2023
ANNUAL REPORT

Jerónimo Martins

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European Single Electronic reporting Format (ESEF) and PDF version

This document is the PDF/printed version of the Annual Report 2023 of Jerónimo Martins, SGPS, S.A.. This version has been prepared for ease of use and is not presented in the format foreseen as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The official ESEF reporting package is available on our website at www.jeronimomartins.com. In case of discrepancies between this version and the official ESEF package, the latter prevails.

MESSAGE FROM THE CHAIRMAN

Pedro Soares dos Santos
Chairman and CEO of the Jerónimo Martins Group

The year 2023 was marked by even greater global instability and uncertainty than in 2022. After two years, the war between Russia and Ukraine continues to rage, with the Ukrainian counteroffensive having little to no effect on the ground. The already shaky global environment was again jolted towards the end of the year by conflict in the Middle East, sparked by the Hamas attack on Israel, which has since spilled over into other countries – in 2024, tensions in the Gulf of Aden between the Houthis and US and British forces have disrupted shipping routes in the Red Sea, complicating an already difficult situation for trade and global supply chains.

In economic terms, inflation remained very high, the highest in the last 30 years, despite the sharp drop in food inflation, especially in the second half of the year. As a result, central banks remained cautious, that is, they have kept interest rates high. This has led to a global economic slowdown, with Europe, where our major markets are located, suffering the most. Indeed, it was the continent with the worst economic growth and Germany, the economic engine of Europe, went into recession.

Given the challenging international climate, the fact that we exceeded 30 billion euros in sales, 5.2 billion more than in 2022, is even more heartening. In the space of two years, we increased our consolidated sales by 10 billion euros, confirming the assertiveness and importance of the value proposition of our Companies and the strength of their leadership. While it is true that in 2023 inflation and exchange rates were contributing factors to performance, it makes me proud to see that Jerónimo Martins is one of the few retailers in the world that posted real growth.

The results we have achieved and the continuous improvement of the assortment and of the shopping experience our stores offer to those who visit us, in an increasingly competitive environment, are only possible thanks to the extraordinary commitment of our teams and because we haven't slowed down the investment in our businesses and in strengthening our presence in the respective markets.

Our growth momentum, along with the competitive positioning of our banners, is and always will be very important to get through the dangerous times ahead. Amidst sharp drops in inflation and rising costs, the challenge is compounded by increased competition for volume grow, which inevitably puts even greater pressure on margins. Moreover, knowing that interest rates will remain high and that consumers have limited purchasing power, we will need to be creative and innovative to find solutions to continue growing, and also show agility and determination to convert all opportunities that come our way.

Biedronka had another exceptional year in 2023, increasing total sales to 21.5 billion euros, corresponding to an 18.2% growth in local currency (with a like-for-like of 14.2%) and accounting for 70% of the Group's sales volume, growing its market share month after month. This performance reflects the banner's spirit of innovation and continuous improvement of the assortment translated into 222 new Private Brand product launches (593 when including in&out). Systematic investment in price and in strengthening leadership of promotional activity on the Polish market (202 leaflets and 579 television ads), resulted in a basket inflation rate always below food inflation in the country. This assertiveness, combined with rising costs, led to a 21-basis point decrease in Biedronka's EBITDA, to 8.5%.

In a year in which it opened 203 stores (174 net additions) and refurbished 375, bringing the network to 3,569 locations by year-end, the Company continued to be our primary destination for investment, which it also channelled towards enhancing the differentiation of its value proposition, for instance, by opening meat counters, which were available in over 1,000 stores – nearly a third of the chain. As to the ultra-fast delivery service Biek, growth has been remarkable and very promising, confirming Polish consumers' strong preference for convenience.

I take this opportunity to express my special gratitude to the Biedronka teams for their commitment in preparing the banner's expansion to Slovakia. On top of the outstanding management of what is the Group's most valuable business, they have shown their commitment to the future by creating conditions for a successful entry into the neighbouring market. A step forward that we had already announced and which will be embodied by the opening of the first stores and a distribution centre in late 2024, adding another country to our portfolio of operations.

At the end of 2023 Hebe, which since 2022 has had an online presence in Slovakia and Czechia, opened two flagship stores in Prague to boost confidence in the brand and increase consumer engagement, in a complementary logic to its digital first strategy.

E-commerce has been – and will continue to be – the Company's main driver of growth. In 2023, online sales grew by 47.6% and now account for 17% of the 469 million euros of total sales. Compared to 2022, Hebe increased its turnover by 30.9% and EBITDA by 31.5%, with the margin rising to 9.1%. The expansion strategy in Poland continues to be supported by a very selective approach, with 32 openings in the year and the shuttering of four stores.

Among the countries in which we do business, Portugal was the economy that grew the most. However, this did not relieve the burden on household budgets. Private consumption remained weak in the year, as economic growth was driven mostly by the rise in tourism and investment of European RRP funds, mostly directed to the public sector. Inflation in Portugal slowed, standing at 10% in the year, but the cost of living for families (and companies) remained very high and interest rates on loans continued to soar.

Against this backdrop, Pingo Doce continued its strong promotional dynamic throughout the year, publishing 150 leaflets and running 79 campaigns, with significant saving opportunities for consumers, which led to a 7.9% growth in sales, to 4.9 billion euros, and an EBITDA margin of 5.8%. And because a positioning based on price competitiveness alone is not enough to secure the future of the business, the Company showed remarkable team spirit and commitment in preparing and carrying out the major store refurbishments planned for the year (60). By focusing on food solutions, perishables and service, the new store concept is already allowing Pingo Doce to capitalise on its key differentiators. In addition, with around 200 Comida Fresca restaurants now open, Pingo Doce is challenging for leadership in this segment in Portugal, in terms of number of establishments. It is also, proudly, the first retailer in Portugal, and one of the few in the world, to have eliminated all flavour enhancers and artificial colouring from the totally of its Private Brand products.

Also of note in the past year is the unforgettable way in which Pingo Doce responded to the call from World Youth Day, becoming the official food partner of an event that brought together 1.5 million pilgrims, and which involved an unprecedented logistics operation.

Recheio was very incisive in the way it was able to seize the opportunities that presented themselves in 2023. Sales grew 15.1% to 1.3 billion euros, and EBITDA improved significantly, with the Company's margin standing at 5.4%, a strong rebound from the 5.1% posted in 2022. Tourism recovered strongly in the year in Portugal, contributing to the positive performance in the cash & carry segment and rewarding Recheio's investment in its HoReCa offer, in particular in the expansion of the MasterChef platform in Lisbon. Recheio's ties to traditional retail are also growing stronger and the Amanhecer partner network now has over 600 stores.

In Colombia, the economic situation deteriorated rapidly, and the year was marked by a sharp drop in volumes. Despite food inflation falling in the year, standing at a rate of 14.8%, food prices remained very high and families continued to struggle. With this in mind, Ara was very assertive in its response to the crisis, creating ongoing savings opportunities with promotions and consistently low prices on its basket of basic products. Driven by the 45 nationwide campaigns held and the 81 promotional leaflets published in the year, sales grew 42.7% in local currency, with a like-for-like of 10.9%. Strong investment in price and the decision to continue its assertive pace of expansion contributed to reduce the Company's EBITDA, the respective margin standing at 1.9%. In the year in which it celebrated its 10th anniversary, Ara opened 200 stores and ended the year with a chain of 1,290 locations.

Our agrifood business, which will celebrate its 10th anniversary in 2024, continues its path of growth and differentiation. The growth of aquaculture, the increase in dairy and meat production, and the launch of our very own brand of organic seedless grapes are just some of the major developments in the year. For us, this is a no-way-back path we will continue to walk following good environmental and social practices.

Our sustainability commitments also extend across the Group, and we are now listed on more than 130 sustainability indices. I am very pleased to report that, for the fourth consecutive year, we are the food retailer with the highest CDP score in the world. Many initiatives and activities have contributed to our performance and the consistent reduction of our ecological footprint. From investing in renewable energies – with the installation of photovoltaic panels in around 780 stores and distribution centres –, to using natural refrigeration gases, from fighting food waste, pollution and deforestation to promoting sustainable agriculture and investing in logistical efficiency, our Companies have made great and multi-dimensional efforts to do their part in tackling the challenges humanity and the planet face.

One issue that I care deeply about is inclusion, which we are committed to as an employer. In Portugal, Pingo Doce, Recheio and the holding company have been awarded the Inclusive Employer Brand seal in recognition of the work we have been doing to create training and employment opportunities for people with disabilities and those in situations of social vulnerability. The diversity of our workforce, which goes far beyond mere inclusion, is an increasingly precious resource. We have employees from more than 70 nationalities, making us a truly multinational Group, that ensures equal opportunity and gender equality.

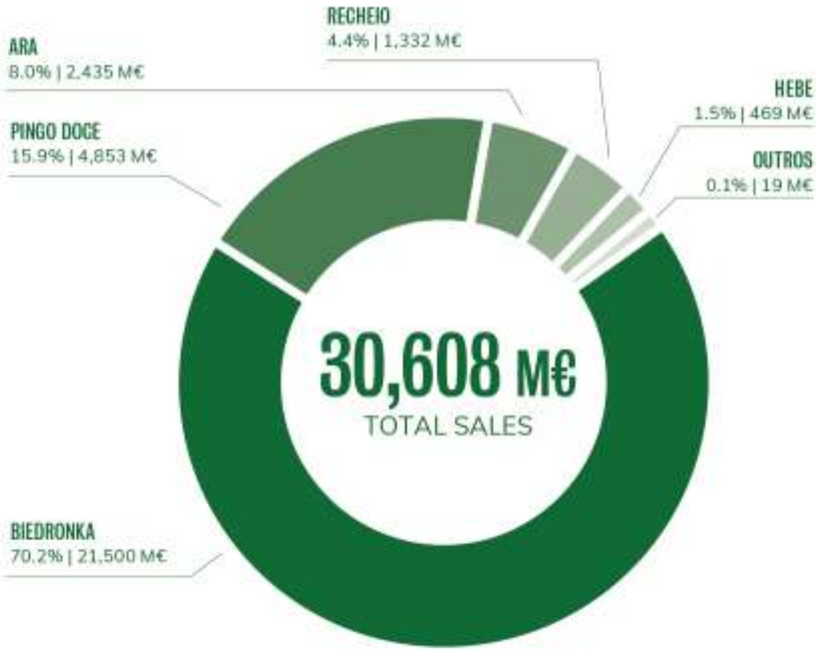
My heartfelt thanks to all our teams, in particular those working on operational areas, for their valuable contribution to our success. The hard work, commitment and dedication shown in 2023 were a decisive and driving force behind the results disclosed in this report. The 312 million euros allocated to recognition awards and bonuses paid to our employees in Portugal, Poland and Colombia are, therefore, more than deserved.

I would also like to thank the Jerónimo Martins shareholders, including the family I represent, for the unwavering confidence they have shown in the management teams under my leadership. Finally, thank you to those who work closely with me, on the Group's Executive Management Committee and the Board of Directors, for your contribution to the performance described in the pages that follow.

Pedro Soares dos Santos
Chairman and CEO of the Jerónimo Martins Group

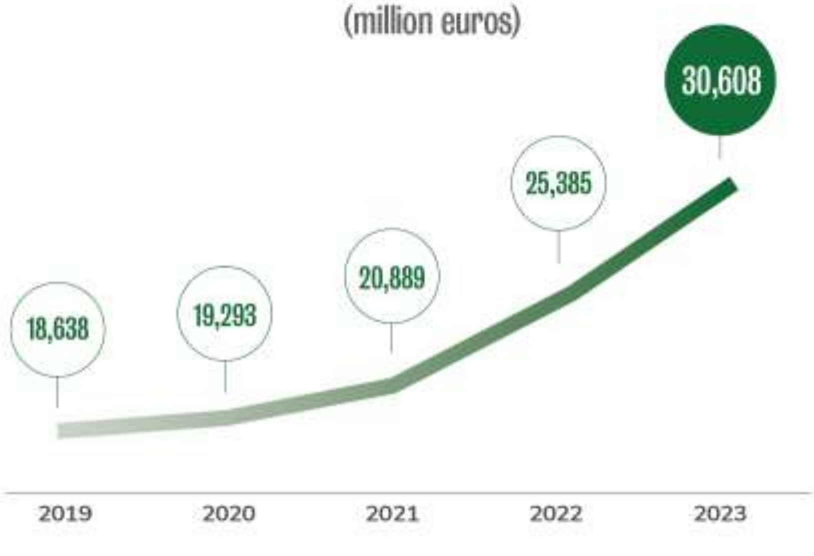
2023

SALES BY BUSINESS AREA



SALES PERFORMANCE

(million euros)



KEY INDICATORS

2,168 M€
EBITDA

756 M€
NET PROFIT

5,771
STORES

134,379
EMPLOYEES

HIGHLIGHTS

Capex: 1,209 M€

Awards and bonuses paid to employees: 312 M€

Support to local communities: 87.1 M€

Carbon footprint net reduction: 24.2%
(2017 as baseline year)

Listed in more than 130 sustainability indices

Food retailer with the best CDP score worldwide

Jerónimo Martins

I

THE JERÓNIMO MARTINS GROUP

The Jerónimo Martins Group

This Annual Report of the Jerónimo Martins Group (Group) covers the period from 1 January to 31 December 2023 and includes the distribution and agribusiness areas in Portugal and the distribution business in Poland and Colombia, detailing the results of the entities directly and indirectly held by Jerónimo Martins, SGPS, S.A.. During the year, the Group also pursued business in other countries, in particular in the agrifood sector (aquaculture), in Morocco, and in specialised retail, with Hebe expanding its operations from Poland to Czechia and to Slovakia. As these are startup operations that as yet do not have a significant size or impact on the Group's performance, they are integrated into the respective business units.

1. Profile and Structure

1.1. Identity and responsibilities

Assets portfolio

Jerónimo Martins is a Group that holds assets in the food sector, mostly in distribution, with market leadership positions in Poland and Portugal. In 2023, the Group recorded sales of 30.6 billion euros, 70% of which by Biedronka, and an EBITDA of 2.2 billion euros, with Biedronka accounting for 85% of the amount. The Group had a total of 134,379 employees and ended 2023 with a market capitalisation of 14.5 billion euros on the Euronext Lisbon stock exchange.

In Poland, **Biedronka** is a chain of food stores that combines the quality of its assortment, a pleasant store environment and proximity locations with the most competitive prices in the market. It is the undisputed leader in food retail and in 2023 it continued to increase its market share.

Also in Poland, **Hebe** focuses on the specialised retail of health and beauty products, managing a considerable assortment of products at competitive prices and an in-store consultation service. In 2023, Hebe continued to invest in its omnichannel approach, steadily growing the digital channel and strengthening its integration with the store network. Having begun its international online expansion in 2022, at the end of 2023 the Company opened two brick-and-mortar stores in Czechia, aimed at putting a face to the brand's presence in this country, where growth will be driven through e-commerce.

In Portugal, the Group has a leadership position in food distribution. It operates the banners **Pingo Doce** and **Recheio**, which are market leaders in the supermarket and cash & carry formats, respectively.

Pingo Doce is a supermarket chain that has a restaurant area in most of its stores. It has two central kitchens that supply not only these restaurants, but also its in-store takeaway operation. Pingo Doce also operates the **Bem-Estar** para-pharmacies, petrol stations, and **Code** clothing stores (in partnership with a specialised Portuguese operator).

Recheio operates a chain of cash & carry stores and has strengthened its business model with a specialised food service operation, underpinned by dedicated platforms, which essentially serve HoReCa customers with a delivery service. Recheio continues also to expand a network of traditional retail partners under the **Amanhecer** banner.

In Colombia, **Ara** is a chain of proximity food stores, mostly set up in residential neighbourhoods, offering quality at the best price and combining competitiveness with promotional opportunities in key categories for the Colombian consumer. Also in Colombia, **Bodega del Canasto** operates as a mini cash & carry, aiming for the traditional market (B2B), offering customised Private Brands and industry brands solution.

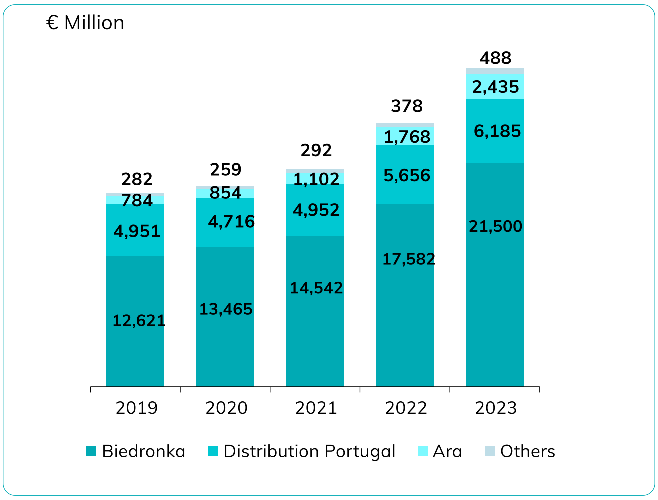
The main objectives of **Jerónimo Martins Agro-Alimentar (JMA)** are to ensure supply of some strategic products to the Group's Companies and create quality differentiation. It currently operates in four distinct areas: dairy, livestock farming, aquaculture, and fruit and vegetables.

The Group operates two specialised chains in Portugal: the **Jeronymo** coffee shops and kiosks; and the **Hussel** chocolate and confectionery chain.

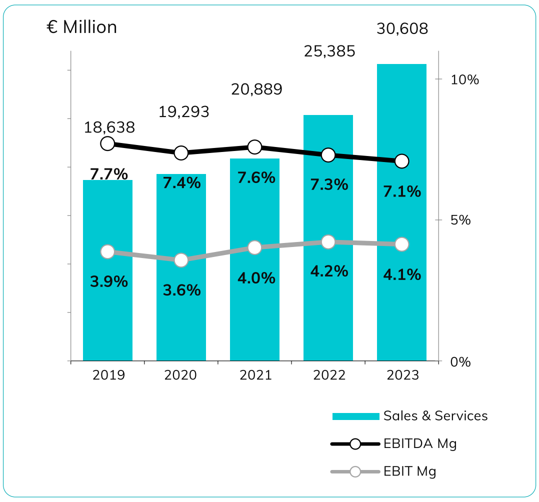
More information about the Group Companies can be found in chapter 2 of this Annual Report under "Performance of the Business Areas".

1.2. Operating and financial indicators

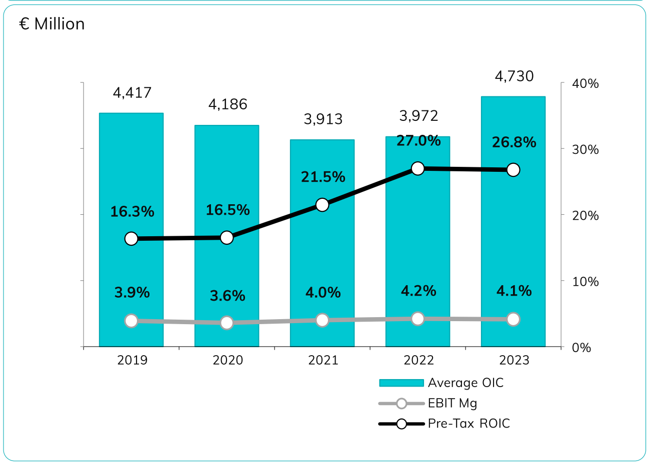
Sales & Services



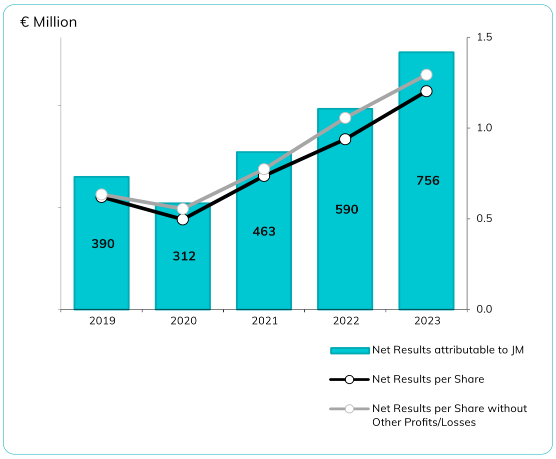
Sales, EBITDA Margin & EBIT Margin



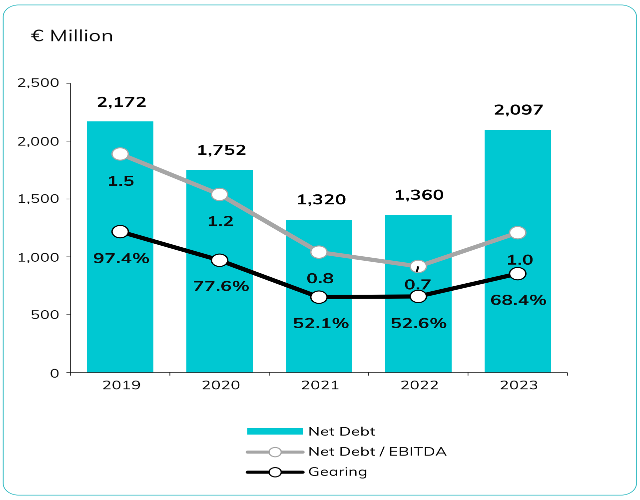
Pre-Tax ROIC



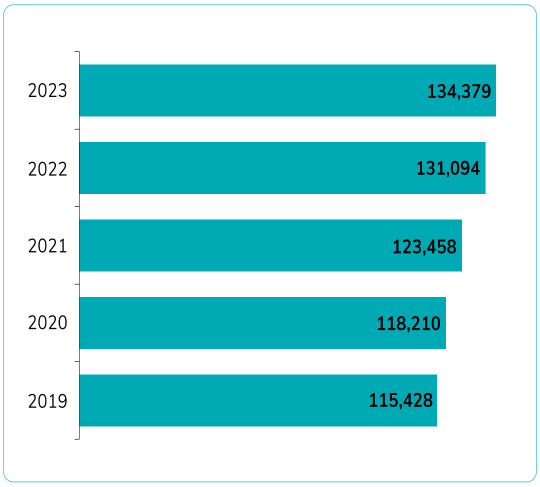
Net Results and Net Results per Share



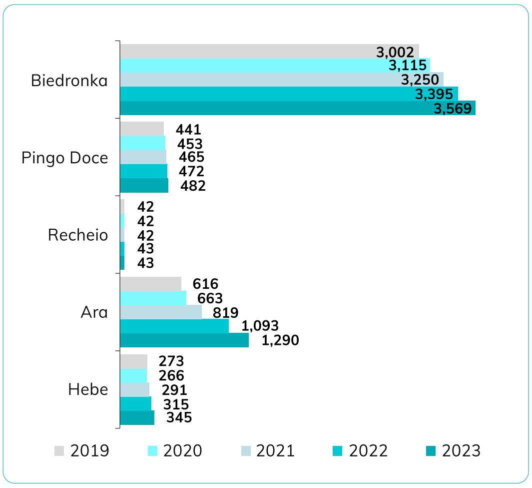
Net Debt



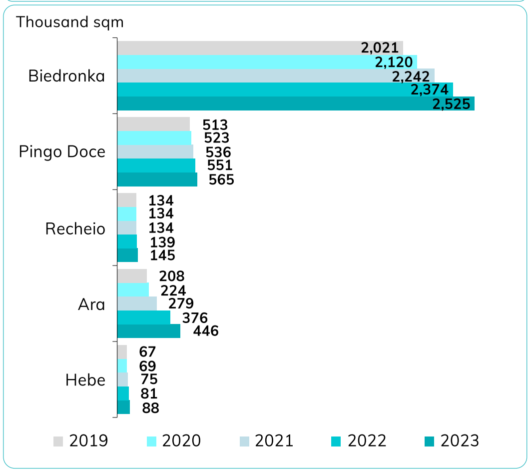
Employees



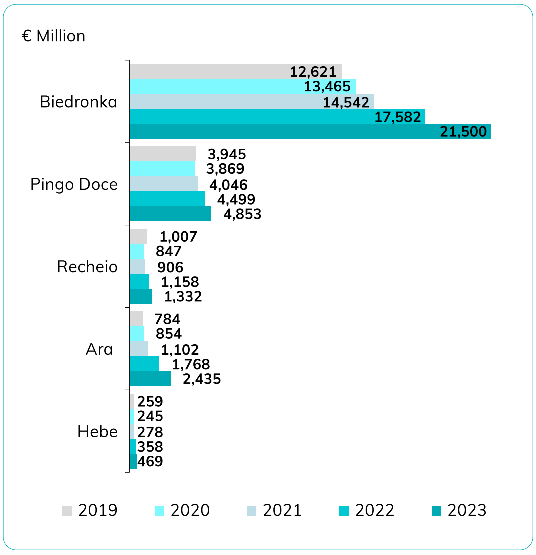
Number of Stores



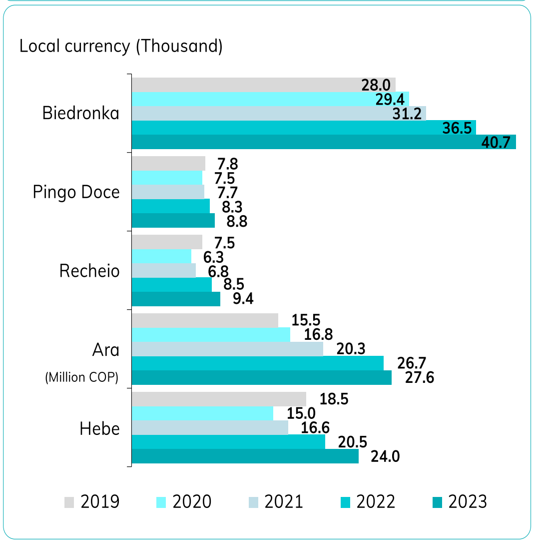
Sales Area



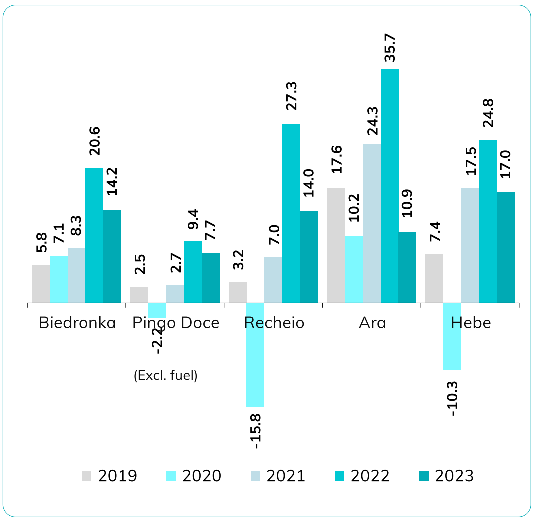
Sales



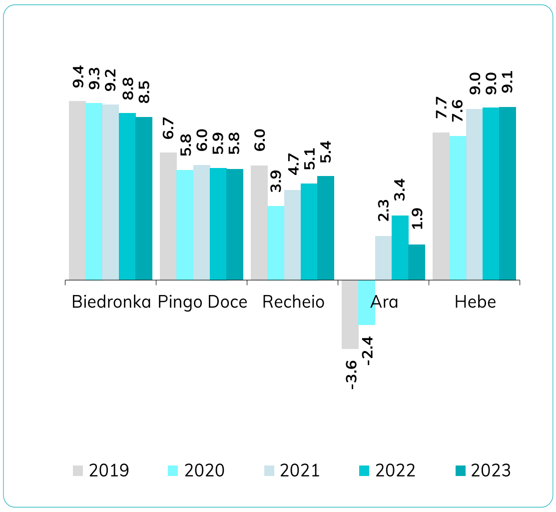
Sales / sqm



LFL Growth (%)



EBITDA Margin (%)



1.3. Statutory bodies and structure

1.3.1. Statutory bodies

Election date: 21 April 2022

Composition of the Board of Directors elected for the 2022-2024 term

Pedro Soares dos Santos
Chairman of the Board of Directors and Chief Executive Officer
Born on 7 March 1960
Chairman of the Board of Directors since December 2013
Chief Executive Officer since April 2010
Member of the Board of Directors since March 1995

Andrzej Szlęzak
Born on 7 July 1954
Member of the Board of Directors since April 2013

António Viana-Baptista
Born on 19 December 1957
Member of the Board of Directors since April 2010

A. Stefan Kirsten
Born on 22 February 1961
Member of the Board of Directors from April 2010 to February 2011
Member of the Board of Directors since April 2015

Clara Christina Streit
Born on 18 December 1968
Member of the Board of Directors since April 2015
Member of the Audit Committee since April 2016, is Chairman of the Audit Committee since April 2022

Elizabeth Ann Bastoni
Born on 24 July 1965
Member of the Board of Directors since April 2019
Member of the Audit Committee since April 2019

Francisco Seixas da Costa
Born on 28 January 1948
Member of the Board of Directors since April 2013

José Soares dos Santos, indicated by **Sociedade Francisco Manuel dos Santos B.V.** to hold the office in his own name, pursuant to paragraph 4 of article 390 of the Commercial Companies Code
Born on 6 April 1962
Member of the Board of Directors from 1995 to 2001 and from 2004 to 2015
Member of the Board of Directors since April 2019

María Ángela Holguín
Born on 13 November 1963
Member of the Board of Directors since April 2019

Natalia Anna Olynec
Born on 25 July 1971
Member of the Board of Directors since April 2022

Sérgio Tavares Rebelo
Born on 29 October 1959
Member of the Board of Directors since April 2013
Member of the Audit Committee since April 2013, was Chairman of the Audit Committee from April 2016 to April 2022

Statutory Auditor and External Auditor

Ernst & Young Audit & Associados, SROC, S.A.
Av. República 90, 6.°, 1600-206 Lisboa, Portugal
Represented by:
Pedro Miguel Borges Marques (ROC n.° 1,801)
Substitute:
Rui Abel Serra Martins (ROC n.° 1,119)

Company Secretary

João Nuno Magalhães
Substitute:
Carlos Martins Ferreira

Chairman of the Board of the Shareholders' Meeting

Luis Miguel Reis Sobral

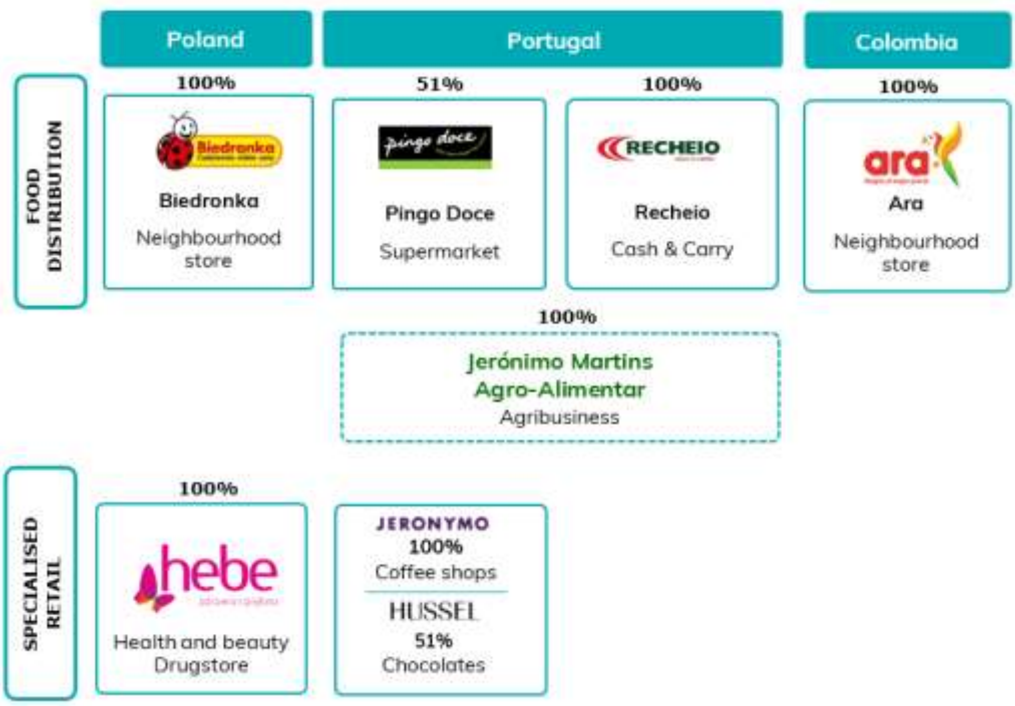
Secretary of the Board of the Shareholders' Meeting

Nuno de Deus Pinheiro

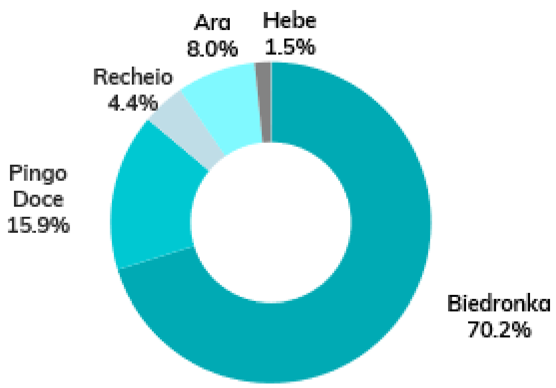
1.3.2. Business structure

JERÓNIMO MARTINS

2023 Sales	**2023 EBITDA**
€30,608 Million	€2,168 Million



Sales by Business Area 2023



EBITDA by Business Area 2023

€ Million	EBITDA	% Total
Biedronka	1,838	84.8%
Pingo Doce	282	13.0%
Recheio	73	3.3%
Ara	45	2.1%
Hebe	43	2.0%
Others	-112	-5.2%
JM Group	2,168	100%

2. Strategic Positioning

2.1. Mission

> Jerónimo Martins operates mainly in the food area, promoting, through its Companies and its Private Brands, the availability of food solutions and products that are safe, healthy and affordable for everyone. Respect for all stakeholders and commitment to the principles of sustainable development are an intrinsic part of its strategy for growth and value creation in the short, medium and long term, aimed at contributing to the prosperity, the cohesion and the well-being of the communities that its businesses serve.

As an intrinsic part of our sense of corporate citizenship, we incorporate, in a clear and committed way, environmental and social concerns in the pursuit of our business. This involves adopting policies and practices that focus on fighting climate change, deforestation and pollution, preserving the environment, biodiversity and natural resources, reducing the use of polluting materials, increasing recycling and the recovery of the waste generated by our activities, as well as promoting respect for and defending human rights and the principles of diversity and inclusion.

We take our responsibility towards the planet and the communities where we operate. As food specialists, we are committed to promoting good food habits and contributing to healthier societies. As a benchmark employer, we are committed with having a positive impact on the life of our employees who, every day, contribute to build and to enhance our businesses.

As a result of our competent work, the efficiency of our operations, the strength of our brands and our market positions, our investors receive a consistent return on investment.

2.2. Values

The way we fulfill our Mission is shaped by our Values and Behaviors. They are the same for our Companies in all countries where we operate, and they translate as follows:

We raise the bar
We are restless and we do not settle. What we do is beyond expectations, we never accept the status quo and we encourage others to do the same. We believe there is always a way to do better and to overcome the most demanding obstacles. This is why we never give up. We are always ready to try and to take calculated risks, without compromising what needs to be done.

We count on each other
Together we are stronger. We collaborate and share. We believe each person's development must be encouraged so that we are all able to achieve the most ambitious goals. We work hard to make sure everyone is heard and that we learn from different people and perspectives. We value our achievements and celebrate success.

We believe in doing the right thing
What we do is as important as how we do it. We are accountable for our decisions, and we don't lie. We act ethically and with integrity and our long-term decisions take into account our people, our clients, our communities and our shareholders. We treat with dignity and respect those who are part of our business.

2.3. Strategic vision

The Group's strategic vision is based on promoting profitable and sustainable growth, through three key guiding principles:

- **Leadership:** strong banners and brands that enable to achieve and reinforce leadership positions in the markets where it operates;
- **Responsibility:** continuous assessment of the impact of the business on the environment and society, an active and significant contribution towards improving the quality of life of our employees, their families and the communities, and towards sustainability as a whole;
- **Independence:** careful management of the balance sheet and supply-chain to ensure the continuity of operations and autonomy in strategic decision-making.

Within this context, when doing business, the Group's Companies have three areas of focus, common to all the countries where we operate, and which reflect the strong sense of purpose that guides Jerónimo Martins:

- **Consumer**: democratise access to quality food products and solutions, guaranteeing maximum security and savings for those who choose our proximity stores, in which perishable products and Private Brand play a central and strategic role in promoting health through food;
- **Employee**: provide a healthy work environment, a fair and adequate remuneration, answers to the needs and vulnerabilities, and development opportunities within the organisation, in order to promote their well-being and a feeling of personal and professional accomplishment;
- **Business partners:** establish long-term relationships that enable shared value creation and the growth and development of the Group's strategic partners, and that ensure the sustainability of the supply chain and innovation that enhances the attractiveness and relevance of our value propositions'.

2.4. Operational profile

The operational positioning of the Group's Companies reflects an approach focused on value and quality, underpinned by a mass-market strategy designed specifically for the markets and communities in which they operate.

The Group offers proximity and convenient food solutions that are appropriate for all consumers, at very competitive prices, which requires operating with maximum efficiency and lean cost structures. All value propositions are clearly customer-centric and marked by a strong differentiation in three essential aspects: the variety and quality of fresh food products, leading Private Brands and a pleasing store environment.

The success of the Group's formats is leveraged on market leadership, which allows it to reach a dimension that is fundamental to create economies of scale, which, in turn, enable the increase of logistical and operational efficiency. Such scale allows offering the best prices and boosts notoriety and trust, so essential for building lasting relationships with strategic business partners and with the consumers who choose our stores.

Jerónimo Martins

2

MANAGEMENT REPORT

Management Report - Creating Value and Growth

1. Environment in 2023

The year 2023 was marked by challenges posed by inflation, which remained at historically high levels worldwide. The major central banks around the world continued to raise their benchmark interest rates, tightening monetary policy.

Economic growth was moderate due to the widespread fall in private consumption. Families and businesses saw their purchasing and investment power diminish due to inflation and high interest rates on bank loans. Nevertheless, most households benefited from the resilience of employment at global level.

Despite being high, inflation fell over the course of the year in most economies, mainly due to the high price levels in 2022 and a reduction in energy prices. Reference interest rates in the world's main economies saw an upward trend, with a total of four increases from the US Federal Reserve to the highest level since 2001, while the European Central Bank (ECB) raised interest rates six times, to the highest level ever recorded in the euro zone.

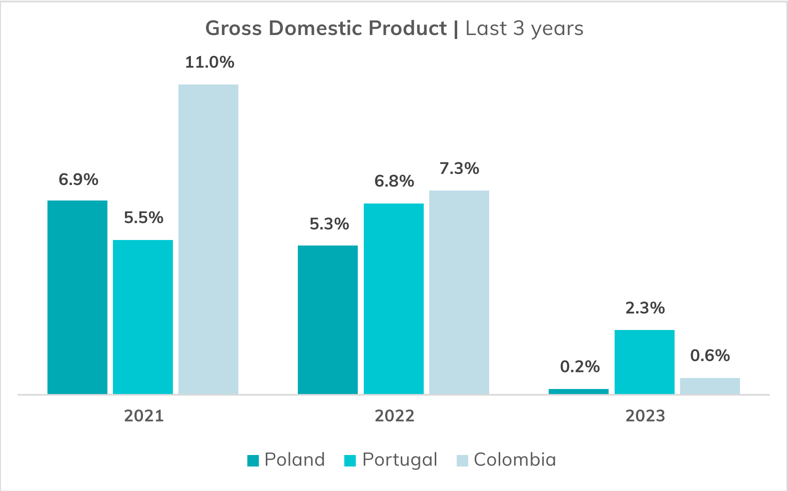
The year 2023 was also marked by geopolitical tensions, with the wars in Ukraine and Sudan continuing and the outbreak of a new conflict in the Middle East.

Although these tensions are reflected in greater market volatility due to a global lack of confidence and in the necessary macroeconomic adjustments, according to the International Monetary Fund (IMF), global Gross Domestic Product (GDP) grew 3.1% in 2023, a growth that should remain stable in 2024, indicative of the resilience of the economies.

In Poland, the year was marked by the parliamentary elections held in October, which led to a change of government.

In Portugal, the political situation also changed. The Prime Minister's resignation led to the dissolution of parliament by the President of the Republic, who called early parliamentary elections for March 2024.

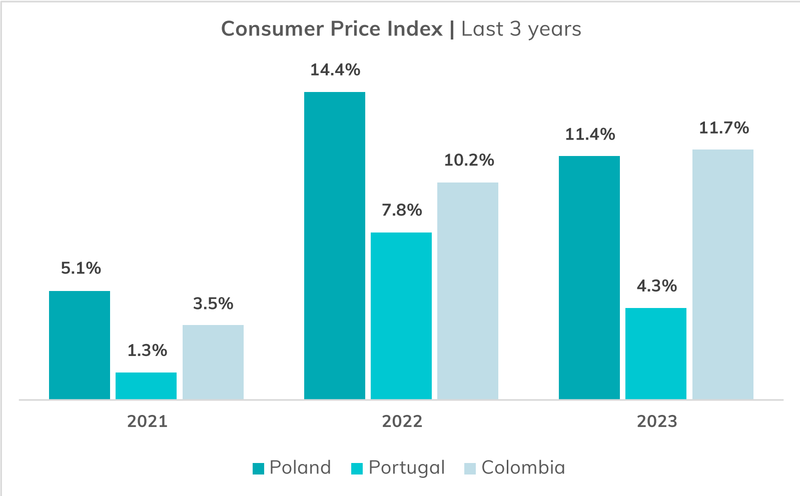
In Colombia, the President suffered heavy defeat in the regional elections, making it difficult to implement the government's policies, which depend on the support of congress.



Poland recorded weak economic growth in 2023, of 0.2%. Private consumption stagnated due to inflation and high financial costs. Investment remained strong, despite the decline in the construction sector.

The Portuguese economy also slowed. GDP grew 2.3% in 2023 as a result of tighter financial conditions and little economic growth of the main trading partners. Industrial production slowed and the export of goods fell sharply. Conversely, strong recovery of the tourism sector and the increased implementation of the Recovery and Resilience Plan (PRR) contributed to the country's economic growth.

In Colombia, GDP growth has slowed substantially since the end of 2022, growing just 0.6% in 2023. Investment fell to around 15% of GDP in 2023, compared to an average of 23% in the 2014-2019 period. High interest rates and political uncertainty were the main factors contributing to this decrease. Private consumption, which was one of the main drivers of post-pandemic recovery, also decelerated. Inflation in 2023 stood at 11.7% (10.2% in 2022), with underlying inflation, which excludes food and energy products, standing at 10.0% (6.5% in 2022).

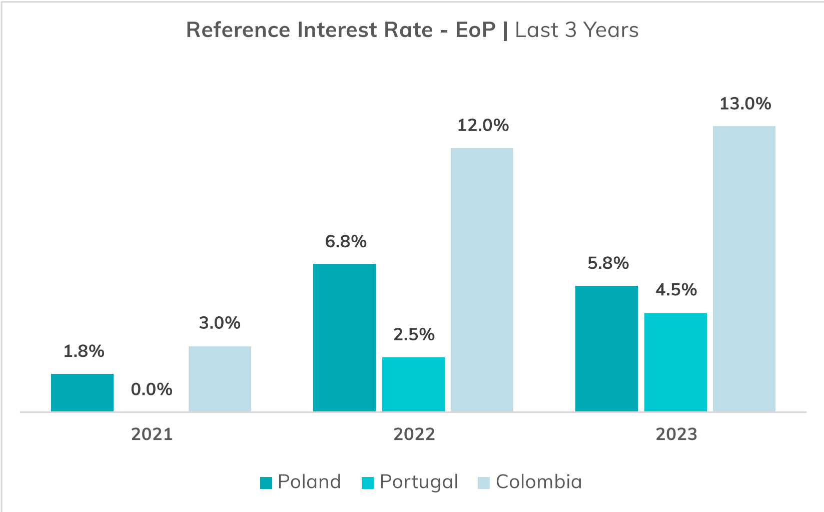


Inflation in 2023 decreased in most economies but remained at historically high levels. The reduction in energy prices was the main factor that contributed to this decrease. Underlying inflation, which excludes the more volatile energy and food prices, remained relatively high.

Inflation in Poland fell over the course of 2023 but remained at high average levels. The reduction in supply chain disruptions was the key factor driving the slowdown in price rises. Underlying inflation fell less sharply due to the resilience of the labour market, which led to significant wage increases and, consequently, supporting demand. To mitigate high inflation, the Polish government decided to maintain VAT cuts on essential food products throughout 2023, keeping the measure in place until at least the end of the first quarter of 2024.

Inflation in Portugal was 4.3% in 2023. The decline in inflation was faster and broader than expected at the start of the year, due to base effects and the positive impact of energy components. In April, the government introduced a temporary reduction in VAT on a basket of essential products, which remained in force until the end of the year.

Despite lower food inflation, inflation in Colombia climbed again, as a result of higher transport prices and higher housing and energy costs.

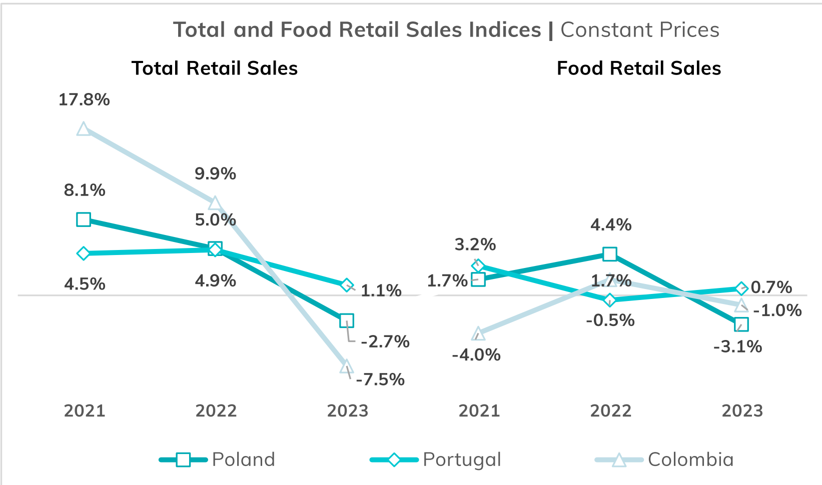


In 2023, the main central banks tightened monetary policy.

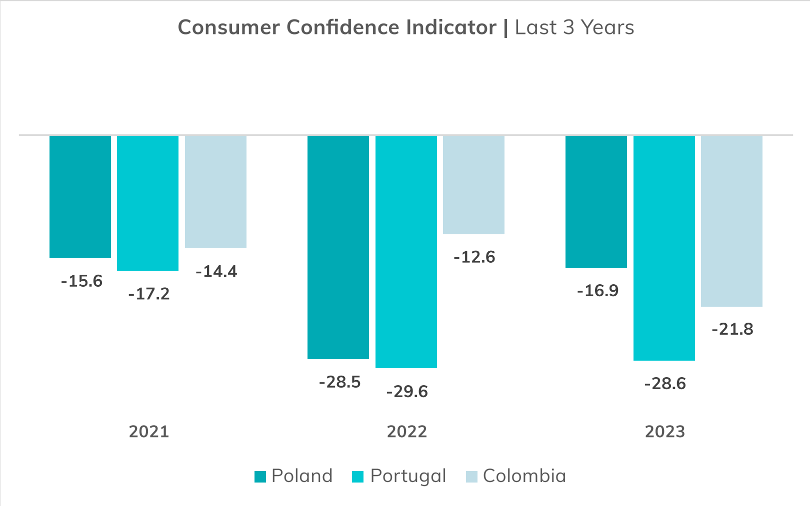
In Colombia, interest rates increased three times to 13.25%, the highest recorded in the past 25 years. In December, interests were cut 0.25 p.p. to 13.0%.

In Poland, rates remained unchanged at 20-year highs until September when a 0.75 p.p. cut was announced, surprising the market. An additional 0.25 p.p. cut was implemented in October, bringing the reference rate to 5.8% until the end of the year.

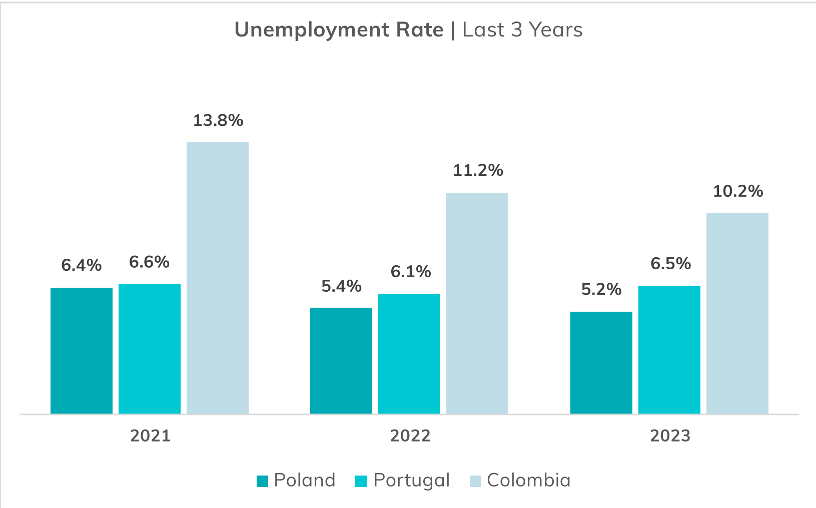
In Portugal, reference rates were raised six times by the ECB, equivalent to a total increase of 2.0 p.p., to an all-time high of 4.5%.



Total sales in the retail sector, at constant prices, recorded worse performance in 2023 than in 2022, with negative real growth rates in Poland and Colombia. This was mirrored in food retail sales, due to the decline in household disposable income, made worse by high food inflation, high financing costs and low confidence. Steady employment levels helped to contain this pressure.



The Consumer Confidence Index improved in Poland and Portugal in 2023, although it remains in clearly negative territory. In Poland, the indicator improved steadily throughout the year. In Portugal, confidence improved between January and July, but fell again in the subsequent months. Even so, confidence was almost always higher than in 2022. In Colombia, the average annual confidence index for 2023 fell compared to that in 2022, although the indicator improved in the second half of the year, closing 2023 with values close to those recorded in 2022.



The global labour market remained fairly resilient, with the unemployment rate in Poland falling in the first half of the year and stabilising since then. Strong pressure from the labour market once again contributed to strong wage growth in 2023, cooled slightly with Ukrainian citizens joining the Polish labour market.

In Colombia, the unemployment rate also fell steadily in the year. In Portugal, the average unemployment rate increased 0.4 p.p. compared to 2022.

As regards exchange rates, in 2023 the zloty recorded an average annual exchange rate[1] of 4.5336 against the euro, an appreciation of 3.4% compared to the average rate of 4.6883 recorded in 2022.

[1] Average annual exchange rate determined by weighting the turnover of the Group Companies operating in this currency

The Colombian peso closed the year with a strong appreciation[1] of 20.2% in the foreign exchange market (4,223 on 31 December 2023 compared to 5,075 on 31 December 2022). Even so, the peso recorded an average annual exchange rate of 4,640 against the euro, a depreciation of 3.4% compared to 4,480 in 2022.

For 2024, the general expectation is that economic growth in Poland will recover, with private consumption making a positive contribution, combined with robust investment and supported by the European Union's RRF funds. Monetary policy should ease and could lead to a moderate reduction in interest rates, given the risk of persistent inflation and the uncertain economic and political outlook.

The Portuguese economy is expected to grow very slightly in 2024, fuelled by private consumption which could possibly be supported by a reduction in inflation on household income and the waning of some effects of the ECB's restrictive monetary policy, if these take place in the first half of the year. Private investment is also expected to grow, supported by RRF funds. The low contribution of net exports is likely to hinder GDP growth in 2024.

In Colombia, inflation, high interest rates and political uncertainty are expected to put pressure on domestic demand, leading to very moderate economic growth in 2024. Food inflation is likely to come under further pressure due to weather conditions, with the downward trend expected to continue. The severity of climate phenomena could see upward pressure on food and electricity prices, due to lower agricultural and hydroelectric energy production. Should this occur, the central bank could postpone the round of interest rate cuts, restricting lending and leading to a further economic slowdown.

The trajectory of inflation in 2024 is uncertain at a global level. On the one hand, the rise in real wages should give families greater purchasing power, but on the other, uncertainties remain about the evolution of energy prices and the logistical impact of military conflicts. Inflation should continue to decelerate, gradually meeting the central banks' inflation targets.

1.1. Poland

Modern Food Retail

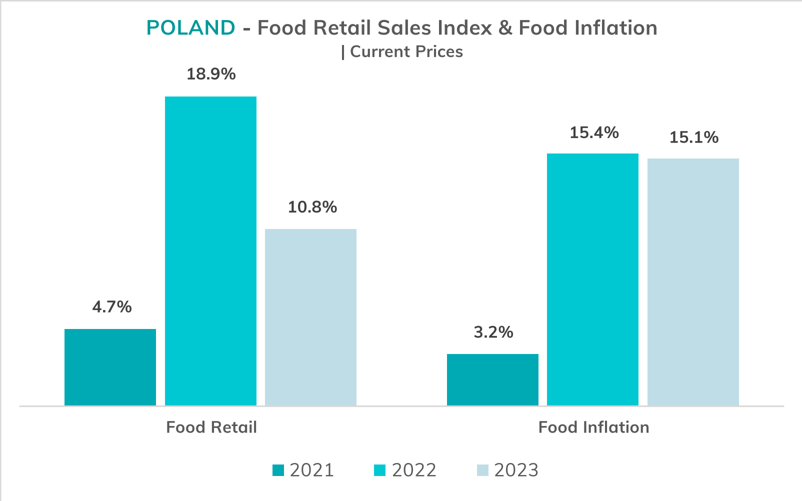
Inflation and high interest rates continued to impact the retail sector in Poland, with the resilience of the labour market and rising wages mitigating this adverse effect.

Retail sales performance was inconsistent in the year, dropping, at constant prices, more in the first six months than in the second half of the year. This is explained by the decline in inflation, but also by the effects of the increase in the minimum wage and improved consumer confidence.

In January 2023, the minimum wage in Poland increased 15.9% to 3,490 zloty, further increasing 3.2% in July to 3,600 zloty. This led to higher costs for businesses, but increased purchasing power and confidence among families.

Although rising prices have been a challenge for businesses and families alike, some experts[2] admit that inflation enabled companies to maintain turnover, despite significant drops in volume. At the same time, the high price sensitivity of consumers saw retailers step up promotional and loyalty activities.

[2] Future Minds retail barometer



Despite the growth of the food retail market in 2023 at current prices, growth at constant prices shrank 3.1% as a result of the decrease in volumes.

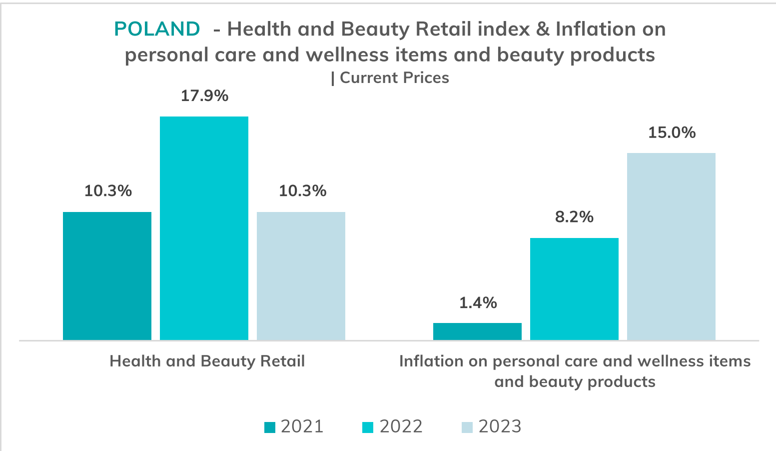
In 2024, operators in the retail sector[3] are expected to continue seeing strong price competition. Retailers will continue promotional activity to remain competitive, while placing greater emphasis on customer loyalty.

Consumption[4] in 2024 will likely be driven by the combination of stronger economic growth, a sound labour market and lower inflation, translating into the increased purchasing power of families over the course of the year. All consumer confidence indicators point to an improvement in consumption in 2024.

The minimum wage increased 17.8% to 4,242 zloty in January 2024 and will increase again by 1.4% in July 2024 to 4,300 zloty. Given the forecasts, real wages are expected to increase by over 5%. The increase in the minimum wage will affect a large portion of the population and could have a significant impact on consumption growth if families do not take the necessary precautions in the face of uncertainty.

Health and Beauty Retail

In 2023, in Poland, the health and beauty market proved to be more resilient than the retail sector as a whole. The prices of personal care products and cosmetics increased less than expected, with companies in the sector absorbing part of the effect of price increases on their margins, which are structurally higher than those in food retail.



[3] Future Minds
[4] Fitch

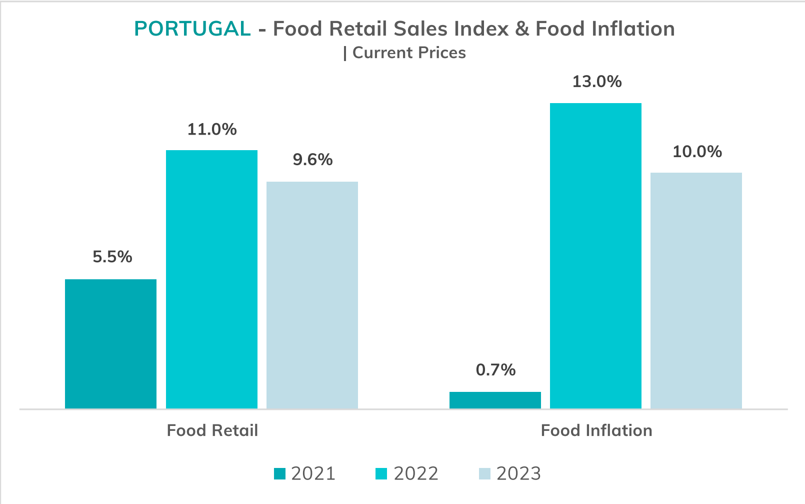
1.2. Portugal

Modern Food Retail

In 2023, food retail was strongly affected by high inflation, which reached 20% in the first quarter. This situation led to social discontent and response measures by the government, with the temporary elimination of VAT on a basket of essential products until the end of the year.

The minimum wage increased 7.8% to 760 euros in January 2023, mitigating the effects of 10% food inflation, after the 13% increase recorded in 2022. In January 2024, the national minimum wage was increased to 820 euros.

Food retail grew in 2023, but at a lower rate than food inflation, which remained in the double digits, although it fell substantially throughout the year, closing at 1.7%.



The food retail market remained highly competitive, with more than 80 new stores opened by the major operators by the end of 2023 and a significant acquisition by an international operator.

In 2024, the context should improve for families, albeit only slightly, given the expected wage increases, the significant drop in inflation and a reduction in interest rates, which is expected mainly in the second half of the year (with the knock-on effect on mortgage loans felt only in 2025), as well as the expectation that employment levels will be maintained. Salaries above the national minimum wage and pensions are expected to increase by a smaller percentage but should still enable a recovery of some purchasing power lost in recent years.

Wholesale Market

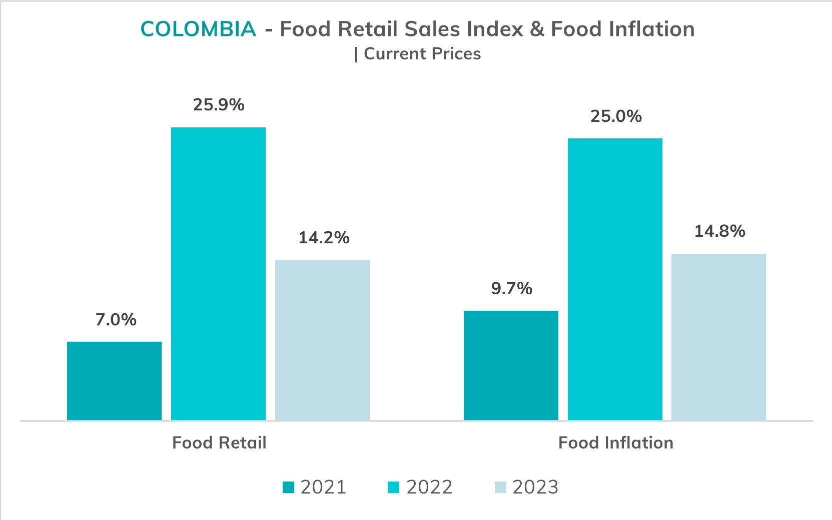
According to Nielsen data[5], the cash & carry segment grew 15.9% compared to the previous year, recording a sales volume of 2.2 billion euros.

The HoReCa channel recovered significantly in the first half of the year, but growth slowed down in the second half, reflecting lower consumer purchasing power. It was, however, a very positive year for tourism in Portugal, which had a positive impact on cash & carry and, to a lesser extent, traditional food retail.

[5] Nielsen - September 2023

1.3. Colombia

Modern Food Retail



Food retail slowed compared to 2022, against higher food inflation than retail sales growth. As a result, the real growth in household food expenditure entered negative territory, after being almost zero in 2022.

Despite the reduction in inflation, the entry into force of the new "Impuestos saludables" (“health tax”) in November 2023 led to a significant rise in prices for various food products. This tax applies to products that may be harmful to health, either because they contain very high levels of sugar, salt or fat, or because they are processed or ultra-processed, and is part of the Colombian tax reform. It is expected to have an impact on inflation in the coming years.

During the year, consumer surveys showed that around half of those surveyed cited rising food prices as their biggest concern for the coming months.

The minimum wage in Colombia at the end of 2023 was 1,160,000 Colombian pesos, equivalent to around 270 euros. For 2024, the monthly minimum wage saw an increase of 12.1% to 1,300,000 Colombian pesos. It should be noted that, according to the National Administrative Department of Statistics (DANE), informal employment stands at 55%, which means that workers may earn below the minimum wage.

The economic outlook continues to be one of moderate growth for 2024. There are fears concerning inflation, as food prices could come under renewed pressure due to the El Niño weather phenomenon and, no less important, the effect of automatic price adjustments at the beginning of each year.

Sources:
Banco de Portugal Economic Bulletins; Portuguese Ministry of Finance; Portuguese Statistics Office (INE); National Bank of Poland Economic Bulletins; Central Statistical Office (GUS); Banco de la República (Colombian Central Bank); Colombia National Administrative Department of Statistics (DANE); Fedesarrollo; Nielsen and BMI; Future Minds, Fitch BMI, Mordor Intelligience, iAlimentar, America Retail, Valora Analitik.

Note: All macroeconomic data presented in this subchapter are based on the latest available information at the closing date of this report.

2. Group Performance

2.1. Performance overview

+20.6% SALES	+17.0% EBITDA	+28.2% NET PROFIT
To €30,608 Million (+18.1% excl. FX)	To €2,168 Million (+13.7% excl. FX)	To €756 Million (EPS €1.20)
CAPEX PROGRAMME	**CASH FLOW**	**NET DEBT**
€1,209 Million	€345 Million	€2,097 Million (net cash position: €1,184 Million, excl. IFRS16 adjustments)

The year 2023 was characterised by a tough economic slowdown, with consumers showing even greater sensitivity to price.

In the three markets where we have food distribution operations – Poland, Portugal and Colombia – food inflation gradually decreased and household consumption was severely limited.

The Group maintained sales growth as a strategic priority, with all the banners showing tremendous determination to keep prices low, while continuing to improve the offer and customer shopping experience and to implement the ambitious investment programme outlined for the year.

As a result of this determination and strategic focus, 2023 will go down in the Group's long history as the year in which we broke the 30-billion-euro sales barrier. This achievement reflects consumer recognition of our banners' firm focus on price leadership and the quality of their value propositions.

The assertiveness of the value propositions, combined with the commitment to low prices amidst a difficult situation for consumers, fuelled the increase in sales and enabled solid growth of the Group's EBITDA, which amounted to 2.2 billion euros. The respective margin fell 22 b.p. compared to 2022, reflecting investment in price and cost inflation.

At the end of the year, the Group had a net cash position (excluding capitalised operating lease liabilities) of 1.2 billion euros, maintaining the robustness of its balance sheet.

Consolidated pre-tax ROIC was 26.8% (27.0% in 2022), reflecting the focus of all the Companies on protecting profitability through sales growth amidst decelerating food inflation and high cost inflation.

The Group remained determined in implementing its sustainability strategy, with important progress made in various areas of corporate responsibility.

Corporate Responsibility highlights

We have been the world's top-rated food retailer by CDP (Disclosure Insight Action) for four years in a row, as a result of our top score ('A') in our fight against climate change (Climate Change programme) and the leadership level ('A-') we achieved in 2023, both in managing water as a critical resource (Water Security programme) and in managing the commodities most associated with deforestation risk (Forest programme), such as palm oil, paper/wood, beef and soy.

By 2023, we reduced our carbon emissions by 24%, compared to 2017. In the same period, the Group's global turnover increased by 88%. By the end of 2023 around 780 of our stores and distribution centres had photovoltaic panels installed, and our largest companies stood out in the Lean & Green initiative, with Biedronka retaining its star and Pingo Doce achieving four stars, the first Portuguese and fourth European company to do so.

Our commercial strategy allowed us to ensure that over 90% of all food purchases in 2023 were sourced from local suppliers. The weight of Private Brand products and perishables with sustainability certification has increased and now accounts for 13.4% of these categories (8.4% in 2022). In Portugal, Pingo Doce was the first retailer to sell antibiotic-free and animal-welfare-certified chicken, locally produced.

We seek to promote the adoption of balanced and healthier diets in the countries where we operate. After removing artificial colourings from all Private Brand products in Portugal in 2022, by 2023 Pingo Doce had also removed flavour enhancers and became the first and only retailer in the country to do so.

Our banners also strengthened their work with the communities surrounding their stores and, in 2023, the value of direct support provided in cash and in kind amounted to more than 87 million euros, an increase of around 6% more than in 2022.

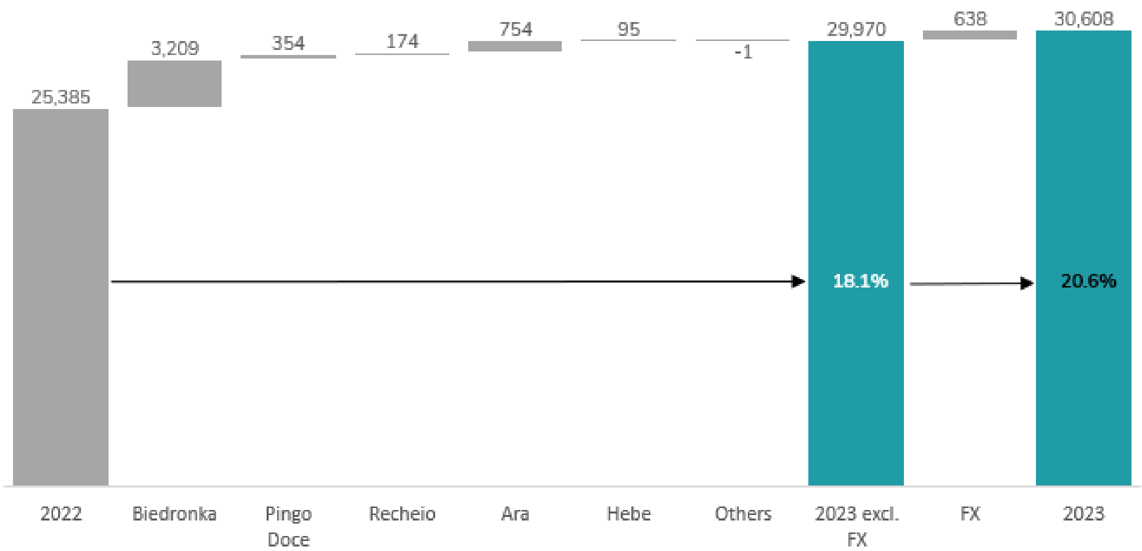
Internally, we invested 312 million euros in recognition measures awarded to our employees, who also benefited from the 36.3 million euros channelled towards internal social responsibility programmes and 7.9 million euros in well-being. In Portugal, we were distinguished as an Inclusive Employer Brand which happens for the third consecutive year for the Group's holding company (having obtained the seal of excellence for the first time this year) and for Recheio, and for the first time for Pingo Doce.

More information about these and other sustainability initiatives can be found under chapter 5 "Corporate Responsibility in Value Creation" of this Annual Report.

2.2. Focus on profitable growth

Group Sales grew 20.6% to 30.6 billion euros, up 18.1% at constant exchange rates. The investments made by the different banners to strengthen their competitiveness were the driving forces behind the Group's LFL, which improved 12.8% in the year.

Contribution to Consolidated Sales Growth (€ Million)



Consolidated Net Sales

(€ Million)	2023	% total	Δ% excl. F/X	Δ% Euro	LFL
Biedronka	21,500	70.2%	18.2%	22.3%	14.2%
Pingo Doce*	4,853	15.9%		7.9%	7.2%
Recheio	1,332	4.4%		15.1%	14.0%
Ara	2,435	8.0%	42.7%	37.7%	10.9%
Hebe	469	1.5%	26.6%	30.9%	17.0%
Others & Cons. Adjustments	19	0.1%		(5.3)%	
Total JM	**30,608**	**100%**	**18.1%**	**20.6%**	**12.8%**

* includes stores sales and fuel

In **Poland**, food inflation, although falling consistently throughout 2023, remained high, leading consumers to become increasingly more price sensitive and promotions' driven.

Biedronka maintained a strong commercial dynamic throughout the period and, in a market where volumes were under continuous pressure, consistently delivered significant growth in value and volume, increasing its market share.

Hebe, with a competitive and well-designed assortment and a booming e-commerce operation, recorded strong sales performance, with the online channel gaining remarkable momentum in Poland and supporting the growth strategy in Czechia and Slovakia.

In **Portugal**, food inflation also decelerated substantially over the course of 2023, while consumption remained weak, with real household income under pressure from persistently high prices and rising interest rates.

Increased tourism in Portugal, especially during the first half of the year, was the main driver of growth in the cash & carry segment.

Pingo Doce recorded solid sales growth, largely as a result of its aggressive pricing and promotions policy, the contribution of meal solutions, and an attractive store layout resulting from the refurbishment programme.

