratio (GJ/m ²)	2.56	2.64
<i>Note:</i> figures for previous years have been updated due to changes in methodology for consolidating information.			

302-4 V	Reduction of energy consumption	In 2022, we strengthened our efforts to promote the efficient and flexible consumption of energy, investing in the installation of more efficient equipment and systems, creating the necessary conditions to better monitor and manage energy consumption and developing procedures to leverage the investment made.	The efficiency measures and local production of renewable energy represented an investment of circa €29 million (figure collected under the scope of the European taxonomy reporting, representing a more exhaustive collection in 2022 compared to last year - growth of €2 million under the internal Trevo programme, with the remaining value relating to other items concerning the refurbishment of stores).
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See chapter «Sustainable development».

303: Water and effluents

303-1 V	Interactions with water as a shared resource	Most of the water consumed in MC operations is related to human use. With the aim of reducing its environmental impact, MC is committed to reducing its direct water footprint, by increasing efficiency throughout its operations, innovating and harnessing technology to rethink the way water is used and managed in its infrastructure. Essential in this process is the progressive installation of telemetry devices which allow for a more accurate monitoring of water consumption.	Some initiatives are aimed at reusing and recycling water. We highlight MC's Meat Processing Centre, which has system for recovering and recycling part of the wastewater produced in the facilities.
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303-2 V	Management of water discharge related impacts	MC does not have quantitative measurements for liquid effluents discharge in stores and most of its warehouses. Thus, and in accordance with best engineering practices, we assume that 80% of the water consumed is rejected as liquid effluent and the remaining 20% is consumed, with the exception of the Azambuja Warehouse and the Meat Processing Centre.	Regarding destinations, most of the liquid effluents produced are discharged into the public domestic wastewater networks and all liquid effluents discharged to natural water lines are subjected to pre-treatment interventions at dedicated facilities (WWTP- Wastewater Treatment Plants). Quality monitoring is carried out accordingly.
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303: Water and effluents			
303-3 V	Water withdrawal		
	Total water withdrawal per Source (m ³)	2021	2022
	Third-party water	793,812	818,006
	Groundwater	93,104	105,682
	Surface water and rainwater	–	–
	Greywater	–	–
	Other sources	–	–
	Total	886,916	923,689

Note: Maxmat was not considered for the scope of this indicator in the reporting period.

	Water withdrawal in water stress areas (m³)	–	169,392
<i>Note:</i> the Aqueduct Water Risk Atlas was used as a reference to determine which establishments are located in areas of high or extremely high water stress. Benchmark performed from 2022 onwards.			

303-4 Water discharge

303-4 V	Total volume of effluent per Source (m ³)	2021	2022
	Third-party water	676,735	716,286
	Groundwater	1,561	8,141
	Surface water and rainwater	–	–
	Greywater	–	–
	Other sources	–	–
Total	678,295	724,427	

Note: Maxmat was not considered for the scope of this indicator in the reporting period.

	Volume of effluent discharged in water stress areas (m³)	–	135,514
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303-5 Water consumption

303-5 V	Total water consumption (m ³)	2021	2022
	Total water consumption	208,620	199,262

	Water consumption in water stress areas (m³)	–	33,878
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Note 1: Maxmat was not considered for the scope of this indicator in this reporting period.

Note 2: according to the methodology described by the GRI standards, the volume of water consumed corresponds to the difference between the volume of water withdrawal and the volume of water discharged.

CONTINUES

304: Biodiversity

<p>304-1 V</p>	<p>Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</p>	<p>MC does not have operational sites in areas classified as biodiversity rich habitats in its direct operation.</p>
<p>304-2 V</p>	<p>Significant impacts of activities, products, and services on biodiversity</p>	<p>In 2022 we continued to collaborate with the Science Based Targets Network to develop a common framework for action that can be used by companies from different sectors and geographic regions to assess their impacts on nature, outline priority areas for action and define science-based targets.</p> <p>We have simultaneously launched a number of actions that enable us to mitigate the impacts of our supply chains and promote the adoption of more sustainable production practices. The Continente Producer's Club (CPC) is an important platform through which we have been promoting high standards of quality, sustainability and safety, supporting national producers in a structured manner in the adoption of best production practices and ensuring their appreciation and recognition.</p> <p>The Sustainability Declaration of Continente Producer's Club (CPC) launched last year has already been endorsed by 37% of Club members, and aims to ensure sustainable production through a range of initiatives to support our producers in meeting the targets of the «Farm to Fork» Strategy. This Declaration is based on eleven principles covering all categories of products produced by CPC members, ranging from principles of regenerative agriculture, to methods for gauging and measuring sustainability, sustainable livestock farming, valorisation of by-products and biodiversity, always with a view to commitment and continuous improvement.</p> <p>Correspondingly, we have worked on the development of specific standards, such as Eco XT for the sustainable production of beef and small ruminants, and on raising awareness and supporting our Producers and Suppliers in the adoption of more sustainable production practice standards (Certifications GLOBAL G.A.P., MSC/ASC, Zero Waste, Animal Welfare, among others).</p> <p>With the Sustainable Fishing Policy we aim to minimise the impacts of fishing activities on marine biodiversity. We also aim to promote the adoption of sustainable fishing practices taking into account a number of strict operating principles that foster protection of our ecosystems. Thus, over the past few years, we have developed several improvement measures that help to stimulate the commercialisation of healthy fisheries and the reduction of unsustainable fishing practices. MC makes use of the Traffic Light System tool, which was developed with the purpose of promoting the sale of species in a sustainable way and to easily assess the level of sustainability of the products we sell. In using this tool, the colour red, yellow or green is assigned according to the fishing method used, thus simplifying the assessment of the main fishing practices. Thus we grant priority to Suppliers who use fishing methods with minimal impact on species and ecosystems.</p> <p>In 2022, via Sonae, we became a signatory to the United Nations Sustainable Ocean Principles, announced during the Sustainable Blue Economy Investment Forum at the UN Oceans Conference in Lisbon. By signing up to these principles of protecting the oceans and promoting a sustainable blue economy, we reaffirmed our commitment to assess the impact of our business activity on the oceans and integrate this dimension into our global strategy.</p> <p>See chapter «Sustainable development».</p>

CONTINUES

304: Biodiversity

<p>304-2 V</p>	<p>Significant impacts of activities, products, and services on biodiversity</p> <table border="1"> <thead> <tr> <th></th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Fishing «Traffic Light System» (Fish purchase volume (%) per classification)</td> <td></td> <td></td> </tr> <tr> <td>Use of methods/type of fishing gear with reduced potential impact on biodiversity or marine ecosystems</td> <td>36.3%</td> <td>39.7%</td> </tr> <tr> <td>Use of methods/type of fishing gear with moderate potential impact on biodiversity or marine ecosystems</td> <td>30.0%</td> <td>30.4%</td> </tr> <tr> <td>Use of methods/type of fishing gear with significant potential impact on biodiversity or marine ecosystems</td> <td>0.9%</td> <td>0.8%</td> </tr> <tr> <td>Aquaculture production certified in accordance with Continente quality standards</td> <td>32.7%</td> <td>29.1%</td> </tr> </tbody> </table>		2021	2022	Fishing «Traffic Light System» (Fish purchase volume (%) per classification)			Use of methods/type of fishing gear with reduced potential impact on biodiversity or marine ecosystems	36.3%	39.7%	Use of methods/type of fishing gear with moderate potential impact on biodiversity or marine ecosystems	30.0%	30.4%	Use of methods/type of fishing gear with significant potential impact on biodiversity or marine ecosystems	0.9%	0.8%	Aquaculture production certified in accordance with Continente quality standards	32.7%	29.1%
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<p>304-3 V</p>	<p>Habitats protected or restored</p> <table border="1"> <thead> <tr> <th>Areas monitored and/or subjected to intervention</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Circus pygargus Projects</td> <td>700 hectares</td> </tr> <tr> <td>Zero Waste Certification Programme</td> <td>1,670 hectares</td> </tr> <tr> <td>Agroecology Programme</td> <td>544 hectares</td> </tr> <tr> <td>Zerya Regenerative programme</td> <td>15 hectares</td> </tr> </tbody> </table> <p>The forest is particularly exposed to the effects of climate change. The Floresta Sonae project represents a collective effort by Sonae Companies to restore and conserve Portuguese forests. Over the next 10 years we will reforest over 1,100 hectares to offset the emissions associated with the consumption of fossil fuels by our light vehicles fleet.</p> <p>In 2022 MC secured the necessary funding to reforest circa 39 hectares.</p> <p>See chapter «Sustainable development».</p>	Areas monitored and/or subjected to intervention	2022	Circus pygargus Projects	700 hectares	Zero Waste Certification Programme	1,670 hectares	Agroecology Programme	544 hectares	Zerya Regenerative programme	15 hectares								
Areas monitored and/or subjected to intervention	2022																		
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305: Emissions

<p>305-1 V</p>	<p>Direct GHG emissions (scope 1)</p> <table border="1"> <thead> <tr> <th>Emissions scope 1 (t CO₂e)</th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Total direct GHG emissions</td> <td>49,452</td> <td>60,838</td> </tr> </tbody> </table> <p><small>Note 1: in 2018 we considered the value of scope 1 emissions totalling 63,340 ton CO₂e</small> <small>Note 2: figures for previous years have been updated due to changes in calculation methodology</small></p>	Emissions scope 1 (t CO ₂ e)	2021	2022	Total direct GHG emissions	49,452	60,838						
Emissions scope 1 (t CO ₂ e)	2021	2022											
Total direct GHG emissions	49,452	60,838											
<p>305-2 V</p>	<p>Indirect GHG emissions (scope 2)</p> <table border="1"> <thead> <tr> <th>Emissions scope 2 (t CO₂e)</th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Indirect GHG emissions linked to electricity consumption (market based)</td> <td>106,527</td> <td>87,526</td> </tr> <tr> <td>Indirect GHG emissions linked to electricity consumption (location based)</td> <td>114,862</td> <td>116,379</td> </tr> <tr> <td>Indirect GHG emissions linked to thermal energy consumption</td> <td>4,334</td> <td>3,471</td> </tr> </tbody> </table> <p><small>Note: in 2018 we considered the value of scope 2 emissions (market based) totalling 154,396 ton CO₂e.</small></p>	Emissions scope 2 (t CO ₂ e)	2021	2022	Indirect GHG emissions linked to electricity consumption (market based)	106,527	87,526	Indirect GHG emissions linked to electricity consumption (location based)	114,862	116,379	Indirect GHG emissions linked to thermal energy consumption	4,334	3,471
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CONTINUES

305: Emissions			
305-3 V	Indirect GHG emissions (scope3)		
	Emissions scope 3 (t CO ₂ e)		
		2021	2022
	Indirect GHG emissions linked to		
	purchased goods and services	–	3,884,122
	capital goods	–	91,369
	fuel and energy-related activities	–	25,116
	upstream transportation and distribution	–	34,390
	waste generated in operations	10,118	10,092
	business travel	–	1,335
	Employee commuting	–	57,337
	downstream transportation and distribution	–	149,909
	use of sold products	–	140,876
	end-of-life treatment of sold products	–	97,196
	franchises	–	25,965
Total emissions	10,118	4,517,705	
<i>Note:</i> Figures for previous years have been updated due to changes in calculation methodology.			
	In 2022, we completed mapping MC's Carbon Footprint, and extended it to all applicable categories under scope 3, in accordance with the GHG Protocol. This was the first step towards the establishment of a science-based reduction target (Science Based Targets Initiative – SBTi), and, consequently, the definition of an emissions reduction action plan more structured and robust.	Notwithstanding, MC has already been working to reduce the scope 3 carbon footprint, by implementing a set of initiatives, such as the definition of an action plan to decarbonize customers' shopping basket, the development of plant-based alternatives to animal protein, initiatives included in the «Continente Producers Club» agenda, the transformation of our own or exclusive-brand packaging so that it is recyclable, reusable or compostable by 2025, the promotion of electric mobility with the expansion of «Plug&Charge» charging stations at Continente stores, the fight against food waste and the optimization of waste management, among others.	
Total GHG emissions per scope (t CO ₂ e)			
	2021	2022	
Scope 1	49,452	60,838	
Scope 2	110,861	90,997	
Scope 3	10,118	4,517,705	
Total emissions	170,431	4,669,541	
<i>Note 1:</i> figures for previous years have been updated due to changes in calculation methodology			
<i>Note 2:</i> information on emission factors can be found in the methodological notes section.			
	MC has committed to reducing own emissions (scope 1+2) by 55% by 2030, compared to 2018 figures. A roadmap, which is monitored, was defined. Own emission targets measurement assessment is carried out annually. The calculation of the indicator follows the methodology and guidelines per the GHG Protocol.		

CONTINUES

305: Emissions			
305-3 V	Indirect GHG emissions (scope3)		
	Emissions scope 3 (t CO ₂ e)		
		Target	Performance
	Own GHG Emissions (Scope 1 + 2) (t CO ₂ e)	169,213	151,835
	Measuring Target achievement	The target defined for own emissions was met. An additional reduction of 17,378 tCO ₂ e was recorded, circa 10% compared to the target defined for 2022.	
305-4 V	GHG emissions intensity		
	Emissions intensity		
		2021	2022
	Total GHG emissions (t CO ₂ e)	170,431	4,669,541
	Sales Area (m ²)	828,000	850,000
GHG emissions intensity ratio (t CO₂/m²)	0.21	5.49	
<i>Note 1:</i> in 2018 the total emissions value of 217,736 ton CO ₂ e was considered. Sales area (m ²): 776,000. GHG emissions intensity ratio (tCO ₂ /m ²) = 0.28			
<i>Note 2:</i> figures for previous years have been updated due to changes in calculation methodology.			
<i>Note 3:</i> In 2022, we completed the mapping of MC's Carbon Footprint, extending it to all applicable categories under scope 3, in accordance with the GHG Protocol. For this reason, the figure is not comparable to previous years. Maintaining the same scope, the carbon intensity would be 0.18, representing a reduction of 13% compared to 2021.			
305-5 V	Reduction of GHG emissions	To support the reduction of our emissions, MC developed a roadmap adapted to its Business context, based on best practices and the best technological and scientific knowledge. Our roadmap is based on four action pillars: the deployment of eco-efficiency measures in order to reduce our energy consumption as much as possible; the electrification of end-use consumption; a programme to change our refrigeration plants; and investment in the production and acquisition of energy effectively produced from renewable sources.	In 2022, the production of electricity from renewable sources (photovoltaic plants) used for self-consumption stood at 28 GWh, with an increase in self-consumption of 18% compared to 2021. Furthermore, MC maintained its commitment to acquiring energy free of GHG emissions, through the establishment of new, long-term Power Purchase Agreement (PPA) agreements. With this investment in renewable energy, circa 30% of MC's electricity consumption came from renewable sources, resulting in a 36,525 tonnes CO ₂ e reduction compared to the potential emission without these options.
			See chapter «Sustainable development».
305-6 V	Emissions of ozone-depleting substances	In 2022, there were no emissions of ozone-depleting substances. MC has not used any ozone-depleting potential gases since 2012.	
	Nitrogen oxides (NO _x), sulphur oxides (SO ₂), and other significant air emissions		
305-7 V	Emissions (t)		
	Total NO _x emissions	320	373
	Total SO ₂ emissions	86	111
	Total CH ₄ emissions	13	18
	Total F-Gas emissions	17,918	22,307
<i>Note 1:</i> figures for previous years have been updated due to changes in calculation methodology			
<i>Note 2:</i> information on emission factors can be found in the methodological notes section.			

CONTINUES

306: Waste

306-1 V Waste production and significant waste-related impacts
 Most of MC's waste is associated with the activity within its stores.
 Waste management not only covers the waste produced within the scope of our activity, but also the ones that are deposited by Customers. A few measures implemented include:
 (i) the creation of specific areas in stores and warehouses for waste management; (ii) separation, temporary storage and dispatch of the different types of waste to licensed operators; (iii) separating the organic portion of the waste and dispatching it for organic recovery; (iv) reducing packaging material for own label goods; (v) reusing transport packaging; and (vi) Employee training and awareness-raising.

306-2 V Management of significant impacts related to waste
 We reinforced the principles of circularity in the way we manage our business, how we design and develop our products and services, avoiding single-use materials wherever possible, favouring the reuse and repair of materials. When this cannot be done, we direct waste to recycling.

306-3 V Waste generated

Waste produced (t)	2021	2022
Hazardous waste	61	75
Non-hazardous waste	72,673	73,012
Total weight of waste generated	72,734	73,087

Note: Maxmat was not considered for the scope of this indicator in the reporting period.

306-4 V Waste diverted from disposal

Waste diverted from disposal (t)	2021	2022
Recycled hazardous waste	61	58
Hazardous waste prepared for reuse	–	–
Other recovery operations for hazardous waste	–	–
Total weight of hazardous waste diverted from disposal	61	58
Recycled non-hazardous waste	45,172	44,719
Non-hazardous waste prepared for reuse	–	–
Other recovery operations for non-hazardous waste*	15,648	17,183
Total weight of non-hazardous waste diverted from disposal	60,820	61,902

*composting, anaerobic digestion and energy recovery. Note: Maxmat was not considered for the scope of this indicator in the reporting period.