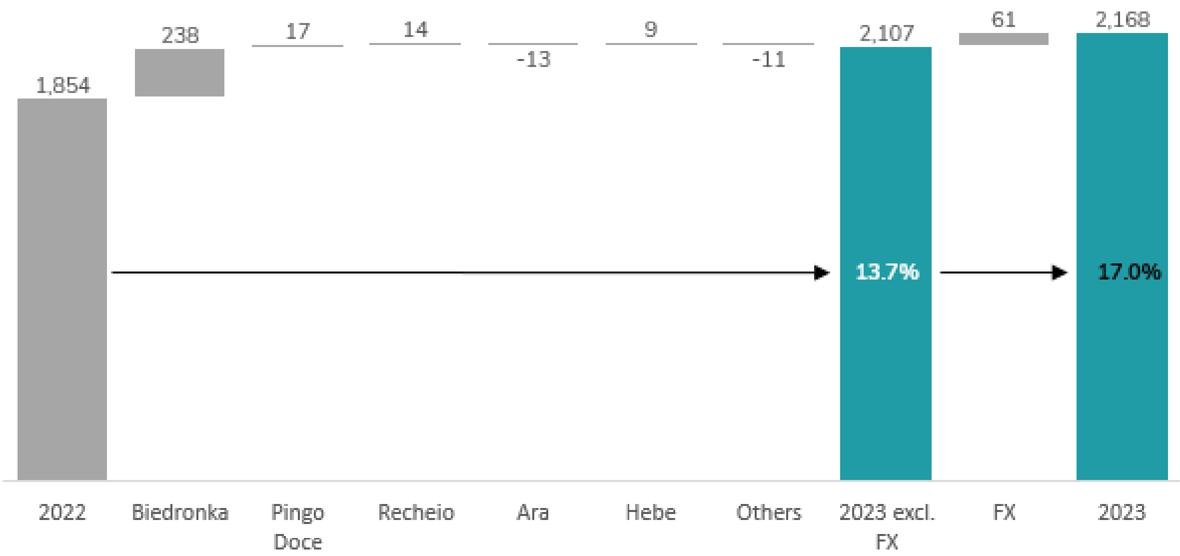
At **Recheio**, the good performance reflects the banner's strong value proposition, carefully designed for each of the customer segments, and the dynamics in the HoReCa channel in Portugal.

In **Colombia**, persistent and very high inflation put pressure on household income. The deterioration in consumption in the year was notable, with families barely able to react to price opportunities and limiting the food basket to basic needs. This environment led a drop in volumes on the market and additional trading down effects.

Ara reinforced its price positioning and asserted the strength of its brand, investing in increasing Colombian families' access to essential foodstuffs.

Group EBITDA amounted to 2.2 billion euros, 17% higher than in 2022 (up 13.7% at constant exchange rates). The respective margin stood at 7.1% compared to 7.3% in 2022.

Contribution to Consolidated EBITDA Growth (€ Million)



At **Biedronka,** the significant growth in sales led to a considerable increase in EBITDA. Investment in price, combined with cost inflation, pressured EBITDA margin to decrease 21 b.p..

At **Hebe**, good sales performance, which in the first half of the year still reflected the recovery from a 2022 impacted by the Covid-19 pandemic, led to a substantial increase in EBITDA, with the respective margin increasing slightly year-on-year.

At **Pingo Doce**, the solid sales performance and initiatives to increase operational efficiency helped offset cost increases and protect the EBITDA margin, leading to healthy EBITDA growth compared to the previous year.

At **Recheio**, the first half of the year reflected a recovery from the impacts of the pandemic that spilled over to 2022. Driven by sales, EBITDA saw solid performance in the year, with the respective margin increasing 38 b.p., continuing its recovery trajectory compared to the pre-pandemic period.

Ara remained focused on its competitiveness in a market where consumption was under pressure. The Company's margin reflected the effects of the significant investment in price, the deterioration of the margin mix due to trading down, and the low maturity of a significant portion of the store network.

EBITDA breakdown

(€ Million)	2023	Mg	2022	Mg
Biedronka	1,838	8.5%	1,540	8.8%
Pingo Doce	282	5.8%	265	5.9%
Recheio	73	5.4%	59	5.1%
Ara	45	1.9%	60	3.4%
Hebe	43	9.1%	32	9.0%
Others & Cons. Adjustments	(112)	n.a.	(102)	n.a.
Consolidated EBITDA	**2,168**	**7.1%**	**1,854**	**7.3%**

The **investment programme**, which continues to be a top priority in the allocation of capital, was rigorously implemented by each of the banners.

The expansion and refurbishment of stores played a central role in the investment programme, enabling the banners to seize opportunities identified in the market, while also helping to improve the quality of the network and operational efficiency.

STORES

452 TOTAL OPENINGS*

444 TOTAL REMODELLINGS**

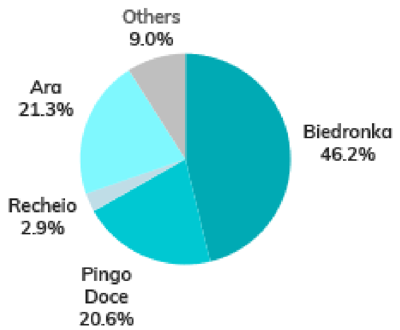
BIEDRONKA	PINGO DOCE	RECHEIO	ARA	HEBE
203*** OPENINGS (174 net)	11 OPENINGS (10 net)	- OPENINGS	200 OPENINGS (197 net)	34 OPENINGS (30 net)
375 REMODELLINGS	60 REMODELLINGS	3 REMODELLINGS	3 REMODELLINGS	1 REMODELLINGS

* Includes the opening of three Jeronymo stores and one Hussel
** Includes the remodelling of two Hussel stores
*** Excluding Micro Fulfilment Centre (MFC) to supply Biek's operation (ultra-fast delivery)

(€ Million)	2023		
Business Area	Expansion*	Others**	Total
Biedronka	**123**	**436**	**559**
Stores	118	366	484
Logistics & Head Office	5	70	75
Pingo Doce	**19**	**231**	**249**
Stores	19	221	240
Logistics & Head Office	-	9	9
Recheio	**4**	**31**	**35**
Ara	**239**	**19**	**258**
Stores	144	13	157
Logistics & Head Office	95	6	101
Total Food Distribution	**384**	**717**	**1,100**
Hebe	**9**	**7**	**16**
Services & Others	87	6	93
Total JM	**479**	**730**	**1,209**
% of EBITDA	22.1%	33.7%	55.8%

* New Stores and Distribution Centres
** Revampings, Maintenance and Others

Investment by Business Area



In 2023, the investment programme totalled 1.2 billion euros. The increase compared to 2022 was due to the greater number of Biedronka store openings, the acceleration of Pingo Doce's refurbishment programme, investment in innovation in the agrifood area, and the impact of increases in the price of materials, equipment and labour.

Expansion accounted for 40% of Capex in the year, with the opening of a total of 452 new stores (413 net additions).

Biedronka, faced with the opportunities provided by its value proposition, with store models tailored to the locations, kept a strong focus on implementing its expansion programme and opened 203 new stores (174 net additions), more than that planned for the year, and also refurbished a total of 375 locations.

The banner went from 15 to 18 Micro-Fulfilment Centres (MFC) to support its Biek operation (q-commerce operation of ultra-fast deliveries).

Hebe opened 34 new locations, including two in Prague, to put a face to the brand's presence in Czechia. The e-commerce operation remained the cornerstone of the business's growth.

Pingo Doce accelerated the roll-out of the new store concept, in which perishables and meal solutions are given greater prominence, playing a key role in the brand's differentiation alongside the Private Brand.

Recheio invested in the refurbishment of two stores and the expansion of the Recheio Masterchef platform in Lisbon.

Ara maintained a good level of implementation of its expansion plan and opened 200 locations, ending the year with 1,290 stores. The quality and scale of its logistics operation remain essential to the implementation of the banner's long-term vision. In this respect, the banner invested in the construction and preparation of the distribution centres planned for opening in 2024 and 2025.

Also worthy of note is the investment in the agrifood business in Portugal, in particular the acquisition of more c.15% of Andfjord Salmon, a Norwegian company that has developed an innovative and highly sustainable salmon breeding concept, raising the financial stake to c.25%.

Consistent with the Groups' responsible posture in all areas of intervention, the compliance with **tax obligations** deserves a special highlight since in the different countries in which it operates, the Group is subject to different types of taxes, contributions and fees, resulting of the activities carried out by its subsidiaries.

In 2023, the Group borne 1,016 million euros in relation to income taxes of the year, contributions borne by the companies for social protection systems, taxes and fees on sales and property and non-deductible VAT in certain countries. In addition to these taxes and contributions, the Group is also subject to a significant set of other fees and taxes arising from the type of activities it carries out in each country, which are often incorporated into the cost of the products or services acquired.

Detail by typology of taxes

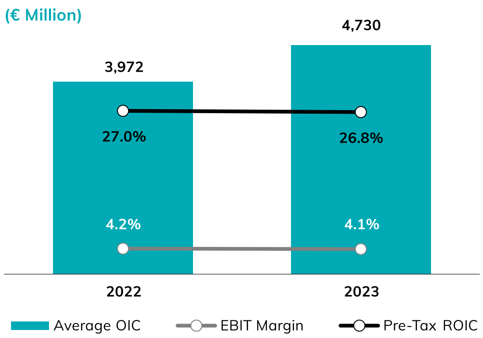
(€ Million)	2023	2022
Corporate Income Taxes	255	206
Contributions to Social Security and similar	399	342
Sales and Use Taxes	363	298
Total taxes borne	**1,016**	**846**

Country breakdown

(€ Million)	2023	2022
Portugal	141	148
Poland	849	680
Colombia	25	18
Other Countries	-	-
Total taxes borne	**1,016**	**846**

Effective income tax rate[6] in 2023 was 25.2% (25.3% in 2022).

[6] Effective income tax rate determined based on estimated income tax of the year, without corrections of prior year estimates and deferred taxes.



Return on invested capital, calculated on a **Pre-Tax ROIC** basis, was 26.8% (27.0% in 2022). Good sales performance, as a result of the focus on price competitiveness, mitigated the impact of the reduction in the EBIT margin resulting from price investment and cost inflation, thus protecting the strong return recorded at Group level.

2.3. Financial strength

Consolidated Operating Result

(€ Million)	2023	%	2022	%	Δ%
Net Sales & Services	**30,608**		**25,385**		**20.6%**
Gross Margin	6,251	20.4%	5,332	21.0%	17.2%
Operating Costs	(4,083)	(13.3)%	(3,479)	(13.7)%	17.4%
EBITDA	**2,168**	**7.1%**	**1,854**	**7.3%**	**17.0%**
Depreciation	(902)	(2.9)%	(782)	(3.1)%	15.3%
EBIT	**1,266**	**4.1%**	**1,071**	**4.2%**	**18.2%**

Net Consolidated Result

(€ Million)	2023	%	2022	%	Δ%
EBIT	**1,266**	**4.1%**	**1,071**	**4.2%**	**18.2%**
Net Financial Results	(174)	(0.6)%	(162)	(0.6)%	7.2%
Profit/Losses in Associated Companies	(1)	(0.0)%	-	0.0%	n.a.
Other Profits/Losses	(79)	(0.3)%	(95)	(0.4)%	n.a.
EBT	**1,012**	**3.3%**	**814**	**3.2%**	**24.3%**
Taxes	(239)	(0.8)%	(207)	(0.8)%	15.5%
Net Profit	**773**	**2.5%**	**607**	**2.4%**	**27.4%**
Non Controlling Interest	(16)	(0.1)%	(17)	(0.1)%	(2.2)%
Net Profit attr. to JM	**756**	**2.5%**	**590**	**2.3%**	**28.2%**
EPS (€)	1.20		0.94		28.2%
EPS without Other Profits/Losses (€)	1.29		1.06		22.5%

Other Losses and Gains amounted to -79 million euros, including compensation, write-offs and an increase in contingency provisions. Also included in this heading is the payment of 24 million euros in bonuses, awarded on an exceptional basis, to operations teams in recognition of their high level of commitment amidst substantial increases in the cost of living for families.

Cash Flow generated in the year amounted to 345 million euros, with the increase in funds generated by operations offsetting the increase in Capex. It is important to note that, although the funds generated by working capital in 2022 benefited from positive cash flow timing, the lower amount generated in 2023 also reflects the government measure to reduce VAT in Portugal, which affected the value of supplier current accounts at the end of the period, and the adjustment of some payment deadlines against a backdrop of high interest rates and difficulty in obtaining financing.

Cash Flow

(€ Million)	2023	2022
EBITDA	2,168	1,854
Capitalised Operating Leases Payment	(337)	(294)
Interest Payment	(192)	(157)
Other Financial Items	1	-
Income Tax	(254)	(208)
Funds From Operations	**1,386**	**1,195**
Capex Payment	(1,153)	(938)
Δ Working Capital	176	535
Others	(65)	(86)
Cash Flow	**345**	**706**

The **Consolidated Balance Sheet** remained strong, with a cash position (excluding capitalised operating lease liabilities) of 1.2 billion euros at the end of the year, incorporating the Company's dividend distribution of 346 million euros in 2023, in accordance with the payout policy in force.

Balance Sheet

(€ Million)	2023	2022
Net Goodwill	635	613
Net Fixed Assets	5,533	4,589
Net Rights of Use (RoU)	3,074	2,420
Total Working Capital	(4,314)	(3,837)
Others	235	161
Invested Capital	**5,163**	**3,946**
Total Borrowings / Financial leases	765	470
Financial Leases	102	82
Capitalised Operating Leases	3,280	2,597
Accrued Interest	22	14
Cash and Cash Equivalents	(2,074)	(1,802)
Net Debt	**2,097**	**1,360**
Non Controlling Interests	252	254
Share Capital	629	629
Retained Earnings	2,184	1,702
Shareholders Funds	**3,066**	**2,585**

The Group continued to pursue its financing strategy, using, whenever possible, loans in local currency as a natural hedge against the exchange rate risk of investments.

In 2023, the acceleration of Ara's expansion plan led to a significant increase in financing needs and a natural increase in debt, as well as the renegotiation of some loans held, occurring against a difficult environment in which reference rates remained high.

To manage its debt maturity, Jerónimo Martins Colombia, SAS converted a short-term loan into a three-year loan in the amount of 300 billion Colombian pesos (approximately 70 million euros).

In Poland, a new medium and long-term line of funding was agreed with the European Investment Bank, with a cap of 1.5 billion zloty (about 346 million euros), to partially support investments in energy efficiency at Biedronka stores, which will be used in 2024.

The euro-and zloty-denominated business units, which had significant net cash surpluses, were able to earn interest on these amounts throughout the year through bank deposits and other short-term investments.

Total Borrowings and Financial Leases Breakdown

(€ Million)	2023	2022
Long Term Borrowings / Financial leases	**371**	**309**
as % of Total	42.8%	56.0%
Average Maturity (years)	3.6	3.7
Total Borrowings / Financial leases	**867**	**552**
Average Maturity (years)	1.7	2.2
% Total Borrowings / Financial leases in euros	8.4%	9.0%
% Total Borrowings / Financial leases in zloty	19.0%	33.8%
% Total Borrowings / Financial leases in Colombian pesos	72.6%	57.2%

2.4. Jerónimo Martins in the capital markets

After the year of 2022 marked by international tensions, a continued rise in inflation and a slowdown in consumer demand, 2023 saw a deepening of the registered trends.

This environment was compounded by geopolitical risks, made worse particularly after the Hamas attack on Israel on 7 October. Although inflation fell over the course of the year, the conflict in the Middle East increased uncertainty about oil prices and forced central banks to remain cautious.

However, after a period of greater volatility and consistently having regard to core issues such as inflation expectations and rising interest rates, the market has been adjusting.

The better-than-expected performance of economies and the resilient results shown by some companies, particularly technology companies, were key in boosting global stocks.

The world stock market, represented by the MSCI World index, saw high volatility in price from the beginning of 2023. Having recovered from a slump in the first quarter, the index was up in the second and third quarters, falling significantly towards the end of the year, particularly following the events of 7 October. The index only recovered in December, closing the year on a high, much like the other indices, reversing the sharp declines seen in 2022, which was the worst year for investors since the 2008 financial crisis.

Global markets were driven in particular by positive developments in the United States (US) market, with published data strengthening the belief that the Federal Reserve (Fed) could start cutting interest rates as early as March 2024. Similarly, in December and for the first time in more than three years, the central bank’s most well-known indicator for measuring inflation in the US fell in terms of monthly changes.

In Europe, at the start of the year, high volatility continued to deter investors from risk assets, affecting shares. Even so, the positive performance posted by various economic sectors enabled recovery of the value lost in 2022. As the year progressed, economic data improved and, with slowing inflation, expectations that central banks would cut interests rates in 2024 remained high.

In July, the euro saw its strongest appreciation against the dollar, ending the year 2023 up by more than 3% after hitting record lows at the beginning of October.

In Poland there were general elections and referendums, held on 15 October. The ruling party (PiS) failed to secure the necessary votes to guarantee a parliamentary majority, allowing a coalition government to be formed by the opposition parties: Civic Coalition, Third Way and New Left. The Polish index, WIG20, appreciated following the elections, closing the year with a significant 30.7% rise, a positive trend seen in the world's major indices.

Share description

Listed Stock Exchange		Euronext Lisbon
IPO		November 1989
Share Capital (€)		629,293,220
Nominal Value		€1.00
Number of Shares Issued		629,293,220
Symbol		JMT
Codes	**ISIN**	PTJMT0AE0001
	Reuters	JMT.LS
	Bloomberg	JMT PL
	Sedol	B1Y1SQ7
	WKN	878605

Jerónimo Martins' shares are listed on more than 130 international sustainability indices, recognising the Group's environmental, social and governance (ESG) commitments, including, in particular, the Eurozone 120 e Europe 120, ambos da Euronext Vigeo-Eiris, e os índices FTSE4Good Developed e FTSE4Good Europe.

We have been the world's top-rated food retailer by CDP (Disclosure Insight Action) for four years in a row, as a result of our top score ('A') in our fight against climate change (Climate Change programme) and for the leadership level ('A-') we achieved in 2023, both in managing water as a critical resource (Water Security programme) and in managing the commodities most associated with deforestation risk, such as palm oil, paper/wood, beef and soy.

Another important indicator is the Global Child Forum, in which we obtained an overall score of 8.9 (out of a maximum of 10), improving 1.3 points compared to 2022, and ranked 8th among the 1,108 companies assessed.

More information about Jerónimo Martins' listing in these and other relevant indices is available on our website under "Responsibility" ("Recognition" page at www.jeronimomartins.com).

Capital structure

For information on Jerónimo Martins' share capital structure, please see Section A – Shareholder Structure under chapter 4 of this Annual Report.

PSI performance

On Euronext Lisbon, the PSI recorded very positive performance, ending the year up 11.7% compared to the previous year.

In March, as part of the annual review of the main index, Ibersol joined the PSI. The Portuguese index now has 16 constituents.

Amid political instability in Portugal following the resignation of the country's prime minister, the index fell 2.54% on 7 November, with analysts citing the initial concern among equity investors as the main reason for the drop. This pressure was felt by all 16 listed companies.

In November, the European Commission revised Portugal's growth forecast for the years 2023 and 2024 downwards, while Moody's surprised by upgrading Portugal's debt rating by two levels. The agency predicts that Portugal's GDP will grow at a rate of 2% per year.

Despite the volatility amid fears associated with monetary policy, like its peers the index proved resilient throughout 2023. After a promising start to the year, the PSI even reached historical 2014 highs in November and December.

Despite not mirroring global trends in December, the PSI closed the year with accumulated gains. This performance, for three consecutive years, puts the Portuguese index among the world's best-performing stock markets.

Jerónimo Martins share price performance

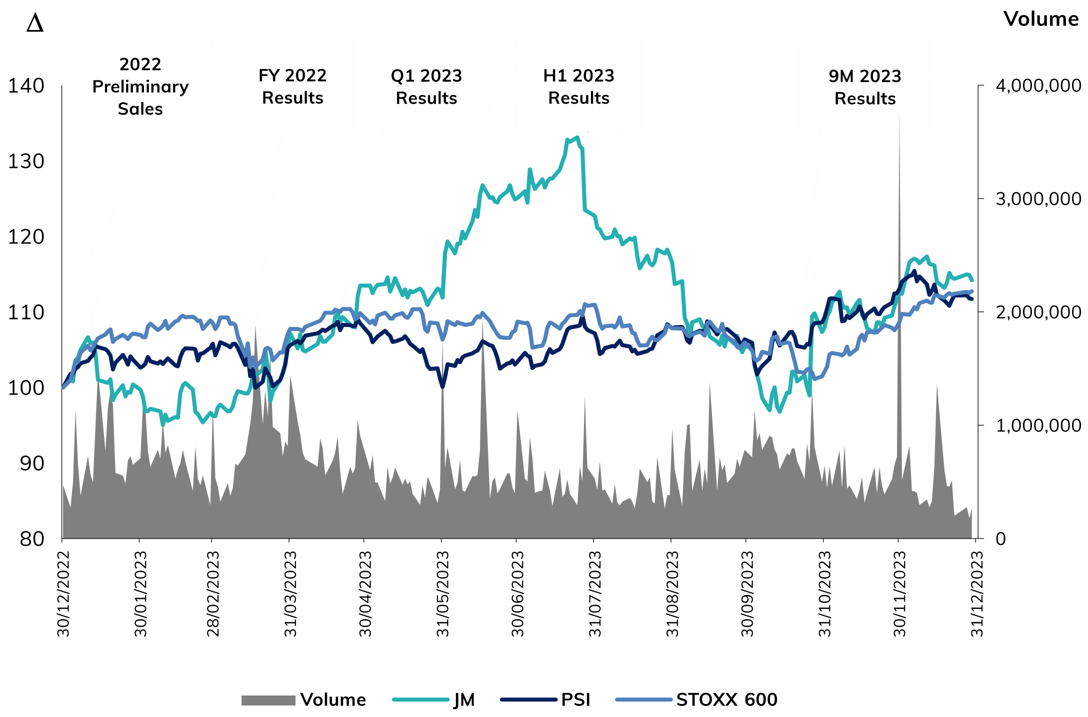
Having consistently maintained its upward trend during the first half of the year, the Jerónimo Martins share price reached an all-time high just a few days before the publication of the first six months results, closing at €26.86 on 24 July, up 33% on the start of the year.

Nevertheless, previous share gains diminished thereafter, closing at €23.04, a 14.2% increase year-to-date.

In 2023, Jerónimo Martins traded approximately 167 million shares on the Euronext Lisbon stock exchange. This volume corresponds to a daily average of around 655,000 shares (15.1% below the average volume of the previous year). The average share price was €22.27 (up 8.2% year-on-year).

These shares represented the equivalent of 11.8% (approximately 3.7 billion euros) of the total number of shares traded on the PSI in 2023.

Jerónimo Martins closed the year with the third largest representation in the PSI, with a relative weight of 12.5% in the index (versus 12.1% in 2022) and a market capitalisation of 14.5 billion euros (12.7 billion euros in 2022). The Company continues to be one of the three Portuguese companies listed on the Euronext100 index, slightly increasing its weight to 0.37% (compared to the 0.35% recorded in the previous year).

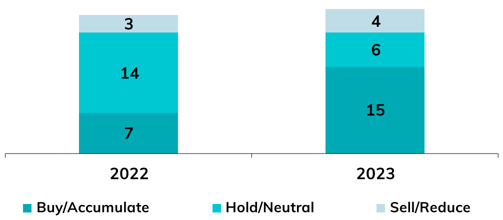


Analysts

As at 31 December 2023, 25 analysts were actively covering Jerónimo Martins shares.

The average target price attributed by the group of analysts following the share, at the end of the year, was €25.69, about 12% above the closing price (€23.04), and 16% above the 2022 average target price.

The evolution of recommendations and price targets issued by the various institutions is available on our website (www.jeronimomartins.com/en/investors/jeronimo-martins-shares/equity-analysts).



Jerónimo Martins Financial Performance 2019-2023

(€ Million)	2023	2022	2021	2020	2019
Balance Sheet					
Net Goodwill	635	613	618	620	641
Net Fixed Assets	5,533	4,589	4,159	3,967	4,140
Net Rights of Use (RoU)	3,074	2,420	2,221	2,154	-
Total Working Capital	(4,314)	(3,837)	(3,290)	(2,864)	(2,793)
Others	235	161	145	133	94
Invested Capital	**5,163**	**3,946**	**3,852**	**4,010**	**4,400**
Total Borrowings	765	470	460	524	732
Financial Leases	102	82	22	11	17
Capitalised Operating Leases	3,280	2,597	2,365	2,262	-
Accrued Interest	22	14	-	(3)	3
Cash and Cash Equivalents	(2,074)	(1,802)	(1,527)	(1,041)	(949)
Net Debt	**2,097**	**1,360**	**1,320**	**1,752**	**2,172**
Non Controlling Interests	252	254	254	249	254
Equity	2,814	2,331	2,278	2,008	1,975

(€ Million)	2023	2022	2021	2020	2019
Income Statement					
Net Sales & Services	**30,608**	**25,385**	**20,889**	**19,293**	**18,638**
EBITDA	**2,168**	**1,854**	**1,585**	**1,423**	**1,437**
EBITDA margin	7.1%	7.3%	7.6%	7.4%	7.7%
Depreciation	(902)	(782)	(745)	(734)	(715)
EBIT	**1,266**	**1,071**	**840**	**689**	**722**
EBIT margin	4.1%	4.2%	4.0%	3.6%	3.9%
Financial Results	(174)	(162)	(154)	(180)	(159)
Profit/Losses in Associated Companies	(1)	-	-	-	-
Other Profits/Losses [1]	(79)	(95)	(34)	(50)	(14)
EBT	**1,012**	**814**	**652**	**459**	**549**
Taxes	(239)	(207)	(168)	(136)	(128)
Net Income	**773**	**607**	**484**	**323**	**421**
Non Controlling Interests	(16)	(17)	(21)	(11)	(31)
Net Income attributable to JM	**756**	**590**	**463**	**312**	**390**

[1] Other Profits/Losses include the Other Operating Profits/Losses and Gains in Others Investments as presented in the Income Statement by Functions and detailed in the notes to Consolidated Accounts.

Market Ratios	2023	2022	2021	2020	2019
Share Capital (€)	629,293,220	629,293,220	629,293,220	629,293,220	629,293,220
Total Number of Shares	629,293,220	629,293,220	629,293,220	629,293,220	629,293,220
Own Shares	859,000	859,000	859,000	859,000	859,000
Free Float	43.9%	43.9%	37.7%	32.4%	29.7%
EPS (€)	1.20	0.94	0.74	0.50	0.62
Dividend per share (€) *	0.55	0.79	0.29	0.35	0.33
Stock Market Performance					
High (close) (€)	26.86	23.22	21.61	17.22	16.12
Low (close) (€)	19.18	18.20	12.65	13.61	10.30
Average (close) (€)	22.27	20.57	16.49	14.89	14.09
Closing (End of year) (€)	23.04	20.18	20.10	13.82	14.67
Market Capitalisation (31 Dec) (€ 000,000)	14,499	12,699	12,649	8,697	9,229
Transactions (volume) (1,000 shares)	167,121	198,279	186,528	251,103	215,938
Annual Growth	14.2%	0.4%	45.4%	(5.8)%	41.8%
Annual Growth - PSI	11.7%	2.8%	13.7%	(6.1)%	10.2%

* In the initial phase of the Covid-19 pandemic, when uncertainty was extreme, the Board of Directors decided to follow a prudent approach and to reduce the 2019 payout ratio from 50% to 30%. The Board of Directors reserved, at the time of this decision, the possibility of proposing the distribution of the remaining part of the 50% payout if conditions allowed it. Therefore, taking into account the Group's performance, the Board decided to distribute free reserves. The value includes the payment of a gross dividend of 0.207 euros per share, approved by the General Meeting held on June 25, 2020 and paid on July 15, 2020, regarding the distribution of 2019 results and the distribution of free reserves corresponding to a gross dividend of 0.138 euros per share, approved by the Extraordinary General Meeting held on November 26, 2020 and with payment at December 16, 2020.

3. Performance of the Business Areas

3.1. Food Distribution

3.1.1. Biedronka

Message from the CEO

At Biedronka, we entered 2023 stronger and with the same priorities as in previous years: to lead also in price opportunities provided for our consumers, offering them quality at the best price on the market.

Throughout the year, we were unwavering in this determination and increased investment in promotional actions and price reductions, continuing to earn the trust and loyalty of Polish consumers in an environment where high inflation in the country exacerbated pressures on families, especially in the first nine months of the year.

In recent years, although price has been even more top-of-mind in our strategy, the growing innovation in our assortment is undeniable, as is the quality and efficiency of the store format, the flexibility of the expansion strategy and the approach to new distribution channels.

In 2023 we have launched in our Private Brand assortment 222 products and reformulated 123. The variety and quality of these offer has evolved significantly, playing appropriately a differentiating role in the banner's assortment, with perishables being the second pillar of differentiation recognised by consumers.

We opened 203 new stores in the year and today we have a flexibility of format that enables us to competitively break into smaller markets, clearly extending Biedronka's potential in this country.

The refurbishment programme, together with the store openings, is introducing an enhanced store format with different solutions aimed at improving operations and the shopping experience for consumers, while incorporating environmental concerns, particularly in terms of greater energy efficiency.

In e-commerce, Biedronka's presence has improved remarkably since its launch in 2020, both through the reach of the operation and the assortment available, with a special note on the Biek operation, which offers ultra-fast deliveries and which, in 2023, the second year of its operation, saw notable growth, strengthening our foothold in this channel.

I would like to thank all the teams who, at all levels, have taken Biedronka to a new level of competitiveness and who are taking us into 2024 with confidence.

In a market that is expected to be even more competitive given the prospects of food deflation, in a simultaneous context of cost inflation, we have more tools to respond, with innovation and intensity, working every day to continue to be consumers' first choice, in order to grow sales and protect profitability.

Sales	# Stores	LFL	EBITDA	CAPEX
€21,500M (+22.3%)	3,569	+14.2%	€1,838M (+19.4%)	€559M

Highlights of the Year

- Opened 203 stores and refurbished 375 locations
- Surpassed 1,000 stores offering service counters of meat & delicatessen products
- More than 700 stores with photovoltaic panels
- 85% of the stores with self-checkouts
- Main sponsorship of the 31st WOŚP* Final, for the second consecutive year
- Extension of the sponsorship agreement with the Polish Football Association until 2026
- Hosted a Sustainability Conference under the theme "Energy for Life"

*One of the biggest social actions in Poland (for more than 30 years) aimed at crowdfunding for improvement of medical standards in Polish hospitals.

AWARDS AND RECOGNITIONS OF NOTE

Food & Retail Award 2023 for being a market leader in Poland, identifying consumer needs and offering solutions and services in a wide range of areas.

Business Insider Polska Award for fighting inflation and creating opportunities for the consumers to save money, like the platform Biedronkowe Oszczędności (Biedronka Savings) and the promotional campaign "Liczą się fakty. Codziennie niskie ceny tylko w Biedronce" (Facts count. Everyday low prices are only at Biedronka).

Retail Champion in the "Best Loyalty Programme 2023" category, a distinction awarded by the consumers and received for the third time in the Retail Champion – Chosen by Consumers, conducted by GfK Polonia.

Complete list of awards and recognitions: www.jeronimomartins.com/en/about-us/recognition/

More information, particularly about our sustainability initiatives, is provided under chapter 5 of this Report.

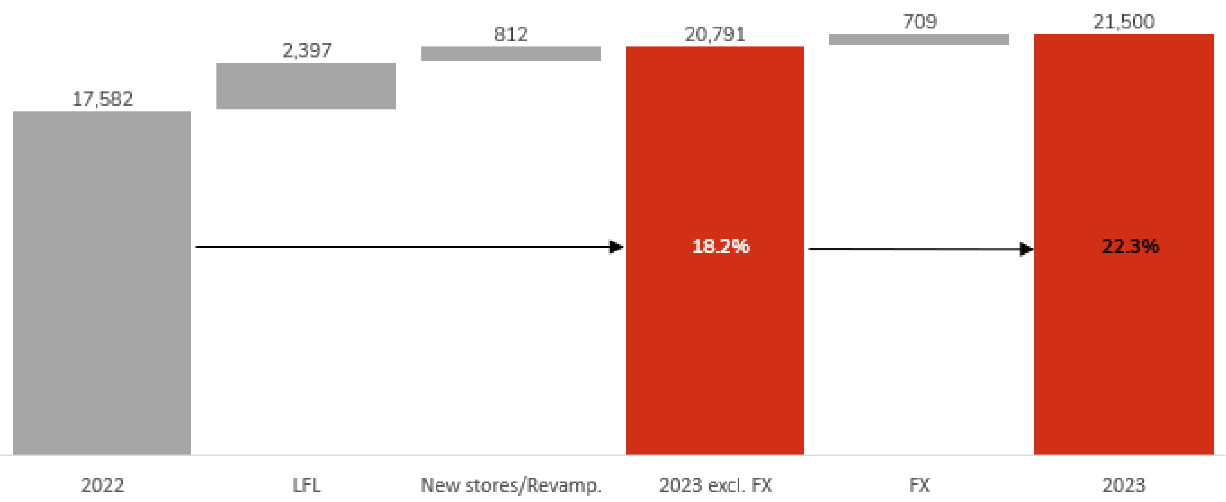
Performance

In Poland, 2023 started with food inflation at record high-levels, which progressively decreased until December, and with consumers naturally cautious, paying even more attention to prices and promotions. Once again, Biedronka maintained an intense promotional dynamic, absorbing part of the price increases demanded by its suppliers and keeping food inflation of its basket below the average registered in the country.

In the market, food retail sales at constant prices fell (-3.1%), while Biedronka grew its volumes throughout the year, continuing to outperform the market and increasing its market share.

In local currency, sales grew by 18.2%, with a LFL of 14.2%. In euros, sales reached 21.5 billion, 22.3% above the previous year. This performance also incorporated high inflation in the basket.

Net Sales (€ Million)



Due to the slowdown of food inflation, mainly in the second half of the year, and to reinforce its strong position as price leader in Poland, Biedronka launched several promotional campaigns related to decreases of regular prices for daily products. The Company combined two communication streams – *Do Biedronki Ide* ("I Go to Biedronka") and *Biedronkowe Oszczędności* ("Savings with Biedronka") – to convey that Biedronka low regular prices are a good reason to visit and buy at its stores.

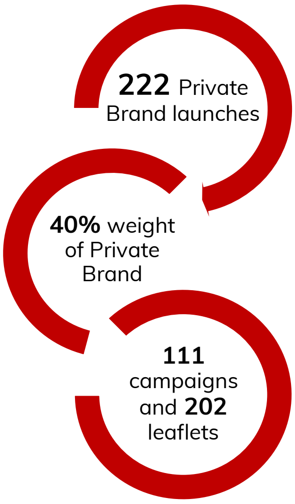
The year started with a strong campaign under the promise *Biedronkowe Oszczędności*, with Biedronka enhancing its price positioning. The goal was to be more focused, clearer, with one unified savings platform. This was in place throughout the year and worked as a new signature for Biedronka's price commitment.

Continuing its communication strategy, Biedronka then launched the campaign *Do Biedronki Ide*, presenting the reasons to go to stores every day, which intended to be a more consumer centric approach, letting customers state the reasons why they come to Biedronka. The main goal of the campaign was to gain new customers and retain current ones.

To strengthen consumers' loyalty, Biedronka launched a new marketing initiative – *BiedronkoLoteria*, – a lottery for Moja Biedronka members in order to increase basket and support sales in important categories.

In 2023, Biedronka's loyalty campaign "*Gang Mocniaków* – Discover the superpower of good food" presented a unique concept of returning to Biedronka's roots as the banner focused on nourishing children and healthy food. This campaign wanted to support good food choices, provide information on what to pay attention to when composing meals and the benefits of good products. In this year´s campaign there were 11 heroes (food products) divided in five food categories and, as in the previous year, five books were presented, one for each category. The banner also launched a school activity book with games and stickers for children with educational content about their diet. Finally, it added a gamification in the app – a quiz about healthy eating –, which helped children and adults check their knowledge on good daily diets, and developed a website with articles for parents, written in cooperation with a dietician, and tips on how to prepare a child's diet depending on age.

During the year, the banner continued to develop its mobile application, counting already with more than 10 million customers, enhancing and improving several actions, namely the Shakeomat and the 'Just for You' section', where users can check for special offers.



Focusing on its relationship with customers, Biedronka started to send marketing and informative communication in order to increase the engagement with the brand.

At the end of the year, Biedronka had 18 micro-fulfillment centres exclusively dedicated to the ultra-fast delivery service – Biek –, a partnership initiated in 2021.

To strengthen innovation in its Private Brand, the Company continued to invest in developing new products and expanding existing ranges, such as Go Vege and Go Active products, promoting in both cases several contests with the aim to engage costumers with the products.

To increase the attractiveness and assortment of meat & delicatessen products, Biedronka continued to invest in installing assisted service counters for these categories, ending the year with 1,076 stores offering this service, 315 more than in the previous year.

Keeping its focus on operational efficiency and on shopping experience, throughout the year Biedronka introduced self-checkouts in 313 stores. At the end of 2023, it had 3,021 stores with this equipment.

On the ongoing sustainability path, the Company developed several actions. Being energy consumption an important variable to improve its network's efficiency, by the end of the year Biedronka had already 728 stores with photovoltaic panels producing energy.

Biedronka and the Polish Football Association (PZPN) extended the sponsorship agreement existing since 2010 until July 31, 2026. As an official sponsor, Biedronka will support both the first Polish women's and men's national teams, as well as youth teams from 15 to 21 years old, also remaining the official supplier of fresh vegetables and fruits for the national team. The cooperation between Go Active brand and PZPN started in January 2023 and aims to create unique product solutions that serve as promoters of an active lifestyle. Besides the Private Brand Department and Quality Department of Biedronka, the team is composed of PZPN nutritionists and national team's chefs. In 2023, eight products (three isotonic, three vitamin waters and two gels) were launched under the partnership with a dedicated packaging design.

The significant sales growth led EBITDA to increase by 19.4% (+15.4% in local currency). The investment in price, combined with cost inflation, put pressure on the EBITDA margin, which was reduced to 8.5% (8.8% in 2022).

Maintaining the focus on its investment plan, Biedronka opened 203 stores (174 net additions) and refurbished 375 locations in the year, investing 559 million euros.

3.1.2. Pingo Doce

MESSAGE FROM THE MANAGING DIRECTOR

Amidst food inflation and high interest rates, 2023 looked set to be a challenging year, in which the only certainty was the pressure that would be placed on consumer purchasing power, making the savings opportunities created by Pingo Doce even more important for Portuguese families. That's why we kicked off 2023 with a very strong promotional dynamic and maintained it throughout the year. In June, we strengthened our commitment to always being there for our customers, taking a step further by lowering 1,500 shelf prices. Yesterday and today, Pingo Doce is synonymous with savings. Just as it always has and always will be.

Ensuring clear, rigorous and transparent communication on prices, we led by example in implementing the government's VAT exemption measure on essential food products.

The year 2023 will also be marked by the start of the intensive plan to revamp the store network, focusing in particular on Fresh Food.

Pingo Doce's work towards social inclusion was recognised with the Inclusive Employer Brand seal, of which we are immensely proud. Portugal also proudly hosted World Youth Day, with Pingo Doce as the founding partner responsible for feeding all pilgrims and volunteers. A test of sorts for our store, kitchen and logistics teams, which they passed with flying colours.

We look forward to an equally challenging 2024 for the sector and for families, knowing that, at Pingo Doce, we will continue to focus on making sure we continue to be deserving of the trust and loyalty of our customers. A path made possible by our people, who work hard every day to provide the best products at affordable prices.

Sales	# Stores	LFL	EBITDA	CAPEX
€4,853M (+7.9%)	482	+7.7% (excl. fuel)	€282M (+6.6%)	€249M

Highlights of the Year

- First and only retailer in the country to completely eliminate all flavour enhancers and artificial colouring from all of its Private Brand food products
- Founding Food Partner for World Youth Day Lisbon 2023 which, together with Jerónimo Martins, offered over 5 million euros in support
- Price reduction on over 1,500 items from a wide variety of categories and brands, as part of the "Baixámos os Preços" (We've slashed prices) campaign
- Launch of the book *Receitas e Conselhos para Doentes Oncológicos* (Recipes and Advice for Cancer Patients), in partnership with CUF (business group specialised in healthcare services), aimed at supporting patients, their families and carers in managing the symptoms and effects of treatments, through food

More information, particularly about our sustainability initiatives, is provided under chapter 5 of this Report.

AWARDS AND RECOGNITIONS OF NOTE

Pingo Doce's two central kitchens obtained ISO 14001:2015 environmental certification, one of the most prestigious international standards and a benchmark in environmental management, awarded by Portuguese certification body APCER - Associação Portuguesa de Certificação.

Pingo Doce was awarded the Inclusive Employer Brand seal by Instituto do Emprego e Formação Profissional (Institute for Employment and Vocational Training).

Initiatives to fight food waste were honoured with the CORE "Sustainable Production and Consumption" Prize, awarded by the Católica Lisbon School of Business and Economics.

Complete list of awards and recognitions: www.jeronimomartins.com/en/about-us/recognition/

Performance

The beginning of the year was marked by high inflation, and our biggest challenge was to ensure that consumers had access to essential products at the lowest possible price. Against this backdrop, consumption slowed, which resulted in a reduction in volumes and saw the sales of Private Brand products increase significantly.

Maintaining a strong promotional dynamic throughout the year, Pingo Doce recorded solid sales growth, increased its competitiveness, and improved volume performance. In 2023, sales grew 7.9% to 4.9 billion euros, with LFL at 7.7% (excluding fuel).

Net Sales (€ Million)

The Company invested in several initiatives that offered even greater savings for its customers, such as the "Zero Inflation" campaign, promising to make a range of essential products available every week at 2021 prices. In June, with the "We've Slashed Prices" initiative, Pingo Doce went even further and lowered the price of more than 1,500 items.

As part of the government's measure granting VAT exemption on 46 food categories from 18 April 2023, which, in practice, encompassed thousands of items, Pingo Doce ensured clear communication regarding all products included in the measure, immediately identifying them in stores from the date the measure came into force. Price tags designed for such purpose, with the prominent indication of the final VAT-free price, broke down the calculations made, so customers knew exactly what they were paying as a result of the measure.

The "My Pingo Doce" app, launched at the end of 2022, also became an important savings tool with the launch of a new feature – Poupa Shaker (Savings Shaker) – which gives customers the chance to win a discount coupon every day by simply shaking their mobile phone. At the end of 2023, we launched a "Game of the Goose", giving customers the chance to win 40,000 euros per week and over 2,000 prizes, thus increasing interaction with the end consumer through the app.

As part of the "A Saúde Alimenta-se" (Health is Nurtured) programme, in partnership with CUF, Pingo Doce published "Recipes and Advice for Cancer Patients", a book that shares 100 recipes that follow the principles of the Mediterranean Diet, arranged by the main symptoms associated with the different stages of cancer and the respective treatments. The book, now in its 3rd edition, is available in Pingo Doce stores and online, with free access.

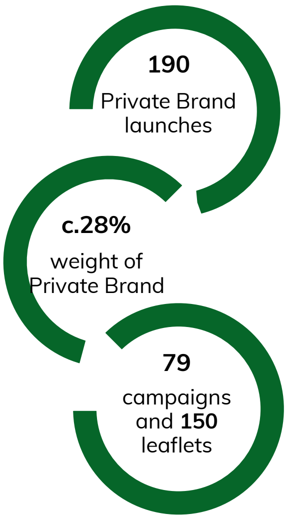
At the beginning of August, World Youth Day was held in Lisbon, bringing together thousands of young people from all over the world over the course of a week. Pingo Doce was the Founding Food Partner for the event, offering, together with Jerónimo Martins, over 5 million euros in support. Under the slogan "Pingo Doce feeds World Youth Day", a large-scale operation was implemented to ensure food for the pilgrims and volunteers, with the installation of Comida Fresca (Fresh Food) stands in the main venues of the event, the mobilisation of employees from all the Jerónimo Martins Group teams in Portugal, and the donation of

400,000 food kits to pilgrims. During this period, stores in the vicinity of the event had longer opening hours and stocks were increased to meet the needs of pilgrims and to continue satisfying those of regular consumers.

Focusing on its social responsibility policy and the connection it has with the communities in which it operates, Pingo Doce held the third national edition of the Happy Neighbourhood programme, in which each store supports a local cause suggested by neighbours or institutions, creating a positive impact in their surrounding communities. With the help of neighbourhood residents, who selected the winning ideas, the Company supported 454 projects.

The Children's Literature Prize celebrated its 10th edition with the winning book "O livro que não sabia o que queria ser" ("The book that didn't know what it wanted to be"), written by Márcio Martins and illustrated by Cláudia Abrantes. Pingo Doce also strengthened its commitment to promoting children's literature by taking part in the Lisbon, Porto, Loures, Tavira and Braga Book Fairs.

The Company enhanced its ECO service – filtered water for reusable bottles – available exclusively at Pingo Doce, which at the end of the year had been implemented in over 280 stores.



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Pingo Doce achieved an important milestone by completing the process of eliminating flavour enhancers and artificial colouring from all of its Private Brand food products, becoming the first and only retailer in the country to offer an assortment free of these additives, while preserving taste and the selling price. The Company now has more than 1,300 food products without flavour enhancers or artificial colouring. This milestone is the result of Pingo Doce's strong commitment to promoting health through food, aimed at providing customers with products that are nutritionally more balanced and as natural and healthy as possible.

Pingo Doce invested 249 million euros in the opening of 11 stores (10 net additions) and in the total refurbishment of 60 locations. In the Azores, four more stores were opened in partnership with the Finançor Group. The Company continued to invest in innovation and opened a Comida Fresca restaurant at Instituto Superior Técnico da Universidade de Lisboa (School of Engineering and Technology) in Lisbon, introducing an innovative concept that combines a more digital shopping experience with quality meals at affordable prices.

Alongside investment in intensifying its promotional dynamic and low price policy, Pingo Doce accelerated its refurbishment programme, implementing a new store concept that embodies its long-term vision for the business, based on the banner's competitive advantages and key differentiating factors: Perishables, Private Brand and Meal Solutions. At the end of the year a third of the Company's stores reflected this concept, with 190 restaurants in its stores.

EBITDA grew 6.6%, totalling 282 million euros, with the respective margin standing at 5.8% (5.9% in 2022). Good sales performance helped dilute the cost increase, mitigating the effects of the strong investment in price to protect consumer purchasing power.

3.1.3. Recheio

MESSAGE FROM THE MANAGING DIRECTOR

2023 was a year marked by the contrast emerging between two different moments. In the first half of the year, we witnessed a remarkable recovery in the hotel industry, driven mainly by tourism. The second half of the year brought challenges associated with rising costs and interest rates and the resulting pressure on purchasing power, in a climate that reflected the effects of the economic slowdown in Portugal.

Adapting its value proposition to each target segment, Recheio capitalised on market opportunities and adjusted its strategy, thus achieving significant sales growth in the year.

The agility and readiness of our teams meant that in the first half of the year we were able to respond effectively to the growth of the HoReCa channel, exploring opportunities in Cash & Carry and in distribution with the Recheio Masterchef operation. In the second half of the year, we again had to tap into the qualities for which Recheio is known: resilience, creativity and the ability to overcome challenges. We strengthened the retail channel with the expansion of the Amanhecer chain and intensified our efforts to achieve ambitious targets, all the while maintaining our unwavering commitment to sustainability.

We had many reasons to celebrate, in particular breaking the €100-million sales barrier at the Braga store, the success of the annual customers trip, and the opening of the Amanhecer chain's 600th store. We made a point of celebrating with our customers at two festive events: the Recheio festival and the Amanhecer festival.

This celebration is only possible as a result of the efforts and commitment of our teams, who work every day to gain the trust of our customers. My sincere thanks to everyone! In 2024, we will continue to overcome obstacles and walk the path of excellence.

Sales	# Stores	LFL	EBITDA	CAPEX
€1,332M (+15.1%)	39 and 4 platforms	14.0%	€73 M (+23.6%)	€35M

Highlights of the Year

- Amanhecer has over 600 stores
- Refurbishment of the Viseu and Portimão stores with the new store concept
- Expansion of the Recheio MasterChef platform in Lisbon, tripling the operations area
- Best Farmer's first butcher's store, in Cascais
- First Amanhecer festival and hosting of the first partners' meeting

AWARDS AND RECOGNITIONS OF NOTE

Once again recognised, by Consumer Choice, as the “Professionals Choice”, an award the Company has won consecutively since 2015.

Renovation of the Inclusive Employer Brand distinction awarded by the Institute of Employment and Vocational Training (IEFP) in 2021.

Complete list of awards and recognitions: www.jeronimomartins.com/en/about-us/recognition/

More information, particularly about our sustainability initiatives, is provided under chapter 5 of this Report.

Performance

The year was marked by the contrast between the first and second halve of the year. At the beginning of the year the HoReCa and retail channels saw strong recovery, with Recheio benefiting from the economic climate, continuously growing above inflation. In contrast, the second half of the year saw a disinflationary trend and a slowdown in the growth of the HoReCa channel. This trend reversal posed challenges that forced the Company to strengthen its resolve to achieve its goals, leading to a new annual all-time high in sales: 1.3 billion euros, which means an increase of 15.1% compared to the previous year, with an LFL of 14%.

Net Sales (€ Million)

Aimed at boosting sales to HoReCa channel, "journeys of flavours" were held in which we visited customers from the different regions of Portugal and presented the best dishes made by our customers in the HoReCa catalogue, highlighting the best traditional products from each region. The result was a growth in sales for this channel in 18% to which contributed also the improvement of the assortment, based on the offer of the new Cascais store and replicated in other stores.

Food Service was also a segment that saw very positive performance in 2023, benefiting from the gradual recovery in tourism activity.

Similarly, the retail channel also showed strong performance, growing 13%, for which contributed the strong competitiveness and promotional dynamics that Recheio implemented throughout the year, as did the offer of more and better Amanhecer brand products, which are now recognised by both Recheio customers and end consumers as high-quality products at very attractive prices.

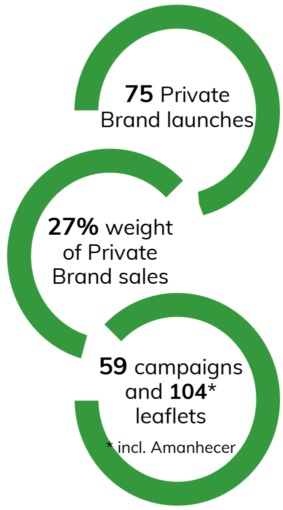
As regards Exports, sales grew 17%, boosted by the widening of the number of countries in which the banner sells its products and by the increase in the number of customers in the markets in which it operates.

During the year, Recheio also maintained its commitment to standing with its retail partners, developing traditional trade and contributing to the sustainability of their businesses, with the Company continuing to focus on developing partnerships with the Amanhecer chain, which ended the year with 610 locations, 73 more than in 2022. In order to reinforce its price positioning, various campaigns and communication actions were carried out.

Aiming to reach a younger customer segment, the Company bolstered the Amanhecer brand's presence online with the launch of the Instagram page @lojas.amanhecer. On Facebook, the banner began posting recipes and other food-related content focusing on the Amanhecer Private Brand.

Recheio started the year with a new line of communication centred on "Portugality", which reinforced the brand's values and its quality, proximity and competitive positioning.

To improve perception of variety, several themed digital Private Brand catalogues were launched, such as the balanced diet and the beauty products catalogue. These catalogues allow customers to find out more about the entire range offered by Recheio and can be viewed also in-store using a QR Code.



In terms of assortment, the banner remained focused on improving the quality, sustainability and variety of its Private Brand, launching a total of 75 references: 27 Masterchef and 48 Amanhecer.

Faithful to its commitment to sustainability, Recheio innovated and launched a trailblazing project in Portugal under the motto "Added-Value Businesses", a pilot project in the Loures store aimed at encouraging the HoReCa channel and traditional businesses to separate waste (plastic and metal) more efficiently, incorporating environmental protection into the shopping journey.

In 2023, Recheio's EBITDA amounted to 73 million euros, 23.6% higher than in 2022. The respective margin stood at 5.4% (compared to 5.1% in 2022), with strong sales growth continuing to enable recovery of operating leverage.

In the year, the Company invested 35 million euros, which was channelled into refurbishing the stores in Viseu and Portimão, strengthening its distribution infrastructure, and significantly expanding the operations area of the Recheio Masterchef platform in Lisbon.

3.1.4. Ara

MESSAGE FROM THE MANAGING DIRECTOR

In 2023 we celebrated our 10th anniversary in Colombia, a country that welcomed us with open arms and where our strategy of offering quality food at the most competitive market prices has allowed us to exceed one million daily customers in our stores.

Over the past two years, Colombian families have seen a continuous deterioration in their purchasing power as a result of the sharp rise in food prices, which has led to a reduction in the volumes bought on the market and a trading down in shopping behaviour. Although the second half of 2023 saw a slowing in price increases, food inflation averaged around 15% in the year.

The Company's priorities remained focused on guaranteeing the availability of our offer at the lowest price in a challenging environment for Colombian families. Similarly, as part of the partnerships we have built with our suppliers, we paid particular attention to their financial needs in a period of high interest rates.

We have been enhancing our value proposition by innovating in fresh products and in the Private Brand offering, while guaranteeing price leadership. In 2024 we will continue to develop partnerships with Colombian producers, favouring regional sourcing whenever quality standards allow.

We opened 200 stores in 2023, with a total of 1,290 locations, we started the construction of a distribution centre in Bogotá, and we continued the one in Cali, which was opened in the start of 2024.

In 2024, which is expected to remain challenging, we will continue to be fully committed to Colombian families – ensuring the quality and food safety of our assortment at the most competitive prices – so that we continue to be deserving of the trust of the families we serve today and of those who will become loyal to the Ara brand tomorrow.

Sales	# Stores	LFL	EBITDA	CAPEX
€2,435M (+37.7%)	1,290	+10.9%	€45M (-24.6%)	€258M

Highlights of the Year

- 10th anniversary of Ara
- Opened 200 stores, expanding our presence to more than 372 municipalities (out of around 1,100)
- 60 Bodegas del Canasto (B2B)
- Opening of the first stores operated by partners, a model similar to franchising
- Launch of a strong promotional campaign "Nothing compares to Ara", with significant price reductions

AWARDS AND RECOGNITIONS OF NOTE

Ara is considered one of the best performing companies in Colombia when it comes to management, according to the Private Social Investment Index.

Complete list of awards and recognitions: www.jeronimomartins.com/en/about-us/recognition/

More information, particularly about our sustainability initiatives, is provided under chapter 5 of this Report.

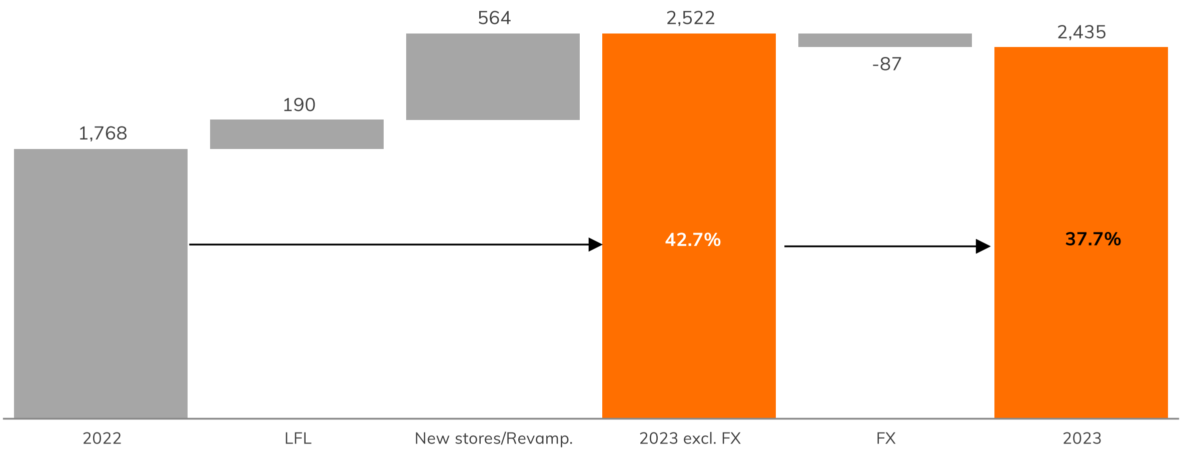
Performance

Food retail in Colombia reflected the significant pressure on household income with the consequent contraction in consumption, due to the persistence of very high inflation levels. This context led to a sharp drop in volumes and an increasing trading down effect.

In this very difficult consumer environment, Ara remained steadfast in its low price positioning – investing heavily in price –, while at the same time as been very focused on strengthening capillarity and committed to being the ally par excellence of Colombian families, in order to remain their first choice at a time when many have serious difficulties in accessing essential food products.

Sales, in local currency, grew 42.7%, including an LFL of 10.9%. In euros, sales amounted to 2.4 billion euros, up 37.7% year-on-year.

Net Sales (€ Million)



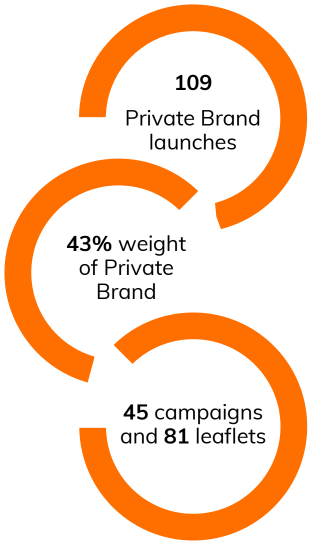
Throughout the year, and to protect volumes and generate value for customers, Ara focused on creating savings opportunities by offering promotions and lower prices in categories relevant to families, such as fruit and vegetables, meat, and essential products.

Once again, the decentralisation model was an important part of its strategy, either to ensure local competitiveness or to carry out initiatives in order to increase the local impact of store openings, such as the development of regional marketing campaigns and the participation ensuring evolvement in local festiveness. These commercial and marketing actions – store activations and regional brochures – were aimed mainly at increasing sales in strategic categories, and at increasing the basket and attracting new customers.

Ara also maintained the "Merca todo en Ara" campaign, a national marketing campaign with various products on sale, which seeks to reinforce the perception of Ara stores as one-stop shops.

To strengthen its price positioning, the Company took advantage of the celebrations of the banner's 10th anniversary to implement a strong and bold promotional campaign, with significant price reductions, during the months of May and June. Under the slogan "Nothing compares to Ara", the campaign didn't go unnoticed and was embraced by consumers, leading to significant growth in the number of customers and trade volumes.

During the rest of the year, the Company continued to invest and launched promotional campaigns specially created for television to highlight the offer of specific products at unbeatable prices.
2023 also marked the Ara's partnership to the women's national football team.



In an extremely difficult year, all the actions implemented had an impact on the market, with Ara achieving consumer recognition and increased market share.

The Private Brand strengthened its importance in an environment characterised by trading down, where quality options combined with low prices were crucial. The Company continued to invest in the differentiation and innovation of its assortment, having launched 109 new products and carried out 113 relaunches.

In the year, Ara carried out important work in terms of redesigning the packaging of its Private Brand products, so as to improve perceived quality of the product, differentiation and to include the necessary changes to comply with new nutrition legislation, while at the same time making packaging also environmentally more sustainable.

EBITDA totalled 45 million euros (60 million euros in 2022), with the respective margin standing at 1.9% (3.4% in 2022). Pressure on the margin reflected the effects of: i) investment in prices; ii) deterioration of the margin mix due to the replacement of purchases with lower value-added products (trading down); and iii) low maturity of a significant portion of the store network.

Ara maintained its growth strategy as a priority, investing 258 million euros in the opening of 200 stores, of which 17 Bodegas del Canasto, and the refurbishment of three locations. Investment in logistics, particularly in warehouses to support the distribution centres, was also important in order to enable the efficient supply of its chain of stores and make more cost-efficient transportation.

In 2023, and capitalizing on the strong entrepreneurship of Colombians, the Company began opening stores in a model similar to franchising, ending the year with 15 of these stores, thus expanding the brand's presence and notoriety in smaller municipalities, while at the same time giving partners the opportunity to have their own business.

The banner remains confident that its value proposition is suited to the Colombian consumer, reinforced in light of socio-economic uncertainty.

3.2. Agribusiness

3.2.1. Jerónimo Martins Agro-Alimentar (JMA)

MESSAGE FROM THE MANAGING DIRECTOR

Despite persistent inflation throughout the year, and although there was a slowdown in the increase in production-related costs, 2023 was marked by deflation in the selling price of some products marketed by JMA subsidiaries, in particular milk.

There was also a severe drought for the second consecutive year, leading to a shortage of pastures and forage for livestock and the consequent increase in feeding costs.

It was against this challenging backdrop that JMA's various businesses continued their expansion plans in the areas of fruit, dairy, aquaculture and livestock farming.

Most noteworthy are the first sales of organic seedless grapes under the *Hey, Vita!* brand, fish production in Morocco, and the test marketing of salmon by the Norwegian company Andfjord, in which JMA increased its equity interest.

In 2024, the commercial and marketing strategy for all business areas will be developed, focusing on the banner's digital presence to support the different brands in gaining a foothold in the market.

Highlights of the Year

- Terra Alegre obtained IFS (International Featured Standard) certification
- Best Farmer, together with Recheio, opened the first Best Farmer butcher's counter in the banner's Cascais store
- In aquaculture, equity interest in Andfjord Salmon increased from 10.5% to 25.1%
- In fruit and vegetables, a joint venture was formed with the Luís Vicente group, embodied in the company Supreme Fruits, Lda, for the production of mandarin tango and stone fruit (peaches, nectarines and plums).

More information, about JMA activities and our sustainability initiatives, is provided under chapter 5 of this Report.

FOCUS ON SUSTAINABLE SUPPLY

Despite the pressure on the business, JMA has remained committed to its priorities, ensuring the sustainability of its various activities in all dimensions.

With regard to the dairy sector, Terra Alegre continued to invest in innovation and, together with the Jerónimo Martins Group's distribution companies in Portugal, launched several products, including organic semi-skimmed milk and honey and lemon balm lactose-free fortified milk (focusing on well-being).

Terra Alegre obtained a High Level score in the IFS Audit, a benchmark recognised by the Global Food Safety Initiative (GFSI) that certifies the safety and quality of food products and processes.

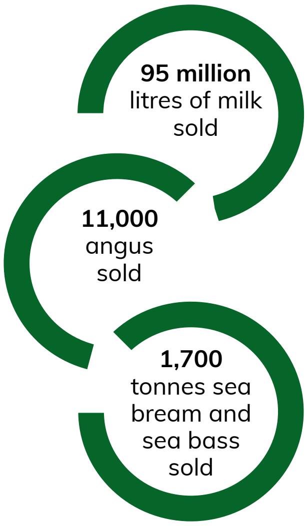
In the livestock farming sector, Best Farmer boosted the brand's visibility as a specialist in meat production for the HoReCa channel by opening a Best Farmer butcher's counter in the Recheio store in Cascais.

Regarding sheep farming and milk production, 2023 was an important year marked by the completion of the project to expand and upgrade the unit in Fundão, and of the works to build a robotic milking parlour at the Monte do Trigo dairy farm.

The preliminary results of the "Green Beef" project, aimed at reducing methane emissions associated with beef production by introducing algae oil in animal feed, are also promising. In 2024, tests will be carried out on a larger scale to confirm the consistency of results.

The year 2023 was particularly challenging for aquaculture, with the 'Aquafarm' operation in Morocco, which saw its first sales, and the implementation of the Seaculture project in the Algarve (Vila Real de Santo António) being of note. The latter is progressing well, with work having begun on the onshore logistics structure (building and support quay).

In Madeira, the year's performance was significantly impacted by an unprecedented storm that damaged the Marismar infrastructures. The Company remains confident in the potential of the Madeira Sea Bream product and immediately began reconstruction works.



In line with its ambition to take production and sales internationally, JMA increased its stake in Andfjord Salmon, acquiring an additional 10 million shares in the company. JMA currently holds a 25.1% equity interest.

With regards to fruit and vegetable production, Outro Chão placed around 300 tonnes of organic seedless grapes on the market and launched its private brand *Hey, Vita!*.

In addition to other existing joint ventures for the production of organic seedless grapes and organic oranges, JMA established a new partnership, this time with the Luís Vicente Group, through Supreme Fruits, a company created with the purpose of producing and process mandarina tango and stone fruit (peaches, nectarines and plums).

3.3. Specialised Retail

3.3.1. Hebe

MESSAGE FROM THE MANAGING DIRECTOR

2023 was a very solid year for Hebe, despite continued uncertainty and economic slowdown. The Company achieved strong sales growth, grew its online business, and increased market share. In the last three years, with a compounded annual growth above 25%, we have doubled the business.

In Poland, Hebe continued to outperform the market, achieving a strong sales growth, as a result of a clear differentiation strategy. Leveraging on the improved assortment, an assertive promotional activity and a reinforced marketing investment, we continued to develop our unique omnichannel value proposition, while adapting our operating model to customer expectations. In 2023, our e-commerce business grew substantially, further reinforcing Hebe's position as a strong contender for online leadership in Poland. The Hebe Partner Programme evolved significantly in the year, allowing us to develop our specialised assortment. With a full year of operation, this Programme added more than 1,000 brands to our offer.

2023 was also the beginning of our international omnichannel presence, with the launch of two flagship stores in Prague, complementing a full year of operation of our online stores in Czechia and Slovakia. The progress made in both countries reinforces our ambition to invest in future growth.

After another year of solid growth and improved profitability, I strongly believe that we, at Hebe, have a team ready to continue to deliver a very good performance in our journey to become the leaders of the e-beauty market in Central and Eastern Europe based on the Company's three strategic pillars: Beauty, Digital and International.

Sales	# Stores	LFL	EBITDA	CAPEX
€469M (+30.9%)	345	+17.0%	€43M (+31.5%)	€16M

Highlights of the year

- Opened the first two stores in Prague
- Achieved the milestone of 1,000 brands in the Hebe Partner Programme
- Launched the international mobile app
- Launch of the banner on TikTok
- 200k+ followers on Instagram and over 600k followers on Facebook

AWARDS AND RECOGNITIONS OF NOTE

DROGERIA ROKU Grand Prix – Annual Wiadomosci Kosmetyczne gala – along with five other awards.

Best on Mobile award at eCOMMERCE POLSKA awards.

Awarded in the "Own brands – offer of the year" - Blix awards: Consumers' Choice Retail.

Champion of the Year in the Customer Experience and Excellence in Technology categories – chosen by Consumers, organised by European Conferences United, European Circular Retail Foundation (ECRF) and GfK Poland.

Complete list of awards and recognitions: www.jeronimomartins.com/en/about-us/recognition/

More information, particularly about our sustainability initiatives, is provided under chapter 5 of this Report.

Performance

In 2023, against a difficult economic background, Hebe continued to focus on its differentiated value proposition in Health and Beauty, offering all the latest trends and serving thousands of customers each day in its brick-and-mortar stores and online channels.

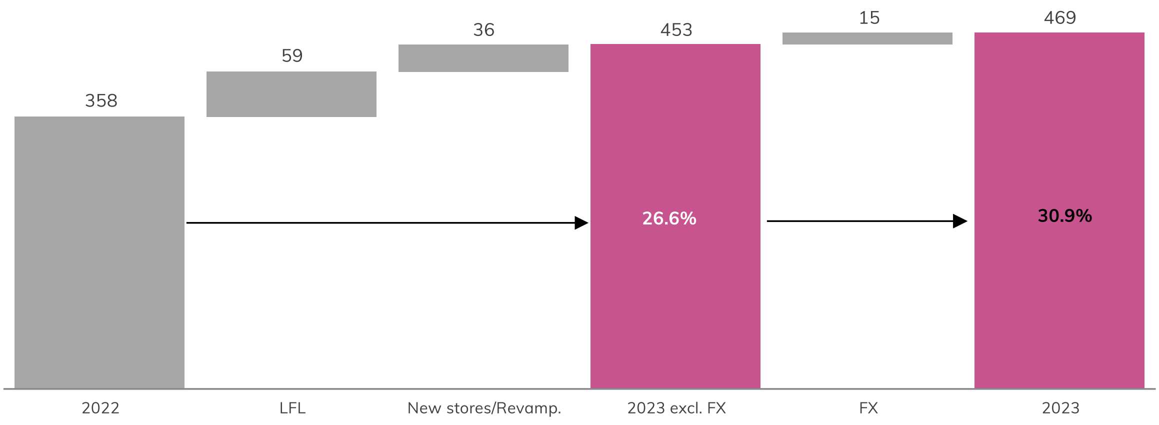
Hebe posted strong growth in its stores and online operations and strengthened its competitive positioning. Despite significant inflationary pressure on several dimensions, including on e-commerce investments, the Company maintained strong promotional activity, consistently gaining market share, both in value and in volumes.

The Company continued to deliver a strong sales performance, taking further advantage of seasonal trends. During 2023, the banner grew sales by 26.6%, in local currency, compared to the previous year, with LFL standing at 17%.

Online sales grew 47.6%, representing c.17% of total sales, including the Hebe Partner Programme, which enhanced Hebe's value proposition and generated additional orders.

International sales grew progressively in 2023, both in Czechia and Slovakia, with significant investments in the year. Despite investing and supporting the new markets' operations, Hebe delivered a solid improvement of overall profitability.

Net Sales (€ Million)



Having started its international expansion in 2022, Hebe has been posting a steady growth of orders in both the Czech and Slovak markets, following a strong focus on online strategy execution and investment in media.

The mobile app, now also available internationally, continued to gain traction as a sales channel and to prove its importance in the overall strategy.

Within the omnichannel operation, an increased number of orders were picked in stores using existing capacity, reducing costs and lowering delivery lead times.

Despite the increasingly restrictive regulatory environment, Hebe continued to attract customers with several major leaflet promotions and additional special events. This sales dynamic is positively reflected in its increased market share.

All core categories – Makeup, Skin Care, Hair and Fragrance – made a solid contribution to this growth. In terms of products, the Company showed a good performance in professional, natural and dermo cosmetics, in particular in the skin care (with face creams, Korean and Japanese cosmetics), makeup and hair categories.

In 2023 EBITDA stood at 43 million euros, up 31.5% on the previous year, with the EBITDA margin standing at 9.1%, up from 9.0% in 2022.

3.3.2. Jeronymo and Hussel

MESSAGE FROM THE MANAGING DIRECTOR

In 2023, and in a context that remained difficult for Portuguese families, the Companies repositioned their businesses in a medium-long term perspective.

We decided to increase the salaries of all our employees by 25% to help them cope with persistent inflation, while reducing staff turnover rates.

This decision, coupled with a delay in expansion, had an impact on results but strengthened the sustainability of the businesses which, as a whole, saw sales growing by more than 12% in the year.

In 2024, with the reorganisation of the management teams of both Companies, the focus will be on the profitability of operations, given the increase in operating costs that took place in 2023.

JERONYMO

 # Stores
22

3 openings
(1 closing)

HUSSEL

 # Stores
20

1 opening
(1 closing)
2 refurbishments

Highlights of the year

- Jeronymo strengthened its presence in major urban centres with the opening of stores in Porto and Lisbon
- Jeronymo supported World Youth Day, with more than 12,000 meals served
- Hussel consolidated and modernised its image, size and assortment display format, namely with the implementation of an artisanal ice-cream cabinet, as part of its store refurbishments
- Hussel invested in integrated communication, focusing on personalised gifts (gifting)

More information, particularly about our sustainability initiatives, is provided under chapter 5 of this Report.

FOCUS ON SUSTAINABLE GROWTH

Despite a difficult year marked by uncertainty and the loss of consumer purchasing power, Jeronymo and Hussel remained focused on enhancing their value propositions. Sales grew 17.4% year-on-year at Jeronymo and 4.1% at Hussel.

With the store openings in the year – next to the São João Hospital and on Rua Sá da Bandeira, in Porto, and in Riverside Village, in Lisbon –, Jeronymo continued its innovative concept of creating a unique atmosphere in each store, crafted by the décor and different colours and materials.

Focused on sustainability, Jeronymo launched the project “Unlimited Refill”, where customers can refill for free the Jeronymo bottle they purchase with purified water as many times as they want in stores.

The year 2023 also saw improvements in the range of gifting options with the personalisation of Hussel products to celebrate special dates. Both in-store and on social media, specific spaces have been created dedicated to these products, with communication centred on the different options available.

The banner also focused on reducing business seasonality, investing, for example, in the production of in-store and social media communication materials for its artisanal ice-cream offer.

4. Outlook for the Jerónimo Martins Businesses

Biedronka

Despite expecting average salaries to grow and private consumption to show some recovery in 2024, cost inflation will remain high and basket inflation will be very low or even turn negative. This will challenge the Company to further improve productivity and efficiency, while keeping its main priorities unchanged, standing by the Polish consumers and reinforcing price leadership in the country.

In 2024, Biedronka will maintain price competitiveness at the centre of its strategy, continuing to guarantee the quality of its value proposition, remaining relevant to Polish families, and fighting for sales in volumes to protect profitability in a context of pressure on operating costs.

The Company will continue to execute its investment plan and focus on the expansion and refurbishment of the store network, in order to provide Polish consumers with an improved shopping experience.

It will also keep investing in operational efficiency measures and improving customer service, namely with self-checkouts, meat & delicatessen counters, photovoltaic panels, and proximity stores, while optimizing the supply chain and logistics.

The banner will leverage on the initiatives already started, developing its digital presence on the ecommerce channel and the mobile app to build increasingly personalized consumer relationship and improve customer loyalty.

2024 will also be the year in which Biedronka will start its internationalization, opening the first stores in Slovakia.

Hebe

With a value proposition that is now well known and appreciated by the Polish consumer, and enthusiastic with the launch of its international projects in the past two years, Hebe will continue its path to become the reference player in the Beauty sector in Central and Eastern Europe, with a leadership position in digital channels.

The Company is focused on continuing to improve sales and profitability in Poland, growing its omnichannel presence, while investing in future growth. Consolidation of growth in Czechia and Slovakia will be a priority for 2024, while preparing the Company for new opportunities.

Pingo Doce

Pingo Doce intends to continue enhancing its proximity value proposition and offering the best savings opportunities to its customers. As such, investment in prices, promotions and loyalty programmes will be a priority.

To modernise its store network and improve the customer shopping experience, Pingo Doce will continue to implement its remodelling plan around the new concept – more modern, digital, brighter, spacious, sustainable and inclusive stores – maintaining the pace of expansion at the level of previous years.

For 2024, the banner's commitment to digital transformation and sustainability will continue, always bearing in mind its commitments to people, communities and the planet in all business decisions.

Recheio

Recheio will continue to refurbish its store network to improve the customer shopping experience and service level, and to increase its competitiveness throughout the year with various dynamics to meet the needs of its customers.

In 2024, new opportunities will be developed in Meal Solutions for the HoReCa channel. Food Service will remain a priority area and the banner will continue to build on the partnership with Amanhecer proximity stores in the traditional retail channel.

The Company will continue the digital transformation strengthening its value proposition and its positioning with its customers.

To improve efficiency and continue contributing to the preservation and enhancement of natural resources, Recheio will invest in sustainable initiatives, prioritising store operations and its Private Brand.

Ara

In 2024, the banner will continue to focus on price leadership and the development of its assortment to increasingly adapt to the needs of Colombian families and continue to grow its customer base, positioning itself as the go-to proximity store.

Ara will remain committed to supporting Colombian families, and to earning the confidence and loyalty of the neighbourhoods in which it is established.

Expansion of the store network will continue to be a priority, with a dynamic pace in line with its long-term vision in terms of market potential and the suitability of its business model.

Jerónimo Martins Agro-Alimentar (JMA)

The challenges that lie ahead continue to be identifying sustainable production models, thereby ensuring the Group is supplied with the highest quality products.

Thus, in 2024, with JMA celebrating its 10th anniversary, the goal of entering new market segments is more important than ever, exploiting the marketing potential of its products and harnessing the production capacity and knowledge that has since been acquired.

Capitalising on excellent quality, a significant increase in production volumes and a dynamic brand presence, JMA's business areas will become increasingly important to the Group, while we continue to explore new market opportunities.

Jeronymo e Hussel

Jeronymo will continue to focus on optimising its assortment to ensure a diversified offer adapted to the store's surrounding environment. The company will focus on strengthening its positioning and identity, concentrating on communication in the digital and in-store channels, and on making its operations more efficient.

Hussel, in turn, focused on improving operational efficiency and creating different in-store environments, will continue to invest in special occasions (with themed campaigns) and personalisation as differentiating factors. The banner intends to use different digital communication platforms to reach different target audiences (Facebook, Instagram, Tik Tok and LinkedIn).

5. Events after the Balance Sheet Date

At the conclusion of this report there were no relevant events to highlight that are not disclosed in the Financial Statements.

6. Dividend Distribution Policy

The Company's Board of Directors has maintained a policy of dividend distribution based on the following rules:

- A total dividend between 40% and 50% of the ordinary consolidated net earnings adjusted for the accounting effects of the adoption of IFRS16 as it does not represent cash disbursements;
- if, by applying the above mentioned criteria, there is a drop in the dividend of a certain year compared to that of the previous year, and the Board of Directors considers that this decrease results from abnormal and merely circumstantial situations, it may propose that the value from the previous year should be maintained. It may even resort to the existing free reserves, providing that the use of these reserves does not jeopardise the principles adopted for balance sheet management.

At the 20 April 2023 AGM, following the Board of Directors' proposal, it was resolved to distribute dividends in a total amount of 345.6 million euros.

This translated in a gross dividend of 0.55 euros per share (excluding the 859,000 own shares in the portfolio), paid in May 2023, representing a payout of c.50% of ordinary consolidated net earnings (or c.56% of the consolidated net earnings) excluded from the effects of IFRS16.

Taking into consideration the consolidated net earnings for 2023, the Board of Directors will propose to the Annual General Shareholder's Meeting, the distribution of 411.6 million euros of dividends, in line with the defined policy.

This proposal corresponds to a gross dividend of 0.655 euros per share (excluding the 859.000 shares in the portfolio), representing a payout of c.50% of ordinary consolidated net earnings (or c.54% of the consolidated net earnings) excluded from the effects of IFRS16.

The proposed dividend distribution preserves the Group's full flexibility to continue investing in accordance with its expansion plans and take advantage of potential opportunities of non-organic growth, while maintaining a strong balance.

7. Results Appropriation Proposal

In the financial year 2023, Jerónimo Martins, SGPS, S.A. declared consolidated net earnings of 756,294,089.16 euros and net earnings at its individual accounts of 558,924,333.53 euros.

The Board of Directors proposes to the Company' Shareholders the following appropriation of the net earnings for the year:

- Free Reserves .... 147,299,919.43 euros;
- Dividends .... 411,624,414.10 euros.

The proposed distribution of profits for the year represents a gross dividend payment of 0.655 euros per share, excluding own shares in the portfolio.

Lisbon, 5 March 2024

The Board of Directors

8. Reconciliation Notes

Following ESMA guidelines on Alternative Performance Measures from October 2015

Income Statement (in Management Report)	Consolidated Income Statement by Functions (in Consolidated Financial Statements)
Net Sales and Services	Net sales and services
Gross Profit	Gross profit
Operating Costs	Includes headings of Distribution costs; and Administrative costs, excluding €-902 million related with Depreciations and amortisations (note - Segments Reporting)
EBITDA	
Depreciation	Value reflected in the note - Segments Reporting
EBIT	
Net Financial Costs	Net financial costs
Gains/Losses in Joint Ventures and Associates	Gains (losses) in joint ventures and associates
Other Profits/Losses	Includes headings of Other operating profits/losses; Gains (losses) on disposal of business (when applicable); and Gains (losses) in other investments (when applicable)
EBT	Profit before taxes
Income Tax	Income tax
Net Profit	Profit before non-controlling interests
Non-Controlling Interests	Non-Controlling interests
Net Profit Attributable to JM	Net profit attributable to Jerónimo Martins Shareholders

Balance Sheet (in Management Report)	**Consolidated Balance Sheet** (in Consolidated Financial Statements)
Net Goodwill	Amount reflected in note Intangible assets
Net Fixed Assets	Includes the headings Tangible and Intangible assets (excluding the Net goodwill of €635 million); and adding the Financial leases (€124 million)
Net Rights of Use (RoU)	Includes the heading of Net rights of use excluding the Financial leases (€124 million)
Total Working Capital	Includes the headings Current trade debtors, accrued income and deferred costs; Inventories; Biological assets; Trade creditors, accrued costs and deferred income; Employee benefits; and also, €-47 million related to 'Others' due to its operational nature. Excludes €135 million of short-term investments that do not qualify as cash equivalents (note - Debtors, accruals and deferrals); and €-10 million related with Interest accruals and deferrals heading (note - Net financial debt)
Others	Includes the headings Investment property; Investments in joint ventures and associates; Other financial investments; Non-Current trade debtors, accrued income and deferred costs; Deferred tax assets and liabilities; Income tax receivable and payable; and Provisions for risks and contingencies. Excludes €-47 million related to ‘Others’ due to its operational nature
Invested Capital	
Total Borrowings	Includes the heading Borrowings current and non-current
Financial Leases	Includes the heading of Financial leases (2023: €102 million; 2022: €82 million) according with IAS 17 in place before IFRS16 adoption
Capitalised Operating Leases	Amount in the heading of Lease liabilities current and non-current, excluding Financial leases (heading above)
Accrued Interest	Includes the headings Derivative financial instruments and €-10 million related with Interest accruals and deferrals (note - Net financial debt)
Cash and Cash Equivalents	Includes the heading Cash and cash equivalents; and €135 million of Short-term investments that do not qualify as cash equivalents (note - Debtors, accruals and deferrals)
Net Debt	
Non-Controlling Interests	Non-Controlling interests
Share Capital	Share capital
Reserves and Retained Earnings	Includes the headings Share premium; Own shares; Other reserves; and Retained earnings
Shareholders’ Funds	

Cash Flow (in Management Report)	**Consolidated Cash Flow Statement** (in Consolidated Financial Statements)
EBITDA	Includes the headings Cash generated from operations before changes in working capital, including headings which did not generate cash flow, and excluding profit and losses that do not have operational nature (€64 million)
Capitalised Operating Leases Payment	Included in the heading Leases paid, excluding €11 million related with the payment of financial leases according with previous accounting standards
Interest Payment	Includes the headings of Loans interest paid; Leases interest paid; and Interest received
Income Tax	Income tax paid
Funds from Operations	
Capex Payment	Includes the headings Disposal of tangible and intangible assets; Disposal of other financial investments and investment property; Acquisition of tangible and intangible assets; Acquisition of other financial investments and investment property; and Acquisition of businesses, net of cash acquired. It also includes acquisitions of tangible assets classified as finance leases under previous accounting standards (€-28 million)
Change in Working Capital	Includes Changes in working capital
Others	Includes the headings Disposal of business (when applicable); and Profit and losses which generated cash flow, although not having operational nature (€-64 million)
Cash Flow	Corresponds to the Net change in cash and cash equivalents, deducted from Dividends paid and received; Net change in loans; and Net change in Short-term investments that do not qualify as cash. It also includes acquisitions of tangible assets classified as finance leases (€-28 million); and deducted from the payment of financial leases (€11 million), both according with previous accounting standards

Jerónimo Martins

3

FINANCIAL STATEMENTS

Financial Statements

Consolidated Financial Statements

1. Consolidated Financial Statements

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CONSOLIDATED INCOME STATEMENT BY FUNCTIONS

For the years ended 31 December 2023 and 2022

€ Million

	Notes	2023	2022	4th Quarter 2023	4th Quarter 2022
Sales and services rendered	3	30,608	25,385	8,157	6,992
Cost of sales	4	(24,357)	(20,053)	(6,507)	(5,547)
Gross profit		**6,251**	5,332	**1,651**	1,445
Distribution costs	4	(4,490)	(3,850)	(1,188)	(1,026)
Administrative costs	4	(495)	(411)	(128)	(114)
Other operating profits/losses	4.1	(80)	(95)	(44)	(39)
Operating profit		**1,187**	976	**292**	265
Net financial costs	6	(174)	(162)	(32)	(27)
Gains (losses) in joint ventures and associates	11	(1)	0	(0)	0
Profit before taxes		**1,012**	814	**259**	238
Income tax	7	(239)	(207)	(57)	(69)
Profit before non-controlling interests		**773**	607	**202**	169
Attributable to:					
Non-controlling interests		16	17	4	(2)
Jerónimo Martins Shareholders		**756**	590	**198**	171
Basic and diluted earnings per share - euros	18	1.2035	0.9387	0.3157	0.2726

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2023 and 2022

€ Million

	Notes	2023	2022	4th Quarter 2023	4th Quarter 2022
Net profit		**773**	607	**202**	169
Other comprehensive income:					
Change in fair value of equity instruments		2	(2)	-	(3)
Remeasurements of post-employment benefit obligations	5.2	(3)	0	(3)	0
Related tax	7.3	1	(0)	1	(0)
Items that will not be reclassified to profit or loss		**(0)**	(1)	**(2)**	(3)
Currency translation differences		95	(16)	82	33
Change in fair value of cash flow hedges	13	(0)	0	(1)	(0)
Change in fair value of hedging instruments on foreign operations	13	(29)	(24)	(14)	(11)
Related tax	7.3	6	(1)	5	2
Items that may be reclassified to profit or loss		**72**	(42)	**73**	24
Other comprehensive income, net of income tax		**71**	(43)	**71**	21
Total comprehensive income		**844**	564	**273**	191
Attributable to:					
Non-controlling interests		16	17	4	(2)
Jerónimo Martins Shareholders		828	547	269	193
Total comprehensive income		**844**	564	**273**	191

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED BALANCE SHEET

As at 31 December 2023 and 2022

€ Million

	Notes	2023	2022
Assets			
Tangible assets	8	5,253	4,340
Intangible assets	9	790	755
Investment property		9	9
Right-of-use assets	10	3,198	2,526
Biological assets		8	6
Investments in joint ventures and associates	11	80	16
Other financial investments	12	2	17
Trade debtors, accrued income and deferred costs	15	59	58
Deferred tax assets	7	230	201
Total non-current assets		**9,629**	**7,928**
Inventories	14	1,790	1,493
Biological assets		19	12
Income tax receivable		86	35
Trade debtors, accrued income and deferred costs	15	829	593
Derivative financial instruments	13	6	2
Cash and cash equivalents	16	1,938	1,781
Total current assets		**4,668**	**3,917**
Total assets		**14,297**	**11,845**
Shareholders' equity and liabilities			
Share capital		629	629
Share premium		22	22
Own shares		(6)	(6)
Other reserves		(110)	(183)
Retained earnings	17	2,278	1,869
		2,814	**2,331**
Non-controlling interests		**253**	**254**
Total shareholders' equity		**3,066**	**2,585**
Borrowings	19	280	238
Lease liabilities	10	2,853	2,248
Trade creditors, accrued costs and deferred income	21	4	4
Derivative financial instruments	13	6	5
Employee benefits	5	78	69
Provisions for risks and contingencies	20	79	82
Deferred tax liabilities	7	104	90
Total non-current liabilities		**3,404**	**2,735**
Borrowings	19	485	232
Lease liabilities	10	530	430
Trade creditors, accrued costs and deferred income	21	6,705	5,799
Derivative financial instruments	13	13	9
Income tax payable		94	55
Total current liabilities		**7,827**	**6,525**
Total shareholders' equity and liabilities		**14,297**	**11,845**

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended 31 December 2023 and 2022

	Shareholders' equity attributable to Shareholders of Jerónimo Martins, SGPS, S.A.								Non-controlling interests	Shareholders' equity
				Other reserves						
	Share capital	Share premium	Own shares	Cash flow hedge	Fair Value of financial assets	Currency translation reserves	Retained earnings	Total		
Balance Sheet as at 1 January 2022	629	22	(6)	-	-	(140)	1,773	2,278	254	2,532
Equity changes in 2022										
Currency translation differences	-	-	-	-	-	(17)	-	(17)	-	(17)
Change in fair value of hedging instruments on foreign operations	-	-	-	-	-	(24)	-	(24)	-	(24)
Change in fair value of equity instruments	-	-	-	-	(2)	-	-	(2)	-	(2)
Other comprehensive income	-	-	-	-	(2)	(42)	-	(43)	-	(43)
Net profit	-	-	-	-	-	-	590	590	17	607
Total comprehensive income	-	-	-	-	(2)	(42)	590	547	17	564
Dividends	-	-	-	-	-	-	(493)	(493)	(17)	(511)
Acquisitions/Disposal of non-controlling interests	-	-	-	-	-	-	(1)	(1)	-	-
Balance Sheet as at 31 December 2022	629	22	(6)	-	(2)	(182)	1,869	2,331	254	2,585
Balance Sheet as at 1 January 2023	**629**	**22**	**(6)**	**-**	**(2)**	**(182)**	**1,869**	**2,331**	**254**	**2,585**
Equity changes in 2023										
Currency translation differences	-	-	-	-	-	101	-	101	-	101
Change in fair value of hedging instruments on foreign operations	-	-	-	-	-	(29)	-	(29)	-	(29)
Change in fair value of equity instruments	-	-	-	-	2	-	-	2	-	2
Remeasurements of post-employment benefit obligations							(1)	(1)	-	(2)
Other comprehensive income	-	-	-	-	2	72	(2)	72	-	71
Net profit	-	-	-	-	-	-	756	756	16	773
Total comprehensive income	-	-	-	-	2	72	755	828	16	844
Dividends (note 17.3)	-	-	-	-	-	-	(346)	(346)	(17)	(363)
Balance Sheet as at 31 December 2023	**629**	**22**	**(6)**	**-**	**-**	**(110)**	**2,278**	**2,814**	**253**	**3,066**

To be read with the attached notes to the consolidated financial statements

CONSOLIDATED CASH FLOW STATEMENT

For the years ended 31 December 2023 and 2022

€ Million

	Notes	2023	2022
Net results		756	590
Adjustments for:			
Non-controlling interests		16	17
Income tax		239	207
Depreciations and amortisations		902	782
Net financial costs		174	162
Gains/losses in joint ventures and associates		1	(0)
Gains/losses on derivatives instruments at fair value		(0)	5
Gains/losses in tangible, intangible and right-of-use assets		15	4
Operating cash flow before changes in working capital		**2,104**	**1,768**
Changes in working capital:			
Inventories		(190)	(421)
Trade debtors, accrued income and deferred costs		(16)	(11)
Trade creditors, accrued costs and deferred income		384	931
Provisions and employee benefits		(2)	36
Cash generated from operations		**2,280**	**2,303**
Income tax paid		(254)	(208)
Cash flow from operating activities		**2,025**	**2,095**
Investment activities			
Disposals of tangible and intangible assets		3	57
Interest received		48	14
Dividends received		1	0
Acquisition of tangible and intangible assets		(1,080)	(887)
Acquisition of other financial investments and investment property		(0)	(17)
Acquisition of businesses, net of cash acquired	11	(48)	(4)
Short-term investments that don't qualify as cash equivalents	15	(108)	11
Cash flow from investment activities		**(1,184)**	**(825)**
Financing activities			
Loans interest paid		(61)	(30)
Leases interest paid	6	(180)	(140)
Net change in loans	19	198	52
Leases paid	10	(348)	(321)
Dividends paid	17	(363)	(511)
Cash flow from financing activities		**(752)**	**(950)**
Net changes in cash and cash equivalents		**89**	**320**
Cash and cash equivalents changes			
Cash and cash equivalents at the beginning of the year		1,781	1,494
Net changes in cash and cash equivalents		89	320
Effect of currency translation differences		68	(33)
Cash and cash equivalents at the end of December	16	**1,938**	**1,781**

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT for the interim period

€ Million

	2023	2022	4th Quarter 2023	4th Quarter 2022
Cash Flow from operating activities	2,025	2,095	644	859
Cash Flow from investment activities	(1,184)	(825)	(350)	(217)
Cash Flow from financing activities	(752)	(950)	(115)	(107)
Cash and cash equivalents changes	**89**	**320**	**180**	**535**

The amounts presented for quarters are not audited.

1. Activity

Jerónimo Martins, SGPS, S.A. (JMH), is the parent Company of Jerónimo Martins (Group), which includes the Companies detailed in notes 26 and 28. The activities of the Group and its performance during the year 2023 are detailed in Chapter 2 – Management Report – Creating Value and Growth.

The Group operates in the areas of Food Distribution and Agrifood Production in Portugal, and Distribution with a predominance of Food in Poland and Colombia. During the year it also began activity in other geographies, namely in the Agrifood sector (aquaculture) in Morocco, and in Specialized Retail from Poland to Czechia and Slovakia.

Head Office: Rua Actor António Silva, n.º 7, 1649-033 Lisboa, Portugal.

Share Capital: 629,293,220 euros.

Registered at the Commercial Registry Office and Tax Number: 500 100 144.

JMH has been listed on the Euronext Lisbon since 1989.

The Board of Directors approved these Consolidated Financial Statements on 5 March 2024.

2. Accounting policies

The material accounting policies are described in the notes to these Consolidated Financial Statements. The accounting policies identified in this note are applied across the preparation of the Financial Statements and were consistently applied in comparative periods, except where otherwise stated.

2.1. Basis for presentation

All amounts are shown in million euros (€ million) unless otherwise stated. Due to rounding's, the arithmetic result of the numbers shown in the plots may not exactly match the totals.

The amounts presented for quarters, and the corresponding changes are not audited.

The Consolidated Financial Statements of JMH were prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU), as at 31 December 2023.

The JMH Consolidated Financial Statements were prepared in accordance with the going concern principle and the historical cost principle, except for investment property, derivative financial instruments, biological assets and financial assets at fair value through profit or loss, which were measured at fair value (market value).

The preparation of Financial Statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. It is, however, firmly believed by The Management that the estimates and assumptions adopted do not involve significant risks that may, over the course of the coming financial year, cause material adjustments in the value of the assets and liabilities (note 2.6).

Change in accounting policies and basis for presentation:

2.1.1. New and amended standards adopted by the Group

Between November 2021 and November 2023, the EU issued the following Regulations, which were adopted by the Group with effect from 1 January 2023:

EU Regulation	International Accounting Standards Board (IASB) Standard or International Financial Reporting Interpretations Committee (IFRIC) Interpretation endorsed by EU	Issued in	Mandatory for financial years beginning on or after
Regulation no. 2036/2021	IFRS 17 Insurance Contracts (new)	May 2017 and June 2020	1 January 2023
Regulation no. 357/2022	IAS 1 Presentation of Financial Statements: Disclosure of Accounting policies (amendments) IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (amendments)	February 2021	1 January 2023
Regulation no. 1392/2022	IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a single transaction (amendments)	May 2021	1 January 2023
Regulation no. 1491/2022	IFRS 17 Insurance Contracts: Initial Application of IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments – Comparative Information (amendments)	December 2021	1 January 2023
Regulation no. 2468/2023	IAS 12 Income Taxes: International Tax Reform – Pillar Two Model Rules (amendments)	May 2023	1 January 2023

The Group adopted the above standard and amendments, with no significant impact on its Consolidated Financial Statements.

Regarding the International Tax Reform – Pillar Two Model Rules, the Group confirms the application of the exception to the recognition and disclosure of information about deferred tax assets and liabilities calculated according with the Pilar Two Model, with no amount recognized in taxes in the income statement on 31 December 2023.

The Group is analysing the Community legislation already published and the possible impacts that may arise from it, awaiting the transposition of these rules into the domestic legislation of the countries in which it operates. However, it is not anticipated that these changes may have a significant impact on the Group's Consolidated Financial Statements.

2.1.2. New standards, amendments and interpretations endorsed by EU but not effective for the financial year beginning 1 January 2023 and not early adopted

The EU endorsed between November and December 2023 several amendments issued by the IASB, to be applied in subsequent periods:

EU Regulation	IASB Standard or IFRIC Interpretation endorsed by EU	Issued in	Mandatory for financial years beginning on or after
Regulation no. 2579/2023	IFRS 16 Leases: Lease Liability in a sale and leaseback (amendments)	September 2022	1 January 2024
Regulation no. 2822/2023	IAS 1 Presentation of Financial Statements: i) Classification of Liabilities as Current or Non-current (amendments); ii) Non-current Liabilities with Covenants (amendments)	January and July 2020, and October 2022	1 January 2024

The above amendments are effective for annual periods beginning on or after 1 January 2024 and have not been applied in preparing these Consolidated Financial Statements. None of these changes are expected to have a significant impact on the Group's Consolidated Financial Statements.

2.1.3. New standards, amendments and interpretations issued by IASB and IFRIC, but not yet endorsed by EU

IASB issued between May and August 2023 the following amendments that are still pending endorsement by the EU:

IASB Standard or IFRIC Interpretation	Issued in	Expected application for financial years beginning on or after
IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (amendments)	May 2023	1 January 2024
IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (amendments)	August 2023	1 January 2025

The Management is currently evaluating the impact of adopting these amendments to standards already in place, and so far, does not expect a significant impact on the Group's Consolidated Financial Statements.

2.1.4. Change of accounting policies

Except as disclosed above, the Group has not changed its accounting policies during 2023, nor were identified errors regarding previous years, which compel the restatement of the Consolidated Financial Statements.

2.2. Basis for consolidation

Reference dates

The Consolidated Financial Statements include, as at 31 December 2023, assets, liabilities and profit or loss of Group Companies, i.e. the ensemble consisting of JMH and its subsidiaries, joint ventures and associates, which are presented in notes 26 and 28, respectively.

Business combinations

For business combinations involving entities under common control, assets and liabilities are valued at book value and there are no impacts recognised in profit and loss.

Investments in subsidiaries

Subsidiaries are all entities over which JMH has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners and the equity instruments issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

In cases where the share capital of subsidiaries is not held at 100%, a non-controlling interest is recognised relative to the portion of results and net value of assets attributable to third parties.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the entity is measured at fair value when control is lost.

The accounting policies used by the subsidiaries to comply with legal and statutory requirements, whenever necessary have been changed to ensure consistency with the policies adopted by the Group.

Investments in associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the associate after the date of acquisition. The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. The Group's investment in associates includes Goodwill identified on acquisition.

When the Group's share of losses in an associate equal or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in joint arrangements

Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements (see note 2.6) and, for those determined as joint ventures, they are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equal or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures.

Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Goodwill

Goodwill represents the surplus of acquisition cost over the fair value of identifiable assets and liabilities attributable to the Group at the date of acquisition or first consolidation. If the cost of acquisition is lower than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the income statement.

Goodwill impairment reviews are undertaken by the Group, annually or more frequently, if events or changes in circumstances indicate a potential impairment. The carrying value of Goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Whenever the carrying value of Goodwill exceeds its recoverable amount, an impairment is recognised immediately as an expense and is not subsequently reversed (note 2.5.1).

The gain or loss on the disposal of an entity includes the carrying amount of Goodwill related to the entity sold, unless the business to which that Goodwill is related is maintained and generates benefits to the Group.

Non-controlling interests

Non-controlling interests are the proportion of the fair value of assets, liabilities and contingent liabilities of acquired subsidiaries that are not directly or indirectly attributable to JMH.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Loss of control or significant influence

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the measurement of the retained interest as a financial asset.

Foreign currency translation

The Financial Statements of foreign entities are translated into euros based on the closing exchange rate for assets and liabilities and historical exchange rates for equity. Income and expenses are translated at the average monthly exchange rate, which is approximately the exchange rate on the date of the respective transactions.

Exchange differences arising in the translation are recognised directly in equity net of the effect generated by the respective hedging instrument (see accounting policy described in note 13).

Whenever a foreign entity is sold, accumulated exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Balances and transactions between Group Companies

Inter-company transactions, balances and unrealised gains between subsidiaries and between these and the Parent Company are eliminated in the consolidation process. Unrealised losses are also eliminated unless the cost cannot be recovered.

Unrealised gains arising from transactions with associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated except when providing proof of impairment of the asset transferred.

2.3. Transactions in foreign currencies

Transactions in foreign currencies are translated into the functional currency (euro) at the exchange rate prevailing on the transaction date.

At the balance sheet date, monetary assets and liabilities expressed in foreign currencies are translated at the exchange rate prevailing on that date and exchange differences arising from this conversion are recognised in the income statement. When qualifying as cash flow hedges or hedges on investments in foreign subsidiaries or when classified as other financial investments, which are equity instruments, the exchange differences are deferred in equity.

The main exchange rates applied on the balance sheet date are those listed below:

Euro foreign exchange reference rates (x foreign exchange units per 1 euro)	Polish Zloty (PLN)	Colombian Peso (COP)
Rate at 31 December 2023	4,3395	4.223,3700
Average rate for the year	4,5336	4.639,6600
Rate at 31 December 2022	4,6808	5.075,2300
Average rate for the year	4,6883	4.479,6000

In addition to these currencies, the Group carries out transactions based on other currencies and holds subsidiaries with other functional currencies, which, however, represent reduced materiality.

2.4. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4.1. Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), fair value through profit or loss (FVTPL), or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's model adopted for managing them. With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus transaction costs, in the case of a financial asset not measured at fair value through profit or loss. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The model adopted by the Group for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The model adopted determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification, as described below:

i. Financial assets at amortised cost

The Group measures financial assets at amortised cost if held within the adopted model, with the objective to hold financial assets in order to collect contractual cash flow, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment tests. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes mostly trade receivables.

ii. Financial assets at fair value through OCI

The Group measures financial assets at fair value through OCI if held within the adopted model, with the objective of both holding to collect contractual cash flows and selling, and the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group does not have any financial assets under this category.

iii. Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets previously recognised in OCI are never recycled to profit or loss. Dividends are recognised as financial income in the income statement when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category. Equity investments are accounted at cost when the fair value cannot be reliably determined.

iv. Financial assets at fair value through profit or loss

This category corresponds to the financial assets that do not meet the criteria for amortised cost or fair value through OCI and include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the short term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the adopted model. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the income statement.

This category includes the derivative instruments not considered for hedge accounting.

Derecognition

Financial assets are derecognised when: i. the Group's contractual rights to receive their cash flows expire; ii. the Group has substantially transferred all the risks and rewards of ownership; or iii. although it retains a portion but not substantially all the risks and rewards of ownership, the Group has transferred control over the assets.

2.4.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the short term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Gains or losses on liabilities held for trading are recognised in the income statement.

ii. Financial liabilities at amortised cost

After initial recognition, trade and other creditors, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method (EIR). Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as financial costs in the income statement.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new one. The difference in the respective carrying amounts is recognised in the income statement.

2.5. Impairment

2.5.1. Impairment of non-financial assets

Except for investment property, inventories (note 14) and deferred tax assets (note 7.3), all Group assets are analysed at each balance sheet date in order to assess for indicators of possible impairment losses. If such indicators exist, the asset's recoverable amount is estimated.

Irrespective of whether there is any indication of impairment, for Goodwill, intangible assets not yet available for use and other intangible assets with indefinite useful life, the recoverable amount is determined annually at the balance sheet date.

The recoverable amount of the Group's assets with indicators of potential impairment loss is determined annually. Whenever the carrying value of an asset, or the cash-generating unit to which the same belongs, exceeds its recoverable amount, its value is reduced to the recoverable amount and the impairment loss recognised in the income statement of the year.

Determining the recoverable amount of assets

The recoverable amount of non-financial assets corresponds to the higher amount of fair value less costs of disposal and value in use.

The value in use of an asset is calculated as the present value of estimated future cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the specific risks of the asset in question.

The recoverable amount of assets that do not generate independent cash flow is determined together with the cash-generating unit to which these assets belong.

Reversal of impairment losses

An impairment loss recognised related to Goodwill is not reversed.

Impairment losses for other assets are reversed whenever there are changes in the estimates used to determine the respective recoverable amount. Impairment losses are reversed to the extent of the amount, net of amortisation or depreciation, that would have been determined for the asset if no impairment loss were recognised.

2.5.2. Impairment of financial assets

Customers, debtors and other financial assets

The Group recognises an impairment for Expected Credit Losses (ECLs) for financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted base on estimation of the original effective interest rate. The estimated cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs, not tracking changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. When performing the loss allowance assessment, the Group takes into consideration the historical credit loss experience, adjusted to forward looking factors specific to the debtors or the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.6. Critical accounting estimates and judgments on the preparation of the Financial Statements

Tangible fixed assets, Intangible assets, and Investment property

Determining the fair value of investment property, as well as the useful life of assets, is based on Management estimates. Determining impairment losses of these tangible and intangible assets also involves the use of estimates. The value in use or the fair value of these assets (including Goodwill) are normally determined using the discounted cash flow method, which incorporates market assumptions. Identifying indicators of impairment, as well as estimating future cash flows and determining the fair value of assets, requires significant judgment by Management in validating indicators of impairment, expected cash flows, applicable discount rates, estimated useful life and residual values.

The Group monitors the potential impacts arising from climate change, as well as any associated legislative changes that may affect its business and asset. So far, no impacts related to climate change have been identified that could materially affect the recovery of the Group's assets. However, if justified, Management will review the assumptions used in the measurement of value in use, estimates of useful lives and in the sensitivity analysis carried out.

In a particularly uncertain international context, the Group maintained a conservative perspective in the annual review of the business plans of the Companies.

According to current projections of the business areas, if the cash flow assumptions were reduced by 10% compared to the estimates, or if the discount rate was higher by 100 bps, all Goodwill would still be recoverable and there would be no risk of impairment (see note 9.4).

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options and applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., leasehold improvements or significant customization to the lease asset). These options are used to maximize operational flexibility in terms of managing contracts. A significant part of extension and termination options held are exercisable only by the Group companies and not by the respective lessor.

Leases – Estimating the incremental borrowing rate (IBR)

The Group cannot readily determine the interest rate implicit in most leases, therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates), when available, and is required to make certain entity-specific estimates. The average IBR used by the Group to discount the lease liabilities was 6.35% (5.92% as of 31 December 2022).

Fair value of financial instruments

The fair value of financial instruments not quoted on an active market is determined based on valuation methods. The use of valuation methodologies requires the use of assumptions, with some assumptions resulting from estimates. Therefore, changes in those assumptions could result in a change in the fair value reported (see note 13).

Deferred taxes

Recognising deferred taxes assumes the existence of results and future taxable income. Deferred tax assets and liabilities were determined based on tax legislation currently effective for the Group Companies, or on legislation already published for future application. Changes in the tax legislation may influence the value of deferred taxes.

If the rates used to recognise deferred taxes increase by 1 p.p., the impact in Group accounts would be the following:

	Impact on Group accounts	
	Income statement	**Other comprehensive income**
Portugal	2	0
Poland	4	(0)

A positive amount means a gain in Group accounts.

Impairment losses of clients and debtors

The Management maintains impairment losses for clients and debtors, in order to reflect the estimated losses resulting from clients' inability to make payments on the required dates and for the contracted amounts. When evaluating the reasonableness of the adjustment for the impairment losses, Management bases its estimates on an analysis of the ageing of the accounts receivable from its clients, its historical experience of write-offs, the client's credit history, changes in the client's payment terms and forward-looking factors specific to the debtors and the economic environment. If the client or debtor's financial conditions deteriorate, impairment losses and actual write-offs may be higher than expected.

Pensions and other long-term benefits granted to employees

Determining obligations for pension and other long-term benefits requires the use of assumptions and estimates, including actuarial projections and other factors that may impact the costs and obligations for the benefit plans.

In determining the appropriate discount rate, Management considers the interest rates of corporate bonds with an 'AA' rating or above, as set by an internationally acknowledged rating agency. These rates are extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The definition of the criteria to select the corporate bonds to include in the population from which the yield curve is derived, requires judgement, the most significant being the selection of the size of the population, the bond issue size, the quality of the bonds, and identification of outliers data to exclude.

Considering the information available from Bloomberg and some necessary estimation to derive the yield curve, the Group defined the following ranges:

Portugal (PT)

- Narrow range [3.60% - 4.00%]
- Extended range [3.40% - 4.20%]

Based on these results and following the recommendation of the external actuaries, the Group has decided to increase its discount rate from 3.30% to 3.80%.

Poland (PL)

- Narrow range [5.10% - 5.50%]
- Extended range [4.90% - 5.70%]

Based on these results and following the recommendation of the external actuaries, the Group has decided to decrease its discount rate from 6.50% to 5.30%.

The table below shows the impacts on the obligations with defined benefit plans of the Group, resulting from changes in the following assumptions:

			Impact on defined benefit obligations		
	Assumption used		Change in assumption	Increase in assumption	Decrease in assumption
	PT	PL			
Discount rate	3.80%	5.30%	0.50%	(2)	2
Salary growth rate					
short term	4.00%	9,9% - 15%	0.50%	2	(2)
long term	3.00%	4% - 5%			
Pension growth rate	4.00%		0.50%	-	-
Life expectancy	TV 88/90	GUS 2020	1 year	1	(1)

A positive amount means an increase in liabilities. A negative amount means a decrease in liabilities.

Provisions

The Group exercises considerable judgment in measuring and recognising provisions and its exposure to contingent liabilities related to legal proceedings, both in litigation or with a high probability of resulting in litigation. This judgment is necessary to determine the probability that a lawsuit may be successful, or to record a liability. Provisions are recognised when the Group expects that proceedings under way will result in cash outflows, the loss is considered probable and may be reasonably estimated. Due to the uncertainties inherent in the evaluation process, actual losses may be different from those originally estimated. These estimates are subject to changes as new information becomes available, mainly with the support of internal specialists, if available, or through the support of external consultants, such as actuaries or legal advisers. Changes to estimates of potential losses on proceedings under way, may significantly affect future results.

Investment in associates

The Management assessed the level of influence that the Group has on Novo Verde – Sociedade Gestora de Resíduos de Embalagens, S.A., with a percentage of control of 40% and a percentage of interest of 20.4%. Given the legal regime applicable to waste management companies, which prevent this type of company from distributing reserves and retained earnings to its shareholders, this investment cannot be classified in the Group's accounts as an associate and has therefore been classified as other financial investments.

Investment in joint arrangements

The Group holds 51% of the voting rights of its joint arrangement in JMR – Gestão de Empresas de Retalho, SGPS, S.A. (JMR). Based on the contractual arrangements with the other Investor, the Group has the power to appoint and remove the majority of members of the Board of Directors. In addition, all key management personnel with the powers to conduct the relevant activities of JMR are employees of another company 100% owned by Jerónimo Martins. For these reasons, the Management concluded that the Group has the practical ability to direct the relevant activities of JMR and hence has the control over the Company. Therefore, JMR is classified as a subsidiary, as well as all entities directly controlled by JMR.

2.7. Investment properties

Investment property are land and buildings that are accounted at fair value, determined by specialised independent entities, with appropriate recognised professional qualifications and experience in valuing assets of this nature.

The fair value is based on market values, being the amount at which two independent willing parties would be interested in making a transaction of the asset.

The methodology adopted in the valuation and determination of fair value consists of applying the market's comparative method, in which the asset under valuation is compared with other similar assets that perform the same function, negotiated recently in the same location or in comparable zones. The known transaction values are adjusted to make a proper comparison, and the variables of size, location, existing infrastructure, state of conservation and other variables that may be relevant in some way are considered.

In addition, and particularly in cases in which comparison with transactions that have occurred is difficult, an income approach is used. It is assumed that the value of the asset corresponds to the present value of all the future benefits and rights arising from its ownership.

For this purpose, an estimation of the market rent is used, considering all the endogenous and exogenous variables of the asset under valuation, and a yield that reflects the risk of the market of which that asset is a part, as well as the characteristics of the asset itself.

Changes to fair value of investment property are recognised in the income statement, in gains/(losses) in other investments, since it is related with assets owned for appreciation.

2.8. Fair value of financial instruments

To determine the fair value of a financial asset or liability, the market price is applied, if such a market exists. A market is regarded as active if quoted prices are readily and regularly available from an exchange, broker or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis (level 1). Otherwise, which is the case of some financial assets and liabilities, valuation techniques that are generally accepted in the market are used based on market assumptions.

The Group applies valuation techniques for unlisted financial instruments, such as derivatives, fair value financial instruments held for sale and biological assets through profit and loss. The evaluation models most frequently used are discounted cash flow and options models which incorporate, for example, interest rate curves and market volatility (level 2). For derivatives valuation, the Group also uses the valuations provided by the counterparties.

When measuring fair value, Management considered the potential impact of climate change, including changes to legislation, which may affect the determination of the fair value of financial assets and liabilities recognised in the financial statements. Risks associated with climate change are included as key assumptions when they materially impact the measurement of the recoverable amount. Currently, the impact of climate change in not material in the cash flows used in the measurement of values in use.

Cash and cash equivalents, debtors and accruals

These financial instruments include mainly short-term financial assets and for that reason their accounting value at the reporting date is considered approximately their fair value.

Other financial investments

Listed financial instruments are recognised in the balance sheet at their fair value. The equity investments are stated at cost, reduced by any impairment loss, since its fair value cannot be reliably measured.

Borrowings

The fair value of borrowings is obtained from the discount cash flow of all expected payments. The expected cash flows are discounted using actual market interest rates. At the reporting date the carrying value is approximately its fair value.

Creditors and accruals

These financial instruments include mainly short-term financial liabilities, and for that reason their accounting value at the reporting date is considered approximately their fair value.

2.9. Fair value hierarchy

The following table shows the Group's assets and liabilities that are measured at fair value at 31 December according to the following fair value hierarchy levels:

- Level 1: The fair value of financial instruments is based on quoted prices obtained in active and liquid markets at balance sheet date. This level includes other financial investments with shares listed on the stock exchange;
- Level 2: The fair value is determined using valuation models, which may involve other comparable quoted prices obtained in active markets or adjusted quotes. Thus, main inputs used on these valuation models are based on observable market data. This level includes biological assets and the over-the-counter derivatives entered into by the Group, whose valuations are provided by the respective counterparties;

- Level 3: The fair value is determined using valuation models, whose main inputs are not observable in the market, prepared by independent external experts. This level includes investment properties and derivative financial instruments, whose valuation, in the case of the latter, used discounted cash flow model, considering inputs not observable in the market, namely electricity prices.

2023	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
Investment property	9	-	-	9
Biological assets				
Consumable biological assets	23	-	8	15
Bearer biological assets	3	-	3	-
Derivative financial instruments				
Derivatives held for trading	6	-	6	-
Total assets	**42**	**-**	**17**	**24**
Liabilities measured at fair value				
Derivative financial instruments				
Derivatives held for trading	6	-	-	6
Derivatives used for hedging	12	-	12	-
Total liabilities	**18**	**-**	**13**	**6**

2022	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
Investment property	9	-	-	9
Other financial investments				
Equity instruments	16	16	-	-
Biological assets				
Consumable biological assets	16	-	7	9
Bearer biological assets	3	-	3	-
Derivative financial instruments				
Derivatives held for trading	2	-	2	-
Total assets	**45**	**16**	**11**	**18**
Liabilities measured at fair value				
Derivative financial instruments				
Derivatives held for trading	6	-	-	5
Derivatives used for hedging	9	-	9	-
Total liabilities	**14**	**-**	**9**	**5**

2.10. Financial instruments by category

	Financial assets or liabilities at fair-value through results	Derivatives defined as hedging instruments	Financial assets or liabilities at fair-value through OCI	Financial assets or liabilities at amortized cost	Total financial assets and liabilities	Non-financial assets and liabilities	Total assets and liabilities
2023							
Assets							
Cash and cash equivalents				1,938	**1,938**		**1,938**
Other financial investments			2		**2**		**2**
Debtors, accruals and deferrals				796	**796**	92	**888**
Derivative financial instruments	6	0			**6**		**6**
Other non-financial assets					**-**	11,463	**11,463**
Total assets	**6**	**0**	**2**	**2,735**	**2,742**	**11,554**	**14,297**
Liabilities							
Borrowings				765	**765**		**765**
Lease liabilities				3,382	**3,382**		**3,382**
Derivative financial instruments	6	12			**18**		**18**
Creditors, accruals and deferrals				6,204	**6,204**	506	**6,709**
Other non-financial liabilities					**-**	355	**355**
Total liabilities	**6**	**12**	**-**	**10,351**	**10,370**	**861**	**11,231**
2022							
Assets							
Cash and cash equivalents				1,781	1,781		1,781
Other financial investments			17		17		17
Debtors, accruals and deferrals				566	566	85	652
Derivative financial instruments	2	0			2		2
Other non-financial assets					-	9,393	9,393
Total assets	2	0	17	2,348	2,367	9,478	11,845
Liabilities							
Borrowings				470	470		470
Lease liabilities				2,678	2,678		2,678
Derivative financial instruments	6	9			14		14
Creditors, accruals and deferrals				5,401	5,401	401	5,802
Other non-financial liabilities					-	295	295
Total liabilities	6	9	-	8,550	8,564	696	9,260

3. Revenue from contracts with customers and segments reporting

3.1. Revenue from contracts with customers

✓ Accounting policies

The Group operates mainly in the Food Distribution area, with stores in Portugal, Poland and Colombia. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Sale of goods

In most of Groups' sales of goods, there is only one performance obligation, resulting in the immediate recognition of revenue with the delivery of the goods to the customer. A performance obligation is a promise to transfer to the customer goods or services that are distinct.

When there are promotional campaigns that offer, to the customers, performance obligations to be satisfied in future moments, the Group defers the portion of revenue related to the future obligation and recognize it in profit or loss only when that future obligation is satisfied or expires.

The Group also implemented loyalty programs using customer cards. For sales made using the customer card, the Group estimates the fair value of the benefits attributed to customers, and the revenue is deferred until the moment the benefit is satisfied or expires.

Some sales to customers include commercial discounts based on quantity purchased. The Group recognizes the revenue from the sale of goods net of the estimated commercial discount expected to be achieved by the customer for the entire year.

Right of return assets and refund liabilities

In the sales to customers, the Group estimates the goods that could be returned by customers, being recognized: i. a responsibility of return, represented by the obligation to deliver to the customer the amount related to the goods returned; and ii. a return asset - with adjustment of cost of sales - for the right to receive the goods returned by the customer.

Warranty obligations

In the sale of goods, the Group provides the warranties arising from the Law, together with the suppliers, and does not sell extensions of warranties that should be recognized as a separate performance obligation.

The Group as principal or agent

The Group has generally concluded that it is the principal in its revenue arrangements, except for some agency services, because it typically controls the goods or services before transferring them to the customer.

The Group operates in some stores through Commercial Mandate contracts celebrated with third parties, with the Group acting as principal, recognizing to that extent the full revenue from sales of these stores.

Trade receivables

Trade receivables represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Services provided and other income

Revenues from services rendered are recognised as income in accordance with their stage of completion as at the balance sheet date. Gains related to commercial discounts obtained in the purchase of goods for resale are recognised when these are sold, as a deduction to the cost of goods sold.

3.1.1. Trade contracts balances

	2023	2022
Commercial customers (note 15)	72	66
Contract liabilities with customers (note 21)	16	15
Refund liabilities to customers (note 21)	2	1

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

There are no amounts recognised as Contract assets.

Contract liabilities with customers include the deferred revenue related with future performance obligations and the consideration received regarding the sale of gift cards to customers, which will be only considered as revenue when the gift cards are redeemed or expires.

Refund liabilities to customers arises from retrospective volume rebates, related with sales to customers that included commercial discounts based on yearly quantity purchased.

There are no amounts recognised regarding right of return assets and refund liabilities from right of return considering that the returns of assets whose responsibility is assumed directly by the Group, are not material in the context of the Consolidated Financial Statements of the Group.

3.2. Segments reporting

✓ Accounting policies

Operating segments are reported consistently with the internal reporting that is provided to the Governing Bodies, including the Managing Committee and the Board of Directors. Based on this report, the Governing Bodies evaluate the performance of each segment and allocate the available resources.

Management monitors the performance of the business based on a geographical and business perspective. In accordance with this, the segments are defined as Portugal Retail, Portugal Cash & Carry, Poland Retail and Colombia Retail. Apart from these there are also other businesses but due to their low materiality they are not reported separately.

Management evaluates the performance of segments based on Earnings Before Interest and Taxes (EBIT). This indicator excludes the effects of other operating profits/losses (see note 4.1).

Transactions between segments are performed under normal market conditions, as described in note 25.1, following the same accounting policies adopted by the Group when dealing with transactions with unrelated parties.

The identified operating segments are:

- Portugal Retail: comprises the business unit of JMR (Pingo Doce supermarkets);
- Portugal Cash & Carry: includes the business unit Recheio;
- Poland Retail: the business unit which operates under Biedronka banner;
- Colombia Retail: the business unit which operates under Ara banner;
- Others, eliminations and adjustments: includes i. business units with reduced materiality (Coffee Shops and Chocolate Stores, Agribusiness and Health and Beauty Retail in Poland under Hebe banner); ii. the Holding Companies; and iii. Group's consolidation adjustments.

Detailed information by operating segments as at December 2023 and 2022

	Portugal Retail		Portugal Cash & Carry		Poland Retail		Colombia Retail		Others, eliminations and adjustments		Total JM Consolidated	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Net sales and services	**5,471**	5,038	**1,333**	1,158	**21,500**	17,582	**2,435**	1,768	**(131)**	(161)	**30,608**	25,385
Inter-segments	618	539	8	7	-	-	-	-	(626)	(545)	-	-
External customers	4,853	4,499	1,325	1,151	21,500	17,582	2,435	1,768	495	384	30,608	25,385
Operational cash flow (EBITDA)	**282**	265	**73**	59	**1,838**	1,540	**45**	60	**(70)**	(69)	**2,168**	1,854
Depreciations and amortisations	(181)	(160)	(23)	(21)	(559)	(492)	(80)	(61)	(58)	(48)	(902)	(782)
Earnings before interest and taxes (EBIT)	**101**	104	**49**	38	**1,279**	1,048	**(35)**	(1)	**(128)**	(117)	**1,266**	1,071
Other operating profits/losses											(80)	(95)
Financial results and gains in investments											**(175)**	(162)
Income tax											(239)	(207)
Minority interests											(16)	(17)
Net result attributable to JM											**756**	590
Total assets	**2,584**	2,486	**544**	510	**8,633**	7,060	**1,722**	1,047	**814**	743	**14,297**	11,845
Total liabilities	**2,067**	1,969	**518**	491	**7,057**	5,800	**1,692**	1,026	**(103)**	(26)	**11,231**	9,260
Investments in tangible and intangible assets	**250**	198	**35**	48	**531**	465	**258**	156	**60**	39	**1,133**	905

Reconciliation between EBIT and operating profit

	2023	2022
EBIT	1,266	1,071
Other operating profits/losses	(80)	(95)
Operational result	**1,187**	**976**

Financial assets with credit risk per segment

The table below shows the Group's exposure according to the accounting value of the financial assets, set out by operating segments.

	Portugal Retail		Portugal Cash & Carry		Poland Retail		Colombia Retail		Others, eliminations and		Total JM Consolidated	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Cash and cash equivalents	94	130	24	23	1,304	1,099	106	58	411	471	1,938	1,781
Other financial investments	0	0	1	1	-	-	-	-	0	16	2	17
Debtors, accruals and deferrals	141	144	60	48	640	447	31	24	(75)	(97)	796	566
Derivative financial instruments	-	-	-	-	6	2	-	0	-	-	6	2
Total	**235**	274	**85**	73	**1,951**	1,547	**136**	82	**336**	390	**2,742**	2,367

Information by geography

In the table below are presented sales and services rendered and non-current assets by geography:

	Sales and services		Non-current assets (1)	
	2023	2022	**2023**	2022
Portugal	6,202	5,676	2,503	2,358
Poland	21,969	17,940	5,435	4,480
Colombia	2,435	1,768	1,312	795
Other geographies	2	-	8	4
Total	**30,608**	25,385	**9,258**	7,636

(1) Includes Tangible assets, Intangible assets, Right-of-use assets, Investment property and Biological assets.

4. Operating costs by nature

✓ Accounting policies

Operating costs by nature

Operating costs by nature include:

- costs of goods sold less vendor allowances based on volume purchased and promotional allowances obtained for commercial activity and in store advertisement. Includes also materials consumed in the production of goods by the companies;

- distribution costs, related with retail main activity in store, logistics and warehousing;
- administrative costs, corresponding to supporting central offices activities;
- other operating losses and gains.

Other operating profits/losses

Other operating profits/losses, that due to their nature or materiality might distort the financial performance of the Group, as well as their comparability, are presented in a separate line of the consolidated income statement by function. These losses and gains are excluded from the operational performance indicators adopted by Management.

	2023	2022
Cost of goods sold and materials consumed	(24,018)	(19,776)
Changes in inventories of finished goods and work in progress	25	16
Net cash discount and interest paid to suppliers	65	55
Electronic payment commissions	(77)	(62)
Other supplementary costs	(315)	(254)
Supplies and services	(1,139)	(1,015)
Advertising costs	(139)	(118)
Rents	(25)	(19)
Staff costs	(2,531)	(2,103)
Transportation costs	(325)	(306)
Depreciation and amortisation of tangibles and intangibles assets	(511)	(447)
Depreciation of right-of-use assets	(391)	(336)
Profit/loss with tangible and intangible assets	(17)	(6)
Profit/loss with right-of-use assets	1	2
Other natures of profit/loss	(27)	(40)
Total	**(29,422)**	(24,409)

4.1. Other operating profits/losses

Operating costs by nature include the following other operating losses and gains considered material, which are excluded from the Group's performance indicators, to assure a better comparability between financial periods:

	2023	2022
Solidarity measures with Ukraine and other donations	(0)	(9)
Increase of provisions for legal contingencies	(14)	(26)
Costs with organizational restructuring programmes	(20)	(12)
Assets write-offs and gains/losses in sale of tangible assets	(11)	(1)
Changes to benefit plans and actuarial assumptions	(3)	1
World Youth Day	(5)	(3)
Employees exceptional awards	(24)	(45)
Fair value of energy price fixing derivative instruments	0	(5)
Other	(1)	4
Total	**(80)**	**(95)**

In recognition of the effort, dedication and commitment shown by our teams, who, working in demanding and unpredictable operating environments, and the fast increase in the cost of living, were exceptionally awarded in 2023 c.€24 million in bonuses.

5. Employees

5.1. Staff costs

	2023	2022
Wages and salaries	(1,840)	(1,537)
Social security	(372)	(319)
Employee benefits (note 5.2)	(50)	(43)
Other staff costs	(269)	(204)
Total	**(2,531)**	**(2,103)**

Other staff costs include, among others, labour accident insurance, social responsibility costs, training costs, occasional hires and indemnities.

The average number of Group employees during the year was 131,108 (2022: 125,402).

The number of employees at the end of the year was 134,379 (2022: 131,094).

5.2. Employees benefits

✓ **Accounting policies**

Post-employment benefits (retirement)

Defined contribution plans

Defined contribution plans are pension plans for which the Group makes defined contributions to independent entities (funds), and for which it has no legal or constructive obligation to pay any additional contribution at the time when the employees come into use of those benefits.

The contributions are based on a percentage of remuneration of the employees included in the plans.

The funds are open to employee private contributions, with no guaranties given by the Group over those contributions.

Group contributions to defined contribution plans are recognised as expenses at the time they are due.

Defined benefit plans

Defined benefit plans are pension plans where the Group guarantees a certain benefit to the employees included in the plan at the time such employees retire, with the respective responsibilities assured directly by the Group.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using life annuity method, taking into account that the plans only include retired employees. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have maturities close to those related liability.

No service costs are recognised since the current defined benefit plans only include retired employees. The net interest is recognised in the income statement on a yearly basis.

Remeasurements (actuarial gains and losses) arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

At the time of amendments to the defined benefit plans, past-service costs are immediately considered due and are recognised immediately in the income statement.

Other benefits

Post-employment benefits (Compensation plan to Group employees)

The post-employment compensation plan for employees of the Group, which consists of an annual contribution to a foundation that guarantees its independent management by third parties. These contributions have the characteristics of a defined contribution plan, given that the Group has no responsibility for making contributions, in addition to the annual amount defined by the Board of Directors. Additionally, the Group does not assume any risk, namely on the value of the assets in which its contributions are invested, nor on the final value of the benefits to be attributed, with this risk falling entirely on the plan participants.

Award due to at retirement date

In accordance with the Polish legislation in force, when an employee reaches retirement age (regardless of whether he retires at that time or not), he can request the payment of a premium corresponding to one month's salary, which he can only receive once during its professional life.

Accordingly, the responsibilities for this award which constitutes a defined benefit plan, are determined annually based on an actuarial calculation carried out by a specialised independent entity.

The cost of past and current services, net interest as well remeasurements (actuarial gains or losses) are recognised as costs of the year.

Seniority awards

The programme of seniority awards which exists in some of the Group's Companies includes a component of defined contribution and a defined benefit.

The defined contribution component consists in a life insurance granted to the employees covered by this programme, starting from a specific number of years of service. This benefit is awarded only when employees reach the age defined in the programme and the costs related to this component are recognised in the year to which they relate.

The component of defined benefit consists of an award in the year that employees complete a number of years of service. Accordingly, the liabilities for this component are determined annually based on actuarial valuations, carried out by a specialised independent entity.

The cost of current services, net interest as well as remeasurements (actuarial gains or losses) are recognised as costs of the year.

Amounts recognised in the balance sheet as employee benefits:

	Employee benefits	
	2023	2022
Retirement benefits – defined benefit plan paid for by the Group	13	11
Seniority awards – defined benefit plan	60	54
Award due to at retirement date – defined benefit plan	5	3
Total	**78**	**69**

Amounts recognised in the income statement in staff costs and remeasurements reflected in equity in other comprehensive income:

	Income statement		Other comprehensive income	
	2023	2022	**2023**	2022
Retirement benefits - defined contribution plan	8	6	-	-
Retirement benefits - defined benefit plan paid for by the Group	-	-	3	-
Seniority awards - defined benefit plan	11	6	-	-
Award due to at retirement date - defined benefit plan	2	1	-	-
Post-employment compensation - defined contribution plan	30	30	-	-
Total	**50**	**43**	**3**	**-**

The changes in each plan are detailed below:

	Defined contribution plans for active employees		Defined benefit plans for former employees		Other long-term benefits granted to employees	
	2023	2022	**2023**	2022	**2023**	2022
Balance as at 1 January	-	-	11	13	57	56
Interest costs	-	-	-	-	3	1
Current service cost	38	36	-	-	7	7
Actuarial (gains) / losses						
Changes in financial assumptions	-	-	-	(1)	-	(2)
Changes in experience	-	-	3	1	3	1
Contributions or retirement pensions paid	(38)	(36)	(2)	(1)	(7)	(6)
Balance as at 31 December	**-**	-	**12**	11	**65**	57

Actuarial assumptions used in the calculation of the responsibilities for defined benefit plans and other long-term benefits:

	Portugal		Poland	
	2023	2022	**2023**	2022
Mortality table	TV88/90	TV88/90	GUS 2020	GUS 2020
Discount rate	3.80%	3.30%	5.30%	6.50%
Pensions growth rate	4.00%	4.00%	n/a	n/a
Salaries growth rate				
short term	4.00%	5.00%	9,9% - 15%	9,9% - 15%
long term	3.00%	3.00%	4% - 5%	4% - 5%

The mortality assumptions used are those most commonly adopted in Portugal and Poland, are based on actuarial advice in accordance with published statistics and experience in each country. The assumption's sensitivity analysis is described in note 2.6..

Expected future payments

The expected maturity for the next 10 years for the liabilities associated with defined benefit plans is as follows:

	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years
Retirement benefits - defined benefit plan paid for by the Group	2	5	4
Award due to at retirement date - defined benefit plan	1	3	4
Seniority awards - defined benefit plan	8	29	54
Total	**11**	**36**	**62**

6. Net financial costs

✓ Accounting policies

Net financial costs represent interest on borrowings, interest on investments made, dividends, foreign exchange gains and losses in financial operations, gains and losses resulting from changes of financial assets measured at fair value through profit and loss, and costs and income with financing operations.

Net financial costs are accrued in the income statement in the period in which they are incurred.

	2023	2022
Loans interest expense	(57)	(25)
Leases interest expense	(180)	(140)
Interest received	48	15
Net foreign exchange	(0)	(1)
Net foreign exchange on leases	26	(5)
Other financial gains and losses	(11)	(8)
Fair value of financial investments held for trade:		
Derivative instruments (note 13)	0	2
Total	**(174)**	**(162)**

Interest expense includes the interest on loans measured at amortised cost and interest on derivatives of fair-value hedge and cash flow hedge (note 13).

Net foreign exchange on leases refer to the exchange rate update, reported on 31 December, on the euro-denominated lease contracts of the subsidiaries JMP (Biedronka) and JMDiF (Hebe), compared to the amount recognised at the end of the previous year.

Other financial gains and losses include costs with debt issued by the Group, recognised in results through effective interest method.

7. Income tax recognised in the income statement

✓ Accounting policies

Income tax includes current and deferred taxes. Income tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in the same heading.

Tax on current income is calculated in accordance with tax criteria prevailing as of the balance sheet date.

Deferred tax is calculated in accordance with the balance sheet liability method on temporary differences between the carrying amount of assets and liabilities and the respective tax base. No deferred tax is calculated on Goodwill and initial recognition differences of an asset and liability if it does not affect profit and loss or tax results.

The measurement of deferred tax assets and liabilities should reflect the tax consequences from the way the Group estimates, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities.

The rate used to determine deferred tax is that in force during the period when temporary differences are reversed.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be used. Deferred tax assets are revised on an annual basis and derecognised when it is no longer probable that they may be used.

For transactions with uncertainty regarding their tax treatment, the Group considers the effects of that uncertainty in the income tax estimations, whenever the tax authorities are not likely to accept the tax treatment given by the Group. Assets and liabilities related to uncertain tax positions are presented as deferred tax assets or liabilities.

For tax litigation and for all situations in which the position of the tax authorities is already known, an assessment is made on the probability of outcome, setting up provisions for the amounts estimated to represent future disbursements (when the probability of outcome is above 50%), or, proceeding with the payment (although maintaining the tax litigation), whenever it is considered to be the best way to protect the Group's interest.

7.1. Income tax

	2023	2022
Current income tax		
Current tax of the year	(255)	(206)
Adjustment to prior year estimation	8	3
Total	**(246)**	**(204)**
Deferred tax		
Temporary differences created and reversed	12	5
Change to the recoverable amount of tax losses and temporary differences from previous years	(4)	(2)
Total	**8**	**3**
Other gains/losses related to tax		
Impact of changes in estimates for tax litigations	(1)	(7)
Total	**(1)**	**(7)**
Total income tax	**(239)**	**(207)**

The other gains/losses recorded include interest on late payments and compensations received for litigation decided in favour of the Group.

7.2. Reconciliation of effective tax rate

	2023		2022	
Profit before tax		**1,012**		814
Income tax using the Portuguese corporation tax rate	**22.5%**	**(228)**	22.5%	(183)
Fiscal effect due to:				
Different tax rates in foreign jurisdictions	(7.6)%	77	(6.5)%	53
Non-taxable or non-recoverable results	7.5%	(76)	5.1%	(42)
Changes in estimates for tax litigations	0.1%	(1)	0.8%	(7)
Non-deductible expenses and fiscal benefits	0.4%	(4)	2.1%	(17)
Adjustment to prior years estimation	(0.5)%	5	(0.1)%	1
Results subject to autonomous taxation and other forms of taxation (including CST Food Distribution)	1.2%	(13)	1.4%	(12)
Income tax	**23.6%**	**(239)**	25.5%	(207)

In 2023 and 2022, the Corporate Income Tax rate (CIT) applied to companies operating in Portugal was 21%. For companies with a positive tax result, there is a surcharge of 1.5% regarding municipal tax, and an additional state tax that varies between 3%, 5% and 9%, for taxable profits higher than €1.5 million, €7.5 million and €35 million, respectively.

Additionally, in 2023 it was in force a temporary solidarity contribution on the food distribution sector (CST Food Distribution), approved in 2022, applicable to companies that carry out food retail activities in Portugal, with the indication that it is intended to tackle the inflationary phenomenon. The CST Food Distribution corresponds to an additional rate of 33% on the taxable income that exceeds 20% of the average taxable income for the reference period (2018–2021). In accordance with the legislation in force, its application will be limited to the years 2022 and 2023.

In Poland, for 2023 and 2022, the income tax rate applied to taxable income was 19%.

In Colombia, the income tax rate was 35% in 2023 and 2022.

7.3. Deferred tax assets and liabilities

2023	Opening balance	Impact on results	Currency translation differences	Closing balance
Deferred tax assets				
Excess over legal provisions	121	21	10	152
Update of assets to fair value	4	(0)	-	4
Employee benefits	9	(0)	-	9
Recoverable tax losses	2	-	0	2
Effects of the application of leases standard	29	2	2	33
Other temporary differences	36	(7)	1	30
Total	**201**	**16**	**13**	**230**
Deferred tax liabilities				
Update of assets to fair value	1	(0)	-	0
Deferred income for tax purposes	76	8	6	90
Differences on valuation criteria in other countries	11	0	1	12
Other temporary differences	2	(0)	-	1
Total	**90**	**8**	**7**	**104**
Net change in deferred tax	**111**	**8**	**6**	**126**

2022	Opening balance	Impact on results	Currency translation differences	Closing balance
Deferred tax assets				
Excess over legal provisions	104	19	(2)	121
Update of assets to fair value	4	-	-	4
Employee benefits	10	(1)	-	9
Recoverable tax losses	2	-	(0)	2
Effects of the application of leases standard	24	6	(0)	29
Other temporary differences	32	4	(0)	36
Total	**175**	**28**	**(2)**	**201**
Deferred tax liabilities				
Update of assets to fair value	1	(0)	-	1
Deferred income for tax purposes	52	25	(1)	76
Differences on valuation criteria in other countries	12	-	(0)	11
Other temporary differences	2	(0)	-	2
Total	**66**	**25**	**(1)**	**90**
Net change in deferred tax	**109**	**3**	**(1)**	**111**

The Group did not recognise any amounts in deferred taxes regarding uncertain tax positions.

7.4. Unrecognised deferred taxes on tax losses

The Group does not recognise deferred tax assets related to tax losses in respect of which, with reasonable accuracy, no sufficient future taxable profits are expected to guarantee the recovery of deferred tax assets in the short and/or medium-term. Total unrecognised tax assets are presented below:

Tax losses expiring date	Tax	
	2023	**2022**
2023	-	2
2024	2	2
2025	3	1
2026	2	3
2027 or further	281	190
Total	**288**	**199**

8. Tangible assets

✓ Accounting policies

Tangible assets are recognised at historical cost net of accumulated depreciation and impairment losses.

Historical cost includes the purchase price and any other expenditure that is directly attributable to the acquisition of the assets.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the operating profit.

Repairs and maintenance costs that do not extend the useful life of these assets are charged directly to the income statement during the financial period in which they are incurred. The cost of major store remodelling is included in the carrying amount of the asset when it is probable that additional economic benefits will flow to the Group. Whenever it is capitalised, the useful life of the asset is reviewed according with the characteristics of the remodelling. If the store is leased, the useful life does not exceed the period of the lease.

Depreciation

Depreciation is calculated by the straight-line method on acquisition cost, on a duodecimal basis, according to the useful life estimated for each class of asset. The most important annual depreciation rates, in percentage, are as follows:

	%
Land	Not depreciated
Buildings and other constructions	2-4
Plants and machinery	10-20
Transport equipment	12.5-25
Office equipment	10-25

Whenever considered necessary, the estimated useful life of assets is reviewed and adjusted at the balance sheet date, taking into account the period in which the assets are expected to be used, but also taking into account potential limitations arising from climate change or associated legislation. Residual values are not taken into consideration, as it is the Group's intention to use the assets until the end of their economic life.