CONTINUES

306: Waste

306-5 V Waste directed to disposal

Waste directed to disposal (t)	2021	2022
Hazardous waste incineration (with energy recovery)	–	–
Hazardous waste incineration (without energy recovery)	–	–
Hazardous waste directed to landfill	–	–
Other disposal operations for hazardous waste	–	17
Total disposal of hazardous waste	–	17
Non-hazardous waste incineration (with energy recovery)	–	–
Non-hazardous waste incineration (without energy recovery)	–	–
Non-hazardous waste directed to landfill	11,853	10,573
Other disposal operations for non-hazardous waste	–	537
Total disposal of non-hazardous waste	11,853	11,110

Note: Maxmat was not considered for the scope of this indicator in the reporting period.

CONCLUSION

401: Employment				
401-1 V	New Employee hires and Employee turnover			
	New hires and Employee turnover (no.)			
	2021		2022	
	New hires	Employee turnover	New hires	Employee turnover
Men	6,919	6,145	8,398	7,829
Women	12,021	10,697	13,929	13,147
Total	18,940	16,842	22,327	20,976
<30 years old	15,221	12,691	16,850	15,234
30-50 years old	3,412	3,559	4,909	4,992
≥50 years old	307	592	568	750
Total	18,940	16,842	22,327	20,976
Portugal	18,428	16,454	21,611	20,411
Spain	512	388	716	565
Total	18,940	16,842	22,327	20,976
New hires & Employee turnover ratio (%)				
	2021		2022	
	New hires	Employee turnover	New hires	Employee turnover
Men	19%	17%	22%	20%
Women	33%	29%	36%	34%
Total	52%	46%	58%	55%
<30 years old	42%	35%	44%	40%
30-50 years old	9%	10%	13%	13%
≥50 years old	1%	2%	1%	2%
Total	52%	46%	58%	55%
Portugal	50%	45%	57%	53%
Spain	1%	1%	2%	1%
Total	52%	46%	58%	55%
Total number of new hires and Employee turnover				
	2021		2022	
Total Employees	36,607		38,220	
New hires	18,940		22,327	
New hires (%)	52%		58%	
Employee turnover	16,842		20,976	
Turnover rate (%)	46%		55%	

CONTINUES

401: Employment							
401-1 V	New Employee hires and Employee turnover						
	New hires and Employee turnover (no.) – 2021						
		M	W	T	M	W	T
		Voluntary departures			Involuntary departures		
Executives	<30 years old	-	-	-	-	-	-
	30-50 years old	1	-	1	-	-	-
	≥50 years old	1	-	1	-	-	-
	Total	2	-	2	-	-	-
Senior & Middle Managers	<30 years old	-	-	-	-	-	-
	30-50 years old	15	5	20	5	-	5
	≥50 years old	-	-	-	10	6	16
	Total	15	5	20	15	6	21
Coordinators & Supervisors	<30 years old	-	-	-	-	1	1
	30-50 years old	4	3	7	2	5	7
	≥50 years old	-	-	-	5	6	11
	Total	4	3	7	7	12	19
Technicians & Specialists	<30 years old	49	102	151	8	28	36
	30-50 years old	59	91	150	14	29	43
	≥50 years old	1	1	2	13	17	30
	Total	109	194	303	35	74	109
Representatives	<30 years old	1,907	3,190	5,097	2,897	4,509	7,406
	30-50 years old	498	1,109	1,607	543	1,176	1,719
	≥50 years old	28	82	110	85	337	422
	Total	2,433	4,381	6,814	3,525	6,022	9,547
Total		2,563	4,583	7,146	3,582	6,114	9,696

M Men W Women T Total

CONTINUES

401: Employment							
401-1 V New Employee hires and Employee turnover							
New hires and Employee turnover (no.) – 2022							
		M	W	T	M	W	T
		Voluntary departures			Involuntary departures		
Executives	<30 years old	-	-	-	-	-	-
	30-50 years old	-	-	-	-	-	-
	≥50 years old	-	-	-	4	1	5
	Total	-	-	-	4	1	5
Senior & Middle Managers	<30 years old	-	-	-	-	-	-
	30-50 years old	20	13	33	5	8	13
	≥50 years old	1	-	1	13	2	15
	Total	21	13	34	18	10	28
Coordinators & Supervisors	<30 years old	1	2	3	1	-	1
	30-50 years old	3	4	7	1	3	4
	≥50 years old	-	1	1	4	7	11
	Total	4	7	11	6	10	16
Technicians & Specialists	<30 years old	81	144	225	13	32	45
	30-50 years old	77	160	237	12	31	43
	≥50 years old	3	4	7	11	16	27
	Total	161	308	469	36	79	115
Representatives	<30 years old	2,480	3,954	6,434	3,525	5,001	8,526
	30-50 years old	789	1,771	2,560	642	1,453	2,095
	≥50 years old	45	190	235	98	350	448
	Total	3,314	5,915	9,229	4,265	6,804	11,069
Total		3,500	6,243	9,743	4,329	6,904	11,233

M Men W Women T Total

CONTINUES

401: Employment						
401-3 V Parental leave						
Total number of Employees (no.)	2021			2022		
	M	W	T	M	W	T
Entitled to parental leave	11,486	25,121	36,607	12,173	26,047	38,220
Who benefitted from parental leave	392	1,257	1,649	481	1,445	1,926
Who returned to work after parental leave	392	1,258	1,650	470	1,396	1,866
Who returned to work after parental leave and remained at the company 12 months after their return	391	1,069	1,460	303	1,004	1,307
Take-up rate (%)	3%	5%	5%	4%	6%	5%
Rate of return (%)	100%	100%	100%	98%	97%	97%
Rate of retention (%)	100%	85%	89%	63%	69%	68%

M Men W Women T Total

Note: Employees who benefitted from parental leave in year N-1 and remained at the company 12 months after their return are not accounted for. For this reason, the rate of retention may exceed 100%, considering that the denominator refers to the take-up rate in year N and not N-1.

403: Occupational health and safety

403-1 V	Occupational health and safety management system	MC's occupational health and safety management methodologies and processes are not formalised per a certified system.
403-2 V	Hazard identification, risk assessment and incident investigation	<p>At MC, the procedures of hazard identification and risk assessment are carried out by a team of Occupational Health and Safety (OHS) technicians. These procedures are periodically updated and reviewed when new incidents occur or new procedures or machines are introduced that could affect the risk level. The incident investigation procedure is based on the «5 Whys methodology» (identify the cause and implement countermeasures), which is then developed into an action plan.</p> <p>We believe that raising awareness and communicating the risks and the measures Employees should take to eliminate or reduce risks to manageable levels is a decisive step towards improving existing conditions and consequently improving the working environment.</p> <p>Therefore, in addition to OHS training and information shared with Employees, an annual consultation for Employees on OHS issues is ensured through a questionnaire whereby Employees provide feedback on all OHS related topics. Employees' responses are analysed as a means to assess their perception of the working conditions.</p> <p>Workers can also report incidents through store audits, in-house platforms and applications, or through direct contact with OHS technicians or safety animators.</p>

CONTINUES

403: Occupational health and safety

403-3 V	Occupational health services	MC provides occupational health services that contribute to identifying and eliminating hazards and minimising risks. These services, provided for by law, include: a medical examination at the admission stage upon joining the Company; periodic medical examinations and every 2 years for all employees between the ages of 18 and 50; and annual medical examinations for employees aged less than 18 or over 50, Employees on teleworking and night shifts; occasional medical examinations are also carried out at the request of the Employee, the Company, the Occupational Doctor, upon returning following a work related accident or absence due to illness for a period of more than 30 days.	Other services include monitoring store refurbishments and openings, training, safety procedures and safety norms, annual audit plans for all establishments, claim monitoring (cause, participation) and ergonomic studies. All services are provided by qualified Occupational Health and Safety technicians.
403-4 V	Worker participation, consultation, and communication on occupational health and safety	At MC, an annual Employee's consultation on Occupational Health and Safety (OHS) is ensured through a questionnaire whereby Employees provide feedback on all OHS related topics. This questionnaire is periodically reviewed and adapted.	Complementarily, a survey is carried out to ascertain satisfaction levels of those injured regarding the health activity carried out by the health insurer.
403-5 V	Worker training on occupational health and safety	During the admission process, Employees undertake mandatory online training on workplace risks and emergency organisation and response. MC has an in-house portal available to Employees containing information related to Occupational Health and Safety (OHS) such as occupational accidents, risks at work, individual protection equipment, emergency plan, to name a few.	At the follow-up and monitoring visits which take place at our facilities, educational audits are carried out by OHS technicians and occupational physicians.
403-6 V	Promotion of worker health	In addition to the Occupational Health service, MC offers its Employees a Curative Medicine service, vaccination against seasonal flu, preventive health programmes (e.g., combating overweight & obesity and well-being) and promotes various health raising awareness initiatives.	
403-7 V	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety impacts attributable to commercial relations are not considered relevant.	
403-8 V	Workers covered by an occupational health and safety management system	MC's occupational health and safety management methodologies and processes are not formalised in a certified system.	