8.1. Changes occurred during the year

2023	Land, buildings and other constructions *	Equipment and others	Work in progress	Total
Cost				
Opening balance	**4,986**	**2,843**	**337**	**8,166**
Foreign exchange differences	295	166	39	500
Increases	436	424	251	1,111
Disposals and write offs	(46)	(153)	(0)	(200)
Transfers and reclassifications	97	69	(155)	10
Closing balance	**5,767**	**3,348**	**472**	**9,587**
Depreciation and impairment losses				
Opening balance	**1,928**	**1,898**	**-**	**3,826**
Foreign exchange differences	95	90	-	185
Increases	219	279	-	498
Disposals and write offs	(33)	(147)	-	(180)
Transfers and reclassifications	(0)	5	-	5
Closing balance	**2,209**	**2,125**	**-**	**4,334**
Net value				
As at 1 January 2023	**3,058**	**944**	**337**	**4,340**
As at 31 December 2023	**3,558**	**1,224**	**472**	**5,253**

* Opening balance is net of impairment losses in land

2022	Land, buildings and other constructions *	Equipment and others	Work in progress	Total
Cost				
Opening balance	4,699	2,649	228	7,575
Foreign exchange differences	(81)	(42)	(17)	(140)
Increases	359	320	208	887
Disposals and write offs	(27)	(126)	(4)	(157)
Transfers and reclassifications	35	42	(75)	1
Transfers from/to investment property	2	-	(3)	(1)
Closing balance	4,986	2,843	337	8,166
Depreciation and impairment losses				
Opening balance	1,787	1,796	-	3,583
Foreign exchange differences	(23)	(23)	-	(46)
Increases	189	246	-	434
Disposals and write offs	(24)	(122)	-	(146)
Transfers and reclassifications	0	1	-	1
Closing balance	1,928	1,898	-	3,826
Net value				
As at 1 January 2022	2,912	853	228	3,993
As at 31 December 2022	3,058	944	337	4,340

* Opening balance is net of impairment losses in land

The increase in tangible assets correspond to the Group's investments in new stores and distribution centers, and remodelling of the existing stores. The investment programme is detailed in point 2.2. - Focus on Profitable Growth of Chapter 2 - Management Report – Creating Value and Growth.

There are no financial charges capitalised in tangible fixed assets.

8.2. Guarantees

No tangible assets have been pledged as security for the fulfilment of bank or other obligations.

8.3. Tangible assets in progress

Amounts in work in progress are mostly related to the implementation and refurbishment of stores and distribution centres.

8.4. Impairment tests

As mentioned in note 2.5.1. the Group analyses at the date of each balance sheet whether there are indicators of possible impairment losses on tangible assets.

If there are indicators of possible impairment losses on an asset or cash-generating unit, the Group calculates its value-in-use using the Discounted Cash Flow (DCF) method.

Value in use is supported by past performance and market development expectations, with five-year projections of future cash flows for each of the assets or cash-generating units, based on medium/long-term plans approved by the Board of Directors.

These estimates are made considering the following assumptions:

Business area	Discount rates	Growth rates in perpetuity
Retail in Portugal	7,0% (2022: 7,0%)	2,0% (2022: 1%)
Cash & Carry in Portugal	7,0% (2022: 7,0%)	2,0% (2022: 1%)
Retail in Poland	8,0% (2022: 8,0%)	2,0% (2022: 1,5%)
Health and Beauty Retail in Poland	9,0% (2022: 9,0%)	2,0% (2022: 1,5%)
Specialized Retail in Portugal	7,0% to 7,5% (2022: 7,0% to 7,5%)	2,0% (2022: 1,7%)
Retail in Colombia	11,0% (2022: 11,0%)	3,0% (2022: 1,5%)

The discount rates adopted corresponds to the required rate of return (hurdle rate), based on the weighted average cost of capital (WACC) estimated, to each of the business areas on the different geographies.

Growth rates in perpetuity considered was 2% for mature markets as Portugal and Poland, and 3% for the Colombian market, where there is considered to be greater growth potential.

Cash flows also include the expected annual growth in sales, margins and operating costs of each of the business areas, as well as possible impacts arising from risks associated with climate change, which at the present date are not considered materially relevant in the period under analysis.

The impairment tests carried out did not result in significant impairment losses, confirmed by the clear signs of recovery registered in all the Group's businesses.

9. Intangible assets

✓ **Accounting policies**

Intangible assets are stated at historical cost net of accumulated amortisation and impairment losses (note 2.5).

Costs associated with internally generated Goodwill and Private Brands are taken to the income statement as they are incurred.

Research and development expenditure

Research expenditure incurred in the search for new technical or scientific knowledge or alternative solutions are recognised in the income statement as incurred.

Development expenditure is recognised as an intangible asset when the technical feasibility of the product or process being developed can be demonstrated and the Group has the intention and capacity to complete their development and start trading or using them.

Capitalised development expenditure includes the cost of materials used and direct labour costs.

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software, being amortised over their estimated useful life.

Costs associated with developing or maintaining computer software are recognised as an expense as incurred, except if those costs are directly associated with development projects that will probably generate future economic benefits (reliably measured), in which case they are recognised as development expenditure in intangible assets.

Other intangible assets

Expenses to acquire key money, trademarks, patents and licences are capitalised when they are expected to generate future economic benefits and are expected to be used by the Group.

Intangible assets with indefinite useful life

The trademark Pingo Doce is, besides Goodwill, the only intangible asset with indefinite useful life recognised, since there is no foreseeable limit for the period over which this asset is expected to generate economic benefits to the Group. Goodwill and the intangible assets with indefinite useful life are tested for impairment at the balance sheet date, and whenever there is an indication that the carrying amount may not be recoverable.

Amortisations

Amortisations are recognised in the income statement on a linear basis over the estimated useful life of the intangible assets, except if that life is considered indefinite.

Amortisation of the intangible assets is calculated by the straight-line method on acquisition cost, on a duodecimal basis. The most important annual amortisation rates, in percentage, are as follows:

	%
Development expenditure	20-33.33
Computer software	33.33
Key money	5-6.66

Whenever necessary, the estimated useful life of assets is reviewed and adjusted at the balance sheet date, also considering the potential effects associated with climate change.

9.1. Changes occurred during the year

2023	Goodwill	Key money	Software and other intangible	Work in progress	Total
Cost					
Opening balance	**613**	**130**	**187**	**21**	**951**
Foreign exchange differences	22	7	12	1	42
Increases	-	0	5	16	22
Transfers and reclassifications	-	0	6	(11)	(4)
Closing balance	**635**	**137**	**211**	**28**	**1,011**
Amortisation and impairment losses					
Opening balance	**-**	**114**	**82**	**-**	**196**
Foreign exchange differences	-	6	5	-	11
Increases	-	3	10	-	13
Closing balance	**-**	**123**	**98**	**-**	**220**
Net value					
As at 1 January 2023	**613**	**16**	**105**	**21**	**755**
As at 31 December 2023	**635**	**14**	**113**	**28**	**790**

2022	Goodwill	Key money	Software and other intangible	Work in progress	Total
Cost					
Opening balance	618	132	179	15	944
Foreign exchange differences	(5)	(2)	(3)	(0)	(10)
Increases	-	0	8	10	18
Disposals and write offs	-	(1)	(0)	(0)	(1)
Transfers and reclassifications	-	0	3	(3)	(0)
Closing balance	613	130	187	21	951
Amortisation and impairment losses					
Opening balance	-	112	75	-	187
Foreign exchange differences	-	(1)	(1)	-	(2)
Increases	-	4	9	-	12
Disposals and write offs	-	(1)	(0)	-	(1)
Closing balance	-	114	82	-	196
Net value					
As at 1 January 2022	618	20	104	15	757
As at 31 December 2022	613	16	105	21	755

The Group identified as intangible assets of indefinite useful life recognised, besides Goodwill, the trademark Pingo Doce, with net value of €9 million.

Development expenses mainly relate to IT implementations.

9.2. Guarantees

No intangible assets have been pledged as security for the fulfilment of bank or other obligations.

9.3. Intangible assets in progress

Intangible assets in progress include the implementation of projects for processes simplification, usage rights and key money.

9.4. Impairment tests for Goodwill and other intangible assets

Goodwill is allocated to the Groups' business areas as presented below:

Business areas	2023	2022
Portugal Retail	247	247
Portugal Cash & Carry	84	84
Poland Retail	295	274
Poland Health and Beauty Retail	9	8
Total	**635**	**613**

As a consequence of the currency translation adjustment of the assets in the Group's businesses in Poland, the Goodwill related to the Biedronka business, totalling 1,282 million zloty, and to the Hebe business, totalling 39 million zloty, were in total updated positively by €22 million.

The cash-generating units used to perform Goodwill impairment tests correspond to the business segments, which is the lowest level that Goodwill is monitored by Management.

In 2023 evaluations were made based on the value in use according to DCF evaluation models, thereby sustaining the recoverability of Goodwill value.

The values of these evaluations are determined by past performance and the expectation of market development, with future cash flow projections, for a five-year period, being drawn up for each of the businesses, based on medium/long term plans approved by the Board of Directors. These projections, in addition to the evolution of the performance of each business unit, incorporate the expected impacts of its investment plans, weighted by the risks each business is exposed to.

Pingo Doce brand is not being amortised but subject to impairment tests annually, with the same assumptions that are used for Goodwill. The same applies to intangible assets in progress.

These estimates are made considering the following assumptions:

Business area	Discount rates	Growth rates in perpetuity
Retail in Portugal	7,0% (2022: 7,0%)	2,0% (2022:1%)
Cash & Carry in Portugal	7,0% (2022: 7,0%)	2,0% (2022:1%)
Retail in Poland	8,0% (2022: 8,0%)	2,0% (2022:1,5%)
Health and Beauty Retail in Poland	9,0% (2022: 9,0%)	2,0% (2022:1,5%)

The discount rates adopted corresponds to the required rate of return (hurdle rate), to each of the business areas on the different geographies, based on the respective WACC (Weighted Average Cost of Capital). Growth rates in perpetuity considered was 2%.

Cash flows also include the expected annual growth in sales, margins and operating costs of each of the business areas, as well as possible impacts arising from risks associated with climate change, which at the present date are not considered materially relevant in the period under analysis.

Note 2.6. presents the information related to sensibility analysis to the Goodwill impairment tests.

Even so, in scenarios of a permanent 10% decrease in expected cash flows, there is no risk of recoverability of the Goodwill of any of the business units.

10. Leases

✓ Accounting policies

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases are recognized as a right-of-use and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If at the end of the lease contract the asset is transferred to the Group, or if the lease liabilities reflect the exercise of the purchase option, depreciation is calculated in accordance with the estimated useful life of the asset.

Assets and liabilities arising from a lease are initially measured on a present value basis. Whenever available the Group has elected to separate lease and non-lease components included in lease payments for all leases.

At the commencement date lease liabilities measurement is mainly composed by the present value of lease payments to be made over the lease term, which includes fixed payments less any lease incentives receivable and variable lease payments that depend on an index or rate.

In calculating the present value of lease payments, the Group used its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments). The weighted-average rate applied is 6.35% (in a range between 2.39% and 14.84%) based on the features of the agreement (underlying asset and guarantees, currency and lease term). The weighted-average rate used in 2022 was 5.92% (in a range between 2.39% and 13.88%).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of initial lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The Group applies the short-term lease recognition exemption to its short-term leases (lease term of 12 months or less) and it also applies the lease of low-value assets recognition exemption to leases considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Group's leases relate mostly to store and warehouse rent contracts, with initial terms between 5 and 20 years, but may have extension options. The lease agreements do not impose any covenants. Right-of-use assets are subject to impairment tests, as referred in note 2.5.1..

Considering the accounting impacts resulting from the application of IFRS 16 – Leases, for a lessee, with the recognition of an asset under right of use not typified in the tax law and the recording of a lease liability that only has tax acceptance by the payments of rents, the management recognised the respective deferred tax asset (on the lease liability) and deferred tax liability (on the asset under right of use), on the date of initial and subsequent recognition of lease contracts. In the event of a change in the tax law by the Tax Authorities, the recognised deferred taxes may have to be reviewed / amended.

10.1. Right-of-use assets

2023	Land, buildings and other constructions	Equipment and others	Total
Cost			
Opening balance	**3,441**	**199**	**3,640**
Foreign exchange differences	308	10	318
Increases	245	46	291
Contracts update	560	10	570
Transfers and reclassifications	-	(6)	(6)
Contracts cancellation	(52)	(16)	(68)
Closing balance	**4,501**	**244**	**4,745**
Depreciation and impairment losses			
Opening balance	**1,058**	**55**	**1,113**
Foreign exchange differences	90	4	94
Increases	358	33	391
Transfers and reclassifications	-	(5)	(5)
Contracts cancellation	(34)	(11)	(46)
Closing balance	**1,472**	**75**	**1,547**
Net value			
As at 1 January 2023	**2,382**	**144**	**2,526**
As at 31 December 2023	**3,029**	**169**	**3,198**

2022	Land, buildings and other constructions	Equipment and others	Total
Cost			
Opening balance	**2,984**	**109**	**3,092**
Foreign exchange differences	(83)	(2)	(85)
Increases	233	101	333
Contracts update	375	6	381
Transfers and reclassifications	-	(1)	(1)
Contracts cancellation	(68)	(14)	(82)
Closing balance	**3,441**	**199**	**3,640**
Depreciation and impairment losses			
Opening balance	**800**	**44**	**844**
Foreign exchange differences	(18)	(1)	(19)
Increases	311	25	336
Transfers and reclassifications	-	(1)	(1)
Contracts cancellation	(34)	(12)	(47)
Closing balance	**1,058**	**55**	**1,113**
Net value			
As at 1 January 2022	**2,184**	**65**	**2,248**
As at 31 December 2022	**2,382**	**144**	**2,526**

10.2. Lease liabilities

2023	Current	Non-current	Total
Opening balance	**430**	**2,248**	**2,678**
Increases (new contracts)	31	260	291
Payments	(346)	(1)	(348)
Transfers	292	(292)	-
Contracts change/ cancel	91	455	546
Foreign exchange difference	33	182	215
Closing balance	**530**	**2,853**	**3,382**

2022	Current	Non-current	Total
Opening balance	394	1,993	2,387
Increases (new contracts)	52	281	333
Payments	(321)	(0)	(321)
Transfers	275	(275)	-
Contracts change/ cancel	39	305	344
Foreign exchange difference	(9)	(56)	(65)
Closing balance	430	2,248	2,678

10.3. Expenses recognised in the income statement

		2023	2022
Depreciation charge of right-of-use assets			
Buldings and other contructions		(358)	(311)
Equipment and others		(33)	(25)
	Subtotal	**(391)**	**(336)**
Interest expense with lease liabilities		(180)	(140)
Gains / (losses) with contract cancellations		1	2
Net foreign exchange on lease liabilities		26	(5)
	Subtotal	**(153)**	**(143)**
Rents (note 4)			
Expenses with short term leases		(3)	(2)
Expenses with leases of low-value assets		(7)	(6)
Expenses with variable lease payments not included in lease liabilities		(3)	(2)
Expenses with non-lease components		(25)	(20)
Income from subleasing		14	11
	Subtotal	**(25)**	**(19)**
Total expenses of the year related with lease		**(568)**	**(498)**

In 2023 the total cash outflow for leases was €552 million (€480 million in 2022).

11. Investments in joint ventures and associates

	Joint ventures		Associates		Total	
	2023	2022	**2023**	2022	**2023**	2022
Opening balance	**10**	8	**6**	4	**16**	13
Application of the equity method:						
Net results	-	-	-	-	(1)	-
Dividends and other income received	(1)	-	-	-	(1)	-
Other Increases/(reductions)	14	3	34	1	48	4
Transfers from Other investments	-	-	17	-	17	-
Closing balance	**23**	10	**57**	6	**80**	16

On 29 May 2023, Jerónimo Martins – Agro-Alimentar, S.A. (JMA) signed a "Partnership Agreement" (Agreement) with the Luís Vicente Group. This Agreement sets the incorporation of a company under joint control for the production of certain fruit varieties. The Agreement was concluded on July 5, 2023, with JMA's entering the capital of the company - Supreme Fruits, Lda., through a capital increase of €7 million.

On 26 June 2023, JMA entered into a Private Placement of Shares (Private Placement) with Andfjord Salmon AS, a Company in which the Group held 10.5% of the share capital. Under this Private Placement, JMA acquired an additional amount of 10 million shares of this company on 11 July 2023, in the amount of NOK (Norwegian crowns) 385 million (equivalent to €33 million), becoming the holder of a total 25.1% of the share capital. This interest in Andfjord is now measured in the consolidated financial statements in accordance with the equity method (previously it was measured at fair value through other comprehensive income and included in the Balance sheet in the line Other financial investments), having been ascertain a Goodwill in the amount of NOK 308 million (equivalent to €27 million).

In the specific case of the investment in Andfjord, considering that at the date of these consolidated financial statements the financial information related to December 2023 had not yet been published, it was used the most recent published information, related to the previous quarter (September 2023).

12. Other financial investments

	2023	2022
Listed equity investments		
Andfjord Salmon AS	-	16
Total	**-**	**16**
Non-listed equity investments		
Total	**2**	2
Total other financial investments	**2**	17

As mentioned in the previous note, in 2023 Jerónimo Martins - Agro-Alimentar, S.A. (JMA) increased its stake in Andfjord to 25.1%, meaning that the stake began to be measured in the consolidated financial statements in accordance with the equivalence method assets, no longer recognized in other financial investments.

Non-listed equity investments

The Group elected to classify irrevocably its non-listed equity investments under financial asset designated at fair value through OCI, as the Group considers these investments to be strategic in nature. When the equity instrument fair value cannot be reliably measured, it is recognized at cost.

13. Derivative financial instruments

✓ Accounting policies

The Group uses derivatives with the sole intention of managing any financial risks to which it is exposed. In accordance with its financial policies, the Group does not enter into speculative positions.

Whenever available, fair values are estimated based on quoted instruments. In the absence of market prices, fair values are estimated through discounted cash flow methods or option valuation models, in accordance with generally accepted assumptions.

Derivative financial instruments are recognised on the date they are negotiated (trade date), at their fair value. Subsequently, the fair value of derivative financial instruments is valued on a regular basis, and the gains or losses resulting from this valuation are recorded directly in the income statement, except in relation to cash flow hedge and net investments in foreign entities hedge derivatives, whose changes in fair value are recorded in equity in other comprehensive income. Recognition of changes in the fair value of hedge instruments depends on the nature of the hedged risk and the type of hedge used.

Derivatives not designated as hedging instruments

Although derivatives entered by the Group correspond to effective economic hedges against risks to be hedged, not all of them qualify as hedge instruments for accounting purposes, according to IFRS 9 rules. Those that do not qualify as hedge instruments are booked on the balance sheet at fair value and changes to that amount are recognised in the profit and loss.

Hedge accounting

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements. A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

i) There is 'an economic relationship' between the hedged item and the hedging instrument;

ii) The effect of credit risk does not ‘dominate the value changes’ that result from that economic relationship;

iii) The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Interest rate and energy price risk (cash flow hedge)

Whenever expectations surrounding movements in interest rates so justify, the Group tries to anticipate any adverse impact through the use of derivatives. The selection process that each instrument is subject to favours economic contribution more than anything else. The implications of adding any new instrument to a portfolio of derivatives are also taken into account, namely in terms of volatility impact on earnings.

As far as electricity prices are concerned, as there are a number if renewal energy operators on the market, willing to establish virtual power purchase agreements (VPPA) for the delivery of green energy, the Group enters into these contracts, which allow it to ensure a price setting for energy from a renewal source. Since these are not direct contracts between the energy distributor of the Group companies, they qualify as derivative instruments.

The instruments that qualify as cash flow hedging instruments are booked at fair value on the balance sheet and, to the degree that they are considered effective, changes to their fair value are recognised in other comprehensive income, in the cash flow hedge reserve. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast transaction or event that is hedged takes place). However, in the case of a hedge of a forecast transaction that results in the recognition of a non-financial asset (for example: inventory), the gains or losses previously deferred in equity are transferred and included in the initial measurement of the asset.

The gain or loss relating to the ineffective portion is recognised immediately in the income statement. This way, in net terms, all costs associated with the interest rate risk to the underlying exposure are carried at the interest rate of the hedging instruments. Regarding the energy price risk, the monthly price adjustment/compensation mechanism allows stabilizing contracted green energy costs for each period.

When a hedge instrument expires or is sold, or when the hedge ceases to meet the criteria required for hedge accounting, the changes in the fair value of the derivative, that are accumulated in other comprehensive income, are recognised in the results when the hedged operation also affects the results.

The instruments that do not qualify as cash flow hedging instruments are booked at fair value on the balance sheet, with changes recognised directly in financial results (other operating gains or losses, in the case of energy price derivatives).

Foreign exchange risk (net investments in foreign entities hedge)

With respect to foreign exchange risks, the Group follows a natural hedge policy, raising debt in local currency whenever market conditions are judged to be convenient (namely, taking into consideration the level of interest rates).

Exchange rate fluctuations in loans contracted in foreign currencies for the purpose of funding investments in foreign operations are taken directly to the currency translation reserve in other comprehensive income (note 2.2.).

Cross currency swaps that are entered into with the purpose of hedging investments in foreign entities that qualify as hedging instruments are booked at fair value on the balance sheet. To the degree that they are considered effective, changes to their fair value are recognised directly in the currency translation reserve (note 2.2.). The cumulative gains and losses recognised in other comprehensive income are transferred to results of the year when foreign entities are disposed.

	2023					2022				
	Notional	Assets		Liabilities		Notional	Assets		Liabilities	
		Current	Non-current	Current	Non-current		Current	Non-current	Current	Non-current
Derivatives held for trading										
Currency forwards - stock purchase (COP/EUR)	1.6 million EUR	-	-	0	-	1.5 million EUR	0	-	0	-
Currency forwards - stock purchase (COP/USD)	2.7 million USD	-	-	0	-	1 million USD	0	-	0	-
Currency forwards - stock purchase (EUR/USD)	-	-	-	-	-	0.05 million USD	-	-	-	-
Currency forwards - stock purchase (PLN/EUR)	3.0 million EUR	-	-	0	-	-	-	-	-	-
Currency forwards - treasury applications (PLN/EUR)	89.8 million EUR	6	-	-	-	99.7 million EUR	2	-	0	-
Commodities swap - energy purchase (PLN/EUR)	n.a.	-	-	-	6	n.a.	-	-	-	5
Cash flow hedging derivatives										
Currency forwards - stock purchase (PLN/USD)	-	-	-	-	-	47.1 million USD	0	-	0	-
Currency forwards - stock purchase (PLN/USD)	9.9 million EUR	0	-	0	-	-	-	-	-	-
Currency forwards - stock purchase (COP/EUR)	0.8 million EUR	-	-	0	-	2.2 million EUR	0	-	0	-
Currency forwards - stock purchase (COP/USD)	1.2 million USD	-	-	0	-	1.7 million USD	0	-	0	-
Foreign operation investments hedging derivatives										
Currency forwards (PLN)	1,241 million PLN	-	-	12	-	1,006 million PLN	-	-	9	-
Total derivatives held for trading		**6**	**-**	**0**	**6**		2	-	0	5
Total hedging derivatives		**0**	**-**	**12**	**-**		0	-	9	-
Total assets/liabilities derivatives		**6**	**-**	**13**	**6**		2	-	9	5

Derivatives held for trading

Currency forwards

The Group hedges its exposure to foreign exchange risk inherent to the purchase of stocks in foreign currency. For this purpose, in 2023, the Group had contracted currency forwards in euros and American dollars, with maturity until February 2024, with notional amounting of €4.6 million and 2.7 million American dollars.

Additionally, in 2023, a derivative was contracted to cover the exchange rate risk of a Euro deposit made by a subsidiary in Poland, with maturity in March 2024 and notional of €89.8 million.

Swap for energy price

The Group provides economic coverage of the energy price risk inherent to its commercial activity, for part of its needs. For this purpose, one of the Group´s subsidiaries entered into a VPPA, settled in euros, which allows it to fix the price of electricity, for a portion of its estimated consumption, over a period of 15 years, while ensuring that the volumes purchased are of renewal origin. On the date of execution of the VPPA, its fair value was zero, with no cash flow between the parties.

Cash flow hedge

Currency forwards

On 31 December 2023 the Group had contracted currency forwards in euros and American dollars, for future purchase of stocks, with notional amounting of €10.7 million and 1.2 million American dollars, with maturity until June 2024.

Hedging of investments in foreign entities

Currency forwards

The Group hedges the economic risk of its exposure to the exchange rate of zloty. To do so, the Group entered into currency forwards, with maturities in April 2024.

Impacts on the Financial Statements

	2023	2022
Fair value of financial instruments as at 1 January	**(12)**	-
(Receipts) / payments made	29	16
Change in the fair value of held for trading derivatives (net financial costs)	-	2
Change in the fair value of held for trading derivatives (other operating profits/losses)	-	(5)
Change in the fair value of net investment hedging derivatives (currency translation reserves)	(29)	(24)
Fair value of financial instruments as at 31 December	**(12)**	**(12)**

14. Inventories

✓ Accounting policies

Inventories are valued at the lower of cost or net realisable value. The net realisable value corresponds to the selling price in the ordinary course of business, less the estimated selling expenses.

Its valuation generally follows the last acquisition price, being FIFO (First In, First Out) the cost method used in the recording of the inventory sold.

The cost of finished goods and work in progress comprises raw materials, direct labour, and other direct costs.

	2023	2022
Raw and subsidiary materials and consumables	18	17
Work in progress and finished goods	9	3
Goods available for sale	1,922	1,598
	1,949	**1,618**
Net realisable adjustment	(159)	(125)
Net inventories	**1,790**	**1,493**

Adjustments in inventories to net realisable value:

	2023	2022
Balance as at 1 January	**(125)**	**(110)**
Set up, reinforced and transfers	(26)	(18)
Unused and reversed	1	1
Foreign exchange difference	(9)	2
Balance as at 31 December	**(159)**	**(125)**

No inventories have been pledged as guarantee for the fulfilment of contractual obligations.

15. Trade debtors, accrued income and deferred costs

✓ Accounting policies

Customers and debtor balances are amounts to be received regarding goods sold or services rendered in the ordinary course of the business. They are initially recognised at fair value, being subsequently measured at amortised cost in accordance with the effective interest rate method, net of any impairment losses (notes 2.4.1. and 2.5.).

	2023	2022
Non-current		
Other debtors	56	56
Deferred costs	3	3
Total	**59**	**58**
Current		
Commercial customers	72	66
Other debtors	189	152
Other taxes receivable	11	9
Accrued income and deferred costs	423	345
Short-term investments that don't qualify as cash equivalents	135	21
Total	**829**	**593**

Non-current debtors include €51 million (€50 million in 2022) relating to additional tax liquidation as well as pre-paid tax. The Group has already contested the amounts paid and made a legal claim for reimbursement (note 24).

The increase in other current debtors is mainly explained by advances for the acquisition of tangible fixed assets.

As of 31 December 2023, the Group had a treasury investment in the amount of €135 million, with maturities between February and May 2024, which do not qualify as a cash equivalent.

Accrued income includes basically supplementary gains contracted with suppliers, in the amount of €397 million (2022: €323 million).

The deferred costs include €5 million of rents pay in advance, €1 million of loans issued expenses, €5 million of insurance costs and €13 million of other costs attributable to future years and paid in 2023, or, if not yet paid, already charged by the entities.

Current debtors with overdue amounts are subject to an analysis of the probability of future losses, based on historical information, taking into account the nature of the commercial relationship established, as well as to existing collateral and credit insurance, with reinforcements/reversals of adjustments for impairment losses recognised when justified (see note 29.2.1.).

The ageing analysis of debtors that are past their due date is as follows:

	2023	2022
Debtors balances not considered impaired		
Less than 3 months past due	28	23
More than 3 months past due	8	11
Total	**36**	**34**
Debtors balances considered impaired		
Less than 3 months past due	1	1
More than 3 months past due	7	8
Total	**8**	**9**

Of the debtors balances not considered impaired, €2 million (2022: €0.4 million) are covered by credit guarantees and credit insurance.

Movements on impairment of trade receivables are as follows:

	2023	2022
Balance as at 1 January	**15**	**17**
Set up, reinforced and transfers	6	4
Unused and reversed	(6)	(6)
Used	(1)	(1)
Balance as at 31 December	**14**	**15**

16. Cash and cash equivalents

✓ Accounting policies

Cash and cash equivalents include cash, deposits on hand and other short-term highly liquid investments with initial maturities of three months or less. In the consolidated balance sheet, bank overdrafts are shown within borrowings in current liabilities.

	2023	2022
Bank deposits	587	845
Short-term investments	1,348	932
Cash in hand	4	4
Total	**1,938**	**1,781**

Bank deposits correspond to values in banks to meet current cash requirements as well as receipts from customers in transit.

Short-term investments correspond to time deposits in financial institutions.

Ratings of bank deposits and short-term investments are detailed in note 29.2.1..

17. Capital and reserves

✓ Accounting policies

Share capital

Share capital corresponds to the nominal value of the ordinary shares issued.

Share premium is recognised when the issued share price exceeds its nominal value. Costs incurred with the issuance of new shares are recognised directly in this heading, net of respective taxes.

Own shares purchased are shown at cost as a deduction in equity. When they are disposed, the amount received, net of costs related with the transaction and taxes, is recognised directly in equity.

Payable dividends

Payable dividends are recognised as a liability in the Group's Financial Statements in the period in which they are approved for distribution by the shareholders.

17.1. Share capital and share premium

Authorised share capital is represented by 629,293,220 ordinary shares (2022: 629,293,220), each with a nominal value of one euro.

The holders of ordinary shares have the right to receive dividends as established at the General Shareholder's Meeting and have the right to one vote for each share held. There are no preferential shares and the own shares rights are suspended until these shares are sold in the market.

During the year no changes occurred in the amount of €22 million showed in share premium.

17.2. Own shares

On 31 December 2023 the Group held 859,000 own shares, acquired in 1999 at an average price of 7.06 euros per share. There were no transactions in 2023.

17.3. Dividends

Dividends and free reserves distributed in 2023, totalling €363 million, were paid to JMH shareholders in the amount of €346 million – corresponding to an amount per share of 0.5500 euros (excluding own share in the portfolio), and to non-controlling interests in the Group Companies in the amount of €17 million.

Dividends per share distributed in 2023 to JMH shareholders	0.5500

17.4. Other reserves and retained earnings

In the individual accounts of JMH duly states all conditions related to the use of reserves to be distributed comprised in the Company equity. We therefore recommend reading this information.

18. Earnings per share

✓ **Accounting policies**

Basic and diluted earnings per share are calculated based on the net profit attributable to shareholders divided by the weighted average of outstanding ordinary shares.

18.1. Basic and diluted earnings per share

	2023	2022
Ordinary shares issued at the beginning of the year	629,293,220	629,293,220
Own shares at the beginning of the year	(859,000)	(859,000)
Weighted average number of ordinary shares	**628,434,220**	**628,434,220**
Diluted net results of the year attributable to ordinary shares	756	590
Basic and diluted earnings per share – Euros	**1.2035**	**0.9387**

19. Borrowings

✓ **Accounting policies**

Borrowings are initially recognised at fair value less the transaction costs that were incurred and are subsequently measured at the amortised cost. Any difference between the issued value (net of transaction costs incurred) and the nominal value is recognised in the results during the period of the borrowings, in accordance with the effective interest rate method (note 2.4.2).

Borrowings are classified as current liabilities, unless the Group has the unconditional right to defer settlement of the liability for more than 12 months after the reporting date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

The Group has negotiated commercial paper programs in the total amount of €265 million, of which €115 million are committed. The utilizations under these programs are remunerated at the Euribor rate for the respective issue period plus variable spreads and can also be issued on auctions. These programs were not being used as of 31 December 2023.

Jerónimo Martins Polska S.A. made the early repayment of a loan in the amount of 50 million zloty and ended a contract of 6 million American dollars. The amount of 99 million zloty, around 23 million euros, was also paid, related to the capital amortization of a medium/long term loan. A new medium and long-term financing line was contracted, with a limit of 1,500 million zloty, around €346 million, to partially support investments in energy efficiency at Biedronka stores, which will be used throughout 2024.

Jerónimo Martins Colombia, S.A.S. paid of 138,000 million colombian pesos, around €33 million, related to capital repayment of three medium and long-term loans. At the end of December, Jeronimo Martins Colombia, SAS increased the use of its financing lines by 1,048,000 million colombian pesos, approximately €248 million, of which 300,000 million colombian pesos, approximately €71 million, were in a loan with 3 years maturity.

19.1. Current and non-current loans

2023	Opening balance	Cash flows	Transfers	Foreign exchange difference	Closing balance
Non-current loans					
Bank loans	238	65	(57)	34	280
Total	**238**	**65**	**(57)**	**34**	**280**
Current loans					
Bank overdrafts	0	67	-	7	73
Bank loans	232	67	57	56	412
Total	**232**	**134**	**57**	**63**	**485**

2022	Opening balance	Cash flows	Transfers	Foreign exchange difference	Closing balance
Non-current loans					
Bank loans	347	(72)	(21)	(16)	238
Total	347	(72)	(21)	(16)	238
Current loans					
Bank loans	113	124	21	(25)	232
Total	113	124	21	(25)	232

19.2. Loan terms and maturities

2023	Average rate	Total	Less than 1 year	Between 1 and 5 years	More than 5 years
Bank loans					
Loans in PLN		137	23	92	23
Loans in COP		555	389	166	-
Bank overdrafts		73	73		
Total	**10.08%**	**765**	**485**	**258**	**23**

2022	Average rate	Total	Less than 1 year	Between 1 and 5 years	More than 5 years
Bank loans					
Loans in USD		6	6	-	-
Loans in PLN		149	21	85	42
Loans in COP		316	205	111	-
Total	5.27%	470	232	196	42

19.3. Financial net debt

As the Group contracted several foreign exchange rate risk and interest risk hedging operations, as well as short-term investments, the net consolidated financial debt as at 31 December is:

	2023	2022
Non-current loans (note 19.1)	280	238
Current loans (note 19.1)	485	232
Financial lease liabilities - non-current (note 10)	2,853	2,248
Financial lease liabilities - current (note 10)	530	430
Derivative financial instruments (note 13)	12	12
Interest on accruals and deferrals	10	2
Cash and cash equivalents (note 16)	(1,938)	(1,781)
Short-term investments that don't qualify as cash equivalents (note 15)	(135)	(21)
Total	**2,097**	**1,360**

20. Provisions

✓ Accounting policies

Provisions are recognised in the balance sheet whenever the Group has a present obligation (legal or implicit) as a result of a past event and it is probable that a reasonably estimated outflow of resources embodying economic benefits will be required to settle the obligation.

Restructuring provision

Provisions for restructuring costs are set up whenever a formal restructuring plan has been approved by the Group and the restructuring has started to be implemented or has been announced publicly.

Provisions for restructuring include all liabilities to be paid with the implementation of the plan, including employee termination payments. These provisions do not include any estimated future operating losses or estimated profits from the disposal of assets.

Legal claims provision

Provisions related with litigation against Group Companies are set up in accordance with risk assessments carried out by the Group, with the support and advice of its lawyers and legal advisers.

2023	Opening balance	Set up, reinforced and transfers	Unused and reversed	Used	Closing balance
Taxes	24	4	(2)	-	26
Legal claims	32	15	(0)	(26)	22
Others	25	7	(1)	(0)	31
	82	**26**	**(4)**	**(26)**	**79**

2022	Opening balance	Set up, reinforced and transfers	Unused and reversed	Used	Closing balance
Taxes	13	12	(1)	-	24
Legal claims	9	25	(2)	(0)	32
Others	12	16	(0)	(2)	25
	34	52	(2)	(2)	82

Provisions for tax are aimed to cover possible future disbursements resulting from the tax litigation described in note 24. These are all cases in dispute in several courts, for which there is no date to be concluded.

The ongoing lawsuits for which the Group constitutes provisions essentially relate to commercial, labour and regulatory disputes, from which it is estimated that may result in future disbursements. Since these are several legal proceedings related to different periods, their payment (if it occurs) should be phased over time upon completion of the respective court proceedings.

The provision for other litigation is intended to cover the estimated future disbursements related to liabilities assumed by the Group as a result of past transactions, such as guarantees provided by the sale of business. Since they are mostly events that are not yet in dispute with the counterparty, the probability of short-term disbursement is considered remote.

21. Trade creditors, accrued costs and deferred income

✓ Accounting policies

Suppliers and other creditor's balances are obligations to pay goods or services that have been acquired in the ordinary course of the business. They are initially recognised at the fair value and subsequently at the amortised cost, in accordance with the effective interest rate method (note 2.4.2.).

Suppliers and other creditors are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

	2023	2022
Non-current		
Trade payables	3	3
Accrued costs and deferred income	1	1
Total	**4**	**4**
Current		
Trade payables	5,224	4,579
Non-trade payables	521	419
Other taxes payables	166	122
Contracts liabilities with customers	16	15
Refunds liabilities to customers	2	1
Accrued costs and deferred income	776	663
Total	**6,705**	**5,799**

The current accrued costs, totalling €764 million (included in the current Accrued costs and deferred Income line in the table above) include salaries and wages to be paid to the employees, in the amount of €345 million, interest payable in the amount of €63 million and supplementary costs with the distribution and promotion of goods in the amount of €17 million. The remaining €338 million relates to sundry costs (utilities, insurance, consultants, rents, among others) for 2023, which had not been invoiced by the respective entities prior to the end of the year.

22. Guarantees

The bank guarantees are as follows:

	2023	2022
Guarantees provided to suppliers	53	46
Guarantees for Tax Authorities	270	235
Other State guarantees	6	3
Other guarantees provided	45	30
Total	**374**	**314**

The increase in guarantees for Tax Authorities is related with the taxation in CIT processes in Portugal, mentioned in paragraph e) of note 24.

The increase in Other guarantees provided is related with derivative contracts and legal litigation processes.

The Group provided security in the form of sureties, which aimed to suspend the payment of fines imposed by the Competition Authority and which are being challenged before the Competition, Regulation and Supervision Court, as described in note 24.

There are also some financial guarantees granted by the Group, relating to liabilities already reflected in the consolidated balance sheet.

23. Capital commitments

Capital expenditure contracted for at the balance sheet date amounted to €113 million (€129 million in 2022) and refers, essentially, to work in progress, preliminary agreement for the acquisition of land, buildings and equipment whose public deeds will occur in due time.

There are no capital commitments assumed by the Group in relation to joint ventures and associates.

24. Contingencies, contingent assets and contingent liabilities

✓ Accounting policies

Contingent assets are potential Group assets that result from past events, but whose recognition depends on the occurrence or not of one or more future events that are not under its control.

Disclosure is made in the notes when it becomes probable that future economic benefits will be received by the Group. It is recognised in the Consolidated Financial Statements when it becomes virtually certain to be received.

Contingent liabilities correspond to potential obligations as result of past events and whose recognition depends on the occurrence or not of one or more uncertain future events not wholly within the control of the Group. They may also represent present obligations as result of past events, which are not recognised in the Financial Statements because its payment is not probable, or it is not possible to obtain a reliable value estimation.

The Group discloses in the notes whenever the probability of future disbursement is not considered remote. It is recognised or a provision is set up when the payment of its value becomes probable, and it can be estimated with some degree of reliability.

Assets recognised in the Consolidated Financial Statements

- Under non-current debtors (note 15), an amount of €51 million (€50 million in 2022) relates to tax liquidations claimed by the Tax Administration.

  The Board of Directors, supported by its lawyers and tax advisers, believes the Company has acted within the law and maintains the administrative and judicial claims filed against such settlements expecting their full recovery.

  In this context, the Group immediately demanded total reimbursement of the amounts paid, as well as indemnity interest at the legal rate for the period between the payment date and its effective restitution date.

  In 2012 one of the judicial proceedings was held to be well-grounded by the Court of Appeal (Tribunal Central Administrativo Sul), which ruled the cancellation of the referred liquidations and the payment of compensatory interests and of a compensation for the guarantees granted within the proceedings. The Group recognised the amount of compensatory interest due on this credit.

  In 2021, the Group was reimbursed in €15 million, relating to amounts paid in previous years and associated with the use of tax losses carried forward deferred in the scope of the aforementioned Judgment.

Contingent liabilities

Competition Authorities proceedings:

- In Portugal, following search and seizure actions carried out in late 2016 and early 2017 in several entities operating in the food distribution sector, the Portuguese Competition Authority (AdC) determined the opening of several inquiries, in the scope of which it came to issue against suppliers and retailers, including the subsidiary Pingo Doce - Distribuição Alimentar, S.A. (Pingo Doce) ten statements of objections for alleged anti-competitive practices, consisting of price alignment for certain products.

  At the end of 2023, Pingo Doce had been notified of decisions issued by AdC regarding all of the above-mentioned proceedings, imposing fines on several retailers and their suppliers. In the case of Pingo Doce these decisions resulted in the imposition of fines in the amount around of €190 million.

  Pingo Doce totally disagrees with such decisions which it considers to be completely ungrounded. As such, the Company filed the respective appeals before the Competition, Regulation and Supervision Court ("Tribunal da Concorrência, Regulação e Supervisão") in the first processes. Under the terms of the applicable law, Pingo Doce also requested the awarding of suspensive effect to the appeals, subject to providing a guarantee, to prevent the immediate payment of the fines. Based on the opinion of its legal counsels and economic advisors, the Company is fully convinced of the strength and merits of its position.

- In Poland, the Company Jeronimo Martins Polska, S.A. (JMP) was notified, in 2019, by the Polish Office of Competition and Consumer Protection (UOKiK) on the opening of one investigation proceeding, regarding missing price labels on shelves and discrepancies between prices on the shelves and the ones indicated at the checkouts.

  In August 2020, UOKiK notified the JMP of the decision, concluding with the imposition of a fine of 115 million zloty (c. €25 million). JMP, disagreeing with the understanding and conclusion of this Authority, filed an appeal to the Court of Competition and Consumer Protection (CCCP). On 29 September 2022 the court in the first instance sustained the UOKiK decision and dismissed the appeal. Convinced of the merits of its defence and has factual and legal arguments to be used, JMP filed an appeal to the Second Instance Court. On 27 June 2023 this Court rejected the appeal presented by JMP, making the payment decision final, which was made in July 2023. Nevertheless, JMP sustaining its position, will file an extraordinary appeal to the Supreme Court.

In December 2020, UOKiK notified JMP of the decision of applying a fine of 723 million zloty (c. €160 million), for the alleged abuse of bargaining power in commercial relations with suppliers, namely of fruits and vegetables. JMP understands that the decision lacks both legal and factual grounds and has already filed an appeal to the Court of Competition and Consumer Protection.

Having always conducted transparent and fair negotiations, aiming to build long-term relationships that are essential for the sustainability of its supply chain and to serve the Polish consumers, the Company is fully convinced of the merits of its defence and has significant factual and legal arguments to be used in its defence.

During the year 2020, JMP was notified by UOKiK on the opening of one proceeding related to the disclosure of country of origin of fruit and vegetable products at store level. On 22 April 2021 UOKiK notified JMP of the decision on the case, imposing a fine of 60 million zloty (c. €13 million). The mentioned decision is not final, so JMP, disagreeing with the understanding and conclusion of this Authority, filed an appeal before the CCCP. On 17 April 2023 the CCCP sustained UOKiK's decision. JMP filed the appeal to the Court of Appeals.

On 10 August 2022 the President of UOKiK initiated the proceedings regarding the promotional campaign 'Biedronka's Anti-inflation Shield', having on 13 April 2023 issued a decision to impose a fine of 161 million zloty (c. €36 million). JMP filed an appeal to the CCCP.

<u>Other tax and legal proceedings:</u>

- In 2023, a consumer protection association filed several collective actions against Pingo Doce in respect to damages arisen from an alleged discrepancy in prices between what is displayed on the shelf and what appears at the checkout counter in its supermarkets. The safeguarding of the consumer's legitimate interests is always a priority for Pingo Doce, and therefore, convinced that there is no ground for these actions, the Company has contested the actions, which are still at a preliminary stage.
- In addition to several disputes arising out of the ordinary course of the Group's businesses, there are several legal proceedings also pending resolution, for which the Board of Directors, supported by the opinion of its lawyers and tax advisors, considers that there is enough ground for its appeal in court. The most significant issues (amounted higher than €5 million) are detailed below:

  a) The Portuguese Tax Authorities (PTA) have informed Recheio SGPS that it should restate the dividends received, amounting to €82 million, from its subsidiary in the Madeira Free Zone in the years 2000 to 2003, considering them as interest for tax purposes. According to the PTA the said income should be subject to Corporate Income Tax (CIT) as opposed to dividends received that are exempt. The PTA have issued additional assessments, amounting to €21 million, of which €20 million is still in dispute. In spite that both judicial claims were ruled in favour of the PTA, the Board of Directors maintains its convictions and claimed against them judicially. In one of the cases the Central Administrative Court has ruled in favour of Recheio SGPS, although the PTA has claimed against that decision;

  b) The PTA carried out some corrections to the CIT amount from Companies included in the perimeter of the Tax group headed by JMR SGPS, which led to additional assessments concerning 2002 to 2015, amounting to €81 million, of which an amount of €71 million is still in dispute. In the meantime, the Lisbon Tax Court has ruled partially in favour of the Group regarding the 2002 to 2007 and, also, 2014 assessments. The Group appealed to a higher court;

  c) The Portuguese Tax Authorities (PTA) carried out some corrections to the CIT from Companies included in the perimeter of the Tax Group headed by Recheio SGPS. With these corrections the total assessments concerning 2007 to 2014 amounted to €17 million, of which an amount of €16 million is still in dispute. The Lisbon Tax Court has already ruled in favour of Recheio SGPS regarding the 2008, 2009, 2010, 2011, 2013 and 2014 assessments. Up to this date, the PTA has appealed of all those decisions;

  d) The PTA has informed JMH of the non-acceptance of the deductibility of capital losses, in the amount of €25 million, related to 2007 financial year, with the liquidation of one Company and the sale of another, which generated a correction on the Company's tax losses in the estimated tax amount of €7 million. Due to decisions favourable to JMH regarding corrections of losses from previous years, the amount currently in dispute is €5 million. In 2019, the Lisbon Tax Court ruled in favour of JMH. However, the PTA have appealed the said decision to a higher court;

  e) The PTA assessed, for the period from 2016 to 2019, JMR SGPS and JMH (as the head of the Tax Group in which Recheio SGPS is included), the amounts of €122 million and €30 million, respectively, related to the taxation in CIT of ¼ of the results generated in internal operations of the Tax Group, in each of these years. As explained in the 2018 Annual Report (and previous years), this assessment results from the application of the transitional rule included in the Portuguese State Budget of 2016 (and then in the next three budgets). Based on the assessment of our lawyers and fiscal advisors, we firmly believe that there are sufficient grounds to oppose the said rules;

  f) The PTA assessed JMR SGPS, regarding 2017, the amount of €13 million, regarding the restate of the dividends received in the year 2017, amounting to approximately €45 million, from one subsidiary in the Madeira Free Zone in 2017. In the opinion of PTA, these dividends should be treated as interest received, which is subject to CIT as opposed to the dividends that are exempt. In view of some specific technical aspects of this case and recent Court decisions (see paragraph a) above), the Board of Directors, supported by its lawyers and tax advisers, believes the Company has sufficient grounds for its defense;

g) The PTA assessed JMR SGPS, for 2020, in the amount of €4.5 million and corrected JMH's tax losses, in the amount of € 3.2 million, considering that the amortization of brands and, also in JMR's, donations granted, were not CIT deductible, a decision contrary to the legislative changes. The Board of Directors, supported by the opinion of its lawyers and tax advisers, believes the Company has sufficient grounds for its defense;

h) The Food and Veterinary Department (Direção-Geral de Alimentação e Veterinária) claimed from Pingo Doce, Recheio and Hussel an amount of €29 million, €3 million and €0.06 million, respectively, in respect of the Food Safety Tax (Taxa de Segurança Alimentar Mais – TSAM) assessed for the years 2012 to 2023. The values at stake have been challenged in Court, since it is understood that this tax is not due, namely on the grounds of the unconstitutional nature of the Statute that approved the TSAM. Despite the court having decided that the Food Safety Tax is not unconstitutional, the Companies maintain their understanding and presented the respective appeal to the Constitutional Court, that has upheld the decision. The Group filed a complaint with the European Commission considering that we are in the presence of illegal State aid. This complaint is still under appreciation. The companies of the Group continue to challenge the decisions, carrying out regular analysis of the risk and the likelihood of a favourable outcome in any of the processes and/or the complaint to the European Commission;

i) The court trustee of the company ZM Kania has brought a lawsuit against JMP for the amount of 23 million zloty (€5 million). The claim is based on all the discounts that JMP collected from this supplier in the period 2016-2019 with grounds on the Unfair competition act (all granted rappels are argued as not constituting a price element) and on the Law on protection of competition and consumers. JMP considers that it has strong arguments to generally counter the amounts claimed.

Based on the opinion of its lawyers, the Companies carry out a risk assessment regarding the probability of the outcome of each case, setting up provisions that they deem necessary at any time to cover potential future disbursements, or proceeding with its payment (see note 20), when it considers that it is the best way to protect the Group's interests. In order to protect its legitimate interests and not to harm its position in these disputes, it does not disclose the amounts that may have been provisioned.

Contingent assets

There are decisions taken by the competent courts, partially favourable to the Group's interests, on some of the cases that were paid in 2016, and even though the Tax Authority has appealed to higher courts, the Board of Directors believes that the Group will obtain future repayments. However, according to our policy described above, the disclosure of any amounts related to contingent assets will be made when their receipt becomes quantifiable.

25. Related parties

✓ Accounting policies

A related party is a person or entity that is related to the Group, including those that have, or are subject to, the influence or control of the Group.

25.1. Balances and transactions with related parties

56.136% of the Group is owned by Sociedade Francisco Manuel dos Santos, B.V., being Sociedade Francisco Manuel dos Santos, S.E. the ultimate parent company of the Group.

Balances and transactions of Group Companies with related parties are as follows:

	Joint ventures		Associates		Other related parties(*)	
	2023	2022	**2023**	2022	**2023**	2022
Sales and services rendered	-	-	27	22	0	0
Stocks purchased and services supplied	5	6	(0)	(0)	102	106
	Joint ventures		**Associates**		**Other related parties(*)**	
	2023	2022	**2023**	2022	**2023**	2022
Trade debtors, accrued income and deferred costs	2	0	5	5	0	0
Trade creditors, accrued costs and deferred income	0	0	0	-	23	25

(*) Other related parties corresponds to Other financial investments, entities participated and/or controlled by the major shareholder of Jerónimo Martins and entities owned or controlled by members of the Board of Directors.

All the transactions with related parties were made under normal market conditions, meaning, the transaction value corresponds to prices that would be applicable between non-related parties.

Outstanding balances between Group Companies and related parties, as a result of trade agreements, are settled in cash, and are subject to the same payment terms as those applicable to other agreements contracted between Group Companies and their suppliers.

There are no provisions for doubtful debts and no costs were recognised during the year related with bad debts or doubtful debts with these related parties.

25.2. Remuneration paid to Directors and Senior Managers

The costs incurred with fixed and variable remuneration and contributions to the pension plans attributed to the Directors and Senior Managers were as follows:

	2023	2022
Salaries and other short-term employee benefits	51	37
Termination benefits	4	1
Post-employment benefits	2	1
Other benefits	2	2
Total	**58**	**42**

The Board of Directors of the Company consisted of 11 Members at the end of 2023 (2022: 11 Members). The average number of Senior Managers of the Group was 107 (2022: 97).

Senior Managers include the Members of the Managing Committee and leading teams of the Group's business units and the Directors of the Corporate Centre.

The remuneration policy of the Board of Directors and of the Supervisory Board are stated in this Annual Report in Chapter 4 - Corporate Governance.

The post-employment benefits granted to the Directors and the Senior Managers are part of the defined contribution plan described in note 5.2..

The cost incurred with other benefits refer to long-term benefits and are described in note 5.2..

26. Group subsidiaries

Group control is ensured by the parent Company, Jerónimo Martins, SGPS, S.A..

The tables below list the subsidiaries of Jerónimo Martins Group, fully consolidated.

Company	Business area		% Owned
Jerónimo Martins, SGPS, S.A.	Business portfolio management	Lisbon	-
Jerónimo Martins - Serviços, S.A.	Human resources top management	Lisbon	100.00
New World Investments B.V.	Business portfolio management and financial services	Amsterdam (The Netherlands)	100.00
Origins - Agro Business Investments B.V.	Business portfolio management and financial services	Amsterdam (The Netherlands)	100.00
Tagus - Retail & Services Investments B.V.	Business portfolio management and financial services	Amsterdam (The Netherlands)	100.00
Warta - Retail & Services Investments B.V.	Business portfolio management and financial services	Amsterdam (The Netherlands)	100.00
Desimo, Lda.	Real estate management and administration and trademarks	Lisbon	100.00
Jerónimo Martins Inovação, S.A.	Other business and management consultancy activities	Lisbon	100.00
Trade Wings, S.A.	Renting of air transport equipment	Lisbon	100.00
Jerónimo Martins - Restauração e Serviços, S.A.	Coffee shops	Lisbon	100.00
Hussel Ibéria - Chocolates e Confeitaria, S.A.	Retail sale of chocolates, confectionery and similar products	Lisbon	51.00
Jeronimo Martins Colombia S.A.S.	Trading and distribution of consumer goods	Bogotá (Colombia)	100.00
Jerónimo Martins – Agro-Alimentar, S.A.	Other business support service activities	Lisbon	100.00
Best-Farmer – Actividades Agro-Pecuárias, S.A.	Growing of crops and animal farming	Lisbon	100.00
Terra Alegre Lacticínios, S.A.	Manufacture of milk and dairy products	Portalegre	100.00
Seaculture - Aquicultura, S.A.	Saline brackish waters aquaculture	Lisbon	100.00
Outro Chão - Agricultura Biológica, Lda.	Wholesale of fruit and vegetables	Lisbon	80.00
Mediterranean Aquafarm S.A.	Saline brackish waters aquaculture	Saidia (Morocco)	66.68
Ovinos da Tapada - Agropecuária, Lda	Animal farming	Fundão	100.00
JMR - Gestão de Empresas de Retalho, SGPS, S.A.	Business portfolio management in the area of retail distribution	Lisbon	51.00
JMR - Prestação de Serviços para a Distribuição, S.A.	Retail management, consultancy and logistics	Lisbon	51.00
Pingo Doce - Distribuição Alimentar, S.A.	Retail sales in supermarkets	Lisbon	51.00
Imoretalho - Gestão de Imóveis, S.A.	Real estate management and administration	Lisbon	51.00
Escola de Formação Jerónimo Martins, S.A.	Training	Lisbon	51.00
Lido Sol II - Distribuição de Produtos Alimentares, S.A.	Retail sales in supermarkets	Funchal	51.00
Lidinvest - Gestão de Imóveis, S.A.	Real estate management and administration	Funchal	51.00
Recheio, SGPS, S.A.	Business portfolio management in wholesale and retail distribution	Lisbon	100.00
Recheio - Cash & Carry, S.A.	Wholesale of food and consumer goods	Lisbon	100.00
Imocash - Imobiliário de Distribuição, S.A.	Real estate management and administration	Lisbon	100.00
Larantigo - Sociedade de Construções, S.A.	Real estate purchase and sale	Lisbon	100.00
Recheio Masterchef, Lda.	Wholesale of other food products	Lisbon	100.00
João Gomes Camacho, S.A.	Wholesale of food and consumer goods	Funchal	100.00
Santa Maria Manuela Turismo, S.A.	Sea passenger water transport	Lisbon	100.00
Jeronimo Martins Polska S.A.	Retail and wholesale of food and consumer goods	Kostrzyn (Poland)	100.00
JM Nieruchomości Bis sp. z o.o.	Real estate management and administration	Kostrzyn (Poland)	100.00
Jeronimo Martins Slovensko, s. r. o.	Retail sale of food and consumer goods	Bratislava (Slovakia)	100.00
Jeronimo Martins Drogerie i Farmacja Sp. z o.o.	Retail sale of health and beauty products	Kostrzyn (Poland)	100.00
Hebe Česko s.r.o.	Retail sale of health and beauty products	Prague (Czechia)	100.00
Hebe Slovensko, s. r. o.	Retail sale of health and beauty products	Bratislava (Slovakia)	100.00

In May 2023, Jeronimo Martins Drogerie i Farmacja Sp. z.o.o. constituted the Company Hebe Česko s.r.o. and in September 2023 the Company Hebe Slovensko, s. r. o., aiming the developing its activities in the market of the Czechia and Slovakia, respectively.

In August was constituted the Company Jeronimo Martins Slovensko, s. r. o., which is intended for the development of food distribution activities in Slovakia under the Biedronka banner, and whose capital is majority owned by Warta - Retail & Services Investments B.V..

In October and November, Masterchef, S.A. and Friedman - Sociedade de Investimentos Mobiliários e Imobiliários, Lda., respectively, were liquidated.

In December, Alfrarent - Imobiliária e Serviços, S.A. was merged into Imocash - Imobiliário de Distribuição, S.A., which did not result in any impact on the Group's Financial Statements.

27. Financial information on subsidiaries with material non-controlling interests

The non-controlling interests as at 31 December 2023 were €253 million (2022: €254 million), relating almost entirely to JMR Group (Portugal Retail segment – see note 3), where Ahold Delhaize Group holds a stake c. 49%.

The Financial Statements of this business unit, fully consolidated, include the following amounts related to assets, liabilities and earnings:

	2023	2022
Non-current assets	2,062	1,947
Current assets	522	539
Non-current liabilities	(472)	(460)
Current liabilities	(1,596)	(1,509)
Total shareholders equity	**517**	**517**
Sales and services rendered	5,471	5,038
Net profit	36	36
Other comprehensive income	(1)	0
Total comprehensive income	**35**	**36**

28. Interests in joint ventures and associates

Set out below are the joint ventures and associates of the Group, consolidated by the equity method:

Company	Business area		% Owned
Andfjord Laks AS	Saline brackish waters aquaculture	Andoya (Norway)	25.12
Andfjord Salmon AS	Business portfolio management	Andoya (Norway)	25.12
Finançor Distribuição Alimentar, Lda.	Retail sale in supermarkets	Ponta Delgada	20.00
Finançor Cash & Carry, Lda.	Wholesale of food and consumer goods	Ponta Delgada	20.00
Marismar - Aquicultura Marinha, Lda.	Saline brackish waters aquaculture	Funchal	50.00
Supreme Fruits, Lda.	Growing of citrus fruits	Beja	50.00
Tastyfruits, Lda.	Farming of crops	Lisboa	50.00

As described in note 11, in June 2023, JMA, through a private placement with Andfjord Salmon AS (Andfjord), started to hold a total stake of 25.1%.

In the last quarter of 2023, Andfjord was subject to a corporate restructuring, which aimed a split, followed by a triangular merger, with the operational business now being conducted by the subsidiary Andfjord Laks AS, 100% owned by Andfjord Salmon AS.

In July, Jerónimo Martins Agro-Alimentar, S.A. entered the capital of Supreme Fruits, Lda., with a 50% stake, under a partnership agreement with Grupo Luís Vicente, S.A. (see note 11).

The financial statements of joint ventures and associates integrated into the consolidated by the equivalence method, present the following values, which were adjusted for the accounting policies adopted by the Group:

	Joint Ventures		Associates	
	2023	2022	**2023**	2022
Non-current assets	32	10	95	35
Current assets	11	5	64	14
Non-current liabilities	(16)	(10)	(6)	(0)
Current liabilities	(9)	(2)	(37)	(29)
Net assets	**19**	**3**	**115**	**20**
Sales and services rendered	6	6	97	76
Net result	(2)	(0)	(1)	1
Other comprehensive income	-	-	0	-
Total comprehensive income	**(2)**	**(0)**	**(1)**	**1**

The table below presents the reconciliation of the financial position of the joint ventures and associated companies with the value presented in Jerónimo Martins' financial statements:

	Joint Ventures		Associates	
	2023	2022	**2023**	2022
Net assets as at 1 January	**3**	**2**	**20**	**14**
Net result	(2)	(0)	(1)	1
Dividends	(0)	(0)	(1)	(1)
Other Increases/(reductions)	17	2	97	6
Other comprehensive income	-	-	0	-
Net assets as at 31 December	**19**	**3**	**115**	**20**
Interest in Joint ventures and associates (%)	50%	50%	20 - 25%	20 - 25%
	9	2	28	4
Loans	14	9	-	-
Goodwill	-	-	29	2
Carrying value (note 11)	**23**	**10**	**57**	**6**

29. Financial risk

The Group is exposed to several financial risks, namely: i. price risk, which includes interest, exchange rate and energy price risks; ii. transactional risk, which includes credit and liquidity risk; and iii. the risk arising from the Group's investments portfolio, which covers various economic and financial risks such as interest rate, credit, foreign exchange or inflation, as well as political and fiscal.

The management of these risks is focused on the unpredictable nature of the financial markets and aims to minimize its adverse effects on the Group's financial performance.

Certain types of exposure are managed using financial derivative instruments.

The activity in this area is carried out by the Financial Operations Department. It is responsible, with the cooperation of the financial areas of the Group's companies, for identifying and assessing risks and for executing the hedging of financial risks, following guidelines set out in the Financial Risk Management Policy.

Every quarter, reports on compliance with the Financial Risk Management Policy are presented to and discussed with the Audit Committee.

29.1. Pricing risk

29.1.1. Foreign exchange risk

The main source of exposure to foreign exchange risk comes from the Group operations in Poland and in Colombia.

In addition to this exposure, within the scope of the commercial activities of its subsidiaries, the Group acquires merchandise denominated in foreign currency, mainly euros and US dollars for the Polish and Colombian operations and in US dollars for the Portuguese operations. In general, these transactions are very short dated. Exchange rate risks associated with imports are covered by forward purchases of the currency of payment.

The Management of the operational Companies' exchange rate risk is centralised in the Group's Financial Operations Department. Whenever possible, exposure is managed through natural hedges, namely through loans denominated in local currency. When this is not possible, hedging structures are contracted using instruments such as swaps, forwards or options.

The Group's exposure to foreign exchange risk in financial instruments recognised as at 31 December 2023, was as follows:

As at 31 December 2023	Euro	Zloty	Colombian peso	US dollar	Total
Assets					
Cash and cash equivalents	517	1,316	106		1,938
Other financial investments	2	-	-		2
Trade debtors and deferred costs	109	656	31		796
Derivative financial instruments	6	-	-	-	6
Total financial assets	**634**	**1,972**	**136**	**-**	**2,742**
Liabilities					
Borrowings	0	137	628	-	765
Lease liabilities	543	2,266	573		3,382
Derivative financial instruments	6	12	-	0	18
Trade creditors, accrued costs and deferred income	1,436	4,308	459		6,204
Total financial liabilities	**1,985**	**6,724**	**1,660**	**0**	**10,370**
Net financial position in the balance sheet	**(1,351)**	**(4,751)**	**(1,524)**	**(0)**	**(7,627)**
As at 31 December 2022					
Total financial assets	723	1,562	81	0	2,367
Total financial liabilities	1,987	5,566	1,006	6	8,564
Net financial position in the balance sheet	(1,264)	(4,003)	(924)	(6)	(6,197)

Considering the net position of the financial assets and liabilities on the balance sheet at 31 December 2023, a depreciation of the zloty against the euro of around 10% would have a positive impact of €457 million on the equity's currency translation reserves (in 31 December 2022: a positive impact of €383 million). Regarding the colombian peso, a depreciation against the euro of 10% would have a positive impact on the equity's currency translation reserves of €139 million (in 31 December 2022: a positive impact of €84 million).

Considering the net financial assets related with operating activities that some Group subsidiaries hold in currencies other than their functional currency, a 10% depreciation of the exchange rate would have a negative impact on the results of €44 million.

Considering the total net assets (financial and non-financial) to which the Group is exposed to in zloty and colombian peso, the effect of a 10% depreciation of these currencies would have a negative impact of €164 million in total equity (on 31 December 2022: a negative impact of €136 million).

29.1.2. Interest rate risk (cash flow and fair value)

All financial liabilities are directly or indirectly indexed to a reference interest rate, which exposes the Group to cash flow risk. A given portion of this risk is hedged through interest rate swaps, thus the Group is also exposed to fair value risk.

Exposure to interest rate risk is monitored continuously. In addition, to evaluate future interest costs based on forward rates, sensitivity tests to variations in the interest rate level are performed. The Group is essentially exposed to interest rate curves of the euro, the zloty, and to the colombian peso.

The sensitivity analysis is based on the following assumptions:

- Changes in market interest rates affect interest gains and losses on financial instruments, traded at variable interest rates;

- Changes in market interest rates only affect gains and losses in interest on financial instruments with fixed interest rates if these are recognised at fair value;
- Changes in market interest rates affect the fair value of derivative financial instruments and other financial assets and liabilities;
- Changes in the fair value of derivative financial instruments and other financial assets and liabilities are estimated by discounting future cash flows from current net values, using the market rates at the valuation date.

For each analysis, whatever the currency, the same changes to the yield curves are used. The analyses are carried out for the net debt, meaning deposits and short-term investments with financial institutions and derivative financial instruments are deducted. Simulations are performed based on net debt values and the fair value of derivative financial instruments as of the reference dates, and the respective change in the interest rate curves.

Based on the simulations performed at 31 December 2023, and excluding the effect of interest rate derivatives, a rise of 50 b.p. in interest rates, with everything else remaining constant, would have a positive impact of €6 million (2022: positive in €6 million). These simulations are carried out once a quarter, but are reviewed whenever there are relevant changes, such as debt issuance, debt repayment or restructuring, significant variations in reference rates and in the slope of the interest rate curve.

29.1.3. Energy price risk

Within the scope of its activity, the Group is exposed to energy prices fluctuation, since its electricity supply contracts are indexed to spot market prices, exposing the Group to the risk of variability in cash flows. Regularly the Group analyses the evolution of the energy price, in all the geographies where it operates, and when market conditions allow it, tries to fix, for more or less long periods, the energy price with its suppliers, as a way to mitigate the respective risk. This is the case of companies in Portugal, for which it was possible to fix the price per Mwh with the electricity operator, until 2027.

Additionally, as described in note 13, it was signed a financial settlement agreement on the energy price covering part of the Group needs. As at 31 December 2023, the negative fair value of the contract was €5.8 million (negative €5.4 million at 31 December 2022).

Based on the simulations carried out on 31 December 2023, a 5% increase/decrease (parallel shift of the price curve) in the electricity price would have a positive/negative impact, keeping everything else constant, of about €3.3 million.

29.2. Transactional risk

29.2.1. Credit risk

The Group manages centrally its exposure to credit risk on bank deposits, short-term investments and derivatives contracted with financial institutions. The Financial Departments of the business units are responsible for the management of credit risk on its customers and other debtors.

The financial institutions that the Group chooses to do business with are selected based on the ratings they receive from one of the independent benchmark rating agencies. Apart from the existence of a minimum accepted rating, there is also a maximum exposure to each of these financial institutions.

In each Company the bank that collects the deposits from stores may have a lower rating than the one defined in the general policy, although the maximum exposure does not exceed two days of sales of the operating company.

The following table shows a summary of the credit quality on bank deposits and short-term investments and derivative financial instruments with positive fair value, as at 31 December 2023 and 2022:

Financial institutions	**Rating**	**Balance**	
		2023	**2022**
Standard & Poor's	[A+ : AA]	379	175
Standard & Poor's	[BBB+ : A]	522	256
Standard & Poor's	[BB+ : BBB]	326	346
Standard & Poor's	[BB]	-	60
Moody's	[A2 : A1]	203	277
Moody's	[Caa1:Ba1]	1	1
Fitch	[A- : A+]	481	474
Fitch	[BBB- : BBB+]	3	154
Fitch	[B- : BB+]	89	21
	Not available	73	37
Total		**2,076**	**1,800**

The ratings shown correspond to the notations given by Standard & Poor's. When these are not available Moody's or Fitch notations are used instead.

With regard to customers, the risk is mainly limited to Cash & Carry business, since the other businesses operate based on sales paid with cash or bank cards (debit and credit). This risk is managed based on experience and individual customer knowledge, as well as through credit insurance and by imposing credit limits which are monitored on a monthly basis and reviewed annually by Internal Audit. In addition, the Company uses credit insurance to mitigate the associated risk.

The following table shows an analysis of the credit quality of the amounts receivable from customers and other debtors without non-payment or impairment:

Credit quality of the financial assets		
	2023	2022
New customer balances (less than six months)	1	2
Balances of customers without a history of non-payment	59	57
Balances of customers with a history of non-payment	6	7
Balances of other debtors with the provision of guarantees	22	20
Balances of other debtors without the provision of guarantees	178	142
Total	**266**	228

The following table shows an analysis of the concentration of credit risk from amounts receivable from customers and other debtors, taking into account its exposure for the Group:

Concentration of the credit risk from the financial assets				
	2023		2022	
	No.	**Balance**	No.	Balance
Customers with a balance above €1,000 thousand	3	6	4	12
Customers with a balance between €250 thousand and €1,000 thousand	34	13	30	11
Customers with a balance below €250 thousand	8,701	48	8,251	44
Other debtors with a balance above €250 thousand	85	147	156	109
Other debtors with a balance below €250 thousand	2,691	51	3,103	52
	11,514	**266**	11,544	228

The maximum exposure to credit risk as at 31 December 2023 and 2022 is the financial assets carrying value.

29.2.2. Liquidity risk

Liquidity risk is managed by maintaining an adequate level of cash or cash equivalents, as well as by negotiating credit limits that not only ensure the regular development of the Group' activities, but that also ensure some flexibility to be able to absorb shocks unrelated to Group activities.

Treasury needs are managed based on short-term planning, executed on a daily basis, which derives from the annual plans that are reviewed regularly during the year.

Some subsidiaries of the Group have entered into confirmation protocols with financial institutions, of voluntary adherence by suppliers, which allow them to anticipate the payment of their invoices by approximately 7 days. According to the characteristics of these protocols, the amounts remain classified as debts payable to suppliers, considering that, in substance, the characteristics of commercial debt remain. Suppliers that do not adhere to these protocols are normally paid according to the term contractually agreed with each supplier.

The following table shows the Group' liabilities by intervals of contractual residual maturity. The amounts shown in the table are the non-discounted contractual cash flow. In addition, it should be noted that all the derivative financial instruments that the Group contracts are settled at net value.

Exposure to liquidity risk

2023	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**
Borrowings			
Other loans	538	294	23
Derivative financial instruments	(2)	(5)	19
Creditors	5,745	-	-
Lease liabilities	577	1,870	2,863
Total	**6,857**	**2,158**	**2,905**

2022	Less than 1 year	Between 1 and 5 years	More than 5 years
Borrowings			
Other loans	258	217	43
Derivative financial instruments	(5)	(8)	27
Creditors	4,998	-	-
Lease liabilities	468	1,468	2,111
Total	**5,719**	**1,677**	**2,181**

The Group has entered into some covenants in its loan agreements for the medium and long-term debt in place.

These covenants include:

- Limitation on the disposal and pledge of assets above a certain amount;
- Limitation on mergers and/or demergers when these imply the reduction of assets in the consolidation perimeter;
- Change of control clause;
- A limit on the ratios of Net Debt/EBITDA, calculated in accordance with the pre-IFRS 16 accounting standards;
- Fulfilment of social and environmental standards.