CONTINUES

403: Occupational health and safety

403-9 Work-related injuries

Employees

	2021			2022		
	M	W	T	M	W	T
Working hours	20,703,103	44,076,994	64,780,097	21,758,460	45,861,875	67,620,335
Work injuries	240	531	771	239	522	761
Fatalities	-	-	-	-	-	-

M Men W Women T Total

Workers who are not Employees but whose job and/or place of work is controlled by the organisation

	2021			2022		
	M	W	T	M	W	T
Work injuries	72	40	112	47	39	86
Fatalities	0	0	0	0	0	0

M Men W Women T Total

CONTINUES

404: Training

404-1
V

Average number of training hours per year and per employee

Average number of training hours per Employee	2021 ¹	2022 ²	2022 ¹
Total Employees (no.)	46,084	62,329	42,013
Total Training hours (h)	851,840	639,151	639,151
Average number of training hours per category and gender (h/employee)	18	10	15

Total number Employees by employee category and gender	2021 ¹			2022 ²			2022 ¹		
	H	M	T	H	M	T	H	M	T
Executives	40	8	48	46	12	58	26	9	35
Senior & Middle Managers	119	815	934	469	416	885	403	386	789
Coordinators & Supervisors	1,085	1,276	2,361	706	1,070	1,776	673	1,039	1,712
Technicians & Specialists	712	1,601	2,313	893	1,974	2,867	664	1,546	2,210
Representatives	12,544	27,884	40,428	18,108	38,635	56,743	10,856	26,411	37,267
Total Employees (no.)	14,500	31,584	46,084	20,222	42,107	62,329	12,622	29,391	42,013
Executives	389	52	441	901	208	1,109	901	208	1,109
Senior & Middle Managers	24,916	31,646	56,562	10,939	9,467	20,406	10,939	9,467	20,406
Coordinators & Supervisors	448	2,725	3,173	20,858	32,068	52,926	20,858	32,068	52,926
Technicians & Specialists	10,883	23,069	33,952	12,856	26,448	39,304	12,856	26,448	39,304
Representatives	275,428	482,284	757,712	194,353	331,053	525,406	194,353	331,053	525,406
Total Training hours (h)	312,064	539,776	851,840	239,907	399,244	639,151	239,907	399,244	639,151
Executives	10	7	9	20	17	19	20	17	19
Senior & Middle Managers	23	25	24	23	23	23	23	23	23
Coordinators & Supervisors	4	3	3	30	30	30	30	30	30
Technicians & Specialists	15	14	15	14	13	14	14	13	14
Representatives	22	17	19	11	9	9	11	9	9
Average number of training hours per category and gender (h/employee)	22	17	18	12	9	10	19	14	15

M Men W Women T Total

¹ Includes all participants in training sessions, regardless of whether they were actively employed on 31st December.

² Includes all employees, regardless of whether they were actively employed on 31st December and of the time they remained in the organization.

CONTINUES

404: Training

404-2
V

Programs for upgrading employee skills and transition assistance programs

Programs and number of training hours by programme	2021		2022	
	Total Programs (no.)	Total Hours (no.)	Total Programs (no.)	Total Hours (h)
Management	643	1,275	1,430	2,056
Leadership	9,499	17,902	6,637	16,331
Continuous improvement	1,617	10,546	1,563	5,256
Occupational Health and Safety	15,507	58,450	11,059	33,807
Sustainability	1,222	4,407	3,253	2,499
Technical	40,577	68,569	4,092	17,778
Transversal	583	3,039	10,040	36,150
Others	174,929	687,653	51,081	525,278
Total	244,577	851,841	89,155	639,155

Note 1: includes all participants in training sessions, regardless of whether they were actively employed on 31st December.

Note 2: the Skills Improvement Programmes were reviewed in 2022 resulting in restating historical data for previous years (data migration between programmes).

Note 3: the difference in the number of training events is due to the change in methodology from 2022 onwards (each training event is accounted for as a single event, regardless of the number of participants).

404-3
V

Percentage of employees receiving regular performance and career development reviews	In 2022, at MC, a total of 82.8% of the Employees received performance and career development reviews. This percentage is impacted by the fact that the turnover in 2022 was higher than in 2021.
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CONTINUES

405: Diversity and equal opportunities

405-1 Diversity of governance bodies and employees

V

Percentage of Employees by job category – 2022 (%)

		M	W	T
Executives	<30 years old	0.0%	0.0%	0.0%
	30-50 years old	44.4%	11.1%	55.6%
	≥50 years old	35.2%	9.3%	44.4%
	Total	79.6%	20.4%	100.0%
Senior & Middle Managers	<30 years old	0.5%	0.1%	0.7%
	30-50 years old	39.2%	29.1%	68.3%
	≥50 years old	19.5%	11.6%	31.0%
	Total	59.2%	40.8%	100.0%
Coordinators & Supervisors	<30 years old	3.4%	7.6%	10.9%
	30-50 years old	24.0%	47.2%	71.2%
	≥50 years old	6.5%	11.4%	17.9%
	Total	33.8%	66.2%	100.0%
Technicians & Specialists	<30 years old	9.6%	23.1%	32.7%
	30-50 years old	17.0%	38.1%	55.1%
	≥50 years old	3.9%	8.3%	12.2%
	Total	30.5%	69.5%	100.0%
Representatives	<30 years old	15.7%	25.7%	41.4%
	30-50 years old	12.1%	31.3%	43.4%
	≥50 years old	3.3%	11.8%	15.1%
	Total	31.1%	68.9%	100.0%
Governance bodies	<30 years old	0.0%	0.0%	0.0%
	30-50 years old	20.0%	10.0%	30.0%
	≥50 years old	60.0%	10.0%	70.0%
	Total	80.0%	20.0%	100.0%

M Men W Women T Total

	2021	2022
Employees with disabilities (no.)		
Employees with disabilities	184	266

Note: Employees with a disability level equal or greater than 60%.

CONTINUES

405: Diversity and equal opportunities

405-1 Diversity of governance bodies and employees

V

	2021	2022
Women in leadership positions (%)		
Women in leadership positions	38.8%	39.7%

Note: the measurement scope does not include Arenal. Broadening to Arenal the indicator scope, the % of women in leadership positions was 39.4%

MC established the goal of reaching 40% of leadership positions occupied by women by 2023. A Diversity and Inclusion Strategy and the [Plan for Gender Equality](#) were developed to help meet this goal.

	Target	2022 Performance
% of Women in leadership positions	38.9%	39.7%

Measuring target achievement

The target defined for the % of women in leadership positions was achieved, exceeding by 0.8 percentage points the target defined for 2022.

406: Non discrimination

406-1 Incidents of discrimination and corrective actions taken	In 2022, a total of 53 discrimination cases were raised. The inquiry processes resulted in filing all cases.	
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407: Freedom of association and collective bargaining

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	At MC there are no operations involving risks within the scope of the freedom of association and collective bargaining agreements.	In accordance with the audit reports carried out in 2022, all of the Suppliers adopt the criteria «Freedom of association: they can be members of institutions/associations that represent their rights» accordingly.
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408: Child labour

408-1 Operations and suppliers at significant risk for incidents of child labour	At MC, as a rule, minors are not admitted. Exceptionally, minors aged between 16 and 18 years of age are admitted, and always in compliance with the law.	There are no operations at risk for incidents of child labour. If a Supplier is found to be at significant risk for incidents of child labour, the Supplier is put on stand-by, and is only reaccepted after an SA8000 audit carried out by an accredited entity.
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409: Forced or compulsory labour

409-1 Forced or compulsory labour	There is no forced labour at MC. If a Supplier is found to be at significant risk for incidents of forced or compulsory labour, the Supplier is put on stand-by, and is only reaccepted after an SA8000 audit carried out by an accredited entity.	
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410: Security practices

410-1 Security personnel trained in human rights policies or procedures	In both Portugal and Spain, all security staff that offer their services through security companies must hold a professional license. To obtain and renew the license, security staff must carry out training which includes fundamental/constitutional rights, ethics and deontology.	
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GRI 400 – SOCIAL PERFORMANCE

412: Human rights assessment

412-1 V	Operations that have been subject to human rights reviews	No operations subject to Human Rights reviews and/or impact assessments were recorded in 2022.	
412-2 V	Employee training on human rights policies or procedures	In 2022, Employees received training related to Human Rights policies and procedures as per the table	
Training on Human Rights Policies and Procedures (no.)		2021	2022
Total number of Employees who received formal training related to Human Rights policies and practices		32,380	23,170
Total hours dedicated to training on Human Rights policies or procedures which are relevant to our operations		64,308	45,709
<small>Note 1: includes all participants in training sessions, regardless of whether they were actively employed on 31st December</small>		<small>Note 2: data from previous years was rectified due to the readjustment of the parameters used to calculate the training hours, since now it is possible to obtain greater detail regarding training records.</small>	