In some cases, the breach of these covenants may trigger the early redemption of the associated debt. At the end of December 2023, the Group was in full compliance with the covenants assumed on the debt loans in place.

Throughout the year the Group maintains liquidity reserves in the form of credit lines contracted with the financial institutions with which it relates, in order to ensure the ability to meet its commitments, without having to finance itself under unfavourable conditions. Thus, on 31 December 2023, the Group has contracted credit lines that were not being used in the total amount of €965 million.

In addition, the Group had, at 31 December 2023, a liquidity reserve consisting of cash and cash equivalents in the amount of €1,938 million.

This way, the Group expects to satisfy all its treasury needs with the use of operating activity flows and liquidity reserves, and if eventually necessary, using the existing available credit lines.

29.2.3. Capital risk management

The Group seeks to keep its capital structure at appropriate levels so that it not only ensures the continuity and development of its activity, but also to provide adequate returns to its shareholders and to optimise the cost of capital.

Balance of the capital structure is monitored based on the financial leverage ratio (Gearing), calculated according to the following formula: Net debt/Shareholder Funds and by the ratio Net debt/EBITDA. The Board of Directors established a target for the Gearing ratio below 100%, consistent with an investment grade rating, and a ratio Net debt/EBITDA below 3.

The Gearing ratios as at 31 December 2023 and 2022, calculated without the effect of adopting the IFRS 16 standard, as analysed by the Group's Management, were as follows:

	2023	2022
Capital invested	2,061	1,501
Net debt	(1,184)	(1,236)
Shareholder´s funds	3,245	2,737
Gearing*	**n.a.**	**n.a.**
EBITDA	1,655	1,419
Net debt / EBITDA	**(0.7)**	**(0.9)**

*At 31 December 2023 and 2022 the net debt was positive.

30. Information on environmental matters

Detailed information about the vision followed by the Group in combating climate change can be found in the Corporate Responsibility in Value Creation, Chapter 5.

31. Additional information required by law

In accordance with article 508-F of the Portuguese Commercial Companies Code, we hereby inform the following:

a) In addition to all operations described in the notes above, as well as in the Management's Report, there are no other operations considered relevant that are not already contained either in the balance sheet or its annex;

b) The total remuneration paid to the External Auditor and Statutory Auditor in 2023 was €1,030 thousand, of which €974 thousand correspond to statutory audit of the accounts, while the remaining €56 thousand, are related to human resources support services and limited assurance services on sustainability indicators;

c) Note 25 of the Notes to the Consolidated Financial Statements includes all the related parties disclosures, in accordance with the International Accounting Standards.

32. Events after the balance sheet date

✓ **Accounting policies**

Where events occur after the balance sheet date that provide evidence of conditions that existed at the end of the reporting period, the impact of these events is adjusted within the Financial Statements. Otherwise, events after the balance sheet date of a material size or nature are disclosed below.

At the conclusion of this Report there were no relevant events to highlight that are not disclosed in the Financial Statements.

Lisbon, 5 March 2024

The Certified Accountant **The Board of Directors**

2. Statement of Board of Directors

Statement of the Board of Directors

Within the terms of paragraph c), number 1 of article 29-G of the Portuguese Securities Code, the members of the Board of Directors, identified below, declare that to the best of their knowledge:

i) the information contained in the management report, the annual accounts, the Auditors' Report and all other accounting documentation required by law or regulation, was produced in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, the financial position and the results of Jerónimo Martins, SGPS, S.A. and the companies included in the consolidation perimeter; and

ii) the Management report is a faithful statement of the evolution of the businesses, of the performance and of the position of Jerónimo Martins, SGPS, S.A. and the companies included within the consolidation perimeter, and contains a description of the main risks and uncertainties which they face.

Lisbon, 5 March 2024

Pedro Manuel de Castro Soares dos Santos
(Chairman of the Board of Directors and Chief Executive Officer)

Andrzej Szlezak
(Member of the Board of Directors)

António Pedro de Carvalho Viana-Baptista
(Member of the Board of Directors)

Artur Stefan Kirsten
(Member of the Board of Directors)

Clara Christina Streit
(Member of the Board of Directors and Chairwoman of the Audit Committee)

Elizabeth Ann Bastoni
(Member of the Board of Directors and Member of the Audit Committee)

Francisco Seixas da Costa
(Member of the Board of Directors)

José Manuel da Silveira e Castro Soares dos Santos
(Member of the Board of Directors)

María Ángela Holguín
(Member of the Board of Directors)

Natalia Anna Olynec
(Member of the Board of Directors)

Sérgio Tavares Rebelo
(Member of the Board of Directors and Member of the Audit Committee)

3. Auditor's Report

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(Translation from the original document in the Portuguese language.
In event of doubt, the Portuguese version prevails)

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Jerónimo Martins, S.G.P.S., S.A. (the Group), which comprise the Consolidated Balance Sheet as at 31 December 2023 (showing a total of 14.297 million euros and total equity of 3.066 million euros, including a net profit attributable to the equity holders of the company, as mother of the group of 756 million euros), the Consolidated Income Statement by Functions, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Shareholders' Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Jerónimo Martins, S.G.P.S., S.A. as at 31 December 2023, and of its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section below. We are independent of the entities comprising the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors´ code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

1. **Owned stores (fixed assets) and leased stores (right-of-use) valuation**

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
The Group operates a significant number of stores in three different countries: Portugal, Poland and Colombia. The carrying value of stores, including related assets and right of use, are important to our audit due to the material amount of those assets (more than 7.545 million euros as at 31 December 2023), as well as the judgment involved in the identification of any impairment triggers and subsequent	Our audit procedures included: ► Understanding, evaluating and testing controls over the fixed assets and right of use processes; ► Evaluating the Group's policies and procedures to identify triggering events for potential impairment of assets related to underperforming stores by assessing Management's review of the financial performance on a Cash Generating Unit (CGU) basis;

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
assessments of the recoverability of the invested amounts. Management annually assesses whether there are triggering events indicating potential impairment focusing on future store performance, which is dependent on external factors, namely store traffic, basket size, the competitive landscape and the current economic outlook in the different geographies where the Group operates, leading this topic to be a key audit matter.	► Obtaining Management's assumptions for impairment analyses and validating them by comparison to the forecasts prepared by external market analysts and long term strategic plans that were approved by Management, which include worse outlooks when compared to previous years, as well as historic trend analyses to determine Management's ability to reliably estimate such assumptions, including the discount rate calculated by the Group; ► Use of specialized professionals to validate the significant assumptions underlying the stores impairment test models, namely the discount rate and growth rate applied to cash flows in perpetuity; ► Performing, for a sample of CGUs, the re-execution of the calculation of impairment testing and comparing the value in use to the carrying amount; ► Obtaining sensitivity analysis presented by the group, and testing the variation of the most significant assumptions, such as the discount rate, or the perpetuity growth rate. Our audit procedures also included a review of the disclosures presented in the consolidated financial statements.

2. Recognition of Supplementary Gains / Vendor Allowance

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
The Group receives various types of vendor allowances (or "supplementary gains"), which are included in cost of sales as disclosed in notes 4, 14 e 15 to the consolidated financial statements. These allowances are associated with supply contracts with vendors and take various forms of credits and discounts. Such discounts obtained from contracts with suppliers should be considered as a component of the cost of the inventory and should be recognized in the income statement when the products are sold (according to IAS 2 - Inventories). The amounts to be deducted from the cost of sales depends on the quantities of products included in the vendor agreement which, at the date of the balance sheet, have already been sold. As the process of calculation and accounting for some material discounts involves manual processes which are more susceptible to the occurrence of errors in the	Our audit procedures included: ► Understanding, evaluating and performing control testing over the vendor allowances process; ► Understanding and performing tests on the system interface between the accounting system and the commercial system used to control the supplementary gains; ► Testing, for a sample of supplementary gains contracts, the accuracy of the key inputs in the system for the contracts and re-performing the amounts recorded; ► Performing analyses of the suppliers debtor balances, namely through the validation of credit notes issued subsequently and assessment of impairment indicators; ► External confirmation for a sample of suppliers; ► Obtaining evidence, for the most significant manual adjustments, to support the amount accounted for and the correctness of the period in which these were recorded;

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
consolidated financial statements, we consider this a key audit matter.	► Performing detailed analytical procedures, namely monthly review, prior year review, ratio analysis to sales and ratios analyses to purchases of the vendor allowances; and ► Performing year-end cut-off procedures to determine whether amounts were recorded in the correct accounting period. We have also verified the adequacy of the disclosures presented in the consolidated financial statements.

3. Tax and legal litigations and contingencies

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
The risk of legal and tax matters and current disputes with the tax and competition authorities are monitored constantly by both Group's Management and Audit Committee. Based on the opinion expressed by the Group's lawyers and tax advisors, on the opinion from external lawyers, and according to Management's judgment, all litigations and contingencies with tax authorities are recognized as liabilities or disclosed as a contingent liability in accordance with IAS 37 (Provisions, contingent liabilities and contingent assets) in the consolidated financial statements. As disclosed in note 24, since the financial year 2020, the competition authority issued fines to Pingo Doce and Jerónimo Martins Polska in the amount of 190 million Euros and 234 million Euros respectively. The Group disclosed a risk that arose from the State Budgets of 2016, 2017, 2018 and 2019, related to the taxation in CIT of ¼ of the results generated in internal operations of the Group, in each of those years, for which 152 million euros have been settled by the Tax Authorities. The total amount of tax contingencies, net of provisions and payments under special tax regimes amount to approximately 196 million euros at 31 December 2023. This topic is a key audit matter for our audit considering the complexity and the degree of judgment inherent to these tax matters, as	Our audit procedures included: ► Understanding and evaluating the monitoring processes over tax and legal litigations and claims; ► Obtaining, in response to our request for detailed information on the ongoing proceedings, the understanding of the Group external lawyers regarding the main tax and legal issues; ► Reviewing the minutes of meetings and performing inquiries of management, legal department and tax department for the most significant legal and tax claims and litigations; ► Performing external confirmation procedures with advisors representing the Group on the tax and legal matters; and ► We have been supported in our analysis on the ongoing tax and legal disputes by internal tax and legal specialists. We have also verified the adequacy of the disclosures presented in the consolidated financial statements.

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
well as the level of uncertainty associated with the final outcome.	

Responsibilities of management and the Audit Committee for the consolidated financial statements

Management is responsible for:

- the preparation of consolidated financial statements that presents a true and fair view of the Group´s financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union;
- the preparation of the Management Report, the Corporate Governance Report, non-financial information and remunerations report, in accordance with the laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Group´s ability to continue as a going concern.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion; and
- communicate with those charged with governance, including the Audit Committee, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- from the matters communicated to those charged with governance, including the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- we also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate threats or related safeguards used.

Our responsibility includes the verification of the consistency of the Management Report with the consolidated financial statements, and the verifications under Nº 4 and Nº 5 of article 451 of the Commercial Companies Code regarding corporate governance matters and the verification that the non-financial information and remunerations report was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, Nº 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment over the Group, we have not identified any material misstatement.

Pursuant to article 451, paragraph 7 of the Companies Code, this opinion is not applicable to the non-financial statement included in the Management Report.

On the Corporate Governance Report

Pursuant to article 451, Nº 4 of the Commercial Companies Code, in our opinion, the Corporate Governance Report includes the information required to the Group to provide as per article 29-H of the Securities Code, and we have not identified material misstatements on the information provided therein in compliance with Nº 1, paragraphs c), d), f), h), i) and l) of the said article.

On the consolidated non-financial information

Pursuant to article 451, Nº 6 of the Commercial Companies Code, we inform that the Group has included a separate statement from the Management Report related to the consolidated non-financial information as set out in article 508-G of the Commercial Companies Code, which has been disclosed together with the Management report.

On the remunerations report

Pursuant to article 26-G, Nº 6 of the of the Securities Code, we inform that the Group has included in the Corporate Governance Report, on a separate chapter, the information provided in compliance with nº2 of the said article.

Jerónimo Martins, S.G.P.S., S.A.
Consolidated Statutory and Auditor's Report
(Translation from the original Portuguese language)
31 December 2023

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) Nº 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were appointed as auditors of the Jerónimo Martins, S.G.P.S., S.A. (Group´s Parent Entity) for the first time at the shareholders' general meeting held on 6 April 2017 for the mandate from 2017 to 2018. We were appointed for a second term for the mandate from 2019 to 2021 at the shareholders' general meeting held on 11 April 2019. At the shareholders' general meeting held on 21 April 2022 we were reappointed for a third term for mandate from 2022 to 2024;
- Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred with a material effect on the financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the consolidated financial statements due to fraud. As a result of our work we have not identified any material misstatement to the consolidated financial statements due to fraud;
- We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the Audit Committee of the Group on 4 March 2024; and
- We declare that we have not provided any prohibited services as described in article 5 of the Regulation (EU) Nº 537/2014 of the European Parliament and of the Council, of 16 April 2014, and we have remained independent of the Group in conducting the audit.

European Single Electronic Format (ESEF)

The consolidated financial statements of the Jerónimo Martins, S.G.P.S., S.A. for the year ended 31 of December 2023 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included, among others:

- obtaining understanding of the financial reporting process, including the submission of the annual report in valid XHTML format; and
- the identification and evaluation of the risks of material distortion associated with the marking-up of the information of the financial statements, in XBRL format using iXBRL technology. This evaluation was based on the understanding of the process implemented by the Group to mark-up the information.

In our opinion, the consolidated financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Lisbon, 12 March 2024

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Pedro Miguel Borges Marques - ROC nr. 1801
Registered with the Portuguese Securities Market Commission under license nr. 20161640

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Report and Opinion of the Audit Committee

Dear Shareholders,

In accordance with sub-paragraph g) of paragraph 1 of article 423-F of the Commercial Companies Code and with sub-paragraph a) of paragraph 3 of article 3 of Law 148/2015, of September 9th (that approved the Legal Framework on Audit Oversight), we herewith present our report on our supervisory activity and our opinion on the Jerónimo Martins, SGPS, S.A. management report, consolidated and individual accounts for the year ending December 31st, 2023, as well as on the proposals presented by the Board of Directors.

Supervisory activity

Throughout the year, this Committee monitored the management and evolution of the Company's businesses, in particular the impacts resulting from the uncertainty and instability originated by the growing geopolitical tensions, namely the continuation of the war in Ukraine and the conflict in the Middle East, also with an impact on the supply chains that pass through the Red Sea. In doing so, it held regular meetings with the Directors and Heads of the functional areas of the corporate centre, with the members of the Managing Committee, the Company Secretary and the Statutory Auditor, who is also the auditor responsible for the audits foreseen in the Securities Code, namely in its article 29-G, no. 2, paragraph a), and in all cases received their full co-operation.

This Committee was given access to all corporate documentation that it considered relevant, to assess the compliance with its regulations and with the applicable laws.

From the Statutory Auditor and those responsible for preparing the Company's individual and consolidated financial information, with whom it met regularly, it obtained sufficient and necessary information to gauge the accuracy of the accounting documents, accounting policies and valuation criteria adopted by the Company. It thereby ensures that these correctly represent the results and the equity of the Company.

The Committee monitored, in particular, the development of legal and tax proceedings and litigation involving Group's companies, namely the several ongoing processes of the Competition Authorities in Portugal and Poland. The decisions in fourteen cases so far resulted in the imposition of fines on Group's subsidiaries (of which two cases had fines imposed in 2023). The clarifications obtained from the Company's management teams, supported by the opinion of its lawyers and economic consultants, allowed this Committee to assess the contingencies to which the Group is exposed and the adequacy of existing provisions.

In compliance with the Financial Risk Management Policy, it monitored, in particular, the financing operations of the Colombian and Polish subsidiaries and the investment of cash surpluses. It also deliberated and advised on the hedging operations related with the dividend flows to be paid by its main subsidiary in Poland. It monitored the interest rate and exchange hedging operations, with the co-operation of the Financial Operations Department, and verified that the actions taken by the Company were adequate to comply with the policies issued by its Board of Directors.

The Committee continues to monitor the existing Group's internal control procedures for risk mitigation. It has obtained from several departments of the Company, namely those responsible for the Financial area, Internal Audit, Information Security and Strategy and Risk Management, as well as from the representatives of the Statutory Auditor, all information and clarifications requested. Additionally, obtained all relevant information regarding existing insurance coverage and covered risks from the team responsible for insurance management. The information gathered allowed the Audit Committee to verify the continued adequacy and effectiveness of the internal control and risk management systems.

It closely monitored the work carried out by the Internal Audit Department, approving the necessary adjustments to the annual activity plan, according to the areas considered to be a priority. It also verified the conclusions of the reports on the work carried out, as well as the actions that the Company implemented as a result of the recommendations issued by this department and the Internal Control Committee, as well as those contained in the reports issued by the Statutory Auditor. The Committee reviewed and approved the internal audit plan for 2024 as well as the necessary resources' allocation.

Risks associated with cybersecurity continued to grow, heightened by the geopolitical instability. The Audit Committee therefore maintained a close monitoring of activities in the Information Security area, namely the work carried out and the initiatives in governance, prevention, detection and recovery.

It also followed the plan and procedures of external audit, having obtained the necessary comfort on the effectiveness of the work plans, way of approaching matters subject to audit procedures and their impact on the conclusions of the Statutory Auditor's work. In the course of its supervisory activities and in the preparation of the closing of the 2023 accounts, the Audit Committee kept in mind the recommendations of several international bodies, reinforced in 2020 by a Circular issued by the Portuguese Securities Market Commission (CMVM).

It also monitored the evolution of issues raised by the Statutory Auditor, as well as the conclusions of the audit work that it carried out, which allowed the Auditor's Report being issued without any reservations. Within the scope of its responsibilities, the Audit Committee verified the independence and competence of the Company's Statutory Auditor in carrying out their functions.

It verified and approved all non-audit services provided by the Statutory Auditor to the Group's companies, ensuring that these services are not forbidden under its regulation and the applicable law. It also guaranteed that the amounts paid for the services rendered in no way jeopardise the independence of the work carried out by the Statutory Auditor nor do they affect its opinion. The Audit Committee also obtained confirmation that no additional services were provided by the teams involved in the audit work.

The Committee followed the application of Law 50/2020, of August 25th, concerning the rights of shareholders of listed companies regarding their long-term involvement, namely the transactions with related parties' regime, having concluded that all identified transactions were carried out in the ordinary course of business and performed under market conditions.

It also verified that, under the terms of paragraph 5 of article 420 of the Commercial Companies Code, the Corporate Governance Report includes all the elements mentioned in article 29-H of the Portuguese Securities Code.

The elements mentioned above have allowed this Commission to contribute decisively to the integrity of the process of preparation and disclosure of the Company's financial information.

Opinion

Considering the information received from the Board of Directors, the Company's departments and the conclusions outlined in the Statutory and Auditor's Report in respect of the Individual and Consolidated Financial Information, we are of the opinion that:

i. The Management Report should be approved;

ii. The Individual and Consolidated Financial Statements should be approved; and

iii. The Board of Directors' results appropriation proposal should be approved.

Statement of Responsibility

In accordance with sub-paragraph c) of paragraph 1 of article 29-G of the Portuguese Securities Code, the members of the Audit Committee, identified below, declare that to the best of their knowledge:

i. The information contained in the Management Report, the Annual Accounts, the Auditors' Report and all other accounting documentation required by law or regulation, was produced in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, the financial position and the results of Jerónimo Martins, SGPS, S.A. and the companies included in the consolidation perimeter.

ii. The Management Report faithfully presents the evolution of the businesses, the performance and position of Jerónimo Martins, SGPS, S.A. and of the companies included within the consolidation perimeter and contains a description of the main risks and uncertainties which they face.

Lisbon, March 12, 2024

Clara Christina Streit
(Chairman of the Audit Committee)

Elizabeth Bastoni
(Member)

Sérgio Tavares Rebelo
(Member)

Individual Financial Statements

1. Individual Financial Statements

Index to the Notes to the Individual Financial Statements **Page**

INDIVIDUAL INCOME STATEMENT BY FUNCTIONS

For the years ended 31 December 2023 and 2022

Euro thousand

	Notes	2023	2022
Services rendered	26	36,572	22,087
Costs of services rendered	3	(33,117)	(20,275)
Gross profit		**3,455**	**1,812**
Administrative costs	3	(38,952)	(41,235)
Other operating profits/losses	3	(44,850)	(47,411)
Operating profit		**(80,347)**	**(86,834)**
Net financial costs	5	7,868	29
Gains (losses) in subsidiaries	7	627,938	551,041
Gains (losses) in other investments	8	220	7,979
Profit before taxes		**555,679**	**472,215**
Income tax	6.1	3,245	7,922
Net profit (loss)		**558,924**	**480,137**
Basic and diluted earnings per share - euros	18	0.8894	0.7640

To be read with the attached notes to the individual financial statements.

INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2023 and 2022

Euro thousand

	Notes	2023	2022
Net profit		**558,924**	480,137
Other comprehensive income:			
Remeasurements of post-employment benefit obligations	4.2	(1,257)	178
Related tax	6.3	283	(40)
Items that will not be reclassified to profit or loss		**(974)**	**138**
Items that may be reclassified to profit or loss		**-**	-
Other comprehensive income, net of income tax		**(974)**	**138**
Total comprehensive income		**557,950**	**480,275**

To be read with the attached notes to the individual financial statements.

INDIVIDUAL BALANCE SHEET

As at 31 December 2023 and 2022

Euro thousand

	Notes	2023	2022
Assets			
Tangible assets	9	1,594	1,201
Intangible assets	10	12,032	8,004
Investment property	12	2,470	2,470
Right-of-use assets	11.1	2,402	2,247
Investments in subsidiaries	13	666,133	666,038
Loans to subsidiaries	14	2,086,825	1,812,945
Other financial investments	24	148	178
Other debtors	15	267	248
Deferred tax assets	6.3	3,061	2,991
Total non-current assets		**2,774,932**	**2,496,322**
Income tax receivable	6.4	3,215	199
Loans to subsidiaries	14	184,035	49,835
Trade debtors, accrued income and deferred costs	15	47,234	24,682
Cash and cash equivalents	16	228,638	425,949
Total current assets		**463,122**	**500,665**
Total assets		**3,238,054**	**2,996,987**
Shareholders' equity and liabilities			
Share capital	17.1	629,293	629,293
Share premium	17.1	22,452	22,452
Own shares	17.2	(6,060)	(6,060)
Retained earnings	17.3	2,510,471	2,298,160
Total shareholders' equity		**3,156,156**	**2,943,845**
Lease liabilities	11.2	1,540	1,507
Employee benefits	4.2	11,439	11,208
Provisions for risks and contingencies	20	5,077	7,102
Deferred tax liabilities	6.3	128	164
Total non-current liabilities		**18,184**	**19,981**
Borrowings	19	-	-
Lease liabilities	11.2	877	730
Trade creditors, accrued costs and deferred income	21	62,837	31,146
Income tax payable	6.4	-	1,285
Total current liabilities		**63,714**	**33,161**
Total shareholders' equity and liabilities		**3,238,054**	**2,996,987**

To be read with the attached notes to the individual financial statements.

INDIVIDUAL STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended 31 December 2023 and 2022

Euro thousand

	Notes	Share capital	Share premium	Own shares	Retained earnings	Shareholders' equity
Balance Sheet as at 1 January 2022		**629,293**	**22,452**	**(6,060)**	**2,311,206**	**2,956,891**
Equity changes in 2022						
Remeasurements of post-employment benefit obligations						
- Gross amount	4.2	-	-	-	178	**178**
- Deferred tax	6.3	-	-	-	(40)	**(40)**
Other comprehensive income		**-**	**-**	**-**	**138**	**138**
Net profit of 2022		-	-	-	480,137	**480,137**
Total comprehensive income		**-**	**-**	**-**	**480,275**	**480,275**
Dividends	17.4	-	-	-	(493,321)	**(493,321)**
Balance Sheet as at 31 December of 2022		**629,293**	**22,452**	**(6,060)**	**2,298,160**	**2,943,845**
Equity changes in 2023						
Remeasurements of post-employment benefit obligations						
- Gross amount	4.2	-	-	-	(1,257)	**(1,257)**
- Deferred tax	6.3	-	-	-	283	**283**
Other comprehensive income		**-**	**-**	**-**	**(974)**	**(974)**
Net profit of 2023		-	-	-	558,924	**558,924**
Total comprehensive income		**-**	**-**	**-**	**557,950**	**557,950**
Dividends	17.4	-	-	-	(345,639)	**(345,639)**
Balance Sheet as at 31 December of 2023		**629,293**	**22,452**	**(6,060)**	**2,510,471**	**3,156,156**

To be read with the attached notes to the individual financial statements.

INDIVIDUAL CASH FLOW STATEMENT

For the years ended 31 December 2023 and 2022

Euro thousand

	Notes	2023	2022
Net results		**558,924**	**480,137**
Adjustments for:			
Income tax	6.1	(3,245)	(7,922)
Depreciations and amortisations	3	2,265	2,212
Net financial costs	5	(7,868)	(29)
Gains/Losses in subsidiaries	7	(627,938)	(551,041)
Gains/Losses in other investments	8	(220)	(7,979)
Operating cash flow before changes in working capital		**(78,082)**	**(84,622)**
Changes in working capital:			
Trade debtors, accrued income and deferred costs		(8,601)	(5,017)
Trade creditors, accrued costs and deferred income		8,550	8,248
Provisions and employee benefits		(971)	(1,164)
Cash generated from operations		**(79,104)**	**(82,555)**
Income tax		3,556	2,949
Cash flow from operating activities		**(75,548)**	**(79,606)**
Investment activities			
Disposals of tangible assets and return of advance payments fixed assets suppliers	9	-	50,865
Disposals of other financial investments	24	32	49
Disposal of investments in subsidiaries	13	132	-
Interest received	7	10,908	1,036
Dividends received	7 and 8	616,314	549,900
Repayment of loans and capital contributions from subsidiaries	14	16,080	82,435
Loans and capital contributions given to subsidiaries	14	(424,330)	(133,200)
Acquisition of tangible assets	9	(734)	(175)
Acquisition of intangible assets	10	(4,972)	(3,810)
Acquisition and capital increase in subsidiaries	13	(100)	(1,000)
Cash flow from investment activities		**213,330**	**546,100**
Financing activities			
Interests and similar income received	5	12,091	703
Loans interest and similar expenses paid	5	(1,509)	(664)
Leases interest paid	5	(114)	(43)
Leases paid	11.2	(732)	(479)
Dividends paid	17.4	(345,639)	(493,321)
Cash flow from financing activities		**(335,903)**	**(493,804)**
Net changes in cash and cash equivalents		**(197,311)**	**(27,310)**
Cash and cash equivalents changes			
Cash and cash equivalents at the beginning of the year		425,949	453,259
Net changes in cash and cash equivalents		(197,311)	(27,310)
Cash and cash equivalents at the end of the year	16	**228,638**	**425,949**

To be read with the attached notes to the consolidated financial statements

1. Activity

Jerónimo Martins, SGPS, S.A. (JMH) is the parent Company of Jerónimo Martins Group (Group). Its activity consists mostly of managing its investment portfolio. The activities of the Group and its performance during the year 2023 are detailed in Chapter 2 of this Annual Report.

Head Office: Rua Actor António Silva, n.º 7, 1649-033 Lisboa.

Share Capital: 629,293,220 euros.

Registered at the Commercial Registry Office and Tax Number: 500 100 144.

JMH has been listed on the Euronext Lisbon since 1989.

The Board of Directors approved these Individual Financial Statements on 5 March 2024.

2. Accounting policies

The recognition and measurement principles applied in these individual financial statements are the same as those applied in the consolidated financial statements (see accounting policies related to financial statements captions included in the relevant notes to the consolidated financial statements and note 2 of the consolidated financial statements).

The accounting policies are applied across the preparation of the Financial Statements and were consistently applied in comparative periods, except where otherwise stated.

2.1. Basis for preparation

All amounts are shown in thousand euros (€ thousand) unless otherwise stated.

The Individual Financial Statements of JMH were prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU), as at 31 December 2023.

2.2. Investments and loans to subsidiaries

Subsidiaries are all entities over which JMH has control. JMH controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and when it has the ability to affect those returns through its power over the entity.

Investments and loans to subsidiaries are stated at cost. When so justified, adjustments for impairment losses are set up, namely when the financial shareholdings register significant deterioration in their financial position and the impairment tests performed by JMH conclude that it is necessary to recognise impairment losses in respect of investments and other net assets (note 2.3).

2.3. Impairment

2.3.1. Impairment of non-financial assets

Except for Investment property (note 12) and Deferred tax assets (note 6.3), all other JMH assets, essentially Investments in subsidiaries, are analysed at each balance sheet date in order to assess for indicators of possible impairment losses. If such indicators exist, the asset's recoverable amount is estimated.

In the impairment tests for Investments in subsidiaries, the inputs of these valuations for calculation of the value in use are determined by past performance and the expectation of market development for each business area. Based on future cash flow projections, for a five-year period, and on medium and long-term plans approved by the Board of Directors.

The recoverable amount of assets with indicators of potential impairment loss is determined annually. Whenever the carrying value of an asset exceeds its recoverable amount, its value is reduced to the recoverable amount and the impairment is recognised in the income statement of the year.

Determining the recoverable amount of assets

The recoverable amount of non-financial assets corresponds to the higher amount of fair value less costs of disposal and value in use.

Value in use of an asset is calculated as the present value of estimated future cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the specific risks of the asset in question.

The recoverable amount of assets that do not generate independent cash flows is determined together with the cash-generating unit to which these assets belong.

Reversal of impairment losses

Impairment losses are reversed whenever there are changes in the estimates used to determine the respective recoverable amount. Impairment losses are reversed to the extent of the amount, net of amortisation or depreciation, which would have been determined for the asset if no impairment loss was recognised.

2.3.2. Impairment of financial assets

Loans to subsidiaries

The impairment test for Loans to subsidiaries is held simultaneously with the impairment test to Investments in subsidiaries. The investment considered for comparison with the calculated value in use considers the historical cost of the subsidiary and the loans. An impairment loss on Loans to subsidiaries will only be recognised after the total investment in the subsidiary is fully covered by an impairment loss.

2.4. Critical accounting estimates and judgments made in preparation of Financial Statements

Impairment in investments and loans to subsidiaries

As a rule, according to IFRS an investment is recorded as impaired when the carrying amount of the investment exceeds the present value of future cash flows. Calculating the present value of estimated cash flows and the decision to consider an asset as impaired involves judgment and substantially relies on Management analysis of the future development of its subsidiaries. When measuring impairment, market prices are used if they are available, or other valuation parameters are used, based on the information available from the subsidiaries.

JMH considers the capacity and intention to retain the investment for a reasonable period of time that is sufficient to predict recovery of the fair value up to (or above) the carrying amount, including an analysis of factors such as the expected results of the subsidiary, the economic environment, and the status of the sector.

Deferred taxes

Recognising deferred taxes assumes the existence of results and future taxable income. Deferred tax assets and liabilities were determined based on tax legislation currently effective or on legislation already published for future application. Changes in the tax legislation may influence the value of deferred taxes.

If the rates used to recognise deferred taxes increase by 1 p.p., the impact in JMH accounts would be the following:

	Impact on JMH accounts	
	Income statement	Other comprehensive income
Rate increase of 1 p.p.	70	60

A positive amount means a gain in JMH accounts.

Pensions and other long-term benefits granted to employees

Considering the information available from Bloomberg and some necessary estimation to derive the yield curve, JMH defined the following ranges for determining the appropriate discount rate:

- Narrow range [3.60% - 4.00%]
- Extended range [3.40% - 4.20%]

Based on these results, JMH, following the recommendation of external actuaries, has decided to increase its discount rate from 3.30% to 3.80%.

The table below shows the impacts on the obligations with defined benefit plans of JMH, resulting from changes in the following assumptions:

		Impact on defined benefit liabilities		
	Assumption used	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	3.80%	0.50%	(327)	344
Salary growth rate				
short term	4.00%	0.50%	43	(41)
long term	3.00%			
Pension growth rate	4.00%	0.50%	301	(286)
Life expectancy	TV 88/90	1 year	708	(662)

A positive amount means an increase in liabilities. A negative amount means a decrease in liabilities.

Provisions

JMH exercises considerable judgment in measuring and recognising provisions and its exposure to contingent liabilities related to legal proceedings. This judgment is necessary to determine the probability that a lawsuit may be successful or to record a liability. Provisions are recognised when JMH expects that proceedings under way will result in cash outflows, the loss is considered probable and may be reasonably estimated. Due to the uncertainties inherent in the evaluation process, real losses may be different from those originally estimated. These estimates are subject to changes as new information becomes available, mainly with the support of internal specialists, if available, or through the support of external consultants, such as actuaries or legal advisers. Changes to estimates of potential losses on proceedings under way may affect future results.

2.5. Fair value hierarchy

The following table shows JMH's financial assets and liabilities that are measured at fair value as at 31 December 2023 and 2022, according to the following fair value hierarchy levels:

- Level 1: the fair value of financial instruments is based on quoted prices obtained in active and liquid markets at balance sheet date;
- Level 2: the fair value is determined using valuation models, involving other comparable quoted prices obtained in active markets or adjusted quotes. Thus, main inputs used on these valuation models are based on observable market data;
- Level 3: the fair value is determined by using valuation models which main inputs are not based on observable market data. This level includes Investment property, which are evaluated by external independent experts, using in their valuations inputs that are not directly observable in the market.

2023	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
Investment property	2,470	-	-	2,470
Total assets	**2,470**	**-**	**-**	**2,470**
Liabilities measured at fair value				
Total liabilities	**-**	**-**	**-**	**-**

2022	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
Investment property	2,470	-	-	2,470
Total assets	**2,470**	-	-	**2,470**
Liabilities measured at fair value				
Total liabilities	-	-	-	-

2.6. Financial instruments by category

2023	Financial assets at fair-value through results	Financial assets or liabilities at amortized cost	Other financial assets	Total financial assets and liabilities	Non-financial assets and liabilities	Total assets and liabilities
Assets						
Cash and cash equivalents	-	228,638	-	**228,638**	-	**228,638**
Loans to subsidiaries	-	2,270,860	-	**2,270,860**	-	**2,270,860**
Other financial investments	-	-	148	**148**	-	**148**
Debtors, accruals and deferrals	267	43,969	-	**44,236**	3,265	**47,501**
Other non-financial assets	-	-	-	**-**	690,907	**690,907**
Total assets	**267**	**2,543,467**	**148**	**2,543,882**	**694,172**	**3,238,054**
Liabilities						
Lease liabilities	-	2,417	-	**2,417**	-	**2,417**
Creditors, accruals and deferrals	-	41,821	-	**41,821**	21,016	**62,837**
Other non-financial liabilities	-	-	-	**-**	16,644	**16,644**
Total liabilities	**-**	**44,238**	**-**	**44,238**	**37,660**	**81,898**

2022	Financial assets at fair-value through results	Financial assets or liabilities at amortized cost	Other financial assets	Total financial assets and liabilities	Non-financial assets and liabilities	Total assets and liabilities
Assets						
Cash and cash equivalents	-	425,949	-	**425,949**	-	**425,949**
Loans to subsidiaries	-	1,862,780	-	**1,862,780**	-	**1,862,780**
Other financial investments	-	-	178	**178**	-	**178**
Debtors, accruals and deferrals	248	22,190	-	**22,438**	2,492	**24,930**
Other non-financial assets	-	-	-	**-**	683,150	**683,150**
Total assets	**248**	**2,310,919**	**178**	**2,311,345**	**685,642**	**2,996,987**
Liabilities						
Lease liabilities	-	2,237	-	**2,237**	-	**2,237**
Creditors, accruals and deferrals	-	15,981	-	**15,981**	15,165	**31,146**
Other non-financial liabilities	-	-	-	**-**	19,759	**19,759**
Total liabilities	**-**	**18,218**	**-**	**18,218**	**34,924**	**53,142**

3. Operating costs

✓ Accounting policies

Costs of services rendered

The costs of services rendered correspond to the costs incurred by each one of JMH departments in rendering technical and specialised services to its subsidiaries.

Administrative costs

The administrative costs shown in the income statement include, among others, the costs incurred by each of the departments of JMH not corresponding to services rendered, as well as the non-deductible VAT arising from the application of the effective allocation method.

Other operating profits/losses

Other operating profits/losses include the costs not related with the services rendered to its subsidiaries and the costs not directly related with the role as Holding of the Group.

3.1. Operational costs by nature

	2023	2022
Supplies and services	35,437	32,812
Rents (note 11.3)	1,723	1,559
Staff costs (note 4.1)	75,285	60,760
Depreciation and amortisation of tangibles and intangibles assets	1,509	1,746
Depreciation of right-of-use assets (note 11.3)	756	466
Other natures of profit/loss	2,209	11,578
Total	**116,919**	**108,921**

As of 31 December 2023, caption of other natures of profit and loss include donations in the amount of €1,746 thousand (2022: €10.142 thousand).

4. Employees

4.1. Staff costs

	2023	2022
Wages and salaries	28,273	20,532
Social security	4,788	3,490
Employee benefits	32,117	31,326
Other staff costs	10,107	5,412
Total	**75,285**	**60,760**

Other staff costs include labour accident insurance, social responsibility costs, training costs, and indemnities, among others.

The number of employees at the end of 2023 was 372 (2022 was 254). The average number of employees during the year was 341 (223 in 2022).

4.2. Employees benefits

Amounts of employee benefits in the balance sheet:

	2023	2022
Retirement benefits - Defined benefit plan paid for by the Company	10,357	10,241
Seniority awards - Defined benefit plan	1,082	967
Total	**11,439**	**11,208**

Amounts recognised in the income statement in staff costs and remeasurements reflected in other comprehensive income:

	Income statement		Other comprehensive income	
	2023	2022	2023	2022
Retirement benefits - Defined contribution plan	1,628	1,209	-	-
Retirement benefits - Defined benefit plan paid for by the Company	315	83	1,257	(178)
Seniority awards - Defined benefit plan	211	66	-	-
Post-employment compensation - Defined contribution plan	29,963	29,968	-	-
Total	**32,117**	**31,326**	**1,257**	**(178)**

The changes in each plan are detailed below:

	Defined contribution plans for active employees		Defined benefit plans for former employees		Other comprehensive income	
	2023	2022	**2023**	2022	**2023**	2022
Balance as at 1 January	**-**	-	**10,241**	11,683	**967**	979
Interest costs	-	-	315	83	34	8
Current service cost	31,591	31,177	-	-	115	123
Actuarial (gains) losses						
Changes in financial assumptions	-	-	(301)	(1,032)	(33)	(192)
Changes in experience	-	-	1,558	854	95	127
Contributions or retirement pensions paid	(31,591)	(31,177)	(1,456)	(1,347)	(96)	(78)
Balance as at 31 December	**-**	-	**10,357**	10,241	**1,082**	967

Actuarial assumptions used in the calculation of the responsibilities for defined benefit plans and other long-term benefits:

	2023	2022
Mortality table	TV 88/90	TV 88/90
Discount rate	3.80%	3.30%
Pension growth rate	4.00%	4.00%
Salaries growth rate		
short term	4.00%	5.00%
long term	3.00%	3.00%

The mortality assumptions used are those most commonly adopted in Portugal and are based on actuarial advice in accordance with published statistics. The sensitivity analyses made to the assumptions is stated in note 2.4..

4.3. Expected future payments

The expected maturity for the next ten years for the liabilities associated with defined benefit plans is as follows:

	1 year	1 to 5 years	5 to 10 years
Retirement benefits - Defined benefit plan paid for by the Company	1,359	4,226	2,997
Seniority awards - Defined benefit plan	69	363	651
Total	**1,428**	**4,589**	**3,648**

5. Net financial costs

	2023	**2022**
Loans interest expense	(112)	(1)
Leases interest expense	(114)	(43)
Interest received	12,412	729
Fair value of financial instruments not qualified as hedging	(3,310)	-
Other financial gains and losses	(1,008)	(656)
Net financial costs	**7,868**	**29**

Interest expenses includes the interest related with loans measured at amortised cost. Other financial costs include, namely, stamp tax on credit lines opening, issuing and maintaining bank guarantees and issuance costs related to non-current debt recognised in the income statement for the loan's term.

Caption interest received includes interests on treasury investments carried out throughout the year.

In 2023, JMH contracted currency forwards to cover the currency exposure of loans granted to a subsidiary in foreign currency. Derivative instruments had a negative impact on results, amounting to €3,310 thousand.

6. Taxes

6.1. Income tax

	2023	2022
Current income tax		
Current tax of the year	1,485	8,040
Adjustment to prior year estimation	(143)	134
	1,342	8,174
Deferred tax		
Temporary differences created and reversed	(177)	(190)
	(177)	(190)
Other gains/losses related to tax		
Impact of changes in estimates for tax litigations	2,080	(62)
	2,080	(62)
Total income tax	**3,245**	7,922

6.2. Reconciliation of effective tax rate

	2023	2022
Profit before tax	**555,679**	472,215
Income tax using the Portuguese corporation tax rate (22.5%)	**(125,028)**	(106,248)
Fiscal effect due to:		
Non-taxable or non-recoverable results	134,172	123,341
Changes in estimates for tax litigations	2,080	(62)
Non-deductible expenses and fiscal benefits	(7,187)	(8,525)
Adjustment to prior years estimation	(143)	134
Results subject to autonomous taxation and other forms of taxation	(649)	(718)
Income tax	3,245	7,922
Effective tax rate	**(0.58)%**	(1.68)%

In 2023 and 2022, the Corporate Income Tax rate (CIT) applied to companies operating in Portugal was 21%. For companies with a positive tax result, there is a surcharge of 1.5% regarding municipal tax, and an additional state tax that varies between 3%, 5% and 9%, for taxable profits higher than €1,500 thousand, €7,500 thousand and €35,000 thousand respectively.

JMH's effective tax rate is significantly influenced by the fiscal effect of the dividend income received from subsidiaries. This income is not subject to taxation according with the current tax legislation, as it has already been considered for Income Tax purposes in the companies which generated them.

6.3. Deferred tax assets and liabilities

2023	Opening balance	Impact on results	Impact on equity	Closing balance
Deferred tax assets				
Provisions and adjustments behind tax limits	464	12	-	476
Liabilities with employee benefits granted	2,522	(231)	283	2,574
Effects of the application of leases standard	5	6	-	11
	2,991	**(213)**	**283**	**3,061**
Deferred tax liabilities				
Update of assets to fair value	(164)	36	-	(128)
	(164)	**36**	**-**	**(128)**
Net change in deferred tax	**2,827**	**(177)**	**283**	**2,933**

2022	Opening balance	Impact on results	Impact on equity	Closing balance
Deferred tax assets				
Provisions and adjustments behind tax limits	371	93	-	464
Liabilities with employee benefits granted	2,849	(287)	(40)	2,522
Effects of the application of leases standard	1	4	-	5
	3,221	**(190)**	**(40)**	**2,991**
Deferred tax liabilities				
Update of assets to fair value	(164)	-	-	(164)
	(164)	**-**	**-**	**(164)**
Net change in deferred tax	**3,057**	**(190)**	**(40)**	**2,827**

JMH did not recognised any amounts in deferred taxes regarding uncertain tax positions.

Regarding the International Tax Reform – Pillar Two Model Rules, JMH confirms the application of the exception to the recognition and disclosure of information about deferred tax assets and liabilities calculated according with the Pilar Two Model, with no amount recognized in taxes in the income statement on 31 December 2023.

As of the date of preparation of this Annual Report, the respective directive has not yet been transposed into Portuguese legislation, so it is not possible to determine potential impacts resulting from its application in the future.

6.4. Receivable or payable income tax

Income tax reflected on the balance sheet is as follows:

	2023	2022
Income tax payable	-	(1,285)
Income tax receivable	3,215	199
Total	**3,215**	**(1,086)**

Since 1 January 2014, JMH integrates a group of companies taxed according with the Special Group Taxation Regime (RETGS), as the dominant Company of the group. In addition to JMH, the taxation group is currently composed of the following companies:

- Recheio, SGPS, S.A.
- Recheio - Cash & Carry, S.A.
- Imocash – Imobiliário de Distribuição, S.A.
- Larantigo – Sociedade de Construções, S.A.
- Trade Wings, S.A.
- Recheio Masterchef, Lda.
- Jerónimo Martins – Serviços, S.A.
- Desimo, Lda.
- Jerónimo Martins – Agro-Alimentar, S.A.
- Terra Alegre Lacticínios, S.A.
- Best-Farmer – Actividades Agro-pecuárias, S.A.
- Seaculture – Aquicultura, S.A.
- Ovinos da Tapada – Agropecuária, Lda.
- Outro Chão – Agricultura Biológica, Lda.
- João Gomes Camacho, S.A.
- Jerónimo Martins – Restauração e Serviços, S.A.
- Jerónimo Martins Inovação, S.A.
- Santa Maria Manuela Turismo, S.A.

6.5. Unrecognised deferred taxes on tax losses

JMH did not recognise deferred tax assets related to tax losses in respect of which, with reasonable accuracy, no sufficient future taxable profits are expected to guarantee the recovery of deferred tax assets in the short and/or medium-term. According with the legislation in force in Portugal, there is not a limit period of time for carrying forward tax losses. Total unrecognised deferred tax asset as of 31 December 2023 amounts to €15,815 thousand (2022: €11,234 thousand).

7. Gains (losses) in subsidiaries

	2023	2022
Dividends received	616,300	549,900
Interest from loans granted	11,677	1,141
Gains (losses) from the disposal of subsidiaries (note 13)	(39)	-
Total	**627,938**	**551,041**

8. Gains (losses) in other investments

✓ Accounting policies

Rents received for the lease of investment property are recognised as gains in other investments in the income statement in the period to which they relate.

	2023	2022
Rents from investment property	203	202
Proceeds from other financial investments disposal	3	4
Dividends	14	-
Foreign exchange gains on the return of advance payments to fixed assets suppliers	-	7,773
Total	**220**	**7,979**

9. Tangible assets

9.1. Changes occurred during the year

2023	Buildings and other constructions	Equipments and others	Assets in progress	Total
Gross amount				
Opening balance	**930**	**4,452**	**15**	**5,397**
Increases	210	433	91	734
Transfers and reclassifications	-	13	(13)	-
Closing balance	**1,140**	**4,898**	**93**	**6,131**
Depreciation and impairment losses				
Opening balance	**506**	**3,690**	**-**	**4,196**
Increases	82	259	-	341
Closing balance	**588**	**3,949**	**-**	**4,537**
Net value				
As at 1 January 2023	**424**	**762**	**15**	**1,201**
As at 31 December 2023	**552**	**949**	**93**	**1,594**

2022	Buildings and other constructions	Equipments and others	Assets in progress	Total
Gross amount				
Opening balance	675	3,969	579	5,223
Increases	30	130	15	175
Disposals and write offs	-	(1)	-	(1)
Transfers and reclassifications	225	354	(579)	-
Closing balance	930	4,452	15	5,397
Depreciation and impairment losses				
Opening balance	422	3,447	-	3,869
Increases	84	244	-	328
Disposals and write offs	-	(1)	-	(1)
Closing balance	506	3,690	-	4,196
Net value				
As at 1 January 2022	253	522	579	1,354
As at 31 December 2022	424	762	15	1,201

9.2. Guarantees

No assets have been pledged as security for the fulfilment of bank or other obligations.

10. Intangible assets

Intangible assets are made up of development expenses and include expenses incurred with the implementation of information system platforms.

10.1. Changes occurred during the year

2023	Development expenses	Intangible assets progress	Total
Gross amount			
Opening balance	**9,112**	**6,958**	**16,070**
Increases	112	5,084	5,196
Transfers and reclassifications	805	(805)	-
Closing balance	**10,029**	**11,237**	**21,266**
Amortisation and impairment losses			
Opening balance	**8,066**	**-**	**8,066**
Increases	1,168	-	1,168
Closing balance	**9,234**	**-**	**9,234**
Net value			
As at 1 January 2023	**1,046**	**6,958**	**8,004**
As at 31 December 2023	**795**	**11,237**	**12,032**

2022	Development expenses	Intangible assets progress	Total
Gross amount			
Opening balance	8,881	3,204	12,085
Increases	77	3,908	3,985
Transfers and reclassifications	154	(154)	-
Closing balance	9,112	6,958	16,070
Amortisation and impairment losses			
Opening balance	6,648	-	6,648
Increases	1,418	-	1,418
Closing balance	8,066	-	8,066
Net value			
As at 1 January 2022	2,233	3,204	5,437
As at 31 December 2022	1,046	6,958	8,004

11. Leases

JMH's leases relate mostly to head office and vehicles rent contracts, with initial terms between 3 and 4 years. The lease agreements do not impose any covenants. Regarding the incremental borrowing rate used to measure lease liabilities, the weighted-average rate applied by JMH, as of 31 December 2023, was 5.46% (5.29% as of 31 December 2022).

11.1. Right-of-use assets

2023	Buildings and other constructions	Transport equipment and others	Total
Gross amount			
Opening balance	**1,694**	**1,334**	**3,029**
New contracts	-	501	501
Contracts update	100	311	411
Contracts cancellation	-	(71)	(71)
Closing balance	**1,794**	**2,075**	**3,870**
Depreciation and impairment losses			
Opening balance	**85**	**697**	**782**
Increases	339	417	756
Contracts cancellation	-	(70)	(70)
Closing balance	**424**	**1,044**	**1,468**
Net value			
As at 1 January 2023	**1,610**	**637**	**2,247**
As at 31 December 2023	**1,371**	**1,031**	**2,402**

2022	Buildings and other constructions	Transport equipment and others	Total
Gross amount			
Opening balance	-	1,343	1,343
New contracts	1,694	300	1,994
Contracts update	-	14	14
Contracts cancellation	-	(323)	(323)
Closing balance	1,694	1,334	3,029
Depreciation and impairment losses			
Opening balance	-	635	635
Increases	85	381	466
Contracts cancellation	-	(319)	(319)
Closing balance	85	697	782
Net value			
As at 1 January 2022	-	708	708
As at 31 December 2022	1,610	637	2,247

11.2. Lease liabilities

2023	Current	Non-current	Total
Opening balance	**730**	**1,507**	**2,237**
Increases (new contracts)	141	361	502
Payments	(732)	-	(732)
Transfers	526	(526)	-
Contracts change/ cancel	211	199	410
Closing balance	**877**	**1,540**	**2,417**

2022	Current	Non-current	Total
Opening balance	332	379	711
Increases (new contracts)	469	1,525	1,994
Payments	(479)	-	(479)
Transfers	396	(396)	-
Contracts change/ cancel	11	(1)	10
Closing balance	730	1,507	2,237

11.3. Expenses recognised in the income statement

The income statement includes the expenses referred below related with leases:

		2023	2022
Depreciation of right-of-use assets			
Buildings and other constructions		339	85
Transport equipment		417	381
	Subtotal	**756**	**466**
Lease liabilities interests		114	43
Gains/losses with contract cancellation		-	-
Rents (note 3)			
Expense related with short term leases		1,084	1,094
Expense related with low value assets leases		29	36
Expenses related with non-lease component included in payments		610	429
	Subtotal	**1,723**	**1,559**
Total		**2,593**	**2,068**

The total cash outflow for leases in 2023 was €2,569 thousand (2022: €2,081 thousand).

12. Investment properties

JMH owns a property, which was partially rented to a Group company generating profits in the amount of €203 thousand (2022: €202 thousand). This property is valued at its market value, according to an independent valuation, regularly confirmed with the application of income method and is recorded at €2,470 thousand (2022: €2,470 thousand).

In 2023, JMH incurred expenses regarding this property in the amount of €5 thousand (2022: €4 thousand), recognised in results in other operating costs.

13. Investments in subsidiaries

The equity holdings in subsidiaries corresponds to investments in the acquisition of shareholdings in the companies listed in note 24.

	2023	2022
Net value as at 1 January	666,038	665,038
Increases	100	1,000
Decreases	(5)	-
Net value as at 31 December	**666,133**	**666,038**

In August 2023, JMH entered the share capital of Jeronimo Martins Slovensko, s. r. o., with a 10% stake.

In November 2023, the Company Friedman – Sociedade de Investimentos Mobiliários e Imobiliários, Lda. was dissolved and liquidated, having that operation generated a loss of €39 thousand.

14. Loans to subsidiaries

Non-current loans	2023	2022
Net value as at 1 January	**1,812,945**	**1,756,345**
Increases	274,050	115,500
Decreases	(170)	(58,900)
Net value as at 31 December	**2,086,825**	**1,812,945**

Non-current loans are granted as supplementary capital contributions (which do not bear interest).

Current loans	2023	2022
Net value as at 1 January	**49,835**	**55,670**
Increases	150,280	17,700
Decreases	(16,080)	(23,535)
Net value as at 31 December	**184,035**	**49,835**

Current loans are granted as treasury operations (remunerated at normal market rates).

15. Trade debtors, accrued income and deferred costs

	2023	2022
Non-current		
Other debtors (work compensation fund - FCT)	267	248
Total	**267**	**248**
Current		
Subsidiaries	14,149	12,071
Other debtors	2,004	1,219
Other taxes receivable	1,727	1,176
Accrued income	27,701	8,851
Deferred costs	1,653	1,365
Total	**47,234**	**24,682**

Amounts recognised in subsidiaries refers mainly to invoices issued to Group companies relating to various services provided, in the amount of €1,563 thousand (2022: €1,145 thousand), as well as the allocation of Corporate Income Tax (CIT) between JMH Group companies, which is taxed by the Special Group Taxation Regime (RETGS), in the amount of €11,629 thousand (2022: €10,738 thousand).

Accrued income refers mainly to €15,786 thousand (2022: €8,620 thousand) regarding the rendering of technical and administrative services to subsidiaries not yet invoiced.

Deferred costs include €115 thousand (2022: €49 thousand) of issuance costs of commercial paper and bank guarantees and €1,538 thousand (2022: €1,316 thousand) of other costs relating to future periods, paid in 2023, or when not paid, already charged by the competent entities.

16. Cash and cash equivalents

	2023	2022
Bank deposits	4,666	145,988
Short-term investments	223,945	279,945
Cash	27	16
Total	**228,638**	**425,949**

Short-term investments correspond to time deposits in financial institutions.

Ratings of bank deposits and short-term investments are detailed in note 27.2..

17. Capital and reserves

17.1. Share capital and share premium account

The authorised share capital is represented by 629,293,220 ordinary shares (2022: 629,293,220), each with a nominal value of one euro.

The owners of ordinary shares have the right to receive dividends in accordance with the deliberations of the General Shareholder's Meeting and have the right to one vote for each share owned. There are no preferential shares. Rights relating to own shares are suspended until they are placed on the market.

During the year 2023, no changes occurred in the amount of €22,452 thousand showed in share premium in 2022.

17.2. Own shares

At 31 December 2023 JMH held 859 thousand own shares, acquired in 1999 at an average price of 7.06 euros per share. There were no transactions in 2023.

17.3. Retained earnings

As at 31 December 2023, the total amount of retained earnings was €2,510,471 thousand (2022: €2,298,160 thousand), resulting from profit generated in the financial year, in the amount of €558,924 thousand (2022: €480,137 thousand) and the remaining in the previous years.

Of this amount €315,953 thousand (2022: €316,927 thousand) are not able to be distributed, as provided in articles 32.°, 218.°, 295.°, 296.° and 324.° of the Commercial Companies Code.

17.4. Dividends

According with the decision made at the 20 April 2023 General Shareholders Meeting, the amount of €345,639 thousand was distributed to JMH shareholders in May 2023, corresponding to a dividend per share of 0.55 euros (excluding own shares in the portfolio).

Following the decision made at the 21 April 2022 General Shareholders Meeting, the amount of €443,046 thousand was distributed to JMH shareholders in May 2022, corresponding to a dividend per share of 0.705 euros (excluding own shares in the portfolio). Additionally, free reserves in the amount of €50,275 thousand were paid in May, corresponding to an amount per share of 0,08 euros (excluding own shares in the portfolio).

In the results appropriation proposal described in point 7 included in the Management Report chapter, which is integrated in the consolidated annual report, the Board of Directors proposes to the shareholders the distribution of the amount €411,624 thousand, which corresponds to a dividend per share of €0.655 (excluding own shares in the portfolio).

18. Earnings per share

18.1. Basic and diluted earnings per share

	2023	2022
Ordinary shares issued at the beginning of the year	629,293,220	629,293,220
Own shares at the beginning of the year	(859,000)	(859,000)
Weighted average number of ordinary shares	**628,434,220**	**628,434,220**
Diluted net results of the year attributable to ordinary shares	558,924	480,137
Basic and diluted earnings per share – euros	**0.8894**	**0.7640**

19. Borrowings

This note provides information on the terms of loan contracts and other forms of financing. For further details regarding the Company's exposure to interest rates see note 27.

19.1. Current and non-current loans

As of 31 December 2023 and 2022 JMH did not hold any bank loans or loans from Group companies.

19.2. Loan terms and maturities

JMH uses, with other Group companies, grouped credit lines, which means that the maximum amount approved by a financial entity can be used simultaneously by more than one company. The amount of credit lines granted to JMH which are not being used amount to €117,100 thousand (2022: €98,500 thousand).

19.3. Bank loans: commercial paper

There are several issued bank loans in the form of a commercial paper program, in the global amount of €215,000 thousand (2022: €215,000 thousand), with variable interest rate. At the end of 2023 and 2022, no amount of these credit lines was being used.

19.4. Financial net debt

	2023	2022
Financial lease liabilities - non-current (note 11.2)	1,540	1,507
Financial lease liabilities - current (note 11.2)	877	730
Interest on accruals and deferrals	3,044	(228)
Bank deposits (note 16)	(4,666)	(145,988)
Short-term investments (note 15)	(223,945)	(279,945)
Total	**(223,150)**	**(423,924)**

20. Provisions

2023	Opening balance	Set up and reinforced	Used and reversed	Closing balance
Other risks and contingencies	7,102	138	(2,163)	5,077
Total provisions	**7,102**	**138**	**(2,163)**	**5,077**

2022	Opening balance	Set up and reinforced	Used and reversed	Closing balance
Other risks and contingencies	6,627	475	-	7,102
Total provisions	**6,627**	**475**	**-**	**7,102**

The heading other risks and contingencies consists of provisions for possible compensation to be paid by JMH regarding guarantees provided in business sales agreements entered into over the last few years and provisions for litigation processes where there are no prospects for resolution in less than one year.

21. Trade creditors, accrued costs and deferred income

	2023	2022
Current		
Subsidiaries	9,673	1,253
Commercial creditors	3,423	2,098
Non-commercial creditors	499	213
Other taxes payables	1,420	840
Accrued costs	47,805	26,725
Deferred income	17	17
Total	**62,837**	**31,146**

The heading accrued costs includes salaries and wages payable in the amount of €19,579 thousand (2022 €14,308 thousand), and €28,226 thousand (2022: €12,417 thousand) regarding various costs (utilities, insurances, consultants, rents, among others), relating to 2023 and not invoiced by the respective entities prior to the end of the year.

22. Guarantees

The bank guarantees are as follows:

	2023	2022
Guarantees for Tax Authorities	46,998	37,576
Financing bank guarantees	344,755	114,739
Other guarantees provided	1,774	1,726
Total	**393,527**	**154,041**

The financing bank guarantees respect to financial loans obtained by the subsidiary Jerónimo Martins Colombia, S.A.S.. These guarantees will be released following the guaranteed loans reimbursement.

JMH also guarantees the fulfilment of some financial obligations of Group's subsidiaries, with this commitment amounting to €394,121 thousand as of 31 December, 2023, relating to liabilities recognized in the Balance Sheet of the respective subsidiaries.

23. Contingencies, contingent assets and contingent liabilities

Contingent liabilities

There are several relevant disputes pending resolution, for which the Board of Directors, supported by the opinion of its lawyers and tax advisors considers that there is enough ground for its appeal in court, assesses the outcome of each proceedings, and for those where the Board estimates that a future cash outflow may occur a provision is taken (note 20). The material cases are detailed below:

- The Portuguese Tax Authorities (PTA) have informed JMH to restate the dividends received, amounting to €10,568 thousand, from its subsidiary in the Madeira Free Zone in 2004 and 2005, considering them as interest for tax purposes. According to the PTA the said income should be subject to CIT as opposed to the dividends received that are exempt. This correction originated a tax amount in dispute of €3,065 thousand. In 2023, the Central Administrative Court has ruled in favour of JMH regarding the total amount of the above both periods;

- The PTA have claimed €989 thousand of CIT from JMH regarding an indemnity paid by the Company due to an agreement reached in arbitration court, and which the Tax Authorities considered as dealing with a payment to an entity subject to a more favourable tax regime, and therefore not accepted for tax purposes. The Board of Directors does not consider the report of the Tax Authorities to have a legal basis or validity, and has challenged it. In 2023, the Lisbon Tax Court ruled in favour of JMH regarding the total amount, closing the process.

- The PTA have informed JMH that they do not accept the capital losses associated with a liquidation of one company and the sale of another, in 2007, amounting to €24,660 thousand, which generated a correction on the Company's tax losses in the estimated amount of €6,800 thousand. Due to favourable decisions to JMH regarding corrections of losses from previous years, the amount currently in dispute is €4,939 thousand. In 2019, the Lisbon Tax Court ruled in favour of JMH, having the Tax Authorities appealed the said decision to a higher court;

- The PTA assessed, regarding 2016 to 2019, JMH (as the head of the Tax Group in which Recheio SGPS is included), in the amount of €30,026 thousand, related to the taxation in CIT of ¼ of the results generated in internal operations of the Tax Group, in each of these years. As explained in the 2018 Group Consolidated Annual Report (and previous years), this assessment results from the application of the transitional rule included in the Portuguese State Budget of 2016 (and then in the next three Budgets). Based on the assessment of our lawyers and tax advisors, we firmly believe that there are sufficient grounds to oppose the said rules;
- The PTA assessed JMH, regarding 2020, the amount of €32 thousand and corrected tax losses in the amount of €3,200 thousand. PTA considered that the amortization of brands and some donations granted would not be accepted for tax purposes. The Board of Directors, based on the assessment of our lawyers and tax advisors, believe that there are sufficient grounds to oppose the said rules.

24. Subsidiaries

The direct investments owned by JMH, as at 31 December 2023, are as follows:

Company	Notes	Head office	% Owned	Stake held directly	Total assets	Shareholder's equity	Net profit/loss
INVESTMENTS IN SUBSIDIARIES							
Desimo, Lda.	a)	Lisbon	100.00	50	208	206	7
Jerónimo Martins - Serviços, S.A.	a)	Lisbon	100.00	50	21,501	1,366	180
Jerónimo Martins Inovação, S.A.	a)	Lisbon	100.00	50	49	49	-
Trade Wings, S.A.	a)	Lisbon	100.00	1,000	64,844	11,564	(6,624)
Warta - Retail & Services Investments B.V.	a)	Amsterdam	100.00	18	1,504,150	1,492,166	705,302
Tagus - Retail & Services Investments B.V.	a)	Amsterdam	100.00	18	423,587	423,549	38,380
New World Investments B.V.	a)	Amsterdam	100.00	18	923,825	923,787	(435)
Origins - Agro Business Investments B.V.	a)	Amsterdam	100.00	18	349,615	349,603	(29)
Jeronimo Martins Slovensko, s. r. o.	a)	Bratislava	10.00	100	5,828	4,507	(1,493)
OTHER FINANCIAL INVESTMENTS							
Epic Partners, S.A.	b)	Geneve	5.33	b)	b)	b)	b)

a) For the purposes of the article 486, paragraph 3, of the Portuguese Commercial Companies Code, we declare that we hold the control of the companies indicated.
b) Information not available.

During 2023 JMH disposed of part of the financial investment of the company Epic Partners SA, for the amount of €32 thousand, decreasing the percentage held for 5.33%.

In August 2023, JMH entered the share capital of Jeronimo Martins Slovensko, s. r. o., with a 10% stake.

In November 2023, the Company Friedman – Sociedade de Investimentos Mobiliários e Imobiliários, Lda. was liquidated.

25. Subsidiaries, joint ventures and associates – interests held directly and indirectly

The companies held directly and indirectly by JMH, as at 31 December 2023, are those mentioned in notes 25 and 27 of the Group Consolidated Annual Report.

26. Related parties

Transactions with related parties are always carried out at market prices.

26.1. Transactions with related parties (shareholders)

JMH is owned 56.136% by Sociedade Francisco Manuel dos Santos B.V.. There were no direct transactions between this company and JMH in 2023, nor are there any open amounts between them as at 31 December 2023.

26.2. Transactions with other related parties

26.2.1. Technical and administrative services provided

As the Group's Holding Company and Corporate Center, JMH co-ordinates and provides consultancy services to its subsidiaries. The Functional Divisions of support to the Group are described in Point 21 of Chapter 4, related with Corporate Governance. The turnover from these services in 2023 was €33,345 thousand (2022: €20,507 thousand).

26.2.2. Financial services

The JMH Financial Operations Department centralises part of the Group companies' financial management.

This management includes acting on behalf of the companies in the negotiation and contracting of debt conditions and application of funds with banks and other financial institutions. The purpose of this centralised management is to obtain more favourable conditions for funding and applications than would be obtained if negotiated on an individual basis. This centralised management is remunerated for this service, which amounted to €1,338 thousand in 2023 (2022: 1,024 thousand).

This management includes also the centralised treasury operations, responsible for payments to suppliers, employees and other entities, as well as daily cash flow management. This management is also remunerated for this service, which amounted to €396 thousand in 2023 (2022: €556 thousand).

26.2.3. Lease of property

JMH develops part of its activity in premises rented from related parties, which represented in 2023 costs of €945 thousand (2022: €889 thousand).

As mentioned in note 12, JMH owns a property which is partially rented out to a Group company, and generated profits in 2023 in the amount of €203 thousand (2022: €202 thousand).

26.2.4. Treasury operations (current loans)

JMH granted treasury operations to subsidiaries, which generated interest in 2023 in the amount of €11,677 thousand (2022: €1,141 thousand). The increase in interest obtained results from the combined effect of the increase in loan capital amounts and interest rates.

26.2.5. Staff related costs

As a Group, Jerónimo Martins takes advantage of the synergies existing between various companies, and frequently transfers staff from one company to another according to the needs of the various businesses. In 2023 total costs incurred with services rendered by personnel from other companies amounted to €25,695 thousand (2022: €17,475 thousand).

26.2.6. Open balances as at 31 December 2023

Company	Current loans granted	Non-current loans granted	Accounts receivable and accrued income	Accounts payable, deferred income and accrued costs
Subsidiary companies				
Best-Farmer – Actividades Agro-Pecuárias, S.A.	31,520	-	179	854
Desimo, Lda.	-	-	2	-
Hussel Ibéria – Chocolates e Confeitaria, S.A.	-	-	41	-
Imocash – Imobiliário de Distribuição, S.A.	-	-	52	-
Imoretalho – Gestão de Imóveis, S.A.	-	-	43	65
João Gomes Camacho, S.A.	-	-	638	-
Jerónimo Martins – Agro-Alimentar, S.A.	-	-	266	431
Jeronimo Martins Colombia, S.A.S.	-	-	41	-
Jeronimo Martins Drogerie i Farmacja Sp. Z. o.o.	-	-	20	-
Jeronimo Martins Polska S.A.	-	-	6,963	213
Jeronimo Martins Slovensko s.r.o.	-	500	-	-
Jerónimo Martins – Restauração e Serviços, S.A.	6,125	-	73	127
Jerónimo Martins Inovação, S.A.	-	-	-	1
Jerónimo Martins Serviços, S.A.	-	-	155	9,943
JMR – Gestão Empresas Retalho, SGPS, S.A.	131,380	-	538	-
JMR – Prestação Serviços para a Distribuição, S.A.	-	-	1,379	495
Larantigo – Sociedade de Construções, S.A.	-	-	-	13
Lidinvest – Gestão de Imóveis, S.A.	-	-	1	-
New World Investments B.V.	-	926,950	-	-
Origins – Agro Business Investments B.V.	-	349,795	-	-
Ovinos da Tapada – Agropecuária, Lda.	-	-	9	353
Outro Chão – Agricultura Biológica, Lda.	-	-	1	150
Pingo Doce – Distribuição Alimentar, S.A.	-	-	5,521	637
Recheio – Cash & Carry, S.A.	-	-	11,822	98
Recheio Masterchef, Lda.	-	-	274	-
Recheio, SGPS, S.A.	-	-	1,719	-
Santa Maria Manuela Turismo, S.A.	-	-	-	520
Seaculture – Aquicultura, S.A.	4,470	-	35	809
Terra Alegre – Lacticínios, S.A.	5,590	-	83	2,923
Trade Wings, S.A.	4,950	25,000	79	1,767
Warta – Retail & Services Investments B.V.	-	784,580	-	-
Subtotal	184,035	2,086,825	29,936	19,398
Other related parties				
JMDB – Repr. E Distribuição Marcas, Lda.	-	-	4	-
Marismar Aquicultura Marinha S.A.	-	-	-	2
Soc. Francisco Manuel Santos SGPS, S.A.	-	-	-	1
Unilever Fima, Lda	-	-	-	15
Subtotal	-	-	4	18
Total	184,035	2,086,825	29,939	19,416

26.2.7. Open balances as at 31 December 2022

Company	Current loans granted	Non-current loans granted	Accounts receivable and accrued income	Accounts payable, deferred income and accrued costs
Subsidiary companies				
Best-Farmer - Actividades Agro-Pecuárias, S.A.	19,430	-	66	257
Desimo, Lda.	-	-	3	-
Escola de Formação Jerónimo Martins, S.A.	-	-	3	1
Friedman - Soc. Inv. Mobiliários e Imobiliários, Lda.	-	170	-	-
Hussel Ibéria – Chocolates e Confeitaria, S.A.	-	-	5	6
Imocash – Imobiliário de Distribuição, S.A.	-	-	961	-
Imoretalho – Gestão de Imóveis, S.A.	-	-	56	77
João Gomes Camacho, S.A.	-	-	612	-
Jerónimo Martins - Agro-Alimentar, S.A.	11,280	-	114	31
Jeronimo Martins Colombia, S.A.S.	-	-	57	-
Jeronimo Martins Drogerie i Farmacja Sp. z. o.o.	-	-	8	-
Jeronimo Martins Polska S.A.	-	-	4,267	52
JM Nieruchomości Bis Sp. z o.o.	-	-	2	-
Jerónimo Martins – Restauração e Serviços, S.A.	4,640	-	66	5
Jerónimo Martins Inovação, S.A.	-	-	-	1
Jerónimo Martins Serviços, S.A.	-	-	5	7,392
JMR – Gestão Empresas Retalho, SGPS, S.A.	-	-	39	-
JMR - Prestação Serviços para a Distribuição, S.A.	-	-	318	206
Larantigo - Sociedade de Construções, S.A.	-	-	-	40
Lidinvest - Gestão de Imóveis, S.A.	-	-	1	-
Lido Sol II – Distrib. Produtos Alimentares, S.A.	-	-	12	-
Masterchef, S.A.	-	-	-	11
New World Investments B.V.	-	778,450	-	-
Origins - Agro Business Investments B.V.	-	224,745	-	-
Ovinos da Tapada - Agropecuária, Lda.	400	-	12	1
Outro Chão - Agricultura Biológica, Lda.	-	-	4	-
Pingo Doce – Distribuição Alimentar, S.A.	-	-	3,601	88
Recheio - Cash & Carry, S.A.	-	-	8,918	42
Recheio Masterchef, Lda.	-	-	136	-
Recheio, SGPS, S.A.	-	-	1,276	-
Santa Maria Manuela Turismo, S.A.	-	-	33	-
Seaculture - Aquicultura, S.A.	4,095	-	18	33
Terra Alegre - Lacticínios, S.A.	9,990	-	55	79
Trade Wings, S.A.	-	25,000	44	-
Warta - Retail & Services Investments B.V.	-	784,580	-	-
Subtotal	49,835	1,812,945	20,692	8,322
Other related parties				
Unilever Fima, Lda	-	-	-	15
Subtotal	-	-	-	15
Total	49,835	1,812,945	20,692	8,337

26.2.8. Remuneration paid to Directors

	2023	2022
Salaries and cash awards	2,397	2,068
Retirement benefits	980	741
Total	**3,377**	**2,809**

The Board of Directors of the Company consists of 11 Members (2022: 11 Members). The remuneration shown includes also the amounts paid to the members which, being part of the Board of Directors, work on the Audit Committee, that in the year was €75 thousand (2022: €75 thousand).