412-3 V	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	In MC supply contracts, there is a Supplier obligation clause that mentions «Compliance with all applicable standards and legislation pertaining to work carried out by minors, human rights and the prohibition of discrimination of its employees, regardless of the reason».	
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413: Local communities

413-1 V	Operations with local community engagement, impact assessments, and development programs	From the moment a new facility is inaugurated, MC ensures it has the necessary conditions so as to cause minimal negative impact in the Communities. During its operation, the Company develops several initiatives to support the local Community, meeting the different needs. Oftentimes the initiatives are carried out in partnership with local entities	In 2022, circa €29.8 million were donated to the Community, spanning more than 1,276 institutions across the country. See chapter «Sustainable development».
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414 & 308: Supplier social and environmental assessment

414-1 & 308-1 V	New suppliers that were screened using social and environmental criteria	The supplier assessment process covers all own-label suppliers. The selection and qualification audits, one of the most relevant tools in this process, aims to ascertain compliance with our policies. This audit process is mandatory with the exception of certified suppliers whose origin is not on our list of risk countries. Suppliers from risk countries must undergo this audit, regardless of their certification.	A set of requirements related to quality, ethics in supply, environment and hygiene and safety in factories, human rights, labour rights, among others, are verified. As a result of the audits carried out, and depending on their relevance and classification, strategies are defined to optimise processes and implement improvement initiatives with them.
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GRI 400 – SOCIAL PERFORMANCE

414 & 308: Supplier social and environmental assessment

414-1 & 308-1 V	New suppliers that were screened using social and environmental criteria				
Suppliers screened based on social and environmental criteria		2021		2022	
		Total	New	Total	New
National		582	58	710	43
International		529	72	1,375	124
Total number of Suppliers (no.)		1,111	130	2,085	167
National		501	30	641	23
International		410	33	672	26
Total number of qualified Suppliers (no.)		911	63	1,313	49
National (%)		86%	52%	90%	53%
International (%)		78%	46%	49%	21%
Percentage of qualified Suppliers (%)		82%	48%	63%	29%
National		155	6	148	4
International		219	13	221	2
Total audits performed on Suppliers (no.)		374	19	369	6

Note: inclusion of Arenal suppliers from 2022 onwards.

416: Customer health and safety

416-1 V	Assessment of the health and safety impacts of products and services	At MC, it is a priority to guarantee the quality and safety of our own brand products, which is why we constantly control, monitor and develop the development process. Thus, we focus on four areas: (i) certification of the development of our own brand products, (ii) quality and safety monitoring, (iii) labelling and (iv) Customer feedback management. In 2022, continuing the efforts of previous years, we ensured the certification process for the development of MC's own brands, in accordance with the international quality management standard NP EN ISO 9001: 2008.	We have a team of qualified internal and external professionals focused on carrying out periodic product checks, including inspections, laboratory tests and audits, in order to ensure compliance with quality and safety standards based on the prevailing annual plans. In 2022, a total of 603,775 analyses were performed, in internal and external laboratories, on products where MC is responsible for placing them on the market, as well as on supplier brand products of our Fresh products and in case of complaints. In indicator 2-29 we disclose how we manage and integrate feedback from our Customers.
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417: Marketing and labelling

417-1 V	Requirements for product and service information and labelling	We are committed to ensuring the supply of a wide range of responsible products in order to meet consumer expectations and promote the adoption of a sustainable lifestyle. At the same time, considering the need for immediate access to information, inherent in today's consumer profile, we take care to ensure that we provide the necessary information on our products so that the consumers can make an informed choice appropriate to their lifestyle.	In 2022, MC was not in breach of any non-compliance with laws and regulations in terms of information and labelling of products with a total monetary value equal to or above €12,000.
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CONCLUSION

Methodology notes

Emission factors				
Category	Unit	2021	2022	Source
Energy				
Natural gas	kgCO ₂ /GJ	56.4	56.4	2021 and 2022: APA (2021) Portuguese National Inventory Report on Greenhouse Gases (NIR)
Propane gas	kgCO ₂ /GJ	63.1	63.1	
Diesel	kgCO ₂ /GJ	74.1	74.1	
Gasoline	kgCO ₂ /GJ	69.3	69.3	
Electricity				
Market Based Portugal	kgCO ₂ e/GJ	71.4	57.3	2021 and 2022: Elergone Data – The calculation of annual values is based on monthly calculations, which in turn are calculated by weighing the emission factors reported by the various suppliers and the percentage of consumption of the locations that have an energy supply contract with the respective suppliers..
Market Based Spain	kgCO ₂ e/GJ	55.6	55.7	
Location Based Portugal	kgCO ₂ e/GJ	77.4	76.7	2021 and 2022: ERSE Rotulagem
Location Based Spain	kgCO ₂ e/GJ	38.8	44.4	2021 and 2022: REE ree.es/es/datos/generacion/no-renovables-detalle-emisiones-co2
Leakage of fluorinated gases				
Leakage of fluorinated gases	kgCO ₂ e/kg gas	NA	NA	Emission factors for each type of fluorinated gas obtained through IPCC Fourth Assessment Report (AR5).
Employees fleet				
Diesel	kgCO ₂ /GJ	70.5	70.5	Based in APA, 2022. National GHG Inventory Submission to UNFCCC. National Inventory Report 2022. ANNEX B: ENERGY. Tables B3 to B6. April 2021.
Gasoline	kgCO ₂ /GJ	72	72	Based in APA, 2022. National GHG Inventory Submission to UNFCCC. National Inventory Report 2022. ANNEX B: ENERGY. Tables B3 to B6. April 2022.

CONTINUES

Emission factors				
Category	Unit	2021	2022	Source
Store supply and customer service transportation (online)				
Store supply and customer service transportation (online)	kgCO ₂ /km	–	NA	Based in APA, 2022. National GHG Inventory Submission to UNFCCC. National Inventory Report 2020. ANNEX B: ENERGY. Tables B3 to B6. April 2020. The emissions were calculated based on the travelled distances, having associated the respective emission factor and considered a standard vehicle type corresponding to each vehicle.
Purchased of goods and services				
Purchased of goods and services	NA	–	NA	Primary emission factors obtained through an in-house calculation platform of the carbon footprint of the most representative MC products. Secondary emission factors obtained through various studies and national and international bibliographical sources.
Capital goods				
Capital goods	kgCO ₂ e/€	–	NA	Emission factors for each type of capital goods obtained through the DEFRA, 2019. Greenhouse gas reporting: UK Footprint (Supply Chain); «Table 13» Indirect emissions from the supply chain.
Fuel and energy-related activities (not included in scopes 1 and 2)				
Natural gas	kgCO ₂ e/kWh	–	0.0311	DEFRA, 2019. Greenhouse gas reporting: conversion factors 2022 (WTT – fuels).
Liquefied Petroleum Gas (LPG)	kgCO ₂ e/kWh	–	0.025	
Diesel	kgCO ₂ e/kWh	–	0.063	
Gasoline	kgCO ₂ e/kWh	–	0.066	DEFRA, 2019. Greenhouse gas reporting: conversion factors 2022 (WTT – UK & overseas elec – Generation and Transmission and Distribution losses).
Electricity	kgCO ₂ e/kWh	–	0.036	
Cold Water	kgCO ₂ e/kWh	–	0.032	DEFRA, 2022. Greenhouse gas reporting: conversion factors 2022 (WTT – heat and steam).
Hot water	kgCO ₂ e/kWh	–	0.032	
Upstream transportation and distribution				
Cargo ship				
Container ship 0–999 TEU	kgCO ₂ e/ton.km	–	0.0368	DEFRA, 2022. UK Government GHG Conversion Factors for Company Reporting.
Refrigerated cargo	kgCO ₂ e/ton.km	–	0.0131	DEFRA, 2022. UK Government GHG Conversion Factors for Company Reporting.
Heavy goods vehicles				
without refrigeration	kgCO ₂ e/km	–	0.8120	Luis Simões, Lda., Sustainability Report 2019.
diesel	gCO ₂ /km	–	594.54	APA, 2020. National GHG Inventory Submission to UNFCCC. National Inventory Report 2020. Emission factor associated to the vehicle category: Buses – Diesel.
	mgCH ₄ /km	–	32.78	
	mgN ₂ O/km	–	18.36	

CONTINUES

METHODOLOGY NOTES

Emission factors				
Category	Unit	2021	2022	Source
Waste generated in the operation and End-of-life treatment of sold products				
Sanitary landfill	t CO ₂ e/t waste	0.615	0.615	2021 and 2022: APA (2019), Roadmap for Carbon Neutrality 2050
Incineration, with energy recovery	t CO ₂ e/t waste	0.395	0.395	
Biological treatment of organic waste – Composting / Anaerobic digestion	t CO ₂ e/t waste	0.064	0.064	
Wastewater treatment	t CO ₂ e/m ³ water disposal	0.708	0.0003	2021: DEFRA (2020), Wastewater treatment. 2022: DEFRA (2022), Wastewater treatment.
Business travel				
Road transport				
Light weight passenger vehicle (diesel)	kgCO ₂ /l	–	2.5287	Based on APA, 2019. National GHG Inventory Submission to UNFCCC. National Inventory Report 2019. ANNEX B: ENERGY. Tables B3 a B6. April 2019.
	kgN ₂ O/l	–	0.0001	
Light weight passenger vehicle (gasoline)	kgCO ₂ /l	–	2.3636	
	kgCH ₄ /l	–	0.0002	
Flight				
short haul (< 1600 km)	kgCO ₂ e/passenger.km	–	0.2549	DEFRA, 2019 – Business travel-air: Domestic, to/from UK Average passenger.
medium haul (1600-4000 km)	kgCO ₂ e/passenger.km	–	0.1956	DEFRA, 2019 – Business travel-air: Long-haul, to/from UK Average passenger.
long haul (> 4000 km)	kgCO ₂ e/passenger.km	–	0.1808	DEFRA, 2019 – Business travel-air: International, to/from non-UK Average passenger.
Rail transport				
international	gCO ₂ e/pkm	–	19.67	CP Sustainability Report, 2019; INE (National Statistical Institute of Portugal) Transporters and Communications
national	gCO ₂ e/pkm	–	19.67	

CONTINUES

METHODOLOGY NOTES

Emission factors				
Category	Unit	2021	2022	Source
Employee commuting, and downstream transportation and distribution				
Road				
Light weight passenger vehicle (diesel)	gCO ₂ /km	–	197.88	APA, 2020. National GHG Inventory Submission to UNFCCC. National Inventory Report 2020.
	mgCH ₄ /km	–	1.62	
	mgN ₂ O/km	–	7.20	
Light weight passenger vehicle (gasoline)	gCO ₂ /km	–	202.36	
	mgCH ₄ /km	–	32.85	
	mgN ₂ O/km	–	5.36	
Light weight passenger vehicle (LPG/LNG)	gCO ₂ /km	–	191.73	
	mgCH ₄ /km	–	35.86	
	mgN ₂ O/km	–	9.43	
Light weight passenger vehicle (hybrid)	gCO ₂ /km	–	142.14	
	mgCH ₄ /km	–	19.92	
	mgN ₂ O/km	–	2.04	
Light weight passenger vehicle (hybrid Plug-In)	gCO ₂ /km	–	105.94	
	mgCH ₄ /km	–	7.97	
	mgN ₂ O/km	–	0.484	
Motorbike (diesel)	gCO ₂ /km	–	126.23	
	mgCH ₄ /km	–	64.68	
	mgN ₂ O/km	–	2	
Light weight passenger vehicle (electric)	gCO ₂ /km	–	46.08	
	Bus (diesel)	gCO ₂ /km	–	1224.17
		mgCH ₄ /km	–	61.53
mgN ₂ O/km		–	16.49	
Metro	gCO ₂ e/pkm	–	39.84	

CONTINUES

Emission factors				
Category	Unit	2021	2022	Source
Use of sold products				
Natural gas	kgCO ₂ /GJ	–	56.4	APA, 2021. National GHG Inventory Submission to UNFCCC. National Inventory Report 2019. Table 3,119. April 2021.
	kgCH ₄ /GJ	–	0.001	
	kgN ₂ O/GJ	–	0.001	
Liquefied Petroleum Gas (LPG)	kgCO ₂ /GJ	–	63.1	
	kgCH ₄ /GJ	–	0.005	
	kgN ₂ O/GJ	–	0.0001	
Diesel	kgCO ₂ /GJ	–	74.1	
	kgCH ₄ /GJ	–	0.0007	
	kgN ₂ O/GJ	–	0.0004	
Heavy fuel oil	kgCO ₂ /GJ	–	77.4	
	kgCH ₄ /GJ	–	0.003	
	kgN ₂ O/GJ	–	0.0006	
Gasoline	kgCO ₂ /GJ	–	69.3	
	kgCH ₄ /GJ	–	0.01	
	kgN ₂ O/GJ	–	0.0006	
Propane	kgCO ₂ /GJ	–	63.1	
	kgCH ₄ /GJ	–	0.005	
	kgN ₂ O/GJ	–	0.0001	
Butane	kgCO ₂ /GJ	–	74.1	
	kgCH ₄ /GJ	–	0.0007	
	kgN ₂ O/GJ	–	0.0004	
Electricity	kgCO ₂ e/kWh	–	0.2392	AIB, 2022. European Residual Mixes 2021 – Total Supplier Mix.
Franchises				
Electricity (Autonomous Region of the Azores)	gCO ₂ e/kWh	–	431	EDA (labelling), 2021 value for the Azore autonomous region

Nitrogen oxides (NO _x), sulphur oxides (SO ₂), and other significant air emissions (305-7)			
The figures from the GRI table associated with indicator 305-7 were calculated with the following emission factors:			
Energy	Unit	SO ₂	Source:
Diesel	kg/GJ	0,21	IPCC, 2006.
Gasoline	kg/GJ	0,075	IPCC, 2006.

CONCLUSION

Legislation correspondence tables

The activity report responds to the legal requirements imposed by the Portuguese Decree-Law no. 89/2017, published on 28th July 2017, and to Spanish law no. 11/2018, dated 28th December, as shown below.

Table of correspondence to portuguese decree-law no. 89/2017 of 28th july

Contents of decree-law no. 89/2017 of 28th july

Art. No. 3 (refers to Art. No. 66-B and 508-G of the CSC):

The non-financial statement must contain enough information for an understanding of the development, performance, position, and impact of its activities, relating at least to environmental, social and employee-related issues, equality between

men and women, non-discrimination, respect for human rights, fighting corruption and bribery, including:

Contents of decree-law no. 89/2017 of 28th july

A brief description of the Company's Business model	GRI 2-1, 2-6 a 2-9, 2-22, 2-23	«2022 Annual Report» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
A description of the Company's policies in relation to these issues, including the due diligence procedures duly applied	GRI 3, 205, 301, 302, 303, 304, 305, 306, 401, 403, 404, 405, 406, 407, 408, 409, 410, 412, 413, 414, 416, 417	«2022 Annual Report» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
The results of these policies	GRI 3, 205, 301, 302, 303, 304, 305, 306, 401, 403, 404, 405, 406, 407, 408, 409, 410, 412, 413, 414, 416, 417	«2022 Annual Report» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
The main risks associated with these issues concerning the Company's activities, including, if relevant and proportionate, its business relationships, products or services that could negatively impact these areas and how the Company manages these risks	GRI 3	«2022 Annual Report» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
Key performance indicators relevant to the specific activity	GRI 3, 205, 301, 302, 303, 304, 305, 306, 401, 403, 404, 405, 406, 407, 408, 409, 410, 412, 413, 414, 416, 417	«2022 Annual Report» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
A description of the diversity policy the Company applies to its management and supervisory bodies, namely in terms of age, gender, educational and professional background, the diversity policy objectives, how it was implemented and the results in the reporting period	GRI 2-9, 3, 401, 405	«2022 Annual Report» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»

Table of correspondence to the spanish law no. 11/2018 of 28th december

Contents of spanish law n° 11/2018, of 28 th december		
<p>Global</p> <p>The consolidated statement of non-financial information should include the information necessary to understand:</p> <ul style="list-style-type: none"> • The development, • The financial results and situation of the Group, • The impact of its activity; <p>In relation to:</p> <ul style="list-style-type: none"> • Environmental issues, • Social issues, • Respect for Human Rights, • Respect for combating corruption and bribery; <p>Regarding Employees, it should also include measures that, if applicable, have been adopted to comply with the principle of equal treatment and opportunities for women and men, the non-discrimination and inclusion of persons with disabilities and universal accessibility.</p>	GRI 3, 205, 301, 302, 303, 304, 305, 306, 401, 403, 404, 405, 406, 407, 408, 409, 410, 412, 413, 414, 416, 417	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • CHAP. «Business at a glance», «2022 highlights» • CHAP. «Sustainable development» • CHAP. «Governing principles and practices» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Our Business Model</p> <p>A brief description of the Group's business model, which should include the following:</p> <ol style="list-style-type: none"> 1. The business environment; 2. The organisation and structure; 3. The markets in which it operates 4. Business objectives and strategies; 5. The main factors and trends that could affect its future development. 	GRI 2-1, 2-6 a 2-9, 2-22, 2-23	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • CHAP. «Business at a glance», «Operating market»; «Strategic priorities» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Policies</p> <p>A description of the policies that the group applies to these issues, including:</p> <ol style="list-style-type: none"> 1. Due diligence procedures applied to the identification, assessment, prevention and mitigation of risks and significant impacts; 2. Verification and control procedures, including the measures taken 	GRI 2-27, 3, 201-2, 205-1, 205-2, 406-1, 407-1, 408-1, 409-1, 410-1, 412-1, 412-2, 412-3, 414-1 e 308-1, 416-1, 417-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • CHAP. «Governing principles and practices» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Policy outcomes and key performance indicators</p> <p>The results of those policies, including key non-financial result indicators that allow for:</p> <ol style="list-style-type: none"> 1. Ways to monitor and assess progress 2. That favours comparability between sectors following national, European, or international benchmarks for each topic. 	GRI 2-27, 3, 201-2, 205-1, 205-2, 406-1, 407-1, 408-1, 409-1, 410-1, 412-1, 412-2, 412-3, 414-1 e 308-1, 416-1, 417-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • CHAP. «Business at a glance», «2022 highlights» • CHAP. «Sustainable development» • APPENDIX – «Non-financial information supplement», «GRI Disclosures» <p>Environmental Policy</p>