The remuneration policy of the Members of the Board of Directors and of the Supervisory Board is stated in the Consolidated Annual Report, under the Corporate Governance Chapter.

The retirement benefits granted to the Directors correspond to post-employment benefits and are part of the plans described in note 5.2 from the Consolidated Financial Statements.

27. Financial risks

JMH is exposed to various financial risks, namely market risk (which includes interest rate risk), liquidity risk and credit risk.

The management of these risks is focused on the unpredictable nature of the financial markets and aims to minimize its adverse effects on the Company's financial performance. Certain types of exposure are managed using financial derivative instruments.

The activity in this area is carried out by the Financial Operations Department. It is responsible, with the cooperation of the financial areas of the Group´s companies, for identifying and assessing risks and for executing the hedging of financial risks, by following the guidelines set out in the Financial Risk Management Policy.

27.1. Interest rate risk

All financial liabilities are directly or indirectly indexed to a reference interest rate which exposes JMH to cash flow risk. A given portion of this risk is hedged through fixed interest rate swaps, thus JMH is also exposed to fair value risk.

Exposure to interest rate risk is monitored continuously. In addition to evaluating future cash flows based on forward rates, sensitivity tests to variations in interest rate levels are performed.

27.2. Credit risk

Credit risk is managed centrally. The main sources of credit risk are bank deposits, short-term investments and derivatives contracted with financial institutions.

The financial institutions that JMH chooses to do business with are selected based on the ratings they receive from one of the independent benchmark rating agencies. Apart from the existence of a minimum accepted rating there is also a maximum exposure to each of these financial institutions.

The following table shows a summary of credit quality of bank deposits and short-term investments, as at 31 December 2023 and 2022:

Rating company	Rating	2023	2022
Standard & Poor's	[A+ : AA]	50,913	60,066
Standard & Poor's	[BBB+ : A]	119,470	75,410
Standard & Poor's	[BB+ : BBB]	37,135	85,521
Standard & Poor's	[B+ : BB]	-	6,579
Moody's	[Aaa2 : Aaa1]	-	50,013
Moody's	[Caa2 : Baa1]	38	179
Fitch	[A- : A+]	20,900	127,022
Fitch	[BB+ : BBB]	155	21,142
Total		**228,611**	**425,933**

The ratings shown correspond to those given by Standard & Poor's, Moody's and Fitch. The maximum exposure to credit risk at 31 December 2023 and 2022 is the financial assets carrying value.

27.3. Liquidity risk

Liquidity risk is managed by maintaining an adequate level of cash or equivalents, as well as by negotiating credit facilities that not only allow the regular development of JMH activities, but also ensuring some flexibility to be able to absorb shocks unrelated to its activities.

To manage this risk, JMH uses, for example, credit derivatives in order to mitigate the impact of credit spreads increase that are the result of impacts beyond the control of JMH. Treasury needs are managed based on short-term planning, executed on a daily basis, which it derives from the annual financial plans which are reviewed at least twice a year.

The following table shows JMH's liabilities by ranges of contractual residual maturity. The amounts shown in the table are the non-discounted contractual cash flow.

	Exposure to liquidity risk		
2023	**Less than 1 year**	**1 to 5 years**	**More than 5 years**
Borrowings			
Commercial paper	23	-	-
Creditors	13,595	-	-
Lease liabilities	892	1,761	-
Total	**14,510**	**1,761**	**-**

2022	Exposure to liquidity risk Less than 1 year	1 to 5 years	More than 5 years
Borrowings			
Commercial paper	23	-	-
Creditors	3,564	-	-
Lease liabilities	741	1,769	-
Total	**4,328**	**1,769**	**-**

The cash flows presented for commercial paper programs include fixed expenses incurred with these programs, whether they are being used or not.

28. Additional information requested by law

In accordance with article 66-A of the Portuguese Commercial Companies Code, we hereby inform of the following:

a) In addition to all operations described in the notes above, as well as in the Management's Report, there are no other operations considered relevant which are not already contained either in the balance sheet or in these notes;

b) The total remuneration paid to the External Auditor and Statutory Auditor in 2023 was €168 thousand, from which €123 thousand correspond to the statutory audit of the accounts and, the remaining in the amount of €45 thousand, to limited assurance services on sustainability indicators;

c) Note 26 of the Notes to the Financial Statements include all the related parties' disclosures, in accordance with the International Accounting Standards;

d) During the years of 2021 and 2022, JMH incurred in expenses with Research and Development (R&D) activities, which are, in your understanding, likely to be eligible for the purposes of Entrepreneurial R&D Tax Incentives System ("Sistema de Incentivos Fiscais em I&D Empresarial II – SIFIDE II").

   Hence, regarding the year of 2021, JMH received the final decision from the Technical Committee with power delegated by the Agência Nacional de Inovação, S.A., granting a tax credit of €159 thousand as a result of investments related with R&D activities in the total amount of €489 thousand, consisting of human resources expenses amounting to €327 thousand and operating expenses amounting to €162 thousand.

   Regarding the year of 2022, JMH is still waiting for the decision from the Technical Committee with power delegated by the Agência Nacional de Inovação, S.A.. JMH has requested a tax credit of €1,699 thousand as a result of investments related with R&D activities in the total amount of €2,441 thousand, consisting of human resources expenses amounting to €1,918 thousand and operating expenses amounting to €524 thousand.

   Lastly, taking into consideration the investments made in 2023 in this particular area, JMH is also preparing an application to this Tax Incentive (SIFIDE II), within the legally stipulated deadline.

29. Events after the balance sheet date

✓ Accounting policies

Where events occur after the balance sheet date that provide evidence of conditions that existed at the end of the reporting period, the impact of these events is adjusted within the Financial Statements. Otherwise, events after the balance sheet date of a material size or nature are disclosed below.

At the conclusion of this Report there were no relevant events to highlight that are not disclosed in the Financial Statements.

Lisbon, 5 March 2024

The Certified Accountant **The Board of Directors**

2. Auditor's Report

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(Translation from the original document in the Portuguese language.
In event of doubt, the Portuguese version prevails)

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Jerónimo Martins, S.G.P.S., S.A. (the Entity), which comprise the Balance Sheet as at 31 December 2023 (showing a total of 3.238.054 thousand euros and total equity of 3.156.156 thousand euros, including a net profit for the year of 558.924 thousand euros), the Income Statement by Functions, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of Jerónimo Martins, S.G.P.S., S.A. as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors´ code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

1. **Investments in subsidiaries and loans to subsidiaries**

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
The total amount of investments in subsidiaries and loans to subsidiaries recognized in the separate financial statements of Jerónimo Martins, S.G.P.S., S.A., as at 31 December 2023, amounts to 2.752.958 thousand euros. As disclosed in the Notes 2.3 to the financial statements, the investments in subsidiaries and loans to subsidiaries are recorded at cost and are analysed at each balance sheet date	Our audit procedures included: ▸ Understanding and evaluating controls over the investments in subsidiaries and loans to subsidiaries process; ▸ Obtaining impairment tests performed by management to the investments in subsidiaries and loans to subsidiaries and confirmation of the assumptions used with the business plans approved by the Board;

Sociedade Anónima - Capital Social 1.340.000 euros - Inscrição n.º 178 na Ordem dos Revisores Oficiais de Contas - Inscrição N.º 20161480 na Comissão do Mercado de Valores Mobiliários
Contribuinte N.º 505 988 283 - C. R. Comercial de Lisboa sob o mesmo número - Sede: Av. da República, 90 - 6.º - 1600-206 Lisboa
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Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
in order to identify any indicators of possible impairment losses. When indicators are identified, the recoverable amount of the assets is tested by the management, using the discounted cash flow method. The valuation data used to calculate the value in use, is supported by past performance and market development expectations for each of the investments, in accordance with the discounted cash flow projections, discount rates and perpetuity growth rates. Due to the relevance of the amounts involved, as well as the complexity and judgment inherent in the model adopted for the impairment assessment, we consider that the valuation of investments in subsidiaries and loans to subsidiaries was a material matter for the purposes of our audit.	► We were involved in the assessment of the main tax and legal disputes and contingencies existing in the entities participated by Jerónimo Martins SGPS; ► Performing analyses, with the support of internal specialists, of the assumptions and methodologies used by the management, namely the impairment testing model, the discount rates and perpetuity growth rates; ► Performing substantive procedures regarding impairment indicators on investments in subsidiaries and loans to subsidiaries, namely by comparing the equity of the subsidiaries or the value in use obtained through the models prepared by the Management with the amounts recorded in the financial statements; and ► Review of the amounts of impairment losses recognized by the Entity regarding investments in subsidiaries and loans to subsidiaries and assessment of its reasonableness. We have also verified the adequacy of the disclosures presented in the financial statements.

Responsibilities of Management and the Audit Committee for the financial statements

Management is responsible for:

- the preparation of financial statements that presents a true and fair view of the Entity´s financial position, financial performance and cash flows in accordance with International Financial Reporting Standards as endorsed by the European Union;
- the preparation of the Management Report, the Corporate Governance Report, non-financial information and remunerations report, in accordance with the laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Entity's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Entity´s ability to continue as a going concern.

The Audit Committee is responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Building a better working world

Jerónimo Martins, S.G.P.S.,S.A.
Statutory and Auditor's Report
(Translation from the original document in Portuguese language)
31 December 2023

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- communicate with those charged with governance, including the Audit Committee, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- from the matters communicated to those charged with governance, including the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- we also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate threats or related safeguards used.

Our responsibility includes the verification of the consistency of the Management Report with the financial statements, and the verifications under Nº 4 and Nº 5 of article 451 of the Commercial Companies Code regarding corporate governance matters and the verification that the non-financial information and remunerations report was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, Nº 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited financial statements and, having regard to our knowledge and assessment over the Entity, we have not identified any material misstatements.

Pursuant to article 451, paragraph 7 of the Companies Code, this opinion is not applicable to the non-financial statement included in the Management Report.

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On the Corporate Governance Report

Pursuant to article 451, Nº 4 of the Commercial Companies Code, in our opinion, the Corporate Governance Report includes the information required to be provided by the Entity as per article 29-H of the Securities Code, and we have not identified material misstatements on the information provided therein in compliance with Nº 1, paragraphs c), d), f), h), i) and l) of the said article.

On the non-financial information

Pursuant to article 451, Nº 6 of the Commercial Companies Code, we inform that the Entity included in the Management Report the non-financial information of the set out in article 66-B of the Commercial Companies Code.

On the Remunerations Report

Pursuant to article 26-G, Nº 6 of the of the Securities Code, we inform that the Entity has included in the Corporate Governance Report, on separate chapter, the information provided in compliance with nº2 of the said article.

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) Nº 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were appointed as auditors of the Jerónimo Martins, S.G.P.S., S.A. for the first time at the shareholders' general meeting held on 6 April 2017 for the mandate from 2017 to 2018. We were appointed for a second term for the mandate from 2019 to 2021 at the shareholders' general meeting held on 11 April 2019. At the shareholders' general meeting held on 21 April 2022 we were reappointed for a third term for mandate from 2022 to 2024;
- Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred with a material effect on the financial statements. In planning and executing our audit in accordance with ISAs, we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the financial statements due to fraud. As a result of our work, we have not identified any material misstatement to the financial statements due to fraud;
- We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the Audit Committee of the Entity on March 4, 2024; and
- We declare that we have not provided any prohibited services as described in article 5 of the Regulation (EU) Nº 537/2014 of the European Parliament and of the Council, of 16 April 2014, and we have remained independent of the Group in conducting the audit.

Jerónimo Martins, S.G.P.S.,S.A.
Statutory and Auditor's Report
(Translation from the original document in Portuguese language)
31 December 2023

European Single Electronic Format (ESEF)

The financial statements of the Jerónimo Martins, S.G.P.S., S.A. for the year ended 31 of December 2023 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included obtaining understanding of the financial reporting process, including the submission of the annual report in valid XHTML format.

In our opinion, the financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Lisbon, 12 March 2024

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Pedro Miguel Borges Marques - ROC nr. 1801
Registered with the Portuguese Securities Market Commission under license nr. 20161640

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Jerónimo Martins

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CORPORATE GOVERNANCE

Corporate Governance

Part I – Information on Shareholder Structure, Organization and Corporate Governance

Section A – Shareholder Structure

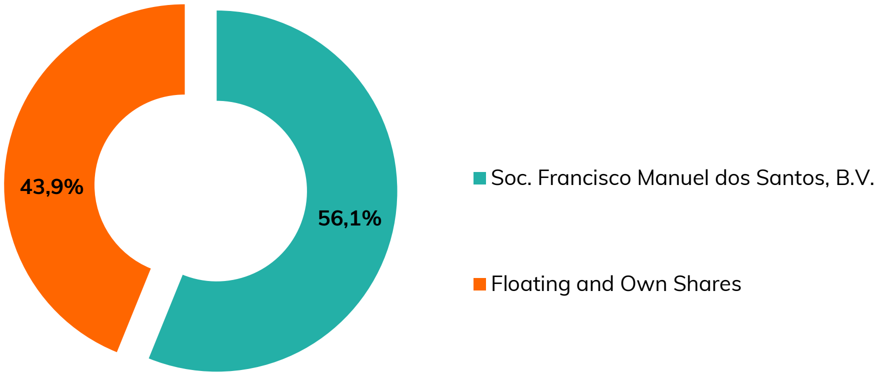
Subsection I - Capital Structure

1. The Capital Structure (Share Capital, Number of Shares, Distribution of Capital by Shareholders, etc.), Including an Indication of Shares That Are Not Admitted to Trading, Different Classes of Shares, Rights and Duties of Same and the Capital Percentage That Each Class Represents (Art. 29.°-H/1/a of the Portuguese Securities Code - PSC)

The Company's share capital is 629,293,220 euros. It is fully subscribed and paid up, and divided into six hundred and twenty-nine million, two hundred and ninety-three thousand, two hundred and twenty shares with a nominal value of one euro each.

All issued shares are ordinary, there are no other categories of shares, and all shares have been admitted to trading on the Euronext Lisbon stock exchange.

The Company's shareholder structure is the following, with reference to 31 December 2023*:



* According to the last communications made by the shareholders with qualifying holdings to Jerónimo Martins, SGPS, S.A. up to the said date, being assumed that the number of shares owned is equivalent to the number of voting rights, unless otherwise disclosed to the issuer. See, point 7.

2. Restrictions on the Transfer of Shares, Such as Clauses on Consent for Disposal, or Limits on the Ownership of Shares (Art. 29.°-H/1/b PSC)

Jerónimo Martins' shares are freely transferable and there are no restrictions concerning their tradability.

3. Number of Own Shares, the Percentage of Share Capital that it Represents and Corresponding Percentage of Voting Rights that Corresponded to Own Shares (Art. 29.°-H/1/a PSC)

The Company holds 859 thousand shares in its own portfolio, which were acquired in 1999 at an average price of 7.06 euros per share (price adjusted by the restatement of capital). These shares represent 0.14% of the Company's share capital, which would correspond to equal percentage of voting rights.

4. Important Agreements to which the Company is a Party and that Come Into Effect, Amend or are Terminated in Cases Such As a Change in the Control of the Company After a Takeover Bid, and the Respective Effects, Except Where Due to their Nature, the Disclosure Thereof Would be Seriously Detrimental to the Company; This Exception Does Not Apply Where the Company is Specifically Required to Disclose Said Information Pursuant to Other Legal Requirements (Art. 29.°-H/1/j PSC)

There are no significant agreements (including financing agreements) to which the Company is a party and that come into effect, are amended or terminated in case of a change in the control of the Company after a takeover bid.

5. A System That is Subject to the Renewal or Withdrawal of Countermeasures, Particularly Those That Provide for a Restriction on the Number of Votes Capable of Being Held or Exercised by Only One Shareholder Individually or Together With Other Shareholders

No defensive measures were adopted that require payments or the assumption of costs by the Company in the event of a change of control or a change in the composition of the Board of Directors and that are likely to impair the free transfer of shares and the free assessment by the shareholders of the performance of the Board members, or that provide for a restriction on the number of votes capable of being held or exercised by only one shareholder individually or together with other shareholders.

6. Shareholders' Agreements that the Company is aware of and That May Result in Restrictions on the Transfer of Securities or Voting Rights (Art. 29.°-H/1/g PSC)

Pursuant to the communication regarding the qualifying holding received by the Company on 2nd January, 2012, the same was informed of a shareholders' agreement concerning the exercise of voting rights, on the following terms:

"It is further informed that, in accordance with the terms of number 2 of article 21, paragraphs b) and c), of the Portuguese Securities Code, Sociedade Francisco Manuel dos Santos, SGPS, S.A.[*] controls Sociedade Francisco Manuel dos Santos B.V., since it may exercise the corresponding voting rights under a Shareholders Agreement.
In accordance with the terms of article 20 of the Portuguese Securities Code, especially paragraph b) of its number 1, under the above mentioned Shareholders Agreement, the corresponding voting rights of the Jerónimo Martins, SGPS, S.A. shares, object of the purchase and sale above mentioned, remain attributed to Sociedade Francisco Manuel dos Santos, SGPS S.A.[*]".

The Company, however, does not know of any restrictions concerning the transfer of securities or voting rights.

* The company name was changed on 2015 to "Sociedade Francisco Manuel dos Santos, SGPS, S.E.".

Subsection II - Shareholdings and Bonds Held

7. Details of The Natural or Legal Persons Who, Directly or Indirectly, are Holders of Qualifying Holdings (Art. 29.°-H/1/c & /d PSC) and Art. 16.° PSC) With Details of the Percentage of Capital and Votes Attributed and the Source and Causes of the Attribution

The holders of qualifying holdings, calculated in accordance with the terms of paragraph 1 of Art. 20 PSC, based on the total number of shares under the terms of section b), paragraph 3 of Art. 16 PSC, as at 31st December 2023 are identified in the table below.

List of Qualifying Holdings as at 31st December 2023*

(Pursuant to sub-paragraph b) of paragraph 1 of Art. 8 of the Portuguese Securities Regulations no. 5/2008)

Shareholder	No. of Shares Held	% Capital	No. of Voting Rights	% of Voting Rights
Sociedade Francisco Manuel dos Santos, SGPS, S.E. Through Sociedade Francisco Manuel dos Santos, B.V.	353,260,814	56.14%	353,260,814	56.14%

* Source: Last communications made by the shareholders with qualifying holdings to Jerónimo Martins, SGPS, S.A. up to the said date.

The reason for attributing the qualified holding to Sociedade Francisco Manuel dos Santos, SGPS, S.E. is mentioned in point 6.

8. A List of the Number of Shares and Bonds Held by Members of the Management and Supervisory Boards

(Pursuant to paragraph 5 of Art. 447 of the Commercial Companies Code - CCC)

The Board of Directors

Members of the Board of Directors	Held on 31.12.22		Increases during the year		Decreases during the year		Held on 31.12.23	
	Shares	Bonds	Shares	Bonds	Shares	Bonds	Shares	Bonds
Pedro Manuel de Castro Soares dos Santos	274,805	-	-	-	-	-	274,805	-
Belonging to company in which is a Director (sec. d), § 2 of Art. 447 CCC)[1]	353,260,814						353,260,814	
Andrzej Szlęzak	-	-	-	-	-	-	-	-
António Pedro de Carvalho Viana-Baptista	-	-	-	-	-	-	-	-
Artur Stefan Kirsten	-	-	-	-	-	-	-	-
Belonging to company in which is a Director (sec. d), § 2 of Art. 447 CCC)[1]	353,260,814	-	-	-	-	-	353,260,814	-
Clara Christina Streit	800	-	-	-	-	-	800	-
Elizabeth Ann Bastoni	-	-	-	-	-	-	-	-
Francisco Manuel Seixas da Costa	-	-	-	-	-	-	-	-
José Manuel da Silveira e Castro Soares dos Santos	20,509	-	-	-	-	-	20,509	-
Belonging to company in which is a Director (sec. d), § 2 of Art. 447 CCC)[1]	353,260,814	-	-	-	-	-	353,260,814	-
María Ángela Holguín Cuéllar	-	-	-	-	-	-	-	-
Natalia Anna Olynec	-	-	-	-	-	-	-	-
Sérgio Tavares Rebelo	-	-	-	-	-	-	-	-

[1] Sociedade Francisco Manuel dos Santos, B.V.; See point 20.

Statutory Auditor

As at 31st December 2023, the Statutory Auditor, Ernst & Young Audit & Associados, SROC, S.A., confirmed not holding any shares or bonds of Jerónimo Martins, SGPS, S.A. and not having made any transactions, during 2023, with Jerónimo Martins, SGPS, S.A. securities.

9. Special Powers of the Board of Directors, especially as Regards Resolutions on the Capital Increase (Art. 29.°-H/1/i) PSC) With an Indication as to the Allocation Date, Time Period Within Which Said Powers May Be Carried Out, the Upper Ceiling for the Capital Increase the Amount Already Issued Pursuant to the Allocation of Powers and Mode of Implementing the Powers Assigned

Any capital increase is subject to prior deliberation by the General Shareholders' Meeting.

10. Information on Any Significant Business Relationships between the Holders of Qualifying Holdings and the Company

Pursuant to the policy that has been followed by the Company in this area, no business was carried out by the Company with the owners of Qualifying Holdings or entities in any type of relationship with the owners of such holdings, outside of normal market conditions.

There are no significant business relationships between holders of Qualifying Holdings and the Company.

Section B – Corporate Bodies and Committees

Subsection I - General Meeting

A. Composition of the Presiding Board of the General Meeting

11. Details and Position of the Members of the Presiding Board of the General Meeting and Respective Term of Office (Beginning and End)

On 21st April 2022, Luis Miguel Reis Sobral and Nuno de Deus Pinheiro were appointed as Chairman and Secretary of the General Shareholders' Meeting, respectively, for the term 2022-2024.

B. Exercising the Right to Vote

12. Any Restrictions on the Right to Vote, Such as Restrictions on Voting Rights Subject to Holding a Number or Percentage of Shares, Deadlines for Exercising Voting Rights, or Systems Whereby the Financial Rights Attaching to Securities are Separated from the Holding of Securities (Art. 29.°-H/1/f PSC)

The Company and its Board of Directors particularly value the principles of free transferability of shares and assessment by shareholders of the performance of members of the Board of Directors.

As such Art. 24 of the Articles of Association of the Company establishes the rule that each share has the right to one vote.

Accordingly, the Company has not established mechanisms intended to cause mismatching between the right to receive dividends or the subscription of new securities and the voting right of each ordinary share, inter alia, no special rights for shareholders or restraints on the exercise of voting rights are provided for in the Company's Articles of Association, nor is there any special rule in the Articles of Association regarding systems whereby the financial rights attached to securities are separated from the holding of securities.

Attending the Shareholders' Meeting is not subject to holding a minimum number of shares.

According to Art. 26 of the Articles of Association of the Company, the Shareholders' Meeting may take place upon the first convocation, as long as more than 50% of the Company's capital is present or represented.

Participation in the General Shareholders' Meeting

Under the provisions of the Portuguese Securities Code and Art. 23 of the Articles of Association, the shareholders that meet the following conditions can participate and vote at the General Meeting:

i. On the Record Date, corresponding to 00:00 (GMT) of the fifth trading day prior to the General Shareholder's Meeting, they held shares of the Company entitling them to at least one vote;
ii. By the end of the day prior to the day of the Record Date, they had stated in writing, to the respective financial intermediary, their intention to participate in the meeting;
iii. By the end of the day of the Record Date, the respective financial intermediary has sent to the Chairman of the General Shareholder's Meeting information on the number of shares registered under that shareholder's name on the Record Date.

Remote Participation in the General Shareholders' Meeting

The Company implemented adequate means for the remote participation by its shareholders in the General Meeting. In 2023 a General Meeting of the Company took place, in which shareholders could participate in person or, if they so wished, by telematic means, under the provisions of sub-paragraph b) of paragraph 6 of Art. 377 CCC.

Shareholders who declared they wanted to participate in the General Meeting by telematic means had to indicate an email address, to which the Company sent the link to the telematic session at stake, and an individual shareholder participation code, which served to complement the respective identification at the beginning of the meeting.

Postal Vote

According to paragraph three of Art. 25 of the Articles of Association, postal votes are allowed. Pursuant to the Articles of Association, postal votes count for the formation of a constitutive quorum for the General Shareholders' Meeting, and it is the responsibility of the Chairman of the Board of the General Shareholders’ Meeting or his substitute to verify their authenticity and full compliance with the procedures, as well as to assure confidentiality when a vote is submitted. In the event that a shareholder or a shareholder's representative is present at the General Shareholders' Meeting, the postal vote that was issued is revoked.

Postal votes count as negative votes in relation to deliberative proposals presented subsequent to the date on which those votes were issued.

The Company has provided a form to exercise the right to vote by post on its web page.

As the Company’s Articles of Association do not state anything on this matter, the Company has established a deadline of 48 hours prior to the General Shareholders' Meeting for receipt of postal votes, thus complying with and, to a certain extent, exceeding the recommendations of the CMVM on this matter.

Vote by Electronic Means

The Company, also recognising that using computerised means encourages shareholders to exercise their right to vote, has adopted, since 2006, adequate mechanisms so that they may vote electronically in General Shareholders' Meetings, having proceeded in 2020 to some changes in the procedures that, for this purpose, it had been implementing, such procedures having been disclosed ever since in the notices issued and on its institutional website.

Thus, shareholders who wished to exercise their right to vote electronically at the 2023 General Meeting had to express it, in due time, to the Chairman of the Board of the General Shareholders' Meeting, through the email address assembleiageral@jeronimo-martins.com. In that expression of interest, shareholders had to indicate an email address to which, subsequently, an identifier code was sent, to be used in the electronic mail message by which the shareholder exercised its right to vote.

Election of Members of Corporate Bodies

At the Company’s General Meeting held on 20 April, 2023, the election of members of the Company's bodies was not carried out. However, shareholders continued to be urged in the respective notice, dated 27 March, 2023 to, in the construction of proposals that may be presented at future General Meetings for the mandate of the corporate bodies, contribute to improving the performance of the bodies and balance in their composition, taking into account, namely, criteria of competence, independence, integrity, availability, experience, and considering also diversity requirements, with particular attention to gender diversity, as legally required. It was further referred that proposals to presented in the future should be substantiated as to the suitability of the profiles, knowledge and curricula to the function(s) to be performed by each candidate.

13. Details of the Maximum Percentage of Voting Rights That May Be Exercised By a Single Shareholder or By Shareholders That Are In Any Relationship As Set Out In Art. 20/1 PSC

The Company has not established rules stating that voting rights over a certain number are not counted, when issued by a single shareholder or shareholders related to it.

14. Details of Shareholders' Resolutions That, Imposed By The Articles Of Association, May Only Be Taken With a Qualified Majority, In Addition To Those Legally Provided, and Details of Said Majority

There is no special rule in the Articles of Association regarding deliberative quorums.

Subsection II - Management and Supervision (Board of Directors)

A. Composition

15. Details of Corporate Governance Model Adopted

The Company has adopted the Anglo-Saxon governance model which corresponds to the option foreseen in subparagraph b) of Art. 278 CCC. According to this model the management and supervision of the Company are organized through a Board of Directors, which includes the Audit Committee, and a Statutory Auditor.

16. Articles of Association Rules on the Procedural Requirements Governing the Appointment and Replacement of Members of the Board of Directors (Art. 29-H/1/h PSC). Diversity Policy.

Art. 1 of the Regulations of the Company's Board of Directors foresees that the composition of this body will be decided in the General Shareholders' Meeting pursuant to the terms indicated in paragraph one of Art. 12 of the Articles of Association, and that it will be presided over by the respective Chairman, chosen by the General Shareholders' Meeting.

Paragraph number three of Art. 9 of the same Regulations prescribes that in the event of death, resignation or impediment, whether temporary or definitive, of any of its members, the Board of Directors will agree on a substitute. If the appointment does not occur within 60 days of the absence of the Director, the Audit Committee will be responsible for appointing the substitute.

As referred in point 12, the Company promotes that the proposals to be submitted by shareholders for the new term of office of the governing bodies, are substantiated as to the suitability of the profiles, knowledge and curricula to the function(s) to be performed by each candidate.

Under the terms of Art. 289, no. 1, d) CCC, the proposals for the appointment of members of the Board of Directors (as well as other corporate bodies) have made reference to the professional qualifications and professional activity, in the last five years, of the individuals proposed by the Company's shareholders for appointment. Such elements were sufficient justification in regard to the suitability of the profile, the skills and the curriculum vitae to the duties to be carried out.

Diversity Policy

In Portuguese company law the shareholders have exclusive competence to appoint the members of management and supervision bodies of companies.

Hence, considering that the shareholders are not to be confused with the Company, it is not possible for the latter to define or enforce a diversity policy as is foreseen in Art. 245-A, no. 1, r) of the Portuguese Securities Code, as amended by Decree-Law no. 89/2017, of 28th July, which stood in the period under analysis.

Notwithstanding the above, as referred in point 12., the Company continued to urge its shareholders in the notice dated March 27, 2023 for the Company's General Meeting, held on April 20, 2023, to, in the construction of proposals to be presented for new terms of office of the governing bodies, consider diversity requirements, with particular attention to gender diversity, as legally required, and also to contribute to a better performance of such bodies and to the balance of its composition, taking also into account, namely, criteria such as competence, independence, integrity, availability, and experience.

On the other hand, it can be concluded that in selecting the members of management and supervision bodies of the Company (respectively, Board of Directors and Audit Committee), the shareholders have been taking into account diversity criteria that seek to combine the individual attributes of each of the members, such as independence, integrity, experience and competence, with the specific characteristics of the Company, e.g., its governance model, its dimension, its shareholder structure and its business model.

It can be continued to be said that, in the current structure of the Board of Directors and of the Audit Committee, the shareholders have maintained the safeguard of gender diversity, age diversity, qualification diversity and professional background diversity, as can be seen in point 1.3.1. of Chapter 1, and in points 17 to 19, and 26 of Chapter 4 of this Report.

In this regard, it is also important to mention the Plan for (gender) Equality 2023-2024, disclosed by the Company and which can be consulted on the respective website, where are stated, namely, the goals to be achieved by the Company, the specific measures to be implemented, who is responsible for its implementation, and which indicators shall be used to measure the achievement of such goals.

Therefore, the Company considers to have adopted the said diversity criteria and requisites through its enunciation in the notice dated March 27, 2023 for the Company's General Meeting held on April 20, 2023, in this document and its approval by the Board of Directors and by its shareholders.

17. Composition of the Board of Directors, With Details of the Articles of Association's Minimum and Maximum Number of Members, Duration of Term of Office, Number of Effective Members, Date When First Appointed and End of the Term of Office of Each Member

According to the Articles of Associations, the Board of Directors is comprised of a minimum of seven and a maximum of eleven members, elected by the General Shareholders' Meeting for three-year terms. During 2023, the Board of Directors had the composition indicated below, being currently composed of eleven effective members, who were elected at the General Meeting held on 21st April 2022 for the term of office 2022-2024:

Pedro Manuel de Castro Soares dos Santos
- Chairman of the Board of Directors since 18 December 2013
- CEO
- First appointment on 31st March 1995
- Expiry of the term of office on 31st December 2024

Andrzej Szlęzak
- Non-executive director
- First appointment on 10th April 2013
- Expiry of the term of office on 31st December 2024

António Pedro de Carvalho Viana-Baptista
- Non-executive director
- First appointment on 9th April 2010
- Expiry of the term of office on 31st December 2024

Artur Stefan Kirsten
- Non-executive director
- First appointment on 9th April 2010 (term of office expired on February 2011)
- New appointment on 9th April 2015
- Expiry of the term of office on 31st December 2024

Clara Christina Streit
- Independent Non-executive director
- First appointment on 9th April 2015
- Expiry of the term of office on 31st December 2024

Elizabeth Ann Bastoni

- Independent Non-executive director
- First appointment on 11th April 2019
- Expiry of the term of office on 31st December 2024

Francisco Manuel Seixas da Costa

- Independent Non-executive director
- First appointment on 10th April 2013
- Expiry of the term of office on 31st December 2024

José Manuel da Silveira e Castro Soares dos Santos

- Non-executive director, appointed by Sociedade Francisco Manuel dos Santos, B.V., under the terms of n.o 4 of art. 390 CCC
- First appointment on 31st March 1995 (expiry of term of office on 29th June 2001)
- New appointment on 15th April 2004 (expiry of term of office on 9th April 2015)
- Expiry of term of office on 31st December 2024

María Ángela Holguín Cuéllar

- Independent Non-executive director
- First appointment on 11th April 2019
- Expiry of the term of office on 31st December 2024

Natalia Anna Olynec

- Independent Non-executive director
- First appointment on 21st April 2022
- Expiry of the term of office on 31st December 2024

Sérgio Tavares Rebelo

- Independent Non-executive director*,
- First appointment on 10th April 2013
- Expiry of the term of office on 31st December 2024

* for the purposes of recommendation IV.2.4 of the 2018 IPCG's Corporate Governance Code (2018 revised in 2023), and without prejudice to the provisions of n.o 5 of Article 414 C.C.C.

18. Distinction to be Drawn Between Executive and Non-Executive Directors And, as Regards Non-Executive Members, Details of Members that May Be Considered Independent

The Company seeks a balance in the composition of the Board of Directors through the integration of Non-executive directors and independent directors alongside the Executive Director, in the scope of a delegation of duties, the respective discrimination of which being referred in point 17, above. The distinctive criterium used by the Company coincides with that of the EU Commission's Recommendation 2005/162/EC, of 15th February 2005, being considered as Executive Director any member who is engaged in the daily management of the Company and, a contrario sensu, Non-Executive Directors are those who are not engaged in the daily management.

The Board of Directors is therefore composed of Non-executive Directors, in particular independent Directors who possess a wide range of technical skills, contact networks and connections with national and international bodies, who therefore enrich and optimise the Company's management in terms of creating value and ensuring adequate protection of the interests of all its shareholders and other stakeholders, thereby ensuring effective monitoring, supervision and assessment of the activity of the remaining members of the Board of Directors.

As referred in point 17., the number of Non-executive Directors of the Company is currently 10, which the Company considers suitable considering the terms under which, as described in point 21. below, the delegation of powers is made in favor of the Chief Executive Officer, the implementation of a support structure for him, and the establishment of a Mechanism for Coordinating the Activities of Non-Executive Directors, which allow to efficiently ensure the functions that are attributed to them, taking into account the size of the Company and the risks inherent to its activity.

In accordance with the principles by which the Company is run, although all Board members are accountable to all shareholders equally, the independence of the Board of Directors in relation to the shareholders is further reinforced by the existence of independent Board members.

Pursuant to the 2018 IPCG's Corporate Governance Code (2018 revised in 2023), hereafter referred to as "2023 IPCG's Recommendations", considering the provision of recommendation IV.2.4, which establishes the independence criteria to be used in the evaluation made by the Board of Directors, Clara Christina Streit, Elizabeth Ann Bastoni, Francisco Seixas da Costa, María Ángela Holguín Cuéllar, Natalia Anna Olynec and Sérgio Tavares Rebelo qualify as independent Directors.

Clara Christina Streit, Elizabeth Ann Bastoni and Sérgio Tavares Rebelo are also members of the Audit Committee, being subject further to the independence criteria indicated in paragraph 5 of Art. 414 CCC. According to these criteria Director Sérgio Rebelo cannot be regarded as independent because he does not meet the independence criteria as a member of the Audit Committee. Each of the members of the Audit Committee also complies with the rules of incompatibility laid down in paragraph 1 of Art. 414-A CCC, except that provided for in sub-paragraph b).

Being the number of independent directors of six, in accordance to the criteria above mentioned, out of a total of eleven Directors, the Company complies with recommendation IV.2.4. (2023 IPCG's Recommendations).

19. Professional Qualifications and Other Relevant Curricular Information of Each Member of the Board of Directors

Pedro Soares dos Santos is a Portuguese national, and joined the Operating Division of Pingo Doce in 1983. In 1985, he joined the Sales and Marketing department of Iglo/Unilever, and five years later, assumed the post of Assistant Director of Recheio Operations. In 1995, he was named General Manager of the latter Company. Between 1999 and 2000 he accepted responsibility for operations in Poland and in Brazil. In 2001 he also assumed responsibility for the operations area for Food Distribution in Portugal. He has been a Director of Jerónimo Martins, SGPS, S.A. since 31st March 1995, and has been Chief Executive Officer since 9th April 2010 and Chairman of the Board of Directors of the Company since 18th December 2013.

Andrzej Szlęzak is a Polish national and has a Master degree in English philology and in law from Adam Mickiewicz University in Poznan, Poland. In 1981, he passed the judicial exam and in 1994, he was admitted to the Chamber of Legal Advisors (Poznan Chapter). In 1979, he started his academic career at said university where he was awarded his doctorate and post-doctorate degrees in Law ("Habilitated Doctor") in 1985 and in 1992, respectively. In 1994, he was awarded a professorship at Adam Mickiewicz University (Law School), which he held until 1996. At present, he is a professor at Warsaw School of Social Sciences and Humanities. In 1991, he joined the law firm of Soltysinski, Kawecki & Szlęzak (SK&S) where he became Partner in 1993 and Senior Partner in 1996. During his practice at SK&S he has provided legal advice in numerous privatization and restructuring transactions in many sectors of Polish economy (mostly in M&A, corporate and greenfield projects). Since 1999, he has been an arbitrator of the Arbitration Court at the Polish Chamber of Commerce (KIG) in Warsaw, being at the moment Deputy Chairman of the Arbitration Board of this Court. He has also been appointed an arbitrator in several proceedings (national and international) before the ICC International Court of Arbitration in Paris and in ad hoc proceedings conducted according to the UNCITRAL Arbitration Rules. He is also the author of several publications, including foreign-language publications, in the fields of civil, commercial and arbitration law. He has been a Non-executive Director of the Company since 10th April 2013.

António Viana-Baptista is a Portuguese national, holds a Degree in Economics from Universidade Católica Portuguesa (1980), has a postgraduate diploma in European Economics from Universidade Católica Portuguesa (1981) and an MBA from INSEAD (Fontainebleau, 1983). Between 1985 and 1991, he was Principal Partner of Mckinsey & Co. in the Madrid and Lisbon offices. He held the post of Director in the Banco Português de Investimento, between 1991 and 1998. From 1998 to 2002, he was Chairman and CEO of Telefónica International. From 2002 to 2006 he was Chairman and CEO of Telefónica Móviles S.A. From 2006 to 2008, he was Chairman and CEO of Telefónica España. Between 2000 and 2008, he was a Non-executive Director of the Board of Directors of Portugal Telecom. He was CEO of Crédit Suisse AG for

Spain and Portugal, from 2011 to 2016, acting currently as a consultant of that company. Between 2018 and 2022 he was a Non-executive Director of Atento, S.A.. He is a Non-executive Director of Semapa, SGPS, S.A. and of Azora Capital, S.L., and is also Director of Alter Venture Partners G.P., SARL. He was a member of the Audit Committee of the Company during the terms 2010-2012, and 2013-2015. He has been a Non-Executive Director of the Company since 9th April 2010.

Artur Stefan Kirsten is a German national and took his master degree in Business Economics and Informatics, from 1981 to 1986, at the FernUniversität Hagen and Georg-August-Universität Göttingen. In 1991, he has taken his Doctorate Degree followed later by the Stanford Executive Program with the Graduate School of Business of Stanford University in California. Since 1995 he has been teaching at different universities in Germany and abroad. Dr. Kirsten has been appointed to a professorship with the Westfaelische University in Gelsenkirchen since 2001. He served as Chief Financial Officer of Vonovia SE (former "Deutsche Annington SE") between 2011 and 2018, where he was a member of the Management Board since 1st January 2011. Currently he has various non-executive directorships and is a Co-Founder of Monarch, a British/German specialized service company. He was Member of the Board of Directors of the Company, from April 2010 to February 2011, and he is currently a Board member at Sociedade Francisco Manuel dos Santos BV. His previous positions were as Chief Executive Officer (CEO) of Majid Al Futtaiim Group LLC, a real estate development company focusing mainly on property, retail and ventures in the Emirates, Chief Financial Officer (CFO) of Metro AG and ThyssenKrupp AG in Germany, and Chairman of the Supervisory Board of Vonovia Finance B.V.. He has been a Non-Executive Director of the Company, since 9th April 2015.

Clara Christina Streit is both a US and German citizen and holds a master's degree in Business Administration from the University of St. Gallen, Switzerland. She serves as an independent Non-executive Director of several European corporations. She began her career as a Consultant at McKinsey & Company where she retired as Senior Partner in 2012, after more than 20 years of experience as an advisor to financial institutions. Since 2011 she serves as a Director and member of the Nomination and Compensation Committee of Vontobel Holding AG. Since 2013, she has been a member of the Supervisory Board of the German property company Vonovia SE (former "Deutsche Annington SE"). From May 2015 to April 2018, she was a Member of the Board of Directors and of the Internal Controls & Risks and Corporate Governance, HR & Nomination Committees at Unicredit S.p.A, Milan. In NN Group, NV, she was appointed, in 2017, as member of the Supervisory Board (until 2022), and of the Risk Committee and the Nomination and Corporate Governance Committee (until 2021) and became a member, in 2021, of the Remuneration Committee. In 2019, she was appointed Member of the Supervisory Board of Deutsche Börse AG, currently serving on the Nomination Committee. She currently is Chairman of the Company's Audit Committee. She has been a Non-executive Director of the Company, since 9th April 2015.

Elizabeth Ann Bastoni is an American national, and holds a Bachelor of Arts degree from Providence College and a degree in French civilization studies from the Sorbonne University in Paris. She started her career in Paris with KPMG in 1989 in the International Tax Practice where she served in various roles, including senior manager of Business Development. From 1998 to 2003, she served as Director of Global Compensation, Benefits and Expatriate Programs for Lyonnaise des Eaux worldwide. Prior to joining The Coca-Cola Company in 2015, she held senior human resources positions with the Paris-based Thales Group. She joined Carlson from The Coca-Cola Company where she served as Chief Human Resources and Communications Officer. She served as Director of Carlson Wagonlit Travel and as a Director of The Rezidor Hotel Group, President of Bastoni Consulting Group LLC, Director of Société BIC and Chair of the Board of Directors of Limeade, Inc. and Chair of the Remuneration and Nomination Committee of Limeade Inc. Currently, she is Director of Euroapi, S.A. and of CNH Industrial. She Chaired the Remuneration Committee of the Jerónimo Martins Group between 2016 and 2018. She is a Non-executive Director of the Company since 11th April 2019.

Francisco Seixas da Costa is a Portuguese national, has a degree in Political and Social Sciences from the Universidade Técnica of Lisbon. He started his diplomatic career in 1975 as a diplomat in the Portuguese Ministry of Foreign Affairs. Between 1995 and 2001, he was Secretary of State for European Affairs, where he had several official functions, amongst others, Portuguese chief negotiator of the EU Amsterdam treaty, from 1995 to 1997, Portuguese coordinator for the negotiation of the EU financial framework, from 1997 to 1999, and President of the Council of Ministers of the EU Internal Market in 2000. From 2001 until 2002, he was Ambassador, Permanent Representative to the United Nations, in New York, and, from 2002 until 2004, he was Ambassador, Permanent Representative to the Organization for Security and

Cooperation in Europe (OSCE), in Vienna. Between 2004 and 2008, he was Ambassador to Brazil, in Brasília, and, between 2009 and 2013, he was Ambassador to France and Permanent Representative to UNESCO (since 2012), in Paris. He was a member of the Consultative Council of Fundação Calouste Gulbenkian and member of the Strategic Consultative Council of Mota-Engil, SGPS, S.A.. Since 2014, he is a professor in Universidade Autónoma de Lisboa. In April 2016, he was appointed Director and member of the Nominations and Remunerations Committee of EDP Renováveis and, on 2017 he was appointed Member of the Independent General Council of RTP – Rádio e Televisão de Portugal, S.A.. He is a Director of Mota-Engil, SGPS, S.A., Chairman of the Fiscal Council of Tabaqueira II, S.A. and of the Advisory Council of Kearney Portugal. He is a columnist and cooperates with several publications, also being the author of several works on international issues and security. He has been a Non-executive Director of the Company, since 10th April 2013.

José Soares dos Santos is a Portuguese national, has a degree in Marine Biology from Lisbon Classic University, in 1986, with executive education at IMD (1995) and Harvard (1997), and alumni Member of Stanford (2000). Member of the Board of Directors of Sociedade Francisco Manuel dos Santos, SGPS, S.E., since 2001. Executive President of Sociedade Francisco Manuel dos Santos B.V. since its establishment. Member of the Board of Directors of Jerónimo Martins SGPS, S.A., from 1995 to 2001 and from 2004 to 2015. Since 1995, he has been Chairman of Unilever Fima, Lda., Gallo Worldwide, Lda. and JMDB Representação e Distribuição de Marcas Lda.. Executive Board Member and Trustee of Fundação Francisco Manuel dos Santos, since 2009. Since September 2015, he has been Chairman of Oceanário de Lisboa, S.A. and, since December 2016, Chairman of the Board of Trustees and the Board of Directors of the Oceano Azul Foundation. Chairman of Movendo Capital B.V., since 2017. He has been a Non-executive Director of the Company, appointed by Sociedade Francisco Manuel dos Santos, since 11th April 2019.

María Ángela Holguín Cuéllar is a Colombian national, has a degree in Political Sciences from Universidad de los Andes. She also holds a specialization in Public Administration at the Andes University, and a specialization in Diplomacy and Strategy from the Centre d' Études Diplomatiques et Stratégie. With over two decades of public and private sector experience, she held high positions in the Colombian government, including at the Office of the President of Republic, at the Ministry of Foreign Affairs, and at the Office of the Attorney General of the Nation. As part of her broad professional experience in the diplomatic field, María Ángela Holguín Cuellár has held, among others, the positions of Minister of Foreign Affairs of Colombia (2010-2018) and Deputy Minister (1998), Ambassador and Permanent Representative of the Colombian Mission to the United Nations (2004–2006) and Ambassador of Colombia to Venezuela (2002–2004). She was also Regional Director for Latin America of the Worldview International Foundation (2000-2002) and Representative in Argentina of the CAF Development Bank of Latin America (2008-2010). In addition, she was Coordinator for Colombia of the IADB Assembly and Inter-American Investment Corporation (1997), and Executive Director of the Latin American and Caribbean Regional Conference on Early Childhood (1997). She is a Non-executive Director of the Company since 11th April 2019.

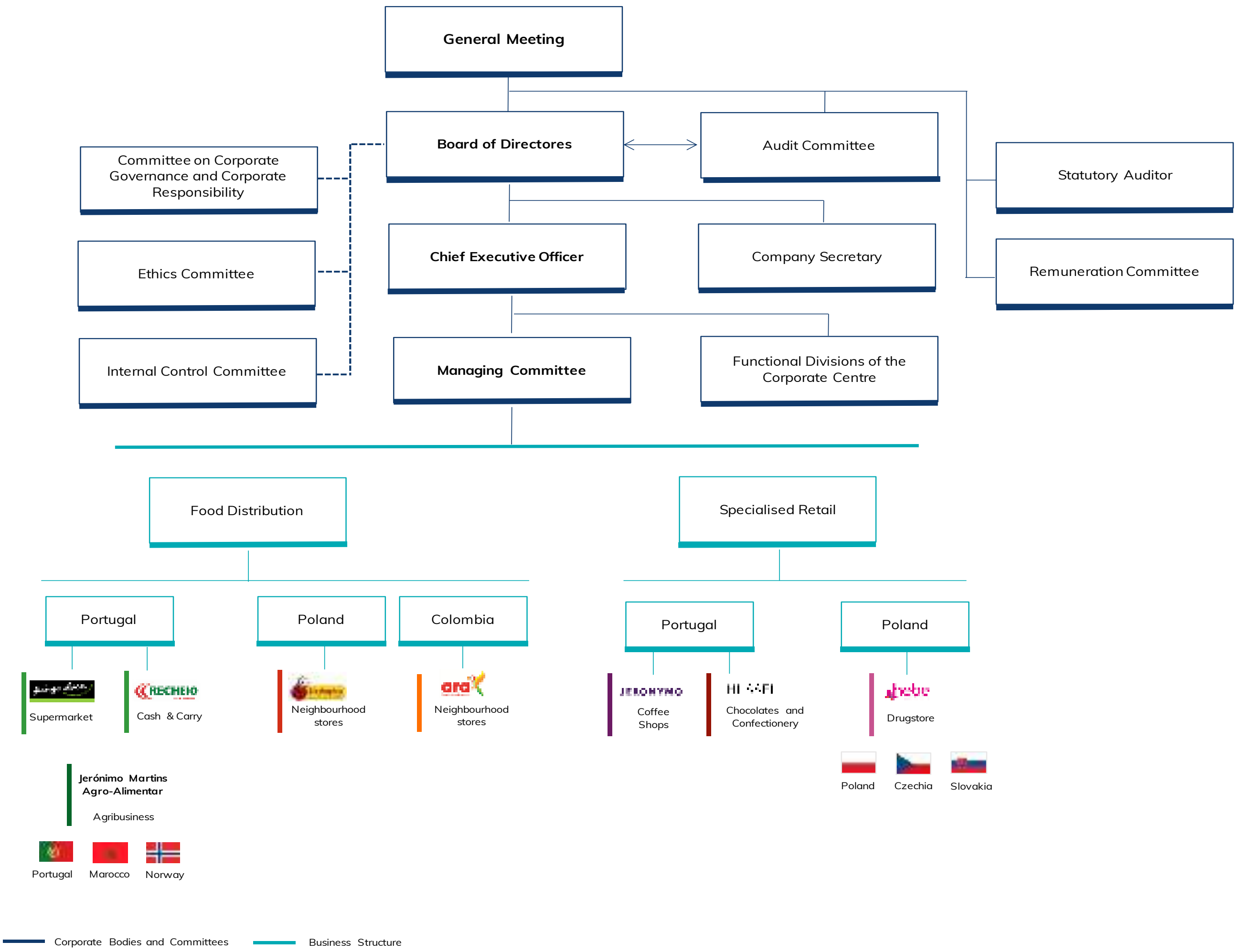
Natalia Anna Olynec is a US and Canadian citizen residing in Switzerland. She holds a Honors Bachelor Degree in Political Science from McGill University of Canada, a Master's degree in Public Administration from the University of Singapore, and has completed executive education programs in high-performance leadership and sustainability strategies from IMD Business School in Switzerland. Speaking four languages, she has worked for over 20 years in management, consulting and sustainability education. She started her career as a journalist at Bloomberg in Eastern Europe and Singapore, has published several books, contributed to the World Economic Forum's Global Redesign Initiative report and served as editor of Global-is-Asian magazine at National University of Singapore. Between 2011 and 2014, she was Damco's (Maersk Group) Global Head of Sustainability, where she increased supply chain transparency and accountability resulting in risk mitigation and value creation in energy, green and humanitarian logistics, and responsible procurement. In 2015, she served as an adjunct professor of Sustainability in the graduate programme at S.P. Jain School of Global Management, Singapore, responsible for teaching sustainability megatrends. She joined the CEO Learning Center at IMD Business School in 2016. She took over as Sustainability Partner in 2018 and Head of Sustainability in 2020 at IMD, where she is responsible for sustainability strategy and develops sustainability executive education programs and advisory. She publishes articles and award-winning case studies on sustainability and is member of the executive committee of the IMD Global Center for Sustainable and Inclusive Business. She has been a Non-executive Director of the Company since 21st April 2022.

Sérgio Tavares Rebelo is a Portuguese national, has a degree in Economics from Universidade Católica Portuguesa. He also has a M.Sc. in Operations Research from Instituto Superior Técnico of Lisbon, as well as a M.A. and a Ph.D. in Economics from University of Rochester. He began his academic career as an instructor at Universidade Católica Portuguesa, in 1981. In 1988, he joined Northwestern University as Assistant Professor of Finance and became Associated Professor of Finance, in 1991. Between 1992 and 1997, he was Associated Professor of the Department of Economics of the University of Rochester and, since 1997, he has been Tokai Bank Distinguished Professor of International Finance, in Kellogg School of Management, of Northwestern University. Since 1982, he has published numerous articles and books on economics and finance. He has been a Member of the Advisory Council to the Global Markets Institute at Goldman Sachs, since April 2012, and was appointed Non-executive Director of Integrated DNA Technologies, from 2015 to 2018. He was Chairman of the Company's Audit Committee between 2016 and April 21st, 2022. He has been a Non-executive Director of the Company, since 10th April 2013.

20. Customary and Meaningful Family, Professional or Business Relationships of Members of the Board of Directors, with Shareholders That are Assigned Qualifying Holdings That are Greater Than 2% of the Voting Rights

Member of the Board of Directors	Type of Relationship	Shareholder with Qualifying Holding
Pedro Soares dos Santos	Director	Sociedade Francisco Manuel dos Santos, B.V.
Artur Stefan Kirsten	Director	Sociedade Francisco Manuel dos Santos, B.V.
José Soares dos Santos	Executive President	Sociedade Francisco Manuel dos Santos, B.V.

21. Organisational Charts Concerning the Allocation of Powers Between the Various Corporate Boards, Committees and/or Departments Within the Company, Including Information on Delegating Powers, Particularly as Regards the Delegation of the Company's Daily Management



Chairman of the Board of Directors

The Chairman of the Board of Directors, according to the Board of Directors' Regulations, in addition to the institutional representation of the Company, has a special responsibility for managing the respective meetings, for monitoring the action taken on the decisions made by this body, for taking part in the meetings of other committees set up by the Board of Directors and for defining the overall strategy of the Company.

Delegation of Powers and Coordination of Non-executive Directors

The Board of Directors, by resolution, delegated various duties regarding the day-to-day management of the Company in one Chief Executive Officer who, in the terms of such delegation, is entitled:

a. to manage all corporate businesses and perform all operations relating to its corporate objectives, included in the scope of its current role, as holding company;
b. to represent the Company, in court or otherwise, to propose and answer to any lawsuits or engage in any arbitrations, for which purpose it may designate proxies, as well as compromise in, confess or withdraw from any such lawsuits or arbitrations;
c. to decide on loans or other financial operations to be contracted from the financial market at home or abroad, as well as on the issuance of debt securities within the powers of the Board of Directors and to accept the supervision of the lending entities, all these up to the amount of fifty million euros and in full compliance with that prescribed in the Articles of Association of the Company;

d. to decide on the provision of technical and financial support, including through the granting of loans by the Company to companies whose stakes or shares the former holds in total or in part;
e. to decide on the sale/transfer or lease (as lessor) any movable or immovable assets, including shares, units, quotas and bonds, and in general to decide on any divestments up to the amount of fifty million euros or, independently of such threshold, whenever such divestment is set out in the Medium or Long Term Plans, as defined below, approved by the Board of Directors;
f. to decide on the acquisition or lease (as lessee) of any movable or immovable assets, including shares, units, quotas and bonds, and in general to decide on any investments up to the amount of fifty million euros or, independently of such threshold, whenever such investment is set out in the Medium and Long Term Plans, as defined below, approved by the Board of Directors;
g. to appoint the individuals to be proposed to the General Shareholders' Meeting from the companies referred to in sub-paragraph d) above, to fill the roles of the respective corporate bodies, indicating those who will fulfil executive functions;
h. to approve policies and rules transverse to the Companies of the Group, such as procedure manuals, regulations and service instructions, maxime, those concerning (i) Human Resources, (ii) Operational Control, (iii) Food Safety and Quality Control, and (iv) Reporting and Investments;
i. to approve the expansion plans with respect to the activities of each of the business areas, as well as Group Companies forming part of the Group but not included in the business areas;
j. to approve the organic structure for the Group's companies;
k. to decide on the instructions to be given by the Company to the management of its subsidiary Companies with respect to those matters referred to herein, pursuant to and in compliance with the applicable laws.

For the purpose of the delegation of powers, it is considered as being foreseen in the Medium and Long-Term Plans (which are considered to be the activity and investment plans and financial projections on a three-year term), the acquisitions, sales, investments or divestments, the amount of which does not exceed by more than 10% each heading contained in those Plans.

In 2023, the Managing Committee remained in office as the consultative body which, as referred in point 29., has the primary goal of assisting the Chief Executive Officer in the duties delegated by the Board, in relation to the daily management of the businesses within the corporate purpose of the Company.

Nevertheless, pursuant to the terms of its Internal Regulation, the Board of Directors retains authority over strategic matters of management of the Group, in particular those regarding the definition of general policies of the Company and the corporate structure of the Group and those that, due to their importance and special nature, may significantly impact on the business activity of the Group, seeking to ensure the economic, financial and environmental sustainability of the Company's long-term objectives and an effective contribution for the community at large (see also Chapters 1 and 5).

In addition to the delegated responsibilities, the Chief Executive Officer shall submit to the Board of Directors, for approval: consolidated medium and long term plans for Jerónimo Martins Group and for each business area thereof, together with his appraisal, including the activity and investments plans, as well as the three year term financial projections ("medium and long term plans"); budgets, including financial targets to be achieved in the following financial year, for Jerónimo Martins Group and for each business area thereof; accounts and the consolidated results for the Group and for each of the its business areas, any investments not foreseen in the delegation of powers.

The matters referred to in Art. 407(4) CCC are off-limits to the Chief Executive Officer.

Apart from the powers on strategic matters of management of the Group, the Board of Directors has effective control on directing corporate activities by always seeking to be duly informed and by ensuring the supervision of the Company's management, having implemented mechanisms that ensure such supervision.

To this end, at each Board of Directors meeting the Chief Executive Officer reports on the Company activity since the last meeting and provides any further clarification that the Non-executive Directors may require. All information requested by the Non-executive Directors in 2023 was provided in full and in a timely manner by the Chief Executive Officer.

Additionally, considering that the Chief Executive Officer is, simultaneously, Chairman of the Board of Directors, it was approved by decision of the said Board, a Mechanism for Coordinating the Activities of Non-Executive Directors.

Such Mechanism foresees that the members of the Board of Directors who are not part of an Executive Committee or are not Executive Directors are responsible, pursuant to the terms of Art. 407, paragraph 8 CCC, for monitoring the activity of the Executive Committee or the Executive Director(s), as the case may be, as well as for the damages caused by their acts or omissions when, having knowledge of such acts or the intent to commit them, they do not seek the intervention of the Board of Directors to take the necessary measures.

The monitoring and supervising activity is also carried out by Non-executive Directors through their participation in Specialized Committees and working groups set up by the Company, as well as in the corporate bodies of subsidiary companies.

Still on the terms of such Mechanism, the Executive Director(s) or the Chairman of the Executive Committee, as applicable, as well as Directors charged with a special duty, pursuant to the terms of Art. 407, paragraphs 1 and 2 CCC, shall:

a) whenever necessary disclose to Non-executive Directors all the relevant information regarding the performance of the delegated powers or the special duty conferred upon them;
b) answer, within a reasonable deadline, to any information request presented by any Non-Executive Director, within their respective functions, and such information shall also be made available to the remainder members of the Board of Directors.

It is foreseen in the said Mechanism that Non-executive Directors may also meet in ad hoc meetings, convened at the request of any two of them by the Company´s Secretary (who shall inform the Chairman of the Board of Directors about the summons), pursuant to the terms foreseen in the Board of Directors Regulations.

In order to allow for an independent and informed participation of Non-executive Directors in the meetings of the Board of Directors or in the meetings of the Specialised Committees and working groups set up by the Company as well as in the corporate bodies of subsidiary companies they integrate, the Mechanism foresees that the Company's Secretary shall make available to them the definitive agenda of the meeting and respective preliminary documentation, pursuant to the terms and within the deadlines foreseen in the Board of Directors Regulation.

The Company's Secretary shall also ensure, according to the Mechanism implemented, the delivery to the Directors, who so request, of a copy of the minutes of the meetings of the Managing Committee as well as a copy of any other minutes of the meetings of corporate bodies or Specialised Committees within the Board of Directors. Moreover, the Company's Secretary shall, within its duties, provide Directors with all information regarding the resolutions of the Board of Directors or Executive Committee or the decisions of the Executive Director(s).

Organisational Structure and Division of Responsibilities

Jerónimo Martins, SGPS, S.A. is the Holding Company of the Group and, as such is responsible for the main guidelines for the various business areas, as well as for ensuring consistency between the established objectives and available resources. The Holding Company's services include a set of functional divisions which provide support for corporate centre and services to the operating areas of the Group's companies, in the different geographical areas in which they operate.

In operational terms, Jerónimo Martins is organised into two business segments: i) Food Distribution and ii) Specialised Retail, being its major focus on the first one. The Distribution segment – Food and Specialised Retail – are organised into geographical areas and operating areas (under different brands and formats). The Company also has operations in the agrobusiness segment which serve, essentially, as a support to Food Distribution, mainly in Portugal, guaranteeing the supply and differentiation in relevant categories.

Holding Company Functional Divisions

The Holding Company is responsible for:

i. defining and implementing the development strategy of the Group's portfolio;
ii. strategic planning and control of the various businesses and consistency with the global objectives;
iii. defining and controlling financial policies; and
iv. defining Human Resources Policy, with direct responsibility for implementing the Management Development Policy.

The Holding Company's functional divisions are organised as follows:

Functional Divisions of Corporate Support 2023

Legal Affairs	**Carlos Martins Ferreira**
Internal Audit	**Joanna Peschak**
Corporate Communications and Responsibility	**Sara Miranda**
Environment	Fernando Frade
Institutional Relations	Eduardo Brito
Finance	**Ana Luísa Virgínia**
Controlling & M&A	Teresa Saraiva
Sustainable Finance	Conceição Carrapeta
Fiscal Affairs	Rita Marques
Financial Operations and Insurance	Madalena Mena
Investor Relations	Cláudia Falcão
Finance Transformation and Reporting	António Pereira
Chairman and CEO Office	**João Nuno Magalhães**
Strategy and Risk Management	Pedro Jardim
Information Security	Nuno Galveia
Compliance (Personal Data Privacy & Corruption Prevention)*	Cristina Minoya Perez
Human Resources	**Marta Maia**
Information Technology	**Carlos Lis**
Business Support	
Commercial/Global Sourcing	José A. Nogueira de Brito
Quality and Private Brand Development	Carlos Santos
Operations Quality and Food Security	Marta Moreira
Security	João Carreira

* With functional reporting to the Company's Legal Affairs Director.

Environment – Defines the environmental strategy, policies and procedures across all the countries in which the Group operates. It coordinates and guides the efforts of Jerónimo Martins' Companies to fulfil their commitments. It seeks to identify opportunities for eliminating and/or minimising negative impacts (on the environment and on the business), both direct and indirect, arising both from the Group Companies' operations and own-brand products, and from the value chain.

Based on the assessment of environmental risks, trends, the best scientific information available at any given time and the Sustainable Development Goals established by the United Nations, the Group's environmental strategy prioritises fighting climate change, protecting biodiversity and accelerating the transition to a more circular economic model. Specific objectives, plans and targets are set for each of these areas, and the respective degree of implementation and progress is reported periodically and publicly.

The main commitments and actions carried out in 2023, as well as the results achieved, can be found in Chapter 5 ("Corporate Responsibility in Value Creation"). Of particular note during the year was the preparation and publication of the Group's Climate Transition Plan and the definition of greenhouse gas emission reduction targets in line with the Paris agreement.

Legal Affairs – Ensures ongoing legal assistance to the Company, preparing contracts, opinions and studies, assisting the Board of Directors in decision making, implementing risk planning policies and giving support to other functional divisions. It also ensures the necessary coordination between the legal departments of subsidiaries in the different jurisdictions in which they operate.

Internal Audit – Assesses the quality and effectiveness of the internal control and risk management systems (both operational and non-operational) that are set by the Board of Directors, ensuring their compliance with the Group's and each business unit's procedures, as well as ensuring compliance, namely, with the law, regulations, rules and policies applicable to the respective operations.

This division reports hierarchically to the Chairman of the Board of Directors and functionally to the Audit Committee. The activities carried out by this functional division are referred in point 50.

Commercial/Global Sourcing – Responsible for proposing, coordinating and implementing the global procurement strategy, and global sourcing policies, in the different geographies where the Group operates.

Procurement, particularly of agri-food products, is becoming increasingly complex, as we are witnessing a series of trends in the international context that have a strong impact on international and local supply chains for this type of goods, such as geopolitical changes, climate change with an increase in the number of extreme phenomena, the increase in the world population, the globalization of consumer habits, or the scarcity of commodities. This last trend has also been impacted by increasing limitations on intensive agricultural and livestock production, imposed by regulators, NGO's, analysts and consumer groups.

All of these trends, many of which already have a current and significant expression, and are expected to worsen over the next 3 years, should continue to guide the Global Sourcing strategy of the Group companies, with the vision of prioritizing the following 3 axes:

- Ensuring the supply of the main agri-food commodities – guarantee availability of volumes and protect their sources of supply;
- Protect the profitability of operating companies – guarantee the best purchasing conditions, based on leveraging volumes;
- Buy in a more responsible and sustainable way, developing the group of strategic suppliers for the Group in the areas of Private Brands and Specialized Perishables, with a view to continuous improvement in terms of quality, food safety and compliance with ESG criteria, in the areas environmental and social.

Based on this vision, Global Sourcing's main mission is to conduct and lead the coordination and integration of the commercial departments of the various operational companies, in pursuit of the following main activities:

- Coordinate and implement international negotiations with selected global suppliers;
- Plan and execute the annual commodity Global Tenders plan;
- Deepen technical knowledge of global food commodity markets and development of costing models for essential products;

- Develop the park of international suppliers of quality food products;
- Promote the sharing of know-how and information between different geographies;
- Develop global brands (to be potentially used by all Group operating companies) in specific categories;
- Harmonize the internal standards and procedures for procurement, supplier selection and price negotiation, applicable in all Group's operating companies.

Reinforcing the emphasis on social and environmental sustainability criteria introduced in the decision--making process of global tenders, Global Sourcing takes as a priority in its actions:

- Coordinate monitoring, control and decision-taking following the results of the environmental and social performance audit program of the Group's suppliers. This activity also includes mapping the risk of the Group's suppliers, with emphasis on private brand products and perishables.

Compliance (Personal Data Privacy & Corruption Prevention) - Responsible for designing and coordinating the implementation of compliance mechanisms within the Group concerning data protection and corruption prevention, as well as providing ongoing support to the various companies in these matters to safeguard the Group's value and operations, reinforcing its commitment to sustainable development principles. This division reports hierarchically to the Office of the Chairman and Chief Executive Officer and functionally to the Legal Affairs Department.

Concerning data protection, and in close collaboration with data protection officers, this Division is responsible for (i) monitoring compliance with applicable legislation, (ii) supporting companies in the prevention, assessment, and mitigation of privacy risks, and (iii) defining and implementing policies, procedures, and methodologies across all Group companies. In 2023, continued to focus its activities on (i) monitoring personal data processing activities to strengthen and implement appropriate controls, (ii) overseeing relevant projects to ensure privacy compliance, and (iii) communicating and training employees on this subject.

Regarding corruption prevention, the Division is responsible for (i) identifying the main legal obligations and risks to which companies are exposed and (ii) supporting companies in implementing the most suitable prevention and mitigation mechanisms to comply with these legal obligations and address risks. In 2023, the Group's compliance program in this area was enhanced, primarily through (i) reviewing, defining, and implementing procedures relevant to corruption prevention and related offenses, (ii) reviewing processes in areas more exposed to risk, and (iii) conducting training and communication activities to educate and raise awareness among employees about risk situations, as well as the procedures and measures to prevent and mitigate them.

Corporate Communications and Responsibility – Ensures the strategic management of the Jerónimo Martins brand and develops the Group's sustainability strategy, promoting its reputation and the alignment, across all Companies, of responsible practices in their operations and throughout the value chain. It carries out its mission through constant dialogue with several internal and external stakeholders, and seeks to incorporate their concerns and expectations into strategic priorities and major lines of action to manage the balance between economic prosperity, social development and environmental protection.

Chapter 5 - Corporate Responsibility in Value Creation provides detailed information about the Responsibility initiatives, as well as about the main policies and measures adopted by the Company with regard to the fulfillment of its environmental and social objectives. Likewise, the processes established by the Company for collecting and processing data related to environmental and social sustainability are also described in the aforementioned Chapter 5, to alert the management body about the risks the Company may be incurring and for the presentation of strategies for its mitigation. The Company also provides information in Chapter 5, as well as in point 53, on how climate change is considered in the organization and on how it considers climate risk analysis in decision-making processes.

Controlling and M&A – The division of Financial Controlling coordinates and supports the preparation of the Strategic Plans' financial statements, which are the basis for the strategic decision-making by the Company corporate bodies.