CONTINUES

Contents of spanish law n° 11/2018, of 28 th december		
<p>Risks</p> <p>The main risks related to these issues concerning the business activities of the group, including, when relevant, business relations, products or services that may have negative effects on them:</p> <ul style="list-style-type: none"> • How the Group manages these risks; • Explaining the procedures used to detect and assess risks following national, European or international reference frameworks for each topic; • Information should be included on the impacts detected, detailing the main risks in the short, medium and long term. 	GRI 201-2, 205-1, 407-1, 408-1, 409-1, 413-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • CHAP. «Governing principles and practices» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Key performance indicators</p> <p>Key non-financial performance indicators that are relevant to the business activity and that meet the criteria of comparability, materiality, relevance and reliability.</p> <p>To allow for the comparison of information over time and between entities, standards for non-financial key indicators that can be generally applied and comply with the European Commission's guidance on this topic and with the standards of the Global Reporting Initiative shall be used. The report will reference the national, European or international scope used for each topic.</p> <p>The main indicators of non-financial results should be applied to each of the non-financial information topics.</p> <p>Considering the circumstances, these indicators should be helpful and consistent with the parameters used in the in-house risk assessment and management procedures.</p> <p>In whichever case, the information submitted should be accurate, comparable and verifiable.</p>	«Non-financial information supplement» – «GRI index and correspondence table»	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • CHAP. «Business at a glance», «2022 highlights» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»

CONTINUES

TABLE OF CORRESPONDENCE TO THE SPANISH LAW NO. 11/2018 OF 28th DECEMBER

Environmental matters		
Global environment <ul style="list-style-type: none"> Detailed information about current and possible effects of the company's business activities on the environment and, where applicable, health and safety procedures, environmental assessment, or certification; Resources dedicated to the prevention of environmental risks; Applying the precautionary principle, the number of provisions and guarantees for environmental risks. 	GRI 3, 201-2, 308-1 Environmental Policy	«2022 Annual Report» <ul style="list-style-type: none"> CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures»
Contamination <ul style="list-style-type: none"> Measures to prevent, reduce or repair damage from carbon emissions that seriously affect the environment; Taking into consideration any form of air pollution which is activity-specific, including noise and light pollution. 	GRI 3, 305-5, 305-6, 305-7 MC does not have any significant impacts in terms of noise and light pollution	«2022 Annual Report» <ul style="list-style-type: none"> CHAP. «Business at a glance», «2022 highlights» CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures»
Circular economy and waste management and prevention <ul style="list-style-type: none"> Circular economy; Waste: prevention, recycling, reuse, other forms of waste recovery and disposal; actions to combat food waste. 	GRI 3, 301, 306	«2022 Annual Report» <ul style="list-style-type: none"> CHAP. «Business at a glance», «2022 highlights» CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Promoting circularity is an increasingly visible dimension of our operations, through which we promote the collection and reintegration of materials at the end of their life cycle for reuse or recycling.</p> <p>In 2022, we continued working on significantly transforming our packaging, taking as our starting point the principles of a circular economy and eco-design. The aim is to ensure that by 2025 all our own-brand or exclusive brand packaging is recyclable, reusable or compostable. In 2022 we also invested in proof of concept for different solutions that will enable us to understand better different reuse models and the respective likely consumer uptake.</p>	<p>On the other hand, regarding circularity, we have worked to ensure a more intelligent and assertive waste management process. We developed several procedures at the supply level that enabled us to reduce stockout. These range from introducing the concept of product expiration date in the store replenishment algorithms to changes in operating procedures and quality control to training and awareness-raising initiatives for our workforce. Several mechanisms complement these efforts to accelerate product flow and avoid tonnes of food waste, as well as food reuse and redistribution initiatives through the food surplus donation programme.</p>	
Sustainable use of resources <ul style="list-style-type: none"> Water consumption and water supply according to local restrictions; Consumption of raw materials and the measures adopted to improve the efficiency of use; Direct and indirect energy consumption, measures taken to improve energy efficiency and the use of renewable energy. 	GRI 3, 301, 302, 303	«2022 Annual Report» <ul style="list-style-type: none"> CHAP. «Business at a glance», «2022 highlights» CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>We significantly invested in a continuous improvement of MC's environmental management, seeking to minimise the impact of our business activities on the environment. Thus, we invested in more efficient use of resources, optimising water and energy consumption, and minimising Greenhouse Gas (GHG) emissions without neglecting appropriate waste management.</p>	<p>The continuous improvement of the environmental management system is guaranteed through the Environmental Certification Programme, according to the international standard NP EN ISO 14001:2015. Implementing this programme allows us to minimise our environmental impact, improve our infrastructures and strengthen compliance with legal obligations from an environmental perspective.</p>	

CONTINUES

TABLE OF CORRESPONDENCE TO THE SPANISH LAW NO. 11/2018 OF 28th DECEMBER

Environmental matters		
Climate change <ul style="list-style-type: none"> The major element of greenhouse gas emissions released as a result of the company's activities, including the use of the goods and services it produces; The measures adopted to adapt to the consequences of climate change; The reduction targets are set voluntarily for the medium and long term to reduce greenhouse gas emissions and the measures implemented to achieve this. 	GRI 3, 201-2, 305	«2022 Annual Report» <ul style="list-style-type: none"> CHAP. «Business at a glance», «2022 highlights» CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Combating climate change is central to the MC's sustainable development agenda. We believe that companies can and should play a relevant role in this matter.</p> <p>In 2019, MC moved forward with defining targets for reducing its scope 1 and 2 greenhouse gas (GHG) emissions. As a result, MC committed to reducing scope 1 and 2 emissions by 55% (compared to 2018) in 2030.</p> <p>In terms of concrete actions, we strengthened our efforts to promote efficient and flexible energy consumption, investing in installing more efficient equipment and systems, creating the conditions to monitor better and manage energy consumption, and developing procedures to leverage the investment made. Correspondingly, the decarbonisation of our energy matrix was boosted by producing electricity from renewable sources. We entered into new long-term renewable energy purchase agreements (PPA offsite) reinforcing the already established agreements.</p>	<p>Furthermore, MC adopted the recommendations the Task Force on Climate-related Financial Disclosure (TCFD) defined. This initiative promotes the recommendations for managing and disclosing financial risks associated with climate change.</p> <p>In 2022, we continued assessing and identifying material climate risks for companies, as well as mapping out the management and mitigation measures that were implemented. Based on an analysis of climate scenarios and different time horizons, a qualitative and quantitative analysis of climate risks and potential monetary impacts was carried out.</p>	
Protecting biodiversity <ul style="list-style-type: none"> Measures are taken to preserve and restore biodiversity; Impacts caused by business activities or operations in protected areas. 	GRI 3, 304 Sustainable Fishing Policy Environmental Policy Sustainability Declaration of Continente Producer's Club (CPC) Zero Deforestation Commitment	«2022 Annual Report» <ul style="list-style-type: none"> CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>In its direct operation, MC does not have operational sites in areas classified as biodiversity-rich habitat areas. Although MC does not have operations that may negatively affect Biodiversity directly, it is conscious of this problem. It has been taking steps and reinforcing its action with its suppliers in all matters related to environmental sustainability, which naturally includes the protection of Biodiversity.</p>	<p>In 2022, no operations conducive to changes in the surrounding habitats required restoring them.</p>	