It has a control function, monitoring the performance of the different business units of the Group and identifying eventual deviations from the plans. It thus provides the Managing Committee with relevant information and proposals to guarantee corrective measures that allow the defined strategic objectives to be achieved.

It also makes a financial assessment of all investment projects that are relevant for the Group, providing support to the Managing Committee for its approval and follow-up.

In 2023, it maintained the support and monitoring of the performance of the business units and supported the development of the Group's medium and long-term strategic plans, which are essential to the valorization and protection of the Group's assets.

In the Mergers and Acquisitions component, all the Jerónimo Martins Group's inorganic growth opportunities, including partnerships, are analysed and evaluated, in close collaboration with the tax, legal and different teams of the different business units, as well as with external advisors. For each opportunity, the Management is provided with a complete report of the analysis carried out, which supports decision-making.

Strategy and Risk Management – Performs a set of activities aimed at supporting strategic decisions, whilst ensuring the continuous monitorisation of the risks the Group is exposed to. These are described in points 52 to 55 of this Report, together with the activities, policies and procedures developed in the Group's risk management. The work developed can be classified into the following areas:

- Trends analysis – research and analysis of market and consumer main trends and benchmarking with the world's largest food retailers and main competitors in Poland, Portugal and Colombia;
- Risk monitoring – regular monitorisation of the risks the Group is exposed to, including the preparation of periodic reports to inform the Group's several Departments and companies, and of the suitability of the main mitigation initiatives for the identified risks;
- Strategic project management – coordination of analysis and multidisciplinary projects with global reach as well as business units' projects of a disruptive nature, with the goal of implementing new solutions, achieving greater efficiency or reducing costs;
- Strategic planning support – provides the necessary support to the Group's several companies and governance bodies in the identification, description and quantification of the main trends and risks that should be considered while elaborating and approving the strategy, and in defining the risk mitigation measures, which must be included in the annual strategic planning process.

During 2023, it led and supported several strategic projects, and it kept monitoring the most recent developments in the sector. Additionally, it again conducted the annual risk assessment, which involved all the Group, and ensured the main conclusions were shared with the teams involved in the preparation and approval of the strategic plans.

Sustainable Finance – In 2023, the Sustainable Finance division was created, with a view to reinforcing and ensure full coordination between financial operations and the Group's sustainability initiatives and practices, including the introduction of metrics in financial activity and a total alignment in financial and non-financial reporting. It is also responsible for creating incentive mechanisms that aim to support the implementation of more sustainable practices throughout the Group's supply chain.

During these first months of activity, the work was directed towards the in-depth study of the numerous regulations, already in force or expected to be approved, with an impact on financial transactions and the Companies' annual reporting. In the financial area, there was a participation in the the negotiation and contracting of a green financing granted by the EIB (European Investment Bank) to Jerónimo Martins Polska (Biedronka). Alternative financing and treasury investments linked to sustainability projects were also studied. We have also started a project, together with the Global Sourcing area, which aims to encourage the adoption of best ESG practices in the Group's supply chain.

Fiscal Affairs – Provides all the Group's companies with assistance in tax matters, ensuring compliance with legislation in force and in the optimisation of the business units' management activities from a tax perspective. It also manages the Group's tax disputes and its relations with external consultants and lawyers, as well as with tax authorities.

In 2023, it provided the necessary technical support in M&A and ownership restructuring operations. It monitored all tax legislation changes, in particular, "Zero VAT" implementation by the Portuguese Group Companies. It analysed the impact on the Group of the proposed EU Directives, usually known as "Pillar 2", "ATAD3", "VIDA" and "BEFIT". Additionally, through the associations, national and international, that represent the sector it ensured the defense of the Group's interests, whether collaborating on the clarification and implementation of new legislation, or in the public debate of legislative projects.

Financial Operations and Insurance – This Division includes Financial Risk Management, as well as Insurance and Treasury Management. The activity of the first area is discussed in detail in points 52 to 55.

Treasury Management is responsible for managing relations with the financial institutions that already undertake, or have the potential to undertake, business with the companies of the Group, ensuring that these entities fulfil the defined criteria, and also ensuring that the best possible conditions are always achieved and ensuring the best possible conditions are contracted for Jerónimo Martins. It also executes treasury planning with the aim of negotiating and implementing, for all the Group's Companies, the most suitable financial sources according to its cash flow generation profile, or to get the highest return with the lowest risk from the excess cash of the Group.

A large part of the treasury activities of Jerónimo Martins is centralized in the Holding Company, which is a structure that provides services to all other Companies of the Group. The negotiation and management of the main insurance policies of the Group are also negotiated and managed in this division, where lies the responsibility for the relation with the insurance brokers and insurance companies that do business with the Group.

In compliance with the above-described activities, during 2023, credit lines were renewed that, according to the Financial Risk Management Policy, have to be available up to the limits imposed on it. On what concerns insurance policies, the annual renegotiation of the same was made, reinforcing once again an integrated approach of all geographies where the Group operates.

Quality and Private Brand Development – Responsible for defining, planning, implementing and controlling the policies, procedures, methodologies and rules in the various countries where Jerónimo Martins operates, ensuring the use of the best and most up-to-date practices in this area. Responsible for managing the JM Molecular Biology Lab.

In 2023, the main activities carried out focused on:

- carrying out the defined product and supplier control activities;
- implementation of the suppliers audit check-list;
- continuous improvement of Private Brand products by reformulating existing products;
- in the largest and fastest anti-fraud related to ingredient species and genetically modified organisms (GMO) ingredients control – carried out in the Molecular Biology Laboratory;
- maintaining the certifications in quality and food safety;
- rolling-out of the Quality Management System (QMS) IT tool for all geographies;
- revision of the corporate guidelines for Private Brand – perishables, food and non-food products;
- Accreditation of the JM Molecular Biology Laboratory (DNA Lab).

Operations Quality and Food Safety – Responsible for, in the several geographies where Jerónimo Martins operates, ensuring quality and food safety in all perishable products and processes, along the supply chain, in all its steps: producers and suppliers, goods reception and storage, stores, kitchens and fresh dough factory.

For that it defines, plans, implements and controls Group policies, standards and requirements, for products and processes, promoting alignment of local structures and sharing of best practices, always seeking continuous improvement of products Quality and Food Safety and customer satisfaction.

The main activities developed in 2023 were (i) the implementation of a continuous improvement plan for suppliers focused on their performance along the year and in food fraud control, (ii) the implementation of a continuous improvement plan for product through several consumer panels and internal sensory panels and its follow up in stores, (iii) maintenance of Quality and Food Safety Certifications, and (iv) continuous improvement of Quality management and data analysis tool (QMS).

Human Resources – Responsible for defining the strategy and global policies of human resources that contribute to keep being a benchmark employer, guiding its compliance in a sustainable way and safeguarding the uniqueness of the different countries in which the Group operates and the individual nature of the different Companies, aiming to positively impact the attraction and retention of talent through the promotion of best practices.

The activities that this functional division carried out in 2023 can be found in detail in. Chapter 5 (“Corporate Responsibility in Value Creation”), subchapter 6 – “Being a Benchmark Employer” - of the Annual Report.

Investor Relations – Responsible for the communication with investors – whether current shareholders or not, institutional and private, national and foreign - as well as with the analysts who formulate opinions and recommendations regarding Jerónimo Martins’ share price. It is also the responsibility of this Division to co-ordinate all matters related to the Portuguese financial markets regulator (CMVM).

The activities carried out by this functional division can be found in detail in points 56. and 58.

Institutional Relations – Responsible for the strategy and relations with the main sector organizations in which the Group's companies participate. The focus of this Department is to serve the interests of the Group through its representation in organizations considered strategic and with which it wants to be involved in their agendas. For this purpose, it coordinates and internally promotes the active participation of the corporate functional areas (Sustainability, Environment, Food and Non-Food Quality, Legal, Financial/Treasury, Tax and Human Resources) in the different activities of the various organizations.

In 2023, the Department continued to reformulate its organization, with a view to being effective in managing short-term dossiers, *i.e.*, in dossiers that are in the process of being consulted, or legislation about to be implemented, ensuring coordination with representatives of similar entities in Portugal, Poland and Colombia, respectively, APED, PoHid and FENALCO - as well as in the medium and long term - ensuring coordination with EuroCommerce and European Institutions.

Within the scope of the coordination efforts mentioned above, internal groups were set up to support representation in the four main sectoral organizations referred. The Institutional Relations Department also promoted meetings of the External Representation Council, which includes members from various companies and corporate areas of the Group, to share and debate information gathered by representatives in the various organizations, or by external guests, and to define priorities and guidelines for external representation. Finally, it is also worth mentioning the re-election of the representative of Jerónimo Martins as a member of the EuroCommerce Board of Directors, who will therefore continue to be closer to the European Union's agenda and to provide in-depth monitoring of matters that impact the activities carried out by the Group.

Security Services – Responsible for the implementation of a security strategy to ensure the protection of the Group's employees, customers, values and assets. In this context, it defines and coordinates procedures in terms of protecting the security of the Companies’ people and assets, intervening whenever there are thefts and robberies, fraud and other illegal and/or violent activities perpetrated in the facilities or against employees of the Group.

In 2023, this Division’s activity increased by 18% compared to the previous year, resulting in 823 security occurrences and incidents, with the aim of preventing the safety of customers and employees and improving the shopping environment in stores. Following the definition of the equipment model and the matrix of in-store security system, tests of technological solutions were carried out, including video analytics with artificial intelligence and real-time data analysis. The construction of a Security Control Center has also begun, with capacity building scheduled for 2026.

167 security audits were carried out in Portugal (an increase of 7% compared to 2022), and a Security Risk Platform was developed for Colombia, with completion scheduled for 2024.

An organizational restructuring of security services in Portugal was also carried out, preparing the paradigm shift in the security approach and the response to future challenges. The growth of activity in the universe of companies in the agri food sector implied the hiring of a new security services coordinator to monitor security projects and initiatives in this area.

Information Security – Responsible for planning, implementing and maintaining an information security and cybersecurity management system in all Group Companies, based on risk management, incident prevention, detection, response and recovery.

Information security officers (ISO) in the geographies where the Group operates, as well as the technology security responsible, report to this division. Together they ensure the implementation of the information security strategy and local compliance with applicable Information Security Policies and Standards. They also support the respective Companies by assessing and mitigating cybersecurity risks of projects and activities.

In 2023, the main initiatives were security awareness and training of employees in cybersecurity, the strengthening of technical and human resources in prevention and detection of incidents, as well as resilience improvement of internal and cloud systems. New policies and technical standards were issued and cooperation with national cybersecurity authorities continued.

Information Technology – Its mission is to create value for the Group by leading IT adoption and innovation and by delivering effective IT solutions for every business unit.

Hence, it´s vision to be the reference IT function in the industry, recognized as a talented proud and agile partner creating competitive advantage for the Group.

The Division is responsible for i) defining and implementing the global information technology strategy for the Group; ii) for promoting technology-based innovation and for aligning and ensuring synergy on IT policies, systems and processes; iii) promoting agility and autonomy of IT areas to improve productivity; iv) be business savvy and incorporate the relevant business goals in the decision making inside the Division.

In 2023, the area defined and provided training for its IT professionals in Agile methodologies, implemented cutting-edge tools for project and product management, test automation and optimized documentation that will reinforce the ways of working in the area in question. With the aim of providing greater efficiency and effectiveness to the services provided by the IT area to the Group, it implemented global projects such as HR GPS in Poland, migration of the data technology solution to the Cloud, which provides capacity and agility in responding to exploration needs Group data and IT service tools that allowed the internalization of DXC Outsourcing into global IT structures.
In the year under review, and although the Company used effective technological solutions to assist in the preparation and management of meetings of its corporate bodies, namely meetings of the Board of Directors and General Meeting, artificial intelligence mechanisms were not used as a decision-making tool by its corporate bodies. Such mechanisms have been gradually adopted by the Group's companies and corporate departments, particularly in functions related to security and supply chain.

Finance Transformation and Reporting – Responsible for optimizing and automating financial processes and tasks, aiming for its modernization and best practices alignment, alongside with the adaptation of systems and technological solutions of support.

Together with the Finance Transformation team, also integrates the Consolidation and Accounting areas, responsible for the preparation of consolidated financial information in order to comply with statutory and legal obligations and for supporting the Board of Directors by implementing and monitoring the policies and the accounting principles adopted by the Group.

It also supervises the financial reporting of the different Group Companies to ensure that it conforms to the standards, supporting the Companies in the accounting assessment of non-recurrent transactions, as well as restructuring and expansion operations.

In 2023, it should be highlighted the implementation of the Financial Shared Services Center for the accounting area, which centralized the provision of services to the Distribution and Services businesses in Portugal. Throughout the year, in addition to the intense work on stabilizing and standardizing administrative and accounting processes, the transformation agenda continued through several processes' automation and digitalization projects.

It also ensured compliance with the financial reporting of 2022, regarding the new requirements of the European Single Electronic Format (ESEF), as well as the information related with the Green Taxonomy (included in the package of measures of the so-called European Green Deal). Additionally, on sustainability matters, it has also been following the developments of EU regulation on non-financial disclosure.

Operational Areas

The organisational structure of Jerónimo Martins is aimed mainly at ensuring specialisation in the Group's various businesses by creating geographical areas and operational areas, thus guaranteeing the required proximity to the different markets.

The Food Distribution business is divided into geographical areas - Portugal, Poland and Colombia – and within those countries then further divided into operational areas. In Portugal there are two operational areas: Pingo Doce (supermarkets) and Recheio (cash & carry), which encompasses the food service division through Recheio Masterchef. In Poland there is the operational unit Biedronka (food stores), which is preparing its expansion to Slovakia. In Colombia it has Ara (food stores).

Within the Group's portfolio there is also a business segment devoted to Specialised Retail, existing in Portugal the operational areas Jeronymo (cafeterias) and Hussel (chocolates and confectionery shops) and Hebe in Poland (drugstores) which also operates in Czechia (via e-commerce and with two stores opening in 2023) and in Slovakia (via e-commerce).

The Group has made investments in the agro business area, starting its activity in areas such as dairy products, beef and aquaculture, with a special focus in the protection and differentiation of the supply chain from the operations of Food Distribution, mainly in Portugal. In 2023, it expanded its aquaculture activity to Morocco and acquired 25% of a company that aims to produce salmon in Norway in an innovative and circular way.

B. Functioning

22. Availability and Place Where Rules on the Functioning of the Board of Directors May be Viewed

The Regulation of the Board of Directors is available on the Company’s website, through the link mentioned in point 61. (“Relevant Addresses”).

23. The Number of Meetings Held and the Attendance Report For Each Member of the Board of Directors

The Board of Directors, whose duties are described in Art. 13 of the Company’s Articles of Association, meets at least four times a year, and any of its members may be represented at the Board Meetings by another member, by means of a letter addressed to the Chairman.

During 2023, the Board of Directors met six times. The respective minutes were prepared for all meetings. The number of annual meetings held by this body is also disclosed on the Company’s website, through the link mentioned in point 62. (“Relevant Addresses”).

The attendance of each Director to the referred meetings during the exercise of respective duties, measured in terms of their effective attendance, was as follows:

Pedro Soares dos Santos	100%
Andrzej Szlęzak	100%
António Viana-Baptista	100%
Artur Stefan Kirsten [1]	83%
Clara Christina Streit	100%
Elizabeth Ann Bastoni [1]	83%
Francisco Seixas da Costa	100%
José Soares dos Santos	100%
María Ángela Holguín Cuéllar	100%
Natalia Olynec	100%
Sérgio Rebelo	100%

[1] In every meeting not attended, the Director in question issued a representation letter, according to the Company's by-laws.

24. Details of Competent Corporate Boards Undertaking the Performance Appraisal of Executive Directors

The assessment of performance of Executive Directors is made by the Remuneration Committee, elected by the General Shareholders' Meeting (see points 66. et seq.).
The Remuneration Committee is in charge of, in the scope of the Remuneration Policy, assessing the individual and collective performance of Executive Directors, evaluate their influence and impact in Jerónimo Martins' businesses and assessing their alignment with the medium and long-term interests of the Company.

As referred below (see point 27.), currently there are no committees composed exclusively by Directors. Notwithstanding such fact, the performance of Executive Directors who are part of mixed committees (i.e. also composed of Non-directors) is evaluated by the Remuneration Committee, in the terms referred above.

Additionally, every year, on November, the discussion within the Board of Directors of the strategic plans of the Group and of the different areas of business has underlying the performance evaluation in the year of the Board of Directors, the existing Internal Committees, and of the Chief Executive Officer, taking into account not only qualitative aspects, by comparison with the plans and approved budgets, but also the main projects under course, including those of portfolio expansion. Such yearly performance evaluation is afterwards complemented at the time of the approval of the Management Report and of the accounts.

25. Predefined Criteria For Assessing Executive Directors' Performance

The predefined criteria for assessing Executive Directors' performance arise from that established in the Remuneration Policy described in point 69.

26. The Availability of Each Member of the Board of Directors and Details of the Positions Held at the Same Time in Other Companies Within and Outside the Group, and Other Relevant Activities Undertaken by Members of This Board Throughout the Financial Year

Throughout the year, the members of the Board of Directors held positions in other companies, namely:

Pedro Soares dos Santos

Director of Jerónimo Martins - Serviços, S.A.*
Director of Jeronimo Martins Polska, S.A.*
Director of Jeronimo Martins Drogerie i Farmacja Sp. z o.o.*
Director of Jeronimo Martins Colombia, S.A.S.*
Director of Recheio, SGPS, S.A.*
Director of JMR – Gestão de Empresas de Retalho, SGPS, S.A.*
Director of Jerónimo Martins – Agro-Alimentar, S.A.*
Director of Jerónimo Martins Inovação, S.A.*
Director of Santa Maria Manuela Turismo, S.A.*
President of the Supervisory Board of Warta – Retail & Services Investments B.V.*
President of the Supervisory Board of New World Investments B.V.*
Director of Arica Holding B.V.
Chairman of the Board of Directors of Sociedade Francisco Manuel dos Santos, SGPS, S.E.
Director of Sociedade Francisco Manuel dos Santos, B.V.
Director of Sociedade Francisco Manuel dos Santos II, S.A.

Andrzej Szlęzak

Chairman of the Supervisory Board of Agora, S.A.
Member of the Supervisory Board of Warta – Retail & Services Investments B.V.*

António Viana-Baptista

Director (Non-Executive) of Semapa, SGPS, S.A.
Director of Alter Venture Partners G.P., SARL
Director (Non-Executive) of Azora Capital, S.L.

Artur Stefan Kirsten

Director of Movendo Capital, B.V.
Director of Sociedade Francisco Manuel dos Santos, B.V.
Director of Planted Foods AG
Director of Footprint International Holding Inc.
Managing Director of Brillant 3333 GmbH
Managing Director of parabellum.one Beteiligungsgesellschaft mbH
Managing Director of Spac-Founder GmbH
Chairman of the Board of Directors of Adler Group SA
Managing Director of ASK-Consult GmbH

Clara Christina Streit

Director (Non-Executive) of Vontobel Holding AG
Chair of the Supervisory Board of Vonovia SE (as from 17 May, 2023)
Member of the Supervisory Board of Deutsche Börse AG

Elizabeth Ann Bastoni

President of Bastoni Consulting Group LLC (until 30 March, 2023)
Director of Société BIC (until 16 May, 2023)
Chair of the Board of Directors of Limeade, Inc. (until 9 August, 2023)
Director of Euroapi, S.A.
Director of CNH Industrial (as from 11 April 2023)

Francisco Seixas da Costa

Director (Non-Executive) of Mota-Engil, SGPS, S.A.
Chairman of the Evaluation and Remuneration Committee of Mota-Engil, SGPS, S.A.
Chairman of the Supervisory Board of Tabaqueira II, S.A.
Chairman of the Advisory Council of Kearney Portugal

José Soares dos Santos

Director of Arica Holding B.V.
Chairman of Arica – Investimentos, Participações e Gestão, S.A.
CEO of Sociedade Francisco Manuel dos Santos, SGPS, S.E.
Executive President of Sociedade Francisco Manuel dos Santos, B.V.

Chairman of Sociedade Francisco Manuel dos Santos II, S.A.
Chairman of Movendo Industries B.V.
Chairman of Movendo Capital B.V.
Chairman of Unilever Fima, Lda.
Chairman of Gallo Worldwide, Lda.
Chairman of JMDB Representação e Distribuição de Marcas, Lda.
Chairman of miMed, Cuidados de Saúde, S.A.
Chairman of Oceanário de Lisboa, S.A.
Chairman of Waterventures – Consultoria, Projectos e Investimentos, S.A.
Director of REF Eastern European Opportunities Luxembourg S.a.r.l.
Chairman of the Supervisory Board of Inovamar, S.A.

María Ángela Holguín Cuéllar
Director (Non-Executive) of Hoteles Estelar S.A.
Director (Non-Executive) of Satagro Zomac S.A.S.
Director (Non-Executive) of Gases del Pacifico S.A.C.
Director (Non-Executive) of Gases del Norte del Perú S.A.C.
Director (Non-Executive) of Procafecol S.A.
Director (Non-Executive) of TESICOL – Tejidos Sintéticos de Colombia S.A. (as from April, 2023)
Member of the Supervisory Board of New World Investments B.V.*

Natalia Anna Olynec
Does not perform duties in other companies

Sérgio Tavares Rebelo
Member of the Supervisory Board of Warta – Retail & Services Investments B.V.*
Member of the Supervisory Board of New World Investments B.V.*

The positions held by the members of the Board in other companies did not affect their availability to take part in the Company's affairs, as demonstrated in the attendance report mentioned in point 23.

* Companies that are part of the Group

C. Committees within the Board of Directors and Board Delegate

27. Details of the Committees created within the Board of Directors, and the Place Where the Rules on the Functioning Thereof is Available

Currently – without prejudice to the Audit Committee to which is made reference to in points 30. to 33., being the Regulation of the Audit Committee available on the Company's website, through the link mentioned in point 61. ("Relevant Addresses") – only the Committee on Corporate Governance and Corporate Responsibility (CCGCR), referred on point 29. has, among its members, a majority of Company's Directors and is considered to be a Company Internal Committee in the sense that continues to be given to this expression in the 2023 IPCG's Recommendations.

There are also other committees created in the Company, composed by Directors and by other individuals who are not Directors, analysed in point 29.

28. Details of the Board Delegate

The Board of Directors appointed a Chief Executive Officer, responsible for implementing the strategic decisions taken by the Board, in accordance with the delegated powers, and a Managing Committee, responsible for assisting the Chief Executive Officer in the duties delegated to that officer by the Board of Directors.

The role of Chief Executive Officer is performed by Pedro Soares dos Santos.

29. Description of the Powers of Each of The Committees Established and a Summary of Activities Undertaken in Exercising Said Powers

a) Company's Committees

Committee on Corporate Governance and Corporate Responsibility (CCGCR)

CCGCR is made up of a minimum of three and a maximum of nine members, who are not required to be directors, appointed by the Board of Directors. One of the members will be the Chairman.

The Board of Directors decided to appoint the current Chairman of the Board of Directors, Pedro Soares dos Santos, as Chairman of CCGCR, as well as the Company's Directors Andrzej Szlęzak, José Soares dos Santos and Natalia Olynec. Claire Bright is also a member of this Committee.

In carrying out its mission, the CCGCR collaborates with the Board of Directors, assessing and submitting to it proposals for strategic orientation in the area of Corporate Responsibility, as well as monitoring and supervising on a permanent basis matters concerning: i) corporate governance, social responsibility, the environment and ethics; ii) the business sustainability of the Group; iii) internal codes of ethics and of conduct; and iv) systems of assessment and resolution of conflicts of interest, especially regarding relations between the Company and its shareholders or other stakeholders.

Especially in what concerns company governance, CCGCR has the duty to keep up, review and assess the appropriateness of the Company's model of governance and its consistency with the recommendations, patterns, and national and international best practices on company governance, addressing the Board of Directors the recommendations and proposing any changes, deemed adequate, having met once in 2023.

The Regulation of the CCGCR, as well as the number of annual meetings held by this Committee, is available on the Company's website, through the link mentioned in point 61. ("Relevant Addresses").

b) Other Committees

Managing Committee

The Managing Committee of the Company, which has the same term of office as that of the Board of Directors that appointed it, is composed of the Chief Executive Officer, Pedro Soares dos Santos, who is the Chair, Ana Luísa Virgínia, António Serrano, Carlos Martins Ferreira, Isabel Pinto, Luís Araújo, Marta Lopes Maia, Pedro Leandro, Nuno Begonha and Sara Miranda. In accordance with its regulations, the Managing Committee is responsible for advising the CEO, within the respective delegation of powers, in carrying out the following functions:

- control over the implementation by the Companies in the Group of the strategic guidelines and policies defined by the Board of Directors;
- financial and accounting control of the Group and of the Companies that are a part thereof;
- senior coordination of the operational activities of the different Companies in the Group, whether integrated or not in business areas;
- launching of new businesses and monitoring them until they are implemented and integrated in the respective business areas;
- implementation of the management policy of human resources defined for the top-level management of the entire Group.

In 2023, the Managing Committee held meetings regularly for the exercise of its competences having been drawn up minutes of the meetings, which were sent to the Chairman of the Board of Directors and to the Company's Secretary.

The Regulation of the Managing Committee is available on the Company's website, through the link mentioned in point 61. ("Relevant Addresses").

Ethics Committee

The Ethics Committee of Jerónimo Martins is composed of three to five members appointed by the Board of Directors. Since 21st April 2022 it is composed by Jaroslaw Sobczyk, Cristina Minoya Perez, Dominik Wolski, Pedro Antunes and Pedro Maya. The mission of the Ethics Committee is to provide independent supervision of the disclosure of and compliance with the Group's Code of Conduct in all the Companies of the Group.

The duties of the Ethics Committee include: i) establishing the channels of communication with the addressees of the Jerónimo Martins Group Code of Conduct and gathering such information as may be addressed to it in this connection; ii) ensuring the existence of an adequate system of internal control of compliance with the Jerónimo Martins Group Code of Conduct and with the appraisal of the recommendations stemming from such control; iii) appraising such issues as may be submitted to it by the Board of Directors, by the Audit Committee or by the Committee on Corporate Governance and Corporate Responsibility (CCGCR) within the scope of compliance with the Code of Conduct; iv) proposing to the Board of Directors or to CCGCR the adoption of such measures as it may deem fit in this connection, including a review of internal procedures and alterations to the Jerónimo Martins Group Code of Conduct; v) drawing up an annual report on its activities to be presented to the Committee on Corporate Governance and Corporate Responsibility; and vi) to ensure the receipt and follow-up of the reports of any irregularities embodying the violation of the Jerónimo Martins Group Code of Conduct or violations of any rules provided in the law applicable in the countries where the Company and the Companies which make part of it operate, without prejudice to the availability of autonomous reporting channels in subsidiary companies obliged to do so (Pingo Doce, Distribuição Alimentar, S.A., Recheio Cash & Carry, S.A., JMR – Prestação de Serviços para a Distribuição, S.A., and Lidosol II – Distribuição de Produtos Alimentares, S.A.), under the terms of the law.

The Ethics Committee reports functionally to the CCGCR, which has responsibilities in the fields of corporate governance, social responsibility, environment and ethics, including those related to the internal codes of ethics and of conduct. The minutes of the meetings held in 2023 for the exercise of its competences were drawn up.

The Regulation of the Ethics Committee is available on the Company's website, through the link mentioned in point 61 ("Relevant Addresses").

Internal Control Committee

The Internal Control Committee (ICC), appointed by the Board of Directors and reporting to the Audit Committee, is specifically responsible for evaluating the quality and reliability of the internal control system and the process of preparing financial statements, as well as for evaluating the quality of the monitoring process in force in Jerónimo Martins' Companies, with a view to ensuring compliance with the laws and regulations to which they are subject. In performing this latter task, the ICC must obtain regular information on the legal and fiscal contingencies that affect the Companies of the Group.

The ICC meets monthly, as a general rule, for the exercise of its competences, having been drawn up minutes of such meetings. It is composed of a Chairman (Alan Johnson) and four members (Henrique Soares dos Santos, Joanna Peschak, Jorge Santos Dias and José Vitorino). None of the members is an Executive Director of the Company.

In 2023, the ICC continued its activities of supervision and evaluation of risks and critical processes, analysing the reports prepared by the Internal Audit department. As a representative of the External Audit team is invited to attend these meetings, the Committee is also informed of the conclusions of the external audit work that takes place during the year.

The Regulation of the ICC is available on the Company's website, through the link mentioned in point 61. ("Relevant Addresses").

Subsection III - Supervision - (Audit Committee)

A. Composition

30. Details of the Supervisory Board (Audit Committee) Representing the Model Adopted

The supervisory board of the Company is the Audit Committee, consequence of the anglo-saxon governance model adopted.

In addition to the responsibilities conferred by law, which imply the proper monitoring, evaluation and pronouncement on the strategy defined by the Board of Directors, from which, moreover, it emanates, and the monitorization of effectiveness of the risk management system, the Audit Committee's Regulation foresees that the same, in performing its activities, is responsible for the following:

- monitoring the preparation and disclosure of financial information;
- monitoring the effectiveness of internal control systems, internal auditing and risk management. For this purpose, they may work with the ICC, which shall report to them regularly on their work, pointing out situations that should be analysed by the Audit Committee;
- evaluating the external audit on a regular basis;
- approving activity plans in the area of risk management and following up on their execution, proceeding with the assessment of the recommendations resulting from the audit actions and the revisions of the procedures undertaken;
- looking after the existence of an adequate internal risk management system for the companies of which Jerónimo Martins is holder of shares or quotas, ensuring full compliance with its objectives;
- approving internal audit activity programmes, which respective department functionally reports to it, as well as of the external audit;
- selecting, as proposed by the Managing Committee, the service provider for the external audit;
- monitoring the legal accounts audit services;
- assessing and monitoring the independence of the Statutory Auditor, especially when it performs additional services for the Company.

Under the terms of the law and the procedure described below in points 89. and 91., the Audit Committee is responsible for assessing whether any existing transactions with related parties were carried out within the scope of the current activity of the Company and/or its subsidiaries and under market conditions. The Audit Committee is also responsible for, whenever necessary, to issue its prior opinion on any transactions with related parties or transactions that may generate conflicts of interest.

The Audit Committee, for the adequate performance of its duties, requests and appraises all the management information deemed necessary. In addition, it has unrestricted access to the documentation produced by the auditors of the Company, having the possibility to request any information from them it deems necessary and being the first recipient of the final reports prepared by the external auditors.

Within the scope of its attributions in terms of monitoring the legal accounts audit services, and the statutory auditor, the Audit Committee shall propose to the competent body the dismissal of the former, or the termination of the contract for the provision of services entered into, should there be just cause.

In 2023, the Audit Committee paid particular attention to financial risk management, namely on what regards exchange rate hedging operations and cash position management, to the evolution of pending court and tax cases, to the plan and activity of the Internal Audit Department, as well as to other internal control activities, highlighting the ones related to Financial, Information Security, Insurance Management and Risk Management areas. The Committee also gave special attention to the external audit plan and activities that take place during the year.

31. Composition of the Audit Committee, With Details of the Articles of Association's Minimum and Maximum Number of Members, Duration of Term of Office, Number of Effective Members, Date of First Appointment, Date of End of the Term of Office for Each Member. Diversity Policy.

According to the Articles of Association, the Audit Committee is comprised of three members of the Board of Directors, one of whom will be its Chairman.

The members of the Audit Committee are appointed by the General Shareholder's Meeting to terms of three years, simultaneously with the members of the Board of Directors, and the lists of proposed members of the latter body must indicate those that are intended to form the Audit Committee. The members of the Audit Committee cannot perform executive roles in the Company.

The composition of the Audit Committee, during 2023, was the following:

Clara Christina Streit
- Chair of the Audit Committee
- First appointment on 14th April 2016
- Expiry of the term of office on 31st December 2024

Elizabeth Ann Bastoni
- First appointment on 11th April 2019
- Expiry of the term of office on 31st December 2024

Sérgio Tavares Rebelo
- First appointment on 10th April 2013
- Expiry of the term of office on 31st December 2024

The Company considers the number of members of the Audit Committee to be suitable, taking into account that it constitutes about one third of the Non-executive Directors of the Company, and the powers that are attributed to it, described in point 30., thus allowing it to efficiently ensure the functions that are attributed to it, taking into account the size of the Company and the risks inherent to its activity.

Diversity Policy

In this regard it is applicable what is stated in point 16.

32. Details of the Members of the Audit Committee, Which are Considered to be Independent Pursuant to Art. 414/5 CSC

Each member of the Audit Committee complies with the rules of incompatibility laid down in paragraph 1 of Art. 414-A CCC, except that provided for in sub-paragraph b). Clara Christina Streit and Elizabeth Ann Bastoni comply with the independence criteria foreseen in Art. 414, number 5 CCC.

33. Professional Qualifications of each Member of the Audit Committee and Other Important Curricular Information

The professional qualifications of the members of the Audit Committee are those described in point 19. ("Professional Qualifications of the Members of the Board of Directors").

Additionally, reference should be made to the fact that the vast experience of the members of the Committee in corporate body positions, as well as to their special technical merit in this particular matter, have created particular added value for the Company.

The Chair of the Audit Committee, Clara Christina Streit holds a Masters in Business Administration from the University of St. Gallen, Switzerland, having started her career at McKinsey & Company as a consultant, having ceased her collaboration with that company in 2012 as a senior partner, after more than 20 years of experience as an adviser to financial institutions. She is currently an independent non-executive director of several European companies. Her academic training, her extensive professional experience, namely in matters of control and supervision, and her keen critical and analytical sense, ensure her a special competence for the assignment as Chair of the Company's supervisory body.

B. Functioning

34. Availability and Place Where the Rules On The Functioning of the Audit Committee May Be Viewed

The Regulation of the Audit Committee is available on the Company's website, through the link mentioned in point 61. ("Relevant Addresses").

35. The Number of Meetings Held and the Attendance Report for Each Member of The Audit Committee

The Audit Committee meets, at least, once every three months and is responsible for supervising Company management, carrying out the duties attributed by law and by Article Twenty of the Articles of Association.

During 2023 the Audit Committee met six times, and all meetings were duly minuted. The number of annual meetings held by this body is also disclosed on the Company's website, through the link mentioned in point 62. ("Relevant Addresses").

The attendance of each Director at the meetings during the exercise of the respective duties was as follows:

Clara Christina Streit	100%
Elizabeth Ann Bastoni	100%
Sérgio Rebelo	100%

36. The Availability of Each Member of the Audit Committee, Indicating the Positions Held Simultaneously in Other Companies Inside and Outside the Group, and Other Relevant Activities Undertaken by Members of These Boards Throughout the Financial Year

The members of the Audit Committee have always been available for the Company's affairs during 2023, having participated in the same when it was necessary or when they considered to be necessary.

The positions held by the members of the Audit Committee in other companies are described in point 26.

C. Powers and Duties

37. A Description of the Procedures and Criteria Applicable to the Supervisory Body for The Purposes of Hiring Additional Services From the External Auditor

According to the provisions of Law no. 148/2015, of 9th September, the provision of services other than audit services, is subject to the verification of its adequacy (under the point of view of threats to independence and safeguard measures that eventually may be necessary) and prior approval of the Audit Committee, duly substantiated.

This Committee defined through a specific regulation the services that cannot be provided by the external auditor, following the provisions of European legislation and the Legal Regime of the Portuguese Statutory Auditors.

In order to ensure the independence of the external auditor, this regulation also provides for the responsibility of the Audit Committee to verify, follow and monitor the independence of the external auditor, having to monitor the services provided by the external auditor, ensuring that it does not provide the Company with services other than accounting that cannot be provided and are listed in said regulation, as well as to evaluate the threats to the independence of the external auditor, the applied or to be applied safeguard measures, proceeding to their discussion with the external auditor when deemed necessary. It is also up to the Audit Committee to evaluate on an annual basis the work performed by the external auditor, including on what concerns its independence and suitability for the performance of its duties and to implement any other measures deemed necessary to ensure the independence of the external auditor.

At the beginning of each year, the Audit Committee approves a list of services, in addition to the audit services, which may be provided by the external auditor during that year, which are considered to be pre-authorized, as well as establishing the maximum amount for hiring the external auditor by the Company or by entities belonging to the same network to provide such services in that year. This list includes services that require certification by the Statutory Auditor, in matters of compliance with legal obligations that are based on information collected during the fieldwork of the external auditor. In addition to these, all other pre-authorized services are in no way related to matters subject to audit, being limited to ancillary work duly identified, carried out by employees who do not participate in any audit work.

If it is understood that it is the external auditor, or entities related to him, who are in the best position to carry out any additional work that is not pre-authorized, specific approval by the Audit Committee is required, upon presentation of proposal by the management bodies, justifying the reasons for such choice, as well as how the independence of the external auditor is safeguarded.

38. Other Duties of the Supervisory Body

The duties of the Audit Committee are described in point 30.

Subsection IV - Statutory Auditor

39. Details of the Statutory Auditor and the Partner That Represents the Same

The Company's Statutory Auditor is Ernst & Young Audit & Associados, SROC, S.A. (Chartered Accountant) No. 178, registered at the CMVM (Portuguese Securities Market Commission) under no. 20161480, represented until 20th April, 2023, by João Carlos Miguel Alves, ROC no. 896 and, from said date by Pedro Miguel Borges Marques, ROC no. 1801.

40. Statement on the Number of Years that the Statutory Auditor Consecutively Carries Out Duties With the Company and/or Group

The Company's Statutory Auditor has carried out its duties with the Company for about seven years, as from 6th April 2017.

41. Description of Other Services that the Statutory Auditor Provides to the Company

The Statutory Auditor also carries out the role of the Company's External Auditor, as mentioned in point 42. In point 46. reference is made to other services carried out by the Statutory Auditor for the Company.

Subsection V - External Auditor

42. Details of the External Auditor Appointed in Accordance With Art. 8 PSC and the Partner That Represents the Same in Carrying out These Duties, and the Respective Registration Number at the CMVM

The External Auditor is Ernst & Young Audit & Associados, SROC, S.A. (Chartered Accountant No. 178), registered at the CMVM (Portuguese Securities Market Commission) under no. 20161480, represented, until 20th April, 2023, by João Carlos Miguel Alves, ROC no. 896 and, from said date by Pedro Miguel Borges Marques, ROC no. 1801.

During 2023, the External Auditor monitored the efficiency and functioning of the internal control mechanisms, taking part in the meetings of the Internal Control Committee, reporting any deficiencies identified in the exercise of its activity, as well as making the necessary recommendations regarding the procedures and mechanisms that were analysed.

The External Auditor was able to verify the implementation of the remuneration policies and systems by reviewing the minutes of the Remuneration Committee's meetings, the remuneration policy in force and other accounting and financial information that is essential for that purpose.

43. Statement on the Number of Years that the External Auditor and Respective Partner that Represents the Same in Carrying out These Duties Consecutively Carries Out Duties With the Company and/or Group

Ernst & Young Audit & Associados, SROC, S.A. has been carrying out that role for the Company for about seven years, as from 6th April 2017.

The partner that represents the External Auditor has been carrying out that role for the Company since 20th April, 2023.

44. Rotation Policy and Schedule of the External Auditor and the Respective Partner That Represents Said Auditor in Carrying Out Such Duties

The Company did not set any specific policy regarding the rotation of the External Auditor and of the Statutory Auditor. It follows, however, the Legal Regime of Portuguese Statutory Auditors, approved by Law nr. 140/2015, of 7th September, which establishes in its article 54, no. 2, that the maximum period for carrying out the duties as partner responsible for the Statutory Audit is seven years, and the company of statutory auditors may, pursuant to no. 3 of said article, as it stood in the period under analysis, be appointed as Statutory Auditor and External Auditor for the maximum period of two mandates of four years, or three mandates of three years.

45. Details of the Board Responsible for Assessing the External Auditor and the Regular Intervals When Said Assessment is Carried Out

The Audit Committee is the responsible body for evaluating the performance of the External Auditor, which is performed annually.

46. Details of Services, Other Than Auditing, carried out by the External Auditor for the Company and/or Companies in a Control Relationship and an Indication of the Internal Procedures for Approving the Recruitment of Such Services and a Statement on the Reasons for Said Recruitment

During 2023, the non-audit services requested by Group's Companies to the External Auditor and other entities belonging to the same network totalled 56,497 euros, relating to support services in the field of human resources, and limited assurance services on sustainability indicators.

All these services were necessary for the regular activity of the Companies of the Group and, after due analysis of the situation, the External Auditor and/or the entities belonging to its network were considered as those which could best perform the said services. Besides being carried out by by employees who do not participate in any auditing work for the Group, these services are marginal to the work of the auditors and do not affect, either by their nature or by their amount, the independence of the External Auditor in the performance of its role.

As a result of the procedure mentioned in point 37., all services to which is made reference above were subject to prior approval of the Audit Committee, duly substantiated.

47. Details of the Annual Remuneration Paid by the Company and/or Legal Entities in a Control or Group Relationship to the Auditor and Other Natural or Legal Persons Pertaining to the Same Network and Percentage Breakdown Relating to the Following Services

Annually, which also happened in the year under analysis, the Audit Committee approved, at its meeting held on 24th July 2023, the remuneration to be paid to the External Auditor in 2023.

In 2023, the total remuneration paid to the External Auditor and other individuals or companies' belonging to the same network was 1,030,390 euros.

In percentage terms, the amount referred to is divided as follows:

	Amount	%
By the Company		
Amount for statutory auditing services (€)	122,600	11.9%
Amount for audit reliability services (€)	45,000	4.4%
Amount for tax consulting services (€)	-	-
Amount for other non-statutory auditing services (€)	-	-
By entities comprising the Group		
Amount for statutory auditing services (€)	851,293	82.6%
Amount for audit reliability services (€)	9,617	0.9%
Amount for tax consulting services (€)	-	-
Amount for other non-statutory auditing services (€)	1,880	0.2%

Section C – Internal Organisation

Subsection I - Articles of Association

48. The Rules Governing Amendment to the Articles of Association (Art. 29-H/1/h) PSC)

The Articles of Association do not define any rules applicable to the amendment of the Company's Articles of Association, therefore the terms defined by the Law apply to these matters.

Subsection II - Reporting of Irregularities

49. Reporting Means and Policy on the Reporting of Irregularities in the Company

Since 2004, the Ethics Committee of Jerónimo Martins has implemented a system of bottom-up communication that ensures that every employee and other stakeholders, regardless of their function, to report possible irregularities occurring in the Group. They may also make any comments, particularly with respect to compliance with the Code of Conduct.

The Code of Conduct defines the principles and values of the Jerónimo Martins Group, namely, the respect for the law, honesty and integrity, and corporate social responsibility, and a set of rules of conduct such as non-discrimination and equal opportunities, loyalty in negotiating with suppliers, prevention of conflicts of interests, among other matters.

The Ethics Committee has informed all the Group employees, through internal communication channels, of its email address and the contents of the Code of Conduct, of which is delivered a copy to each employee on the moment of his admission in any of the Group's Companies. Without prejudice of resorting to the Ethics Committee's email, the employees can always resort to their hierarchy for guidance about the Code of Conduct, or should they want to report any irregularity. The employees can also use the Employee Assistance Service, which is an internal channel available in each of the countries where the Group operates.

In 2019, the Board of Directors approved an Anti-Corruption Policy, which is applicable to all Jerónimo Martins' Group Companies and all its associates – including management positions and positions based on a term of office -, and regardless of the nature of their contractual relationship, job position or working country, and which purpose is to establish the acting principles and obligations laid out in the Code of Conduct with regard to honesty and integrity. This Policy sets rules for preventing unlawful conducts that constitute acts of corruption and safeguarding against potential conflicts of interest. On what concerns conflicts of interests, the Anti-Corruption Policy foresees that the associate shall immediately report the existence of such conflict and refrain from carrying out any act or making any decision in relation to it. According to the Policy, any associate who becomes aware or has justified suspicions of breaches to the Policy should report such situations and, in case of doubt about the existence of a conflict of interest, the Ethics Committee should be consulted.

The Company has a Whistleblowing Policy, which establishes the set of rules adopted with a view to receiving, recording, and handling reports on wrongdoing by employees and other stakeholders, concerning any of the companies that are part of the Jerónimo Martins Group, in order to ensure, namely, the existence of mechanisms for detecting and preventing wrongdoing, the promotion of a culture of transparency, integrity and accountability and the consequent adoption of ethical, principled and professional behaviour by the Company's employees and managers, compliance with EU law, national law and the Jerónimo Martins Group Code of Conduct, and the effective risk management.

This Policy is available on the Company's institutional website, referred to in point 59.

In light of the existing Whistleblowing Policy, face-to-face and telematic training sessions are carried out, and communication instruments containing various information in this regard are disseminated, highlighting concrete situations that may consubstantiate internal or external risks for the Company. In addition, the Company disclosed on its website, referred to above, and on its intranet a Plan for the Prevention of Corruption Risks, applicable to the Company and its subsidiaries.

The Ethics Committee safeguards the confidentiality of the contacts sent to its email address.

Subsection III - Internal Control and Risk Management

50. Individuals, Boards or Committees Responsible for the Internal Audit and/or Implementation of the Internal Control Systems

The Internal Audit department assesses the quality and effectiveness of the internal control and risk management systems that are set by the Board of Directors, namely those established in the Group's Risk Management Policy.

The internal control objectives involve the assurance of the operational efficiency, the financial and operational reporting consistency and the fulfilment of applicable laws and regulations. To ensure it, the Internal Audit Department activity plan takes in consideration the evaluation of the operational risks and the critical processes applicable to each Company.

The results of the internal audits are made available, on a monthly basis to the Internal Control Committee – which reports to the Audit Committee - and to the Group's Managing Committee. Each quarter, these reports are presented to the Audit Committee, which responsibilities with regard to risk management are described in point 52.. With the same regularity, a report is prepared regarding the status of the recommendations agreed with the audited areas managers.

The structure of the Company's internal control system is described in point 52. comprising, among others, the functions of risk management, supervision/compliance, and internal audit.

During 2023, there were audits performed over stock management, cash collection, management of accounts payable and receivable, supplementary income, quality assurance and food safety, investments, information systems, and the Business Continuity Plans (BCP), among others.

51. Details of Hierarchical and/or Functional Dependency in Relation to Other Boards or Committees of the Company

The head of the Internal Audit Department reports hierarchically to the Chairman of the Board and CEO and, functionally, to the Audit Committee. The head of the Internal Audit Department is also a member of the Internal Control Committee, which in turn reports to the Audit Committee.

52. Other Functional Areas Responsible for Risk Control

The Group, and in particular its Board of Directors, dedicates a great deal of attention to the risks affecting the businesses and their objectives, and is committed to ensure that risk management is an effective and fundamental component of the corporate strategy, culture and value-creation process.

The approach to risk management is detailed in the Group's Risk Management Policy, which sets out the Group's risk management system and outlines the roles and responsibilities of the persons responsible for its execution.

a) Risk Management Objectives

The aim of the Group's risk management system is not to eliminate risk completely from the Group's activities, but rather to ensure that every effort is made to manage risk appropriately, maximising potential opportunities and minimising its adverse effects.

The Group's risk management system has the objectives of structuring and consistently organising the way the Group identifies and evaluates risks, ensuring that they are assessed broadly, considering dependencies and correlations among various risk areas and also promoting alignment of the process across the organization. It establishes procedures for reporting that allow for an adequate monitoring of the risk mitigation and control measures.

Due to the size and geographical dispersion of Jerónimo Martins' activities, successful risk management depends on the active participation of all employees, who should assume this as an integral part of their jobs, particularly through the identification, reporting and mitigation of risks associated within their areas of responsibility. Therefore, all activities must be carried out with an understanding of what the risk is, with an awareness of the potential impact of unexpected events on the Company and its reputation.

The Group is committed to ensure that all employees are provided with adequate guidance and training on the principles of risk management, on the criteria and processes set by the Risk Management Policy and on their responsibilities to manage risks effectively.

b). Organisation of Risk Management

The risk management governance model is defined in order to ensure the effectiveness of the Risk Management Framework and is aligned with the Three Lines Model, which distinguishes among three groups (or lines) involved in effective risk management, namely:

- First Line (Business Operations: Risk Owners) – responsible for the daily risk management activities aligned with the business strategy, with existing internal procedures and with the Risk Management Policy;
- Second Line (Oversight / Compliance Functions: Group and Business Unit Risk Managers) – responsible for the Risk Management analysis and reporting, as well as for suggestions or policies development that ensure an adequate management of risks. This second line also includes functions such as Financial Control, Physical Security, Information Security, Data Privacy, Corruption Prevention, Quality & Food Safety, amongst other corporate areas;
- Third Line (Independent Assurance: Internal Audit and External Audit) – responsible for providing assurance on the effectiveness of governance, Risk Management and internal controls, including the manner in which the first and second lines perform their Risk Management and control objectives.

The Risk Management organisational structure considers the following main roles and responsibilities, which were effectively exercised over the period under review:

- the Board of Directors is responsible for establishing the Risk Management Policy and strategy, which includes the process for establishing thresholds applicable to the Group's risk exposure and for setting goals in terms of risk-taking. It is also the Board's responsibility to provide for the creation of control systems necessary to ensure that the risks effectively incurred are consistent with the goals set. These duties were carried out, namely, through the approval of the aforementioned Risk Management Policy, which foresees the referred aspects, and which application was maintained in 2023;
- the Audit Committee approves the activity plans with regard to Risk Management, monitors their execution, and evaluates and monitors the effectiveness of the internal control, internal auditing and risk management systems. Its responsibilities include, namely, to evaluate global risk exposure levels and ensure that they are compatible with the objectives and strategies approved by the Board of Directors, to review mitigation actions defined for the most critical risks, to review the development of Risk Management initiatives and planning, and to review periodically the Group's Top Risks, thus enabling the Board of Directors to make the necessary adjustment to the Risk Management Policy, as was done during 2023;
- the CEO, assisted by the Managing Committee, ensures the implementation of the Risk Management Policy and strategy as established by the Board of Directors, as well as promotes a risk awareness culture in the organisation ensuring that Risk Management is embedded in all processes and activities;
- the Risk Committee, which is made up of representatives from Functional Divisions of Corporate Support, referred to in no. 21, and by a member certified in the area of risk management, assists and advises the Managing Committee, as the CEO's assisting body, in assessing and monitoring the mitigating measures for the different types of risk, and aims at ensuring the existence of an effective Risk Management Framework, that ensures a level of risk exposure compatible with the

objectives and strategies approved by the Board of Directors, without prejudice to the duties of the Audit Committee;
- the Strategy and Risk Management Department is responsible for the implementation of the Risk Management framework, coordination of all Risk Management activities, supporting the Managing Committee and the Risk Committee in the identification of risk exposures that might compromise the Group's strategic and business goals. Its responsibilities include the identification and recognition of Risk Management best practices, sharing recommendations from renowned organizations and/or compliance requirements. Strategy and Risk Management Department is also responsible for the coordination and alignment of the practices adopted by the Companies in the BCP;
- the Business Unit Risk Managers are responsible for the implementation of Risk Management initiatives at the Company level and to support the respective Risk Owners activities;
- the Risk Owners are all employees in charge of the execution and/or control over a given process or activity, within a business unit or a corporate structure, and are responsible for managing the risks involved in those activities;
- the Internal Audit Department focuses its work on the significant risks, as identified by management, and audits the controls of the most exposed processes, providing assurance regarding its effectiveness and efficiency and active support in the Risk Management process.

53. Details and Description of the Major Economic, Financial and Legal Risks to which the Company is Exposed in Pursuing Its Business Activity

The year of 2023 was shaped by disruptions of various types, including among others, the continuity of the invasion of Ukraine by the Russian Federation, the beginning of a new armed conflict in the Middle East, an extremely fast increase of inflation and interest rates to unprecedent levels since 2008 and a deceleration of most economies.

All these factors significantly impacted the conditions in which Jerónimo Martins' Companies operated throughout the year and were reflected in the various risks to which the Group is exposed, namely in strategic and operational terms. Therefore, various measures were implemented in order to anticipate and mitigate the most relevant impacts on the execution of the strategic objectives.

Strategic Risks

Strategic risk management involves monitoring factors such as social, political and macro-economic trends, namely the evolution of demographics, consumers' preferences, the life cycles of the businesses, the dynamics of the markets (financial, employment, natural and energy resources), geopolitical situation, the activities of competitors, technological innovation, legal and regulatory changes and social scrutiny of the Group's business activities.

The management team uses this information to understand market needs and attempts to identify any opportunities and threats in the industries and sectors in which it operates, namely in terms of potential growth and profitability, but also in terms of the strategic alignment of its business model in light of current and future conditions.

Operating Risks

Arise from the execution of normal business functions, across the value chain, and focuses on risks generated among the processes through which the Group units operate.

The operational risks cover risks related to category management and sourcing, stock management, cash management, logistics and supply chain and the efficiency in the use of resources and assets, as well as their safety and security.

Fraud, money laundering and corruption risks are also considered in the risk assessment for the most relevant operational activities. The adequacy and range of the controls and mitigation measures are also reviewed and reconsidered whenever necessary.

Food Quality and Safety[7]

The Group seeks to provide healthier products and food solutions, and it seeks to ensure and enforce product safety measures in strict compliance with the highest food safety standards.

The Quality and Food Safety Departments of the Companies are responsible for the following areas:

i. prevention, through selection, assessment, and follow-up audits on suppliers;
ii. monitoring, by following the product throughout the whole logistics flow, to analyse compliance with best practice and certification requirements;
iii. monitoring, by analysing the product to check its compliance with Quality and Food Safety requirements; and
iv. training, by carrying out periodic simulations and awareness initiatives.

The Companies are monitored continuously by quality control technicians, to ensure the implementation of procedures and to assess the efficiency of training and the suitability of the facilities and equipment.

Environmental Risks[8]

Jerónimo Martins implemented processes to compile and evaluate data related to environmental sustainability, ensuring that the management body is aware of the risks that the Company may incur, being able to outline and implement action plans to mitigate them. Regular assessments of the environmental risks and opportunities that may be associated with its businesses are therefore carried out, using studies and audits to assess the main impacts of its activities on ecosystems and the resources they provide, in the following areas:

- Agricultural management practices focused on water and energy consumption, biodiversity and land management, and on the economic management of perishables suppliers;
- Assessment of the level of conservation of Private Brand and perishables fish sold;
- Analysis of risks and opportunities associated with impacts arising from climate change and water usage and quantification and analysis of the materiality of the Group's greenhouse gas emissions scopes 1, 2 and 3;
- Mapping of deforestation commodities, their origins and production methods in Private Label and perishables products;
- Carrying out internal and external audits at its own facilities, on Private Brand and perishables suppliers and service providers.

Therefore, the following risk typologies were identified:

- Transition, which may cause an increase in costs in order to comply with environmental legislation and originated by the transition to a low-carbon economy and by promoting biodiversity;
- Physical, which may result in shortage of natural resources, such as agricultural products, or disruption of supply chain activities associated with climatic events;
- Reputational, associated with expectations of the Group's stakeholders in what regards the impact mitigation initiatives adopted by the Group.

The probability of occurrence of these situations and their level of impact, including financial risks, as well as their management, is analysed by the Group as part of the short, medium and long-term risk assessment processes. Based on these assessments, adaptation and mitigation measures are defined to maximize differentiating opportunities and improve the resiliency of our Companies and their businesses. These actions promote efficient management in the use of resources in the operations, products and services of the Group Companies, mitigate the occurrence of possible natural risks such as extreme climate events, and identify opportunities to create value from a logic of promoting environmental preservation and regeneration.

[7] The actions carried out by the Group for Food Quality and Safety in 2023 are detailed in Chapter 5 ("Corporate Responsibility in Value Creation"), subchapter 2 - "Promoting Good Health through Food".
[8] Actions carried out by the Group during 2023, on Environment Protection are detailed in the Chapter 5 ("Corporate Responsibility in Value Creation"), subchapters 3 - "Respecting the Environment" and 4 – "Sourcing Responsibly".

Physical Security and People Risks

The Security Department is responsible for ensuring that conditions exist to guarantee the physical security of people and facilities.

Physical security and people risk management involves: i) defining and publicising working standards and instructions, ii) carrying out employee awareness initiatives and training, iii) performing audits on the stores, iv) assessing the risks of all establishments and v) performing emergency simulations.

Information Systems Risks

The risks associated to Information Technologies are analysed considering their different components: planning and organisation, development, innovation, operations management, information security and continuity.

The risk management of Information Security in the Group is the responsibility of an exclusively dedicated Department and consists of implementing and maintaining an Information Security Management System that ensures confidentiality, integrity and availability of critical business information, performing monitoring and control activities in order to identify and mitigate potential vulnerabilities.

Regulation Risks

Compliance with legislation is provided by the legal departments of the Group´s Companies.

Regarding the Holding Company, the Legal Department guarantees the co-ordination and implementation of strategies aimed at protecting the interests of Jerónimo Martins in legal disputes, and it also manages outside advisers.

Compliance in issues related with personal data and corruption prevention is the responsibility of the Compliance Department in close alignment with the Legal Department of the Holding Company, and in collaboration with the Legal Department of the Group companies, the Information Security Department, the Internal Audit Department, the Human Resources Department, among others.
The Company, and the Group's main companies, in Portugal and in Poland, also have a Data Protection Officer, in what regards data protection compliance.

In order to ensure the fulfilment of tax obligations, the Group Fiscal Affairs Department advises the Group's companies, as well as oversees their tax proceedings.

Financial Risks

Jerónimo Martins is exposed to several financial risks, namely: price risk; which includes interest and exchange rate risks: transactional risk, which includes credit and liquidity risk; and the risk arising from the Group's investments portfolio, including various risks such as interest rate, credit, foreign exchange, inflation, political and fiscal.

The management of these risks is focused on the unpredictable nature of the financial markets and aims to minimize its adverse effects on the Company's financial performance.

Certain types of exposure are managed using financial derivative instruments.

The activity in this area is carried out by the Financial Operations Department. It is responsible, in conjunction with the financial areas of the Group´s companies, for identifying and assessing risks, and for executing the hedging of financial risks, by following the guidelines set out in the Financial Risk Management Policy.

Every quarter, reports on compliance with the Financial Risk Management Policy are presented to and discussed with the Audit Committee.

The information concerning financial risks to which the Group is exposed can be found in note 29 – Financial Risks, in the Consolidated Financial Statements, of Chapter 3 of the Annual Report and Accounts.

54. Description of the Procedure for Identification, Assessment, Monitoring, Control and Risk Management

The Group's Risk Management Framework is based on a continuous process of risk assessment, which is an integral part of the normal decision-making and management processes.

The Risk Management process is aligned with the ISO 31000 international standard's recommendations, and seeks mainly to distinguish what is irrelevant from what is material, requiring an active management which involves the assessment of sources of risk, the probability of occurrence of a certain event, and the consequences of its occurrence within the context of the control environment.

The Group prepares and maintains an overall risk profile that lists all relevant operational and strategic risks, as well as the corresponding implemented mitigation and control mechanisms. The list is updated regularly with information from the on-going risk assessment processes.

Within the scope of the risk assessment processes, the Strategy and Risk Management Department coordinates an annual global review, in which, together with the first and second lines of defense (identified in point 52), an exhaustive analysis is carried out, including the internal and external conditions that influence the environment in which the Group operates. This exercise, which is part of Jerónimo Martins' strategic and operational planning processes, ensures that the main risks and respective mitigating initiatives are duly identified and considered during planning. This process triggers the development of the alternatives under analysis as well as the identification of new activities that strengthen the defense of the targeted objectives.

The criticality level of each risk is determined based on the Group's Risk Matrix which considers, at different levels, the probability of occurrence of certain events, as well as their expected impact on the defined indicators. Risks considered to be more critical and/or that may have a more relevant impact on the Group's objectives are subject to a quarterly reassessment, in order to ensure that any relevant changes are duly considered.

The Strategy and Risk Management Department also maintains permanent contact with the main elements of the different lines of defense to update its assessment of risks and monitor mitigating initiatives, and constantly follows all changes that may influence the strategic and operational environments of the Companies.

Through the Risk Commmittee, which assists and advises the Managing Committee (as per point 51), analyses are carried out on the risks that most affect the Group, in a multidisciplinary approach and through which new forms of mitigation are stimulated and other forms of action are promoted.

Throughout the entire process, open and regular communication channels are ensured between all the elements that compose the organizational structure of Risk Management (listed in point 52).

Annually, the Board of Directors approves, after a favorable opinion from the Audit Committee, the budgets and strategic plans for the following year, taking into account the opportunities and risks considered.

55. Core Details on the Internal Control and Risk Management Systems Implemented in the Company Regarding the Procedure for Reporting Financial Information (Art. 29-H/1/l) PSC)

The Board of Directors is highly committed to assuring the reliability of the Group's financial reporting, namely, by ensuring that the Group has in place adequate policies that provide reasonable assurance that transactions are recorded and reported in accordance with Generally Accepted Accounting Principles (GAAP), and that expenditures are made only when properly authorized.

The financial reporting risks are mitigated by enforcing segregation of duties and by setting preventive and detective controls, which involves limiting access to IT systems, and a comprehensive performance monitoring system.

Additional controls are provided by the Audit Committee oversight and Internal Control Committee reliability assessments over the preparation and disclosure of financial information and by the Group's Controlling division monitoring activities regarding the performance of the different business units, including analysis of the deviations to the approved plans.

Subsection IV - Investor Assistance

56. Department Responsible for Investor Assistance, Composition, Functions, the Information Made Available by Said Department and Contact Details

Composition

The Investor Relations Office of Jerónimo Martins is comprised as follows:
Office Manager: Cláudia Falcão
Team: Ana Maria Marcão, Hugo Fernandes and Teresa Balsas

Main Roles

The Investor Relations Office of Jerónimo Martins is responsible for communication with all investors - institutional and private, national and foreign - as well as the analysts who formulate opinions and recommendations regarding the Company. The Investor Relations Office is also responsible for matters related to the Comissão do Mercado de Valores Mobiliários (Portuguese Securities and Exchange Commission).

Communication Policy of Jerónimo Martins for the Capital Markets

Jerónimo Martins' policy for communicating to the capital markets aims to ensure a regular flow of relevant information - history, current performance and outlook for the future -, which respects the principles of symmetry and simultaneity and creates a faithful image of the Company's business performance and strategy for investors, shareholders, analysts and the general public.

The financial communication strategy outlined for each year is based on the principles of transparency, rigour and consistency. This ensures that all relevant information is transmitted in a non-discriminatory, clear and complete manner to stakeholders.

Information Provided

Annually, and based on the above-mentioned principles, the Office draws up a Communication Plan for the financial market, which is included in the global communication strategy of Jerónimo Martins.

With the objective of transmitting an updated and clear vision of the strategies of the different business areas of Jerónimo Martins to the market, in terms of operational performance and outlook, the Investor Relations Office organises and participates in a series of events so that investors can learn about Jerónimo Martins' various businesses, its strategies and prospects for the future, and simultaneously follow the progress of activities during the year, by clarifying any doubts.

The actions carried out throughout the year made it possible to maintain the level of dialogue that was the benchmark for Jerónimo Martins' stakeholders. Among the organized activities, the following are highlighted:

- virtual and face-to-face meetings with financial analysts and investors;
- responses to e-mails with questions addressed to the Investor Relations Office;
- virtual and face-to-face meetings hosted by the Management from the business areas, the Chairman and Group CFO;
- meetings with investors in Poland and visit to the operation;
- event held in Colombia with investors and analysts to present the business and visit to the operation;
- conference calls;
- release of announcements to the market through the CMVM (Portuguese Securities and Exchange Commission) extranet, through the Jerónimo Martins and Euronext Lisbon websites, and email

messages sent to all the Company's investors and financial analysts listed in the database created and updated by the Office;
- presentations to the financial community: presentation of results, roadshows, conferences and Annual General Shareholders' Meeting;
- continuous update of the investor relations webpage on the Company's institutional website.

In order to make information easily accessible to all stakeholders, the communications issued regularly by the Office are available in full on the Jerónimo Martins' institutional website, at https://www.jeronimomartins.com/en/.

The site not only provides, in Portuguese and in English, mandatory information, but also general information about the Group and the Companies that form it, in addition to other information considered relevant, namely:
- announcements to the market about privileged information;
- annual accounts, including the Annual Report on the activities of the Audit Committee, six-month and quarterly reports of the Group;
- economic and financial indicators and statistical data, updated every quarter or annually, in accordance with the Company or business area;
- Jerónimo Martins' most recent presentation to the financial community, and historical collection;
- information about share performance on the stock market;
- the annual calendar of Company events, released at the year-end to the following year, including, among others, General Shareholders' Meetings, the disclosure of annual, half-yearly and quarterly results;
- information about Corporate Governance;
- Code of Conduct of Jerónimo Martins;
- Company Articles of Association;
- current Internal Regulations;
- Information regarding the General Shareholders' Meetings;
- Minutes of the General Shareholders' Meetings, or respective extracts;
- Historical agendas and decisions taken at the General Shareholders' Meetings.

Contacts

The Office may be contacted through the Market Relations Representative and the Investor Relations Office Manager, Cláudia Falcão - and via the email address: investor.relations@jeronimo-martins.com.

The main contact information for the Investor Relations Office is as follows:
Address: Rua Actor António Silva, n.º 7, 1649-033, Lisboa
Telephone: +351 21 752 61 05

57. Market Liaison Officer

The Jerónimo Martins' Market Relations Representative is the Investor Relations Office Manager, Cláudia Falcão.

58. Data on the Extent and Deadline for Replying to the Requests for Information Received Throughout the Year or Pending from Preceding Years

Within the scope of issues addressed to the Investor Relations Office, during the course of 2023, 142 contacts with investors were recorded through meetings that took place in person or through virtual means, 149 contacts through telephone conferences with investors and 365 requests for information sent via email, or by telephone by investors, financial analysts or by other entities, to which was given a reply to, within an average period of two days.
Requests for information from the year 2022 were not carried over to 2023 nor were questions asked to this Office in 2023 left unanswered.

Subsection V - Website

59. Address(es)

The Company's institutional website is available in Portuguese and English and can be accessed using the following address:

https://www.jeronimomartins.com/pt/
https://www.jeronimomartins.com/en/

60. Place Where Information on The Firm, Headquarters and Other Details Referred to in Art. 171 CCC is Available

Information concerning Art. 171 CCC is available on the Jerónimo Martins institutional website through the following link:

https://www.jeronimomartins.com/en/contacts/

61. Place Where the Articles of Association and Regulations on the Functioning of the Boards and/or Committees are Available

The Articles of Association and regulations on the functioning of the boards and/or committees are available on the Jerónimo Martins institutional website through the following link:

https://www.jeronimomartins.com/en/investors/governance/articles-of-association-and-regulations/

62. Place Where Information is Available on the Names of the Corporate Boards' Members, the Market Liaison Officer, the Investor Assistance Office or Comparable Structure, Respective Functions and Contact Details

The information in question is available on the Jerónimo Martins institutional website and may be accessed through the following links:

- Names of the Corporate Boards' Members:

Board of Directors:
https://www.jeronimomartins.com/en/investors/governance/corporate-bodies/board-of-directors/

Audit Committee:
https://www.jeronimomartins.com/en/investors/governance/corporate-bodies/audit-committee/

General Meeting
https://www.jeronimomartins.com/en/investors/governance/corporate-bodies/shareholders-meeting/

Statutory Auditor
https://www.jeronimomartins.com/en/investors/governance/corporate-bodies/statutory-auditor-roc/

- Name of the Market Liaison Officer:

https://www.jeronimomartins.com/en/investors/investor-contacts/

- Information concerning the Investor Assistance Office, respective functions and contact details:

https://www.jeronimomartins.com/en/investors/investor-contacts/

63. Place Where the Documents are Available and Relate to Financial Accounts Reporting, Which Should be Accessible For at Least Five Years and the Half-Yearly Calendar on Company Events that is Published at the Beginning of Every Six Months, Including, Inter Alia, General Meetings, Disclosure of Annual, Half-Yearly and, Where Applicable, Quarterly Financial Statements

The place where the documents in question are available is the Jerónimo Martins institutional website through the following links:

- Financial accounts reporting:
https://www.jeronimomartins.com/en/investors/presentations-and-reports/

- Half-yearly calendar on Company events:
https://www.jeronimomartins.com/en/investors/financial-calendar/

64. Place Where the Notice Convening the General Meeting and All the Preparatory and Subsequent Information Related Thereto is Disclosed

The place where the notice convening the General Meeting and all the preparatory and subsequent information related thereto is disclosed is the Jerónimo Martins institutional website through the following link:
https://www.jeronimomartins.com/en/investors/general-meetings/

65. Place Where the Historical Archive on the Resolutions Passed at the Company's General Meetings, Share Capital and Voting Results Relating to the Preceding Three Years are Available

The place where the historical archive on the resolutions passed at the Company's General Meetings, share capital and voting results relating to the preceding years, including the last three, is available is the Jerónimo Martins institutional website through the following link:
https://www.jeronimomartins.com/en/investors/general-meetings/

Section D – Remuneration
(Report For the Purposes of paragraph 8 of Article 26-G PSC)

Subsection I - Power to Establish

66. Details of the Powers for Establishing the Remuneration of Corporate Boards, Chief Executive and Directors of the Company

Within the terms of Article Twenty Nine of the Company's Articles of Association, the remuneration of the statutory bodies is set by the Shareholder's Meeting, or by a Committee nominated by the latter. Within the scope of the latter possibility, the shareholders of Jerónimo Martins decided to nominate the Remuneration Committee to set the remuneration of the members of the statutory bodies.

The Remuneration Committee is elected for a three-year term, being the present term comprised between years 2022-2024.

The remuneration of the remaining Company's management is decided by the respective Board.

Subsection II - Remuneration Committee

67. Composition of the Remuneration Committee, Including Details of Individuals or Legal Persons Recruited to Provide Services to Said Committee and a Statement on the Independence of Each Member and Advisor

At the General Shareholders' Meeting held on 21st April 2022, Jorge Ponce de Leão (Chairman), Chittaranjan Kuchinad and Erik Geilenkirchen were re-elected to this Committee, for the term in force.

None of the members of the Remuneration Committee is a member of the Board of Directors of the Company, or has a spouse, family member or relative in such a position, nor do they have relationships with the Members of the Board of Directors that may affect their impartiality in the performance of their duties.

Jorge Ponce de Leão, as Chair of the Remuneration Committee, was present in the Annual General Meeting of the Company held on 20th April 2023.