CONTINUES

TABLE OF CORRESPONDENCE TO THE SPANISH LAW NO. 11/2018 OF 28th DECEMBER

Social and employee-related matters		
<p>Employment</p> <ul style="list-style-type: none"> Total number and distribution of employees by gender, age, country, and job category; Total number and distribution of employment contract modalities; The average annual number of permanent contracts, temporary contracts and part-time contracts by gender, age and job category; Number of dismissals by gender, age and job category; Average earnings and respective evolution, broken down by gender, age and job category or equivalent value; Wage difference, remuneration of equal or average positions in the company; The average remuneration of directors and executives, including variable remuneration, allowances, compensation, payment to long-term savings schemes and any other gender-disaggregated perceptions; Implementation of labour disconnection policies; Employees with disabilities. 	GRI 2-7, 3, 401-1 (table: New hires and Employee turnover), 405-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> CHAP. «Business at a glance», «2022 highlights» CHAP. «Sustainable development» CHAP. «Governing principles and practices» APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>MC has developed flexible working initiatives, leveraging in-house investment in innovation, technology, and training. Among the initiatives provided by MC are extra holiday days, flexible working hours, unpaid leave and reduced working hours or remote working.</p>	These initiatives are the result of an analysis carried out at an international level to identify the best business practices to maximise productivity and the work-life balance of our People.	
<p>Work Organisation</p> <ul style="list-style-type: none"> The organisation of hours worked; Number of absenteeism hours; Measures to facilitate parental leave and encourage joint responsibility of both parents. 	GRI 3, 401-3, 403-2, 403-9	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Health and Safety</p> <ul style="list-style-type: none"> Occupational Health and Safety conditions Accidents at work, in particular frequency and severity; Occupational diseases broken down by gender. The health and safety impacts attributable to business relationships are not considered material. 	GRI 3, 403	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> APPENDIX – «Non-financial information supplement», «GRI Disclosures» <p>The health and safety impacts attributable to business relationships are not considered material.</p>
<p>Social matters</p> <ul style="list-style-type: none"> The organisation of social dialogue, including procedures for informing and consulting employees and negotiating with them; Percentage of employees covered by collective bargaining agreements by country; The balance of collective bargaining agreements, especially regarding health and safety at work. 	GRI 2-30, 3, 403-1, 407-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> APPENDIX – «Non-financial information supplement», «GRI Disclosures» <p>Further information is available in the Employee Code of Ethics and Conduct</p>
<p>Training</p> <ul style="list-style-type: none"> The policies implemented in terms of training; The total number of training hours per job category. 	GRI 3, 404	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> CHAP. «Business at a glance», «2022 highlights» CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures»

CONTINUES

TABLE OF CORRESPONDENCE TO THE SPANISH LAW NO. 11/2018 OF 28th DECEMBER

Social and employee-related matters		
<p>Universal accessibility for people with disabilities.</p>	GRI 405-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>At MC, we work continuously to provide an inclusive and non-discriminatory working environment.</p> <p>Our facilities are designed to ensure universal accessibility.</p>	At MC, we work continuously to provide an inclusive and non-discriminatory working environment. <p>Our facilities are designed to ensure universal accessibility.</p>	
<p>Equality</p> <ul style="list-style-type: none"> Measures are taken to promote equal treatment and opportunities between women and men; Equality plans (Chapter III of the Organic Act 3/2007 dated 22nd March for the effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender harassment, integration and universal accessibility for people with disabilities; The policy against all types of discrimination and, where appropriate, diversity management. 	GRI 3, 405-1, 406-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> CHAP. «Sustainable development» APPENDIX – «Non-financial information supplement», «GRI Disclosures» <p>Further information available at Plan for Gender Equality</p>
<p>Human Rights</p> <ul style="list-style-type: none"> Application of due diligence procedures in the field of human rights; Prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and remedy possible abuses committed; Reports on cases of human rights violations; Promotion of and compliance with the provisions of the fundamental conventions of the international labour organisation concerning respect for freedom of association and the right to collective bargaining; The elimination of discrimination in employment and occupation; The elimination of forced or compulsory labour; The effective abolition of child labour. 	GRI 2-23, 3, 406-1, 407-1, 408-1, 409-1, 410-1, 412-1, 412-2, 412-3	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> APPENDIX – «Non-financial information supplement», «GRI Disclosures» <p>Further information is available in the Employee Code of Ethics and Conduct and the Supplier Code of Ethics and Conduct</p>
<p>Corruption and bribery</p> <ul style="list-style-type: none"> Measures taken to prevent corruption and bribery; Anti-money laundering measures; Contributions to Foundations and non-profit entities. 	GRI 2-23, 2-27, 205, 413-1	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> APPENDIX – «Non-financial information supplement», «GRI Disclosures» <p>Further information is available in the Employee Code of Ethics and Conduct</p>

CONTINUES

Societal matters		
<p>Company commitments to sustainable development</p> <ul style="list-style-type: none"> • The impact of the company's business activity on employment and local development; • The impact of the company's business activity on local populations and the territory; • The relations maintained with interpreters from local communities and the modalities of dialogue with them; • Association or sponsorship initiatives. 	<p>GRI 2-22, 2-23, 2-28, 2-29, 3, 203-1, 203-2, 413-1</p> <p>Further information is available in the Employee Code of Ethics and Conduct.</p> <p>Sonae subscribes to the Universal Declaration of Human Rights and recognises the rights of Indigenous Peoples. These principles are incorporated into the qualification and evaluation processes of suppliers and partners.</p>	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • CHAP. «Sustainable development» • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Subcontracted and Suppliers</p> <ul style="list-style-type: none"> • The inclusion in the procurement policy of social issues, gender equality and environmental issues; • Social and environmental considerations in the relations with Suppliers and subcontractors of its responsibility; • Supervisory systems and audits and their results. 	<p>2-6, 3, 412-3, 414-1 e 308-1</p> <p>Further information is available in the Employee Code of Ethics and Conduct and Supplier Code of Ethics and Conduct</p>	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Consumers</p> <ul style="list-style-type: none"> • Consumer health and safety measures; • Complaints systems, complaints received and their resolution. 	<p>2-29, 3, 416-1, 417-1</p>	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • APPENDIX – «Non-financial information supplement», «GRI Disclosures»
<p>Tax information</p> <ul style="list-style-type: none"> • Benefits obtained country by country; • Taxes on benefits paid. 	<p>201-1, 201-4</p>	<p>«2022 Annual Report»</p> <ul style="list-style-type: none"> • APPENDIX – «Non-financial information supplement», «GRI Disclosures»

CONCLUSION

Independent Limited Warranty Report



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INDEPENDENT LIMITED ASSURANCE REPORT

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail.)

To the Board of Directors of
MCretail, SGPS, S.A.

Introduction

We were engaged by the Board of Directors of **MCretail, SGPS, S.A.** ("MC") to perform a limited assurance engagement on the sustainability information, included in the Annual Report and in the "Non-financial information Supplement" of MC ("the Report") for the year ended 31 December 2022, identified in the "GRI Disclosures", "Correspondence Table" and "Methodological Notes" of the " Non-financial information Supplement" prepared in accordance with the Sustainability Reporting Standards of the *Global Reporting Initiative* ("*GRI Standards*").

Management's Responsibilities

The Management of MC is responsible:

- For the preparation of the Sustainability Information included in the Report in the "Non-financial information Supplement" identified in the "GRI Disclosures", "Correspondence Table" and "Methodological Notes" of the " Non-financial information Supplement" accordance with the *GRI Standards* and the information and assertions contained therein;
- For the design, implementation and maintenance of an appropriate information and internal control system to enable a preparation of of Sustainability Information that is free from material misstatement, whether due to fraud or error,
- For the prevention and detection of fraud, errors and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities; and,
- To ensure that the Management and the personnel involved with the preparation and presentation of the Sustainability Information have the appropriate skills.



Our Responsibilities

Our responsibility is to perform a limited assurance engagement and to report a conclusion based on the work performed.

We conducted our engagement 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 (IAASB) of the International Federation of Accountants (IFAC) and further technical standards and technical guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors), which require that we plan and perform our work to obtain limited assurance as to whether nothing has come to our attention that causes us to believe that the Sustainability Information included in the Report for the year ended 31 December 2022 is not prepared, in all material aspects, in accordance with the *GRI Standards*. For this purpose, this work included, amongst other procedures, the following:

- Inquiries of the responsible personnel on the sustainability strategy to gain an understanding of MC's processes for determining the material issues for MC's key stakeholder groups;
- Inquiries of relevant staff, at the corporate and business unit level, responsible for providing the Sustainability Information included in the Report;
- Comparing the information presented in the Report to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in the Report; and,
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of MC.

The procedures selected depend on our understanding of the compliance with the requirements of the *GRI Standards* and other circumstances related to the engagement, and on the consideration of areas where material misstatements are likely to arise.

The procedures performed in a limited assurance engagement are different in nature and timing and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.



Quality and Independence

We applied the International Standard on Quality Management ISQM 1, which requires the firm to 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 in the Ordem dos Revisores Oficiais de Contas' Code of Ethics and the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Information included in the Report for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the *GRI Standards*.

Restriction of use

This limited assurance report is issued exclusively for the disclosure of the Sustainability Information included in MC's Report and is not intended to be used for any other purpose. We accept or assume no responsibility and deny any liability to any party other than MC for our work, for this limited assurance report, or for the conclusions we have reached.

Porto, 4 May 2023

KPMG & Associados
Sociedade de Revisores Oficiais de Contas, S.A.
(nr. 189 and registered at CMVM with the nr. 20161489)
Represented by
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