In 2023, the Remuneration Committee asked the Company to request specialized consultancy services in studies of executive and directors remuneration, in order to assess the level of alignment of remuneration, as well as the components used in the remuneration package, of the Group's governing bodies with the benchmark practices in the international market, a context in which the Group operates, specifically for the roles of Chairman of the Board of Directors and Chief Executive Officer, non-executive directors and members of Specialized Committees. The independence of the contracted consultants was a necessary requirement for the provision of services and said consultants could not provide other services to the Company or to companies that, with the same, were in a control or group relationship.

68. Knowledge and Experience in Remuneration Policy Issues by Members of the Remuneration Committee

The Members of this Committee have extensive knowledge and international experience in management and remuneration policies, which gives them the necessary skills to perform their duties adequately and effectively.

Jorge Ponce de Leão has a Law degree, having worked in the Labor Law area since the beginning of the 70's as external legal advisor, as well as in-house in some Portuguese companies. He worked as Head of Legal and Tax Services (Jerónimo Martins Group – industrial area), and was appointed Member of the Board of Directors of the Company during the 1990's. He also held management duties in the HR area of

Radiotelevisão Portuguesa, was CEO of SAIP SGPS and Chairman of the Board of Directors of ANA – Aeroportos de Portugal, and of NAV – Navegação Aérea de Portugal, E.P.E ..

Chittaranjan Kuchinad has an academic background in statistics (a degree in Statistics/Economics in the University of Bombay, India, and a Masters in Statistics in the Marquette University, United States of America). He has extensive experience in the design and funding of compensation and benefits programs in Europe, Asia/Pacific and Latin America. He started his career as a consultant at Wyatt and at Towers Perrin. He provided services to a broad spectrum of mid-size to large global companies and was the primary consultant to major clients, namely, IBM Asia / Pacific, IBM Latina America, Coca-Cola, Gillette, InchCape and Citibank. He was Director of International Compensation of McDonald's Corporation, Senior Director of Human Resources of Nike, Inc. Asia/Pacific, Executive Vice President of Human Resources and Senior Vice President of Total Pay of Starbucks Coffee Company, Chief People Officer of ASDA (Walmart), of Guess?, Inc., and of Jacobs Douwe Egberts. He has been performing the duties of Chief People Officer of Save The Children.

Erik Geilenkirchen has an academic background in Engineering, having worked for more than 30 years in both positions of responsibility in the Human Resources area and in commercial areas. In Asia Pacific, where he worked for over 15 years, he held the role of CHRO of Royal Ahold Asia and Philips Electronics Asia Pacific, as well as the role of CEO of Philips Domestic Appliances. He was Purchasing Director for Techtronics in Hong Kong before joining the Board of Directors of one of Europe's largest private family-owned companies, owned by the Brenninkmeijer family in Switzerland. He now runs his own software company, IntelligentBoardRoom, and serves on the Advisory Board of EMK Capital, a London-based mid-cap private equity firm.

The members of the Remuneration Committee have received during the year, and on a regular basis, information from the several Group's companies as to its businesses, allowing the Committee to assess if the remuneration policies in force and strategies defined are aligned with a competitive position in relation to the reference market, in the scope of assessing the individual performance objectives of the CEO of the Company.

Subsection III - Remuneration Structure

69. Description of the Remuneration Policy of the Board of Directors and Supervisory Boards

At the Company's General Meeting held on 20 April 2023, the proposal for a new Company's Corporate Bodies Remuneration Policy, presented by the Remuneration Committee was approved, which is set out below.

1. Independence and conflicts of interest

The Committee keeps and reaffirms, at every moment, its independent nature, being composed only by non-directors appointed by the shareholders. This independence, together with the permanent monitoring of the benchmark referred to below and the resource, whenever necessary, to the best external consulting services, constitutes an effective way to avoid any possible conflicts of interest with the members of the corporate bodies at stake.

2. Core principles

The Remuneration Committee reviewed and gave careful consideration to the principles that govern the remuneration policy of the corporate bodies of the Company. These principles reinforce and highlight those aspects of the remuneration policy that are critical to the sustainability of the Jerónimo Martins business, namely:

- the international landscape should be the foundation of the benchmark for the corporate bodies' competitive remuneration. It is essential to maintain the ability to attract and retain the best talent in a competitive international context;
- the alignment of the remuneration of the corporate bodies' members to their responsibilities, their availability and their competencies put at the service of the Company;

- the target competitiveness level, encompassing the total remuneration package (fixed remuneration and variable payments), that should consider the best practices of the reference market (e.g., European top executives' market), and the internal remuneration policies;
- the alignment with the Company employees' remuneration policies and employment conditions is ensured by considering the reference markets and/or other companies with similar strategic positioning (always comparing to equivalent jobs) that confer a substantial level of internal equity and adequate external competitiveness;
- the importance of rewarding the commitment to the Group's overall strategy and to the shareholders' long-term interests, the achievement of superior results and the demonstration of appropriate attitude and behaviours, which is also taken into consideration in the rewarding policies of the Company; and
- the need to safeguard the overall interests of the Company.

3. Organizational model and remuneration framework

The committee decided to propose to maintain the above-mentioned policy's principles. The proposal considers the legal framework and the existing recommendations, as well as the organizational model adopted by the Board of Directors.

With respect to the organisation of the Board of Directors, the Remuneration Committee has specifically considered the following characteristics:

- the existence of a Chief Executive Officer with delegated duties (who since 18th December 2013, accumulates such duty with that of Chairman of the Board of Directors) regarding the day-to-day management of the Company;
- the existence of a director or directors to whom the Board have entrusted or may entrust special duties;
- the participation of Non-executive Directors in Specialised Committees, who are therefore called to devote increased time to Company's affairs.

Given the current organizational model and in accordance with the framework of the compensation principles, the Remuneration Committee considered also relevant:

- to ensure that the remuneration of directors with executive duties is aligned with international market practices, reinforcing the importance of keeping the process for defining targets and assessing performance, which should be subject to review and/or update on a regular basis (every mandate);
- to guarantee the consistency between the quantitative key performance indicators defined for the Chief Executive Officer annual performance evaluation and those that are also considered, according to their responsibilities, in the annual performance appraisal for all Company's managers;

Considering the above-mentioned core principles and assumptions, the following remuneration framework was defined:

3.1. Non-executive Directors

- the remuneration of the Non-executive Directors shall be a fixed amount exclusively, reviewed periodically according to international best practices and taking into consideration the benchmark with other listed companies and the specific responsibilities and availability of such directors;
- the amount paid to Directors with non-executive duties may be differentiated for those who have been assigned functions in Specialized Committees or Supervisory Boards of subsidiaries. With respect to those, the Remuneration Committee considers it appropriate to award a fee per meeting, since the duties performed on behalf of these Committees and Supervisory Boards demand additional availability from the respective committee members. An additional fixed remuneration may also be paid to those Non-executive Directors who are in charge of specific tasks.

3.2. Directors with executive duties

- the remuneration of Directors with executive duties, specifically the Chief Executive Officer (CEO), the Remuneration Committee shall comprise two remuneration components, fixed and variable one, as follows:
  i) the fixed component of remuneration corresponds to a monthly remuneration paid in 14 monthly instalments, the amount of which is determined taking into account the duties and responsibilities attributed to the CEO of the Company, the performance achieved and the benchmark for similar positions; also the CEO remuneration cannot or should not create an impediment to the competitiveness of the Company's remuneration policies;
  ii) the variable component corresponds to an annual amount determined by the Remuneration Committee and is limited to the maximum amount of twice the value of the fixed remuneration. The determination of a final amount is based on an annual individual performance evaluation. The evaluation is based on a framework of key quantitative indicators which should be in line with the Group strategic goals and business plans approved by the Board of Directors, and qualitative priorities that are key to the long term sustainability of the business;
- These dimensions – quantitative and qualitative – the latter more a long-term by nature, critical for the future success of the businesses and, as such, can have a timeline that can exceed a year;
- Bearing in mind the contribution of the countries and business areas where the Group operates, the Remuneration Committee considers adequate that the payment of fixed and variable components of remuneration to Directors with executive duties be split between the Company and its subsidiary companies where such Directors are also members of the management body, in a portion determined by the Remuneration Committee.

3.2.1. Performance evaluation methodology and variable remuneration attribution

The Remuneration Committee considers that the individual achievement of each of the targets set should not, in itself, determine the automatic attribution of any percentage of the total variable remuneration. Thus, once the targets have been set by the Board of Directors, whether financial (quantitative) or qualitative, the Remuneration Committee considers that it can scrutinize the degree of interdependence between the different indicators and the impact the achievement of a target may have on obtaining or not, other targets, defining that the final global evaluation assumes an holistic nature, without prejudice to the weighting referred to below for the financial (quantitative) and qualitative components.

The quantitative key performance indicators account for 50% of the individual performance calculation, and reflect the financial performance related to the Company's growth and the shareholders' return. The financial performance indicators, which will be weighed according to the strategic priorities of the Company, the context of the business and the overall interests of the stakeholders, take into account:

- the turnover growth - is based on reported consolidated sales increase. However it is assessed its real growth on a like-for-like basis, the contribution of organic growth, the evolution of new and mature markets, the evolution of sales per square meter and per employee full-time equivalent (FTE), capital turnover, and the impact on gross margin for achieving the proposed targets;
- the earnings evolution is based on the consolidated net results, with targets defined in absolute vale. It also takes into consideration the evolution of earnings before taxes, interests, depreciations and amortizations (EBITDA), the EBITDA margin (with and without IFRS16), the impact on it of the growth of developing markets, the weighting of the different markets in the sales mix and the evolution of the EBITDA margin in each business area and country;
- the return on invested capital - is based on the economic value added (EVA) defined in absolute value deducted from minority interests. It is taken into account the rates of return on capital invested in each business and the respective cost of capital in each country (with and without IFRS 16), the evolution in relation to previous years and at estimated rates, the rate of reinvestment relating to depreciations amount, the evolution of the average amount invested per square meter of sales area, the comparison with the return rates of the sector, the impact on the achieved value of the businesses under development, and finally, the cash flow released at the disposal of shareholders (the conversion rate of earnings into cash);
- the robustness of the Company's capital structure -is measured by the debt ratio ("gearing" - net financial debt after distribution of dividends, divided by equity). It is also weighed the value

of the working capital and its contribution to financing invested capital and reducing financial debt, the structure of financing obtained, currencies and maturity, its contribution to hedging exchange rate risks, and the interest coverage rate on EBITDA.

The qualitative key performance indicators account for 50% of the individual performance calculation and are grounded in the evaluation of real implementation of transversal projects to the Group's companies, aligned with established priorities, to ensure the future business competitiveness and the long-term sustainability. The individual performance indicators are some of the following:

- the strategic direction and allocation of resources/investments - includes both the development and implementation of strategic projects, and the exploitation of new investment opportunities, consistent with the Group's capabilities and resources. Considering the objective of sustained growth and the permanent transformation of the Company in order to ensure its competitiveness and success, the adoption of investment decisions and the launching of projects or initiatives whose execution makes it possible to avoid the dilution of return on capital and guarantee the strength of the balance sheet;
- the organizational health and talent agenda - is evaluated the dissemination of the Company's values, the consolidation of the core elements of its culture, the degree of engagement and satisfaction of employees, the identification and promotion of leaders who guarantee the growth of the Company, and the normal replacement of executive and management teams, linking the human resources strategy to the business strategy, monitoring the implementation of salary policies suited to remunerate loyalty and merit, as well as social responsibility projects within the scope of HR;
- and the multi-stakeholder relations - the performance and results achieved in the multi-stakeholder relations indicator are measured by Environmental Social and Governance (ESG) analysts according to the information disclosed on the policies, practices and KPI's. The Committee takes into account, in particular, the progress shown during the year, considering the aspirations defined by the Board of Directors in this matter, and the evolution made by other organizations within the same sector and / or country.

The attribution of the annual variable component should consider the following criteria: a) if after review, the individual performance does not meet any of the set targets (quantitative or qualitative), there will be no annual variable remuneration payment; b) if the individual performance equals or exceeds in all or some of the targets, the variable remuneration payment may range from 50% to 100% of the maximum variable amount.

The process for the CEO performance review includes an annual performance assessment with quarterly reviews which are made available to the Remuneration Committee. The assessment and reviews are based on evidence, and on a regular monitoring of the degree of achievement of the targets. In accordance with the established procedure, the annual performance cycle is concluded with the award of the variable incentive component in the first quarter of the year following the performance period after the calculation of the full year results. The payment is made during the first semester.
Together, the fixed and variable components should ensure a competitive remuneration in the international market and drive individual and collective performance, through the setting and achievement of ambitious goals of accelerated growth and appropriate shareholder return. Furthermore, the Committee considers that the Remuneration Policy of the Company is also aligned with the remuneration practices of comparable publicly traded peers, operating in the global arena. Given the pressures in the marketplace for executive capabilities, the Remuneration Committee analyzes the competitiveness of the Company in this matter from time to time based on appropriate and reliable benchmark studies provided by independent and credible entities.

3.3. Members of the Audit Committee

The remuneration of the members of the Audit Committee as well as the remuneration of Directors with non-executive duties shall continue to comprise a fixed component only.

3.4. Members of the shareholders general meeting

The Chairman and secretary of the Shareholders General meeting will keep a per meeting fee.

3.5. Statutory auditor

The Statutory Auditor will be remunerated in accordance with the auditing services agreement signed with Jerónimo Martins, which covers almost all its subsidiaries. This remuneration shall be in line with market practices and is subject to the approval of the Audit Committee.

4. Alignment of long-term interests

The Remuneration Committee considers that the remuneration framework of Directors with executive duties is adequate and allows a strong alignment through the setting of appropriate targets of their interests with the interests of the Company to the long term. The alignment with the long-term interests of the Company is reinforced by the circumstance that the current Chairman of the Board of Directors and Chief Executive Officer is a member of the family who is the majority shareholder of the Company.

For this reason, the Remuneration Committee believes it is unnecessary, as a principle, to have a deferral on the variable remuneration. However, and subject to the possible existence of pluriannual goals, it may consider retaining part of the attributed variable remuneration, the one associated with the achievement of these pluriannual goals, in which a partial achievement does not guarantee full implementation. For the same reason, the Remuneration Committee deems unnecessary to determine the maximum potential amount of the remuneration, in aggregate and/or for any individual, to be paid to members of Corporate Bodies (with no prejudice to the above mentioned regarding the proportion between the fixed and the variable remuneration of the executive directors). Finally, and for these same reasons, it also finds unnecessary the inclusion of a claw back mechanism related to variable remuneration paid.

5. Pension Plan and fringe benefits

Additionally, the Company provides for a Retirement Pension Plan for Executive Directors which was approved by the General Meeting, which is described in point 76.

As established by the Remuneration Committee in 2010, life and health insurance fringe benefits for Directors with executive duties shall continue unchanged. These fringe benefits have no relevant weight on the remuneration of such directors, representing less than 1% of the total remuneration.

6. Revision Process

Ordinarily, at the end of each mandate, and extraordinarily, whenever justified, the Remuneration Committee will assess the need to propose to the shareholders general meeting, the revision of the remuneration policy, taking into account the aforementioned principles. With a view to applying, monitoring and defining possible proposals for revising the remuneration policy, the Committee meets at least once a quarter, in order to monitor the situation of the Company, and assess the adequacy of the corporate bodies' remuneration. In the exercise of its duties, the Remuneration Committee also requests the information and the internal and external studies (in this case, ensuring the competence and independence of the service providers that carry them out) that it deems relevant, and when needed, requests the participation of any directorates, departments and services of the Company.

7. Final remarks

The Company continues not to have any type of plan for the attribution of shares or share purchase options to directors, nor has there been any remuneration paid in the form of profit sharing.

The Company did not enter into any contracts with its Directors which mitigate the risk inherent to the remuneration variability set by the Company, nor is the same aware that any such contracts have been entered into between its Directors and third parties.

The absence of a deferral period for the variable component makes it unnecessary to have mechanisms to prevent the execution of contracts by Executive Directors that subvert the rationale of variable remuneration.

In accordance with the Remuneration Policy in force, the Company has not adopted and will not adopt any policy or perform any contracts or agreements with directors, members of the Audit Committee or members of the Company's Internal Committees, related to the performance of its functions, applicable notice periods, termination and payment clauses associated with the termination thereof.

Assessment of the Chairman of the Board of Directors and Chief Executive Officer in 2023

Having considered all the circumstances in which the Chairman of the Board of Directors and Chief Executive Officer carried out his activities, managing the difficult balance between inflation and rising cost prices, and the excellent results achieved in all performance indicators, quantitative and qualitative, considered relevant for the Group at the beginning of the year, the Remuneration Committee decided to award, as variable remuneration, the maximum value of €2,520,000, equivalent to 28 (twenty-eight) gross monthly base salaries, considering in the monthly base salary both the paid component by Jerónimo Martins, SGPS, SA, or paid by any of its direct or indirect subsidiaries.

The Remuneration Committee highlighted that this decision considered not only the Company's excellent financial results, but also the contributions to the Group's sustainable performance, given the very special circumstances that marked the year under analysis, having been able to demonstrate continuous progress in quantitative and qualitative measures of success, and reinforce a solid foundation for the future. In this regard, the members of the Remuneration Committee wanted to highlight the following factors that helped support the decision:

- The continuous and strong growth of all the Group's brands, both in volume and profitability; the impressive achievement of 25 billion euros in sales, with an increase of over 4,5 billion euros, corresponding to a growth of 21.5% compared to the previous year, achieved almost without reducing the EBITDA margin, despite the increase in cost structure resulting from disruptions in the supply chain resulting from the pandemic and the invasion of Ukraine by Russia;

- Successful implementation of the Colombia strategy, strengthening sales potential, improving market share and achieving positive EBITDA; the decision to offer Colombian consumers better prices than those underlying the country's food inflation, although at a sacrifice in terms of gross margin, made Ara a preferred brand, with notable LfL growth above 35% and global growth above 60% of sales. As a result, Ara became the third player in the country (already with more than a thousand stores) and achieved a positive EBITDA of 18 million euros[9]. These results confirm that Colombia has the potential to become not only a source of growth, but also of profitability, with impact in the short and medium term;

- Achievement of breakeven at Hebe, with a 47% growth in e-commerce, improving the Group's experience in the online market; with a price change well below global inflation and an LfL growth of 25%, Hebe is consolidating its brand, not only in Poland, but also in neighboring countries such as Slovakia and the Czech Republic, through the online channel, and create conditions to become an additional source of profitable growth, increasing its participation in the group's budget;

- Indisputable progress in a broad set of sustainable development criteria for the business; It should be noted that more than 50 ESG analysts and investors are scrutinizing the Group's activity, classifying the Company as the undisputed leader in its sector; Included on the "A list" of companies in the world with the best environmental performance in climate change and water management as a critical resource, it is also the only food retailer worldwide to achieve the "A-" classification in terms of combating deforestation. No less relevant, the Company's efforts to promote workers' rights and gender equality were recognized by various entities such as the Global Child Forum - with a score of 7.6 out of 10, one point above the previous year, and 5 points above the sector average - , Bloomberg (Gender Equality Index), with an increase compared to 2021 of 3.66%, and a total of 75.21%, or

[9] Excluding the application of the IFRS16 accounting standard.

even the Equileap analysis, which positioned the Company 11% above the industry average;

- Investments in leadership and in corporate responsibility policies and measures that allow Jerónimo Martins not to lose competitiveness in the job market in the future; Despite the record net results achieved, exceeding 620 million euros[10], social cohesion in the communities where the Company operates has become an important concern of its leaders, with donations to support various social institutions that reached more than 71 million euros, 39% above 2021, not including the activity of the Biedronka Foundation already recognized by Polish society. It is also worth highlighting the 33% increase in the amount allocated to bonuses paid to employees, reaching 289 million euros, making the objective of being a reference employer a major priority;

- Commitment in evaluating and identifying opportunities for developing the agri-food business, not only as a differentiating factor, but as a growth lever; the business plan prepared, supported by the actions already carried out, allows Jerónimo Martins to understand the role of agriculture in JM's portfolio: the development of specific products will produce the differentiation factor initially thought, and a gradual orientation towards the external market will allow a significant source of growth ; The partnerships will bring the Company additional knowledge to invest with a long-term mentality that enables productive and sustainable processes that result in differentiated, tasty and high-quality products

70. Information on How Remuneration is Structured so as To Enable the Aligning of the Interests of the Members of the Board of Directors With the Company’s Long-Term Interests And How It Is Based on the Performance Assessment and How It Discourages Excessive Risk Taking

As results from the Remuneration Policy described in point 69, remuneration is structured in a way that allows alignment between the interests of the Board Members with the long-term interests of the Company.

The existence of fixed and variable components of remuneration and the fact that the definition of the variable remuneration depends of a framework of key quantitative and qualitative business dimensions and key performance indicators (KPI’s), being the definition of the variable component of the CEO remuneration based on the achievement of those KPI’s foreseen in the Group’s business plans approved by the Board of Directors, cause that management’s evaluation is made taking into attention the interests of the Company and its shareholders not only in the short term, but also in the middle and long-term.

Within the parameters of the remuneration policy in force, and to ensure alignment with market best practices, the Remuneration Committee deemed adequate to review again the process of defining targets and assess performance for Directors with executive duties, namely the Chief Executive Officer, having followed-up the progress in both qualitative and quantitative targets on a quarterly basis. It also defined clear and measurable qualitative targets, namely by getting access to ESG (Environmental, Social and Governance) reports.

Based on a rigorous and thorough analysis of multiple sources of evidence both internal and independent, the Remuneration Committee followed closely the progress of several performance indicators, both quantitative (sales growth, net earnings, EVA and gearing) and qualitative (strategic direction and resources allocation / investments, organizational health and talent management, and multi-stakeholder relations).

As referred in point 69., the Company did not enter into any contracts with its Directors which intend to mitigate the risk inherent to the variability of remuneration set by the Company.

[10] Excluding the application of the IFRS16 accounting standard.

71. Reference to There being a Variable Remuneration Component and Information on Any Impact of the Performance Appraisal on This Component

The remuneration of Directors with executive duties is comprised of a variable component depending, also, of a performance review depending on the effective delivery of the objectives and targets, measured by the behaviour of the quantitative and qualitative indicators. See points 69. and 70.

72. The Deferred Payment of the Remuneration's Variable Component and Specification of Relevant Deferral Period

There is no deferred payment of the remuneration's variable component. See point 69.

73. The Criteria Whereon the Allocation of Variable Remuneration on Shares is Based, and Also on Maintaining Company Shares That The Executive Directors Have Had Access To, On the Possible Share Contracts, Including Hedging or Risk Transfer Contracts, the Corresponding Limit, and Its Relation to the Total Annual Remuneration Value

The Company does not have any type of plan for attribution of shares to Directors.

74. The Criteria Whereon the Allocation of Variable Remuneration on Options is Based and details of the Deferral Period and the Exercise Price

The Company does not have any plan for the attribution of share purchase options to Directors.

75. The Key Factors and Grounds for Any Annual Bonus Scheme and Any Additional Non-Financial Benefits

See points 69. to 71. Directors with executive duties also receive life and health insurance fringe benefits.

76. Key Characteristics of the Supplementary Pensions or Early Retirement Schemes For Directors and Statement on the Date When Said Schemes Were approved at the General Meeting, on an Individual Basis

At the 2005 Annual General Meeting, a Retirement Pension Plan for Executive Directors was approved.

It is a Defined Contribution Pension Plan, in which the value of the contribution is fixed in advance – the percentage of the monthly deduction for the Fund is currently 25% - the value of the benefits varying depending on the earnings obtained. The Remuneration Committee defines the contribution rate of the Company.

Plan Participants, as defined in the respective regulation, include the Executive Directors of the Company. In the specific case of Executive Directors in office at the time of the 2005 General Meeting, those who opted for the current Pension Plan would forego eligibility for the Alternative Pension Plan, by way of expressly and irrevocably waiving it.

The retirement date coincides with the day itself or the first day of the month following the month in which the Participant reaches normal retirement age, as established into the General Social Security Scheme. A Participant will be considered to be in a state of total and permanent invalidity if recognised as such by the Portuguese Social Security.

The pensionable salary is the gross monthly salary paid by the Company and any of its direct or indirect subsidiary companies, multiplied by 14 and divided by 12. To this fixed monthly amount is added, at the end of each calendar year, a variable amount comprising all the amounts received as variable remuneration from said Company and subsidiary companies.

The Remuneration Committee may determine the Company to make extraordinary contributions on behalf of the Participants, including through the redemption of life insurance, if this proves to be appropriate in light of the reasons that led the shareholders to approve such an amendment to the Pension Plan in 2020 This possibility is in accordance with the remuneration policy in force, namely in the case of short contributory careers or misaligned with the benchmark or in the event of a mismatch between the contribution period and the career at the service of the Company.

Whenever the Participant, despite continuing to meet eligibility conditions, starts to perform a function that, under the Remuneration Policy that is in force, does not provide for the existence of variable remuneration, to the mentioned fixed amount will be added, annually, an amount corresponding to the last variable remuneration earned, updated in the same proportion as the fixed remuneration.

Additionally, concerning Directors who were in office at the date of the said 2005 General Meeting, the complementary pension or retirement system regime applies, and under the terms of the respective Regulation, Directors have the right to a Complementary Pension at retirement age, cumulatively, when they: i) are over 60 years old; ii) have performed executive functions; and iii) have performed the role of a Director for more than 10 years. This supplement was established in the 1996 Annual General Shareholders' Meeting and only those Directors that have not opted for the Retirement Pension Plan mentioned above may benefit from this supplement.

The Retirement Pension Plan revoked and substituted, as from the date of its approval, on 30th March 2005, the complementary retirement plan that already existed in the Company without prejudice to acquired rights.

Subsection IV - Remuneration Disclosure

77. Details on the Amount Relating to the Annual Remuneration Paid as a Whole and Individually to Members of the Company’s Board of Directors, Including Fixed and Variable Remuneration and as Regards the Latter, Reference to the Different Components That Give Rise to Same

The gross remuneration of the members of the Board of Directors, paid by the Company during 2023, totaled 3,302,000 euros, corresponding to 1,440,000 euros of fixed remuneration, 882,000 euros of variable remuneration and 980,000 euros of ordinary contributions to the retirement pension plan.

In the chart below reference is made, pursuant to paragraph 2 of Art. 26-G PSC, to the gross remuneration paid individually to the Members of the Board of Directors:

Director	Remuneration Paid (euros)		
	Fixed Component	Variable Component *	Retirement Pension Plan
Pedro Soares dos Santos	490,000	882,000	980,000
Andrzej Szlęzak	105,000	-	-
António Viana-Baptista	100,000	-	-
Artur Stefan Kirsten	100,000	-	-
Clara Christina Streit	100,000	-	-
Elizabeth Ann Bastoni	100,000	-	-
Francisco Seixas da Costa	100,000	-	-
José Soares dos Santos[1]	-	-	-
Maria Ángela Holguín Cuéllar	100,000	-	-
Natalia Anna Olynec	105,000	-	-
Sérgio Tavares Rebelo	140,000	-	-

* Annual variable remuneration fixed and paid in 2023, following the performance assessment for the year 2022

[1] Waived the remuneration for the entire term of office.

In the following charts, the provisions of Article 26-G CVM are complied with, with reference to the disclosure of the total remuneration earned by the Members of the Board of Directors, including the amounts paid by subsidiary companies referred to in point 78.

In the chart below reference is made, pursuant to paragraph 2 of Art. 26-G PSC, to the relative proportion of each of the remuneration components, considering the gross total amounts paid individually to the Members of the Board of Directors:

Director	Remuneration Paid (% of annual total)		
	Fixed Component (%)	Variable Component* (%)	Retirement Pension Plan (%)
Pedro Soares dos Santos	28.57	51.43	20.00
Andrzej Szlęzak	100	-	-
António Viana-Baptista	100	-	-
Artur Stefan Kirsten	100	-	-
Clara Christina Streit	100	-	-
Elizabeth Ann Bastoni	100	-	-
Francisco Seixas da Costa	100	-	-
José Soares dos Santos[1]	-	-	-
Maria Ángela Holguín Cuéllar	100	-	-
Natalia Anna Olynec	100	-	-
Sérgio Tavares Rebelo	100	-	-

* Annual variable remuneration fixed and paid in 2023, following the performance assessment for the year 2022

[1] Waived the remuneration for the entire term of office.

In the charts below is provided the information required under the terms of paragraph 2 of Art. 26-G PSC, i.e., the annual variations of the gross remuneration amounts paid individually by the Company, and by the companies referred to in point 78., to the Members of the Board of Directors, as well as of the average remuneration paid to full-time employees of the Company in equivalent terms, in the last five years, and the performance indicators verified:

Chairman & CEO		2018	2019	2020	2021	2022	2023
Pedro Soares dos Santos	Fixed Remuneration (€)	630,000	685,000	700,000	910,000	1,160,000	1,400,000
	Variable Remuneration (€)[1]	990,000	1,080,000	1,400,000	1,550,000	1,820,000	2,520,000
	Ordinary Contributions to Pension Plan (€)	283,500	306,396	476,875	615,000	740,833	980,000
	Total Remuneration including Ordinary Pension Plan Contributions (€)	1,903,500	2,071,396	2,576,875	3,075,000	3,720,833	4,900,000
	% Change	**-**	**8.8**	**24.4**	**19.3**	**21.0**	**31.7**
	Extraordinary Contribution to Pension Plan[2] (€)	-	-	-	9,300,00	-	-
	Total Remuneration including Ordinary Pension Plan Contributions and Extraordinary Contribution (€)	1,903,500	2,071,396	2,576,875	12,375,00	3,720,833	4,900,000
	% Change	-	8.8	24.4	380.2	-69.9	31.7

[1] Variable Remuneration paid in a specific year is related to the previous year performance.

[2] Extraordinary contribution to the Pension Plan awarded in 2021 by decision of the Remuneration Committee to correct the identified deviation.

Non-Executive Directors		2018	2019	2020	2021	2022	2023
Andrzej Szlęzak	Fixed Remuneration (€)	133,000	123,000	133,000	133,000	149,000	165,000
	% Change	-	-7.5	8.1	0	12	10.7
António Viana-Baptista	Fixed Remuneration (€)	80,000	80,000	80,000	80,000	100,000	100,000
	% Change	-	0	0	0	25	0
Artur Stefan Kirsten	Fixed Remuneration (€)	80,000	80,000	80,000	80,000	100,000	100,000
	% Change	-	0	0	0	25	0
Clara Christina Streit	Fixed Remuneration (€)	80,000	80,000	80,000	80,000	100,000	100,000
	% Change	-	0	0	0	25	0
Elizabeth Ann Bastoni	Fixed Remuneration (€)	-	80,000	80,000	80,000	100,000	100,000
	% Change	-	-	0	0	25	0
Francisco Seixas da Costa	Fixed Remuneration (€)	80,000	80,000	80,000	80,000	100,000	100,000
	% Change	-	0	0	0	25	0
José Soares dos Santos	Fixed Remuneration (€)	-	80,000	-	-	-	-
	% Change	-	-	n.a.[1]	-	-	-
Maria Ángela Holguin Cuéllar	Fixed Remuneration (€)	-	100,000	130,000	130,000	144,000	160,000
	% Change	-	-	30	0	10.8	11.1
Natalia Anna Olynec	Fixed Remuneration (€)	-	-	-	-	105,000	105,000
	% Change	-	-	-	-	-	0
Sérgio Tavares Rebelo	Fixed Remuneration (€)	220,000	190,000	220,000	220,000	228,000	260,000
	% Change	-	-13.6	15.8	0	3.6	14

[1] The variation from 2019 to 2020 is not applicable due to the renounce of remuneration presented by the Director.

Company Associates		2018	2019	2020	2021	2022	2023
Total Remuneration[1]	FTE Average Remuneration (€)[2]	102,140	102,787	105,857	106,928	126,211	130,190
	FTE Average Remuneration - % Change[3]	-	4.7	6.5	5.6	24.5	16.1

[1] Includes fixed and variable remuneration earned, as well as includes annual contributions to the Pension Plan.
[2] For the average total remuneration are considered employees who are active, full-time and and performing duties throughout the year under review.
[3] Annual variations were calculated on a constant basis of employees between year N and N-1, in order to exclude from this indicator the effects of new hires in year N.

Jerónimo Martins Group Performance		2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)
Key Performance Indicators	Sales Growth (at constant exchange rates)	6.8	8.4	6.7	10.7	23.9	18.1
	EBITDA growth[1] (at constant exchange rates)	3.9	9.3	0.5	17.5	23.7	13.0
	∆ Ordinary Net Earnings attributable to JM[1]	3.2	8.9	-10.2	30.1	34.2	18.7
	Pre-tax Return on Invested Capital[1]	28.5	30.5	29.7	42.6	57.0	58.0

[1] The values of these indicators exclude the application of the IFRS16 accounting standard (in order to be fully comparable over the 5-year period). The ordinary net result refers to the consolidated amount attributable to Jerónimo Martins, SGPS, SA.

78. Any Amounts paid, For Any Reason Whatsoever, By Other Companies in a Control or Group Relationship, or are Subject to a Common Control

Additionally to the amounts referred to in point 77., amounts were paid by other companies in a control or group relationship or subject to a common control, according to number 1 of article 2, paragraph g), of Decree-Law no. 158/2009, of 13th July, to Directors during 2023 totalling 2,788,000 euros, being the gross individual amounts paid detailed, pursuant to paragraph 2 of article 26-G PSC, in the chart below:

Director	Amounts Paid (euros)	
	Fixed Component	Variable Component *
Pedro Soares dos Santos[1]	910,000	1,638,000
Andrzej Szlęzak[2]	60,000	-
María Ángela Holguín Cuéllar[2]	60,000	-
Sérgio Tavares Rebelo[2]	120,000	-

* Annual variable remuneration fixed and paid in 2023, following the performance assessment for the year 2022.

[1] For exercise of management duties.

[2] For exercise of functions in supervisory board

79. Remuneration Paid in the Form of Profit-Sharing and/or Bonus Payments and The Reasons For Said Bonuses or Profit Sharing Being Awarded

The Company did not pay to Directors any remuneration in the form of profit-sharing or bonuses (other than the variable remuneration referred in points 77. and 78., set according to the Remuneration Policy described in point 69.).

80. Compensation Paid or Owed to Former Executive Directors Concerning Contract Termination During the Financial Year

No payment was made, nor there is any payment obligation whatsoever, in the event of termination of functions during the term of the Board of Directors.

81. Details of the Annual Remuneration Paid, as a Whole and Individually, to the Members of the Company's Supervisory Board for the Purposes of §2 of Art. 26-G PSC

The gross remuneration paid, during 2023, to the Members of the Audit Committee, in such quality, as a whole was 75,000.00 euros, being the gross individual amounts paid detailed, pursuant to paragraph 2 of Art. 26-G PSC, in the chart below:

Audit Committee	Remuneration Paid (euros)			
	Fixed Component	%	Variable Component	%
Clara Christina Streit (President)	25,000	100	-	-
Elizabeth Ann Bastoni	25,000	100	-	-
Sérgio Tavares Rebelo	25,000	100	-	-

In the chart below is provided the information required under the terms of paragraph 2 of Art. 26-G PSC, i.e., the annual variations of the remuneration amounts paid individually by the Company to the Members of the Audit Committee, in the last five years:

Audit Committee		2018	2019	2020	2021	2022	2023
Clara Christina Streit (President)	Fixed Remuneration (€)	20,000	20,000	20,000	20,000	25,000	25,000
	% Change	-	0	0	0	25	0
Elizabeth Ann Bastoni	Fixed Remuneration (€)	-	20,000	20,000	20,000	25,000	25,000
	% Change	-	-	0	0	25	0
Sérgio Tavares Rebelo	Fixed Remuneration (€)	20,000	20,000	20,000	20,000	25,000	25,000
	% Change	-	0	0	0	25	0

The information regarding the annual variations in the average remuneration paid to full-time employees of the Company in equivalent terms, in the last five years, and the performance indicators verified in the same period are referred to in point 77.

82. Details of the Remuneration in Said Year of the Chairman of the Presiding Board to the General Meeting

The remuneration paid by the Company to the Chairman of the Board of the General Shareholder's Meeting in the year was 10,000 euros.

Subsection V - Agreements with Remuneration Implications

83. The Envisaged Contractual Restraints for Compensation Payable for the Unfair Dismissal of Directors and the Relevance Thereof to the Remuneration's Variable Component

There are no contractual restraints for the compensation payable in the event of dismissal of Directors without due cause. This matter is regulated by the applicable law.

Likewise, the termination of duties of members of the Company's committees shall be governed by the provisions of the applicable legislation.

In any case, it is reaffirmed, as was already stated in Point 69., that, in accordance with the Remuneration Policy approved at the 2021 General Meeting, the Company has not and will not adopt any policy or execute any contracts or agreements with directors, members of the Audit Committee or members of the Company's Internal Committees, related to the performance of their duties, applicable notice periods, termination and payment clauses associated with the termination thereof.

84. Reference to the Existence and Description, With Details of the Sums Involved, of Agreements Between the Company and Members of the Board of Directors and Managers, Pursuant to Art. 29-R/1 of the Securities Code That Envisage Compensation in the Event of Resignation or Unfair Dismissal or Termination of Employment Following a Takeover Bid (Art. 29-H/1/k) PSC)

There are no agreements between the Company and members of the Managing bodies, officers or employees that foresee indemnity payments in the event of resignation, dismissal without due cause, or termination of the labour relationship as a consequence of change in the Company's control.
See, also, Points 69. and 83.

Subsection VI - Share Allocation and/or Stock Option Plan

85. Details of the Plan and the Number of Persons Included Therein

The Company does not have any plan in force to attribute shares or options to acquire shares.

86. Characteristics of the Plan (Allocation Conditions, Non-Transfer of Share Clauses, Criteria on Share-Pricing and the Exercising Option Price, the Period During Which the Options May be Exercised, the Characteristics of the Shares or Options to be Allocated, the Existence of Incentives to Purchase and/or Exercise Options)

The Company does not have any plan in force to attribute shares or options to acquire shares.

87. Stock Option Plans for the Company Employees and Staff

The Company does not have any plan in force to attribute options to acquire shares.

88. Control Mechanisms for a Possible Employee-Shareholder System Inasmuch as the Voting Rights are not Directly Exercised by Said Employees (Art. 29-H/1/e) PSC)

There is no employee-shareholder system in the Company.

Section E – Related Party Transactions

Subsection I - Control Mechanisms and Procedures

89. Mechanisms Implemented by the Company For the Purpose of Controlling Transactions With Related Parties

Business between the Company and the Members of the Board; Conflicts of Interest

Any dealings that may exist between the Company and its Board Members are subject to the provisions of Art. 397 CCC, and may only be entered into if so authorised by a resolution of the Board of Directors, for which the interested Director cannot vote, and that authorisation must be preceded by a favourable opinion from the Audit Committee.

Taking into account the election of Andrzej Szlęzak (partner in the firm of lawyers Sołtysiński Kawecki & Szlęzak (SK&S), one of the Jerónimo Martins Group's External Legal Counsels) for the position of Director of Jerónimo Martins for the term 2013-2015, the Board of Directors authorized, since 2013, within the terms of paragraph 2 of Art. 397 CCC and following the favourable opinion of the Audit Committee, the maintenance of the contract between the Companies and its subsidiaries and the above-mentioned law firm for the provision of legal services.

In the event of a conflict of interest between a director, on his own behalf or that of a third party, and the Company, the provisions of the Anti-Corruption Policy referred above in Point 49 are applicable, without prejudice to what is said below.

In these cases, paragraph 6 of Art. 410. CSC is also applicable. Thus, this director cannot vote on the resolutions that the Board of Directors of the Company may adopt regarding any matter in which there is a divergence between the interest, direct or indirect, of the director, and the interest of the company, and such director must inform the Chairman of the Board of Directors regarding such a conflict situation.

Business between the Company and Other Related Parties

In order to allow the Audit Committee to assess whether any existing related parties transactions have been carried out in the ordinary course of business and concluded on normal market terms and also to enable the Audit Committee, whenever required, to issue their prior opinion on any related parties transactions or transactions that may lead to conflicts of interest, the Board of Directors adopted with a binding favorable opinion from the Audit Committee, the procedure described below in point 91.

90. Details of Transactions That Were Subject To Control in the Referred Year

In 2023, there were no transactions that would fall into the scope of the criteria foreseen in points 89. and 91. and, consequently, there were no transactions subject to control.

The Audit Committee verified the half-yearly reports, which detail all transactions with related parties carried out in the last six months, which were performed within the ordinary course of business and under normal market terms, therefore not submitted to a prior opinion according to the procedure described in point 91.

91. A Description of the Procedures and Criteria Applicable to the Supervisory Body When Same Provides Preliminary Assessment of the Business Deals to be Carried Out Between the Company and the Holders of Qualifying Holdings or Entity-Relationships With the Former, as Envisaged in Art. 20 of the Securities Code

According to the procedure adopted by the Company, to which is made reference in point 89, in order to allow the Audit Committee to assess whether any existing related parties transactions have been carried out in the ordinary course of business and concluded on normal market terms and also to enable the Audit

Committee, whenever required, to issue their prior opinion on any related parties transactions or transactions that may lead to conflicts of interest, the following rules shall apply.

The Group controller will keep an updated (non-exhaustive) list of the entities that may qualify as Related Parties, having the Group Controller to share every year with the competent functional divisions of the Company and with the CEOs and CFOs of the different Company's subsidiaries the updated definition of Related Parties in accordance with IAS 24, the above mentioned list, as well as a copy of the applicable procedure.

The competent functional divisions of the Company as well as the CEOs and CFOs of the different Company's subsidiaries will report to the Company's Secretary any negotiation in course with a third party (not limited to the list referred to above) that may give rise to a Related Party Transaction (i.e. a transaction between the Company and/or its subsidiaries and a Company's related party).

The report mentioned in the previous paragraph will include:

- the object, purpose and opportunity of the potential Related Party Transaction from the point of view of the Company and/or the subsidiary' business;
- the nature of the potential Related Party Transaction, with the demonstration that its terms and conditions are similar, or at least more favorable, to those that the Company and/or the subsidiary would obtain in comparison to those generally available on the market, or those offered to or by a third party in equivalent circumstances;
- the description of existing relationships with the Related Party, and the interest of the Related Party and other counterparties in the transaction;
- the financial amount involved in the Transaction with the Related Party, as well as in the set of deals eventually carried out with that Related Party in the previous 12 (twelve) months or in the same fiscal year; and
- any other information that may be relevant given the circumstances of the specific transaction.

The Company Secretary will collect all related parties transactions under negotiation and, if necessary, assess together with the Group General Counsel and the Group Controller if said transactions may be considered as carried out in the ordinary course of business of the Company and/or its subsidiaries and concluded on normal market terms.

Any Related Party Transaction that cannot be considered as carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal market terms can only be concluded after being approved by a resolution of the Company's Board of Directors, preceded by an opinion of the Company's Audit Committee, having the Company's Secretary to provide for the intervention of the mentioned corporate bodies, as timely as possible.

Related Party Transactions that may be considered carried out in the ordinary course of business of the Company and/or its subsidiaries and concluded on market terms will follow the normal procedure for approval, under the applicable laws, bylaws, regulations and delegations of powers.

If the Related Party transaction is approved by the Board of Directors and its amount (or aggregated amount) is equal or greater than 2.5% of Consolidated Assets of the Company, the Company will make the public disclosure of the transaction. This disclosure should include:

- The identification of the related party;
- Information on the nature of the relationship with related parties;
- The date and amount of the transaction;
- The reasons for the fair and reasonable nature of the transaction, from the point of view of the Company and its Shareholders, that are not related parties, including minority shareholders;
- The opinion of the Company's Audit Committee.

Transactions (except for consumer transactions) between the Company and/or its subsidiaries and:

- Francisco Manuel dos Santos family members, either directly or through entities in which they hold a financial interest and/or a key management position (not including entities within the scope of the group of companies and joint ventures headed by Sociedade Francisco Manuel dos Santos, SGPS, S.E, to which, nevertheless the procedure described above will apply entirely);

- persons discharging managerial responsibilities in the Company, either directly or through entities in which they hold a financial interest and/or a key management position,

irrespective of qualifying as Related Parties Transactions and/or despite being carried out in the ordinary course of business of the Company and/or its subsidiaries and concluded on market terms, will always have to be subject to the prior opinion of the Company's Audit Committee (being applicable with the necessary adaptations to Transactions mentioned herewith that do not qualify as Related Parties Transactions, the procedures described above involving the reporting of situations to the Company Secretary, the collection of information by the same, and its approval, except in what refers to the need of intervention of the Board of Directors, unless such intervention is required by applicable laws, bylaws, regulations and delegations of powers).

The provisions hereof are without prejudice of what is foreseen in Art. 397 of the CCC regarding transactions with Directors as referred in point 89.

Every six months, the Company's Secretary will provide the Company's Audit Committee with a detailed report identifying the related parties' transactions that have occurred in the past six months and have not been submitted to such Committee's prior opinion. Such report will include the relevant information referred above.

If the Company's Audit Committee assesses that the procedure above has not been observed, it will immediately inform the Company's Board of Directors of such situation.

Subsection II - Data on Business Deals

92. Details of the Place Where the Financial Statements Including Information on Business Dealings With Related Parties Are Available, in Accordance With IAS 24

The information concerning business dealings with related parties may be found on note 25 – Related Parties, in the Consolidated Financial Statements, of Chapter 3 of the Annual Report and Accounts.

Part II – Corporate Governance Assessment

1. Details of the Corporate Governance Code Implemented

The Company adopted IPCG's Corporate Governance Code (which is available on IPCG's website at https://cgov.pt/codigo-de-governo-das-sociedades/o-codigo/cgs-em-vigor), having considered that the same ensures an adequate level of protection of its shareholders' interests, and company governance transparency.

The Company is also governed by its Code of Conduct and other codes and policies, namely, the Anti-Corruption Policy, whose content is linked to corporate governance matters, and which may be consulted on its website. All of its corporate bodies are governed by regulations, which are documented and available on the Company's website at https://www.jeronimomartins.com/en/ .

2. Analysis of Compliance with the Corporate Governance Code Implemented

2.1. Statement of Compliance

The Company complies in its essence with the Recommendations of IPCG in the Corporate Governance Code of 2018 (revised in 2023). It is accepted, however, that there are some recommendations that were not adopted in their entirety as it is better explained below, without prejudice to the explain presented.

The following shows the breakdown of the recommendations contained in IPCG's Code of Corporate Governance (2018 revised in 2023) that were adopted, partially adopted, not adopted and not applicable, as well as reference to the text of the Report where the compliance or justification for not adopting or partially adopting these recommendations may be found.

The Company clarifies that, with regard to the recommendations of multiple significance, referred to in the Update of the Table of Multiple Recommendations of the IPCG CGS revised in 2023, when, in the table below it is stated that a certain recommendation has been adopted by the Company, it is to be understood that the Company considers that all "sub-recommendations" in the scope of such recommendation have been adopted, without prejudice to, in specific cases, the recommendation in question not being applicable *in totum* to the Company, which is identified in the table.

When the Company considers to have partially adopted a certain recommendation, reference is made in the table as to the "sub-recommendations" that the Company considers to have partially adopted and the justification concerning the "sub-recommendations" that were not adopted is disclosed in the subparagraphs of point 2.1., presented below the table.

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
Chapter I. COMPANY'S RELATIONSHIP WITH SHAREHOLDERS, INTERESTED PARTIES AND THE COMMUNITY AT LARGE		
I.1.1. The company specifies in what terms its strategy seeks to ensure the fulfilment of its long-term objectives and what are the main contributions resulting herefrom for the community at large.	Adopted	Part I, Section B, Sub-section II, point 21
I.2. The company identifies the main policies and measures adopted with regard to the fulfilment of its environmental and social objectives.	Adopted	Part I, Section B, Sub-section II, points 21 and 29, Section C, Sub-section II, point 49, Sub-section III, point 53

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
Chapter II. COMPOSITION AND FUNCTIONING OF THE CORPORATE BODIES		
II.1.1. The Company establishes mechanisms to adequately and rigorously ensure the timely circulation or disclosure of the information required to its bodies, the company secretary shareholders, investors, financial analysts, other stakeholders and the market at large.	Adopted	Part I, Section B, Sub-section II, point 21, and Part I, Section C, Sub-section IV, points 56 and 58
II.2. Diversity in the composition and functioning of the corporate bodies		
II.2.1. Companies establish, previously and abstractly, criteria and requirements regarding the profile of the members of the corporate bodies that are adequate to the function to be performed, considering, notably individual attributes (such as competence, independence, integrity, availability, and experience), and diversity requirements (with particular attention to equality between men and women), that may contribute to the improvement of the performance of the body and of the balance in its composition.	Adopted	Part I, Section B, Sub-section I, point 12, Sub-section II, points 16 to 19 and 26, Sub-section III, points 31 and 33
II.2.2. The management and supervisory bodies and their internal committees are governed by regulations – notably regarding the exercise of their powers, chairmanship, the frequency of meetings, operation and the duties framework of their members – fully disclosed on the website of the company, whereby minutes of the respective meetings shall be drawn up.	Adopted	Part I, Section B, Sub-section II, points 22 and 23, 27 and 29, Sub-section III, points 34 and 35, Section C, point 61
II.2.3. The composition and number of meetings for each year of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.	Adopted	Part I, Section B, Sub-section II, points 23 and 29, Sub-section III, point 35, Section C, Sub-section V, point 62
II.2.4. The companies adopt a whistle-blowing policy that specifies the main rules and procedures to be followed for each communication and an internal reporting channel that also includes access for non-employees, as set forth in the applicable law.	Adopted	Part I, Section B, Sub-section II, point 29, Section C, Sub-section II, point 49
II.2.5. The companies have specialised committees for matters of corporate governance, remuneration, appointments of members of the corporate bodies and performance assessment, separately or cumulatively. If the Remuneration Committee provided for in article 399 of the Portuguese Commercial Companies Code has been set up, the present Recommendation can be complied with by assigning to said committee, if not prohibited by law, powers in the above matters.	Partially Adopted (Sub-Recommendation II.2.5. (3))	Part I, Section B, Sub-section II, points 24, 25, 27 and 29, and Section D, Sub-section III, point 69, and Part II, point 2.1., sub. a)
II.3. Relations between corporate bodies		
II.3.1. The Articles of Association or equivalent means adopted by the company set out the mechanisms to ensure that, within the limits of the applicable law, the members of the management and supervisory bodies have permanent access to all necessary information to assess the performance, situation and development prospects of the company, including, specifically, the minutes of the meetings, the documentation supporting the decisions taken, the convening notices and the archive of the meetings of the executive management body, without prejudice to access to any other documents or persons who may be requested to provide clarification.	Adopted	Part I, Section B, Sub-section II, point 21
II.3.2. Each body and committee of the company ensures, in a timely and adequate manner, the interorganic flow of information required for the exercise of the legal and statutory flow of information required for the exercise of	Adopted	Part I, Section B, Sub-section II, points 21 and 29, Sub-section III, points 30 and 35

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
the legal and statutory powers of each of the other bodies and committees.		
II.4. Conflicts of interest		
II.4.1. By internal regulation or an equivalent hereof, the members of the management and supervisory bodies and of the internal committees shall be obliged to inform the respective body or committee whenever there are any facts that may constitute or give rise to a conflict between their interests and the interest of the company.	Adopted	Part I, Section B, Sub-section II, point 29, Section C, Sub-section II, point 49, Section E, Sub-section I, point 89
II.4.2. The company adopts procedures to ensure that the conflicted member does not interfere in the decision-making process, without prejudice to the duty to provide information and clarification requested by the body, committee or respective members.	Adopted	Part I, Section B, Sub-section II, point 29, Section C, Sub-section II, point 49, Sub-section III, point 54, Section E, Sub-section I, point 89
II.5. Transactions with related parties		
II.5.1. The management body discloses, in the corporate governance report or by other publicly available means, the internal procedure for verification of transactions with related parties.	Adopted	Part I, Section E, Sub-section I, points 89 and 91

Chapter III · SHAREHOLDERS AND GENERAL MEETINGS		
III.1. The company does not set an excessively large number of shares to be entitled to one vote and informs in the corporate governance report of its choice whenever each share does not carry one vote.	Adopted	Part I, Section B, Sub-section I, point 12
III.2. The company that has issued special plural voting rights shares identifies, in its corporate governance report, the matters that, pursuant to the company's Articles of Association, are excluded from the scope of plural voting.	Not applicable	
III.3. The company does not adopt mechanisms that hinder the passing of resolutions by its shareholders, specifically fixing a quorum for resolutions greater than that foreseen by law.	Adopted	Part I, Section B, Sub-section I, points 12 and 14
III.4. The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.	Adopted	Part I, Section B, Sub-section I, point 12
III.5. The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically.	Adopted	Part I, Section B, Sub-section I, point 12
III.6. The Articles of Association of the company that provide for the restriction of the number of votes that may be held or exercised by one single shareholder, either individually or jointly with other shareholders, shall also foresee that, at least every five years, the general meeting shall resolve on the amendment or maintenance of such statutory provision — without quorum requirements greater than that provided for by law — and that in said resolution, all votes cast will be counted without observation of the imposed limits.	Not applicable	Part I, Section B, Sub-section I, point 13
III.7. The company does not adopt any measures that require payments or the assumption of costs by the company in the event of change of control or change in the composition of the management body and which are likely to damage the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the Directors.	Adopted	Part I, Section A, Sub-section I, points 4 and 5, Section B, Sub-section I, point 12

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
Chapter IV · MANAGEMENT		
IV.1. Management Body and Executive Directors		
IV.1.1. The management body ensures that the company acts in accordance with its object and does not delegate powers, notably with regard to: i) definition of the corporate strategy and main policies of the company; ii) organisation and coordination of the corporate structure; iii) matters that shall be considered strategic due to the amounts, risk and particular characteristics involved.	Adopted	Part I, Section B, Sub-section II, point 21
IV.1.2. The management body approves, by means of regulations or through an equivalent mechanism, the performance regime for executive directors applicable to the exercise of executive functions by them in entities outside the group.	Not Adopted	Part I, Section B, Sub-section II, point 21, and Part II, point 2.1., sub. b)
IV.2. Management Body and Non-Executive Directors		
IV.2.1. Notwithstanding the legal duties of the chairman of the board of directors, if the latter is not independent, the independent directors - or, if there are not enough independent directors, the non-executive directors - shall appoint a coordinator among themselves to, in particular (i) act, whenever necessary, as interlocutor with the chairman of the board of directors and with the other directors, (ii) ensure that they have all the conditions and means required to carry out their duties, and (iii) coordinate their performance assessment by the administration body as provided for in Recommendation VI.1.1.; alternatively, the company may establish another equivalent mechanism to ensure such coordination.	Adopted	Part I, Section B, Sub-section II, point 21
IV.2.2. The number of non-executive members of the management body shall be adequate to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficient performance of the tasks entrusted to them, whereby the formulation of this adequacy judgment shall be included in the corporate governance report.	Adopted	Part I, Section B, Sub-section II, points 17 and 18
IV.2.3. The number of non-executive directors is greater than the number of executive directors.	Adopted	Part I, Section B, Sub-section II, points 17 and 18
IV.2.4. The number of non-executive directors that meet the independence requirements is plural and is not less than one third of the total number of non-executive directors. For the purposes of the present Recommendation, a person is deemed independent when not associated to any specific interest group in the company, nor in any circumstances liable to affect his/her impartiality of analysis or decision, in particular in virtue of: i. Having carried out, continuously or intermittently, functions in any corporate body of the company for more than twelve years, with this period being counted regardless of whether or not it coincides with the end of the mandate; ii. Having been an employee of the company or of a company that is controlled by or in a group relationship with the company in the last three years; iii. Having, in the last three years, provided services or established a significant business relationship with the company or with a company that is controlled by or in a group relationship with the company, either directly or as a partner, director, manager or officer of a legal person; iv. Being the beneficiary of remuneration paid by the company or by a company that is controlled by or in a group relationship with the company, in addition to remuneration stemming from the performance of the function of director;	Adopted	Part I, Section B, Sub-section II, points 17 and 18

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
v. Living in a non-marital partnership or being a spouse, relative or kin in a direct line and up to and including the third degree in a collateral line, of directors of the company, of directors of a legal person owning a qualifying stake in the company or of natural persons owning, directly or indirectly, a qualifying stake vi. Being a holder or representative of a shareholder of qualifying holding.		
IV.2.5. The provisions of paragraph (i) of the previous Recommendation do not prevent the qualification of a new Director as independent if, between the end of his/her functions in any corporate body and his/her new appointment, at least three years have elapsed (*cooling-off period*).	Not Applicable	

Chapter V . SUPERVISION		
V.1. With due regard for the competences conferred to it by law, the supervisory body takes cognisance of the strategic guidelines and evaluates and renders an opinion on the risk policy, prior to its final approval by the administration body.	Adopted	Part I, Section B, Sub-section II, point 29, Sub-section III, point 30, Section C, Sub-section III, points 50, 51, 52, 54 and 55
V.2. The number of members of the supervisory body and of the financial matters committee should be adequate in relation to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficiency of the tasks entrusted to them, and this adequacy judgement should be included in the corporate governance report.	Adopted	Part I, Section B, Sub-section III, point 31
	Not applicable Sub-Recommendation V.2.(2)	

Chapter VI · PERFORMANCE ASSESSMENT, REMUNERATION AND APPOINTMENTS		
VI.1. Annual Performance Assessment		
VI.1.1. The management body – or committee with relevant powers, composed of a majority of non-executive members - evaluates its performance on an annual basis, as well as the performance of the executive committee, of the executive directors and of the company committees, taking into account the compliance with the strategic plan of the company and of the budget, the risk management, its internal functioning and the contribution of each member to that end, and the relationship between the bodies and committees of the company.	Adopted	Part I, Section B, Sub-section II, points 21, 24, 25 and 27, and Section D, Sub-section III, points 69 and 70
VI.2. Remunerations		
VI.2.1. The company constitutes a remuneration committee, whose composition shall ensure its independence from the board of directors, whereby it may be the remuneration committee appointed pursuant to article 399 of the Commercial Companies Code.	Adopted	Part I, Section D, Sub-section I, point 66
VI.2.2. The remuneration of the members of the management and supervisory bodies and of the company committees is established by the remuneration committee or by the general meeting, upon proposal of such committee.	Adopted	Part I, Section D, Sub-section I, point 66, Sub-section II, point 67, Sub-section III, point 69
VI.2.3. The company discloses in the corporate governance report, or in the remuneration report, the termination of office of any member of a body or committee of the company, indicating the amounts of all costs related to the termination of office borne by the company, for any reason, during the financial year in question.	Adopted	Part I, Section B, Sub-section II, points 17, 23 and 29, Sub-section III, point 35

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
VI.2.4. In order to provide information or clarification to shareholders, the president or another member of the remuneration committee shall be present at the annual general meeting, and at any other general meeting, at which the agenda includes a matter related to the remuneration of the members of bodies and committees of the company, or if such presence has been requested by the shareholders.	Adopted	Part I, Section D, Sub-section II, point 67
VI.2.5. Within the budget constraints of the company, the remuneration committee may freely decide to hire, on behalf of the company, consultancy services that are necessary or convenient for the performance of its duties.	Adopted	Part I, Section D, Sub-section II, point 67, and Sub-section III, point 69
VI.2.6. The remuneration committee should ensure that those services are provided independently.	Adopted	Part I, Section D, Sub-section II, point 67
VI.2.7. The providers of said services are not hired by the company itself or by any company controlled by or in group relationship with the company, for the provision of any other services related to the competencies of the remuneration committee, without the express authorisation of the committee.	Adopted	Part I, Section D, Sub-section III, points 69 to 71
VI.2.8. In view of the alignment of interests between the company and the executive directors, a part of their remuneration has a a variable nature that reflects the sustained performance of the company, and does not encourage excessive risk-taking.	Adopted	Part I, Section D, Sub-section III, points 69 to 71
VI.2.9. A significant part of the variable component is partially deferred over time, for a period of no less than three years, and is linked to the confirmation of the sustainability of performance, in terms defined in the remuneration policy of the company.	Not Adopted	Part I, Section D, Sub-section III, points 69 and 72, and Part II, point 2.1.c)
VI.2.10. When the variable remuneration includes options or other instruments directly or indirectly subject to share value, the start of the exercise period is deferred for a period of no less than three years.	Not Applicable	Part I, Section D, Sub-section III, points 69 and 74
VI.2.11. The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value.	Adopted	Part I, Section B, Sub-section II, points 17 and 18, Section D, Sub-section III, point 69, and Sub-section IV, points 77 to 79 and 81
VI.3. Appointments		
VI.3.1. The company promotes, in the terms it deems adequate, but in a manner susceptible of demonstration, that the proposals for the appointment of members of the corporate bodies are accompanied by grounds regarding the suitability of each of the candidates for the function to be performed.	Adopted	Part I, Section B, Sub-section I, point 12, Sub-section II, points 16 to 19
VI.3.2. The committee for the appointment of members of corporate bodies includes a majority of independent directors.	Not Applicable	Part II, point 2.1., sub. d)
VI.3.3. Unless it is not justified by the size of the company, the task of monitoring and supporting the appointments of senior managers shall be assigned to an appointment committee.	Not Adopted	Part II, point 2.1., sub. e)
VI.3.4. The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective	Not Applicable	Part II, point 2.1., sub. f)

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organisation, an adequate diversity including regarding gender equality.		

Chapter VII · INTERNAL CONTROL		
VII.1. The management body discusses and approves the strategic plan of the company, which includes setting limits in matters of risk-taking.	Adopted	Part I, Section C, Sub-section III, points 50 to 52 and 54
VII.2. The company has a specialised committee or a committee composed of specialists in risk matters, which reports regularly to the management body.	Adopted	Part I, Section C, Sub-section III, point 52
VII.3. The supervisory body is organised internally, implementing periodic control mechanisms and procedures, in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the administration body.	Adopted	Part I, Section B, Sub-section III, point 30, and Section C, Sub-section III, points 50 and 52
VII.4. The internal control system, comprising the risk management, compliance, and internal audit functions, is structured in terms that are adequate to the size of the company and the complexity of the risk inherent to its activity, whereby the supervisory body shall assess it and, within the ambit of its duty to monitor the effectiveness of this system, propose any adjustments that may be deemed necessary.	Adopted	Part I, Section B, Sub-section III, point 30, and Section C, Sub-section III, points 52 and 55
VII.5. The company establishes procedures of supervision, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance and performance of such system, as well as the prospects for changing the previously defined risk framework.	Adopted	Part I, Section B, Sub-section III, point 30, and Section C, Sub-section III, points 50, 52 and 55
VII.6. Based on its risk policy, the company sets up a risk management function, identifying (i) the main risks to which it is subject in the operation of its business; (ii) the probability of their occurrence and respective impact; (iii) the instruments and measures to be adopted in order to mitigate such risks, and (iv) the monitoring procedures, aimed at following them up.	Adopted	Part I, Section C, Sub-section III, points 50 to 54
VII.7. The company establishes processes to collect and process data related to the environmental and social sustainability in order to alert the management body to risks that the company may be incurring and propose strategies for their mitigation.	Adopted	Part I, Section B, Sub-section II, points 21 and 29, Sub-section III, point 30, and Section C, Sub-section III, points 50, 52, 53 and 54
VII.8. The company reports on how climate change is considered within the organisation and how it takes into account the analysis of climate risk in the decision-making processes.	Adopted	Part I, Section B, Sub-section II, point 21, Section C, Sub-section III, point 53, Sub-section IV, point 56
VII.9. The company informs in the corporate governance report on the manner in which artificial intelligence mechanisms have been used as a decision-making tool by the corporate bodies.	Adopted	Part I, Section B, Sub-section II, point 21
VII.10. The supervisory body pronounces on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance and internal audit functions, and may propose the adjustments deemed to be necessary.	Adopted	Part I, Section B, Sub-section III, point 30, and Section C, Sub-section III, point 52

RECOMMENDATION	STATUS REGARDING THE ADOPTION	REFERRAL TO THE CGR TEXT
VII.11. The supervisory body is the addressee of reports made by the internal control services, including the risk management, compliance, and internal audit functions, at least when matters related to accountability, identification or resolution of conflicts of interest and detection of potential irregularities are concerned.	Adopted	Part I, Section B, Sub-section III, point 30, Section C, Sub-section III, points 50, 51, 55, and Section E, Sub-section I, point 91

Chapter VIII · INFORMATION AND STATUTORY AUDIT OF ACCOUNTS		
VIII.1. Information		
VIII.1.1. The regulations of the supervisory body requires that the supervisory body monitors the suitability of the process of preparation and disclosure of information by the management body, including the appropriateness of accounting policies, estimates, judgements, relevant disclosures and their consistent application from financial year to financial year, in a duly documented and reported manner.	Adopted	Part I, Section B, Sub-section III, point 30, and Section C, Sub-section V, point 61
VIII.2. Statutory Audit and Supervision		
VIII.2.1. By means of regulation, the supervisory body defines, in, accordance with the applicable legal regime, the supervisory procedures to ensure the monitoring procedures aimed at ensuring the independence of the statutory audit;	Adopted	Part I, Section B, Sub-section III, points 30 and 37
VII.2.2. The supervisory body is the main interlocutor of the statutory auditor within the company and the first addressee of the respective reports, and is competent, namely, for proposing the respective remuneration and ensuring that adequate conditions for the provision of the services are in place within the company.	Adopted	Part I, Section B, Sub-section III, points 30 and 37, Sub-section V, points 46 and 47
VIII.2.3. The supervisory body annually evaluates the work carried out by the statutory auditor, its independence and suitability for the exercise of its functions and shall propose to the competent body its dismissal or termination of the contract for the provision of its services whenever there is just cause to do so.	Adopted	Part I, Section B, Sub-section III, point 30, Sub-section V, point 45

In light of the text of the recommendations, the following recommendations, also referenced in the table above, were not fully complied with. The corresponding explanations are detailed below.

a) With reference to Recommendation II.2.5, the Company does not have a committee for the appointment of members of the corporate bodies, considering that such a committee would not be the most appropriate solution, given its specific characteristics. In addition to the fact that it is up to the shareholders of the Company, in a General Meeting, to elect the members of the corporate bodies, which implies that, if such a committee existed, it would necessarily have a merely informative, consultative and recommendatory role, the Company has a strong family nature, a factor that is evidenced even by the fact that the Company's CEO is currently Chairman of the Board of Directors of the majority shareholder of the Company itself. This strong family nature implies that the consideration of the proposals to be put to the vote by the shareholders is of particular importance and attracts special attention from the CEO (even for reasons of interdependence and coherence with the process of selection and appointment of senior managers – see subparagraph e) below) and the majority shareholder.
Additionally, it is worth remembering that the CMVM itself, in 2013, recognized that the existence of committees "(…) with powers to timely identify potential candidates with the high profile necessary to perform director functions" was not in line with the legally established regime – still currently in force – for appointing directors. The CMVM therefore promoted the suppression of the aforementioned provision, which was no longer included in the CMVM Corporate Governance Code in 2013.

b) What concerns Recommendation IV.1.2. it is explained that the Company complies with it partially, considering that, although a Regulation of the Board of Directors exists, it is not therein regulated the performance of executive functions by executive directors in entities outside of the Group. However, the objective of the Recommendation at stake is achieved considering that the Company is a family company, being that also the case of the family holding companies Arica Holding, B.V., Sociedade Francisco Manuel dos Santos, SGPS, S.E. and Sociedade Francisco Manuel dos Santos, B.V. that the Company's Chief Executive Officer is a member of the family that holds the majority of the share capital of the Company, what is foreseen in the Company's Regulation of the Board of Directors in force, the content of the current Delegation of Powers to the Chief Executive Officer and the legal obligations that impend over directors, e.g., duties of loyalty and, in particular, the duties of care that the same have to comply with, under Art. 64 CCC.

See, point 21. of Part I, Section B, Sub-section II.

c) With reference to Recommendation VI.2.9., it should be noted that the Company's Remuneration Policy does not provide for the deferred payment of all or part of the variable component of remuneration, and the Remuneration Committee believes that it has found, thus far, the mechanisms that allow the alignment of the interests of the Executive Directors with the long-term interests of the Company and the shareholders, enabling the sustained growth of the Company's business and the corresponding value creation for the shareholders. It has to be noted that the role of executive director of the Company has been performed by members of the family that holds the majority of the share capital of the Company and, therefore, the long-term alignment of interests between the executive management and the Company is naturally ensured.
It should also be noted that, under the terms of the Company's Corporate Bodies Remuneration Policy, should there be multi-annual objectives, the Remuneration Committee may consider retaining payment of part of the attributed variable remuneration, the one associated with the achievement of the aforementioned pluriannual goals.

See, point 69. of Part I, Section D, Subsection III.

d) Concerning Recommendation VI.3.2., see the explanation made in subparagraph a) above.

e) Concerning Recommendation VI.3.3., it has to be said that the Jeronimo Martins Group has been through a period of high growth, currently developing operations in three countries, and employing over 130,000.00 individuals. The Company's Human Resources Division developed the necessary studies and has implemented the appropriate mechanisms in order to manage its workers, at all levels, and to make available the necessary tools to the companies of the Group, both at the initial hiring and subsequently, in career management. Considering, additionally, the notorious family dimension of the Company, the Human Resources Policy and, the selection and hiring acquires special importance and requires special attention by the Chief Executive Officer, himself a member of the controlling family.

See, point 21 of Part I, Section B, Sub-section II ("Human Resources"), and the explanation in subparagraph b) above.

f) Concerning Recommendation VI.3.4., see the explanation made in subparagraph e).

3. Other Information

There is no other data or additional information, which is relevant for understanding the corporate governance model and practices adopted.

Jerónimo Martins

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CORPORATE RESPONSIBILITY IN VALUE CREATION

Jerónimo Martins

2023 NON-FINANCIAL REPORT

Corporate Responsibility in Value Creation

1. Corporate Responsibility: Overview of the Year

The year 2023 was marked by an international context of global instability, with the war between Russia and Ukraine continuing and a conflict breaking out between Israel and Hamas at the beginning of the last quarter of the year, as well as high levels of inflation and interest rates. These facts increase the uncertainty and the difficulties to an already challenging path companies are taking to ensure the fulfilment of ambitious sustainability targets, which are set, in most cases, on a voluntary basis. For instance, the fact that many countries have evaluated a return to energy sources like coal has made it harder – and more expensive – to access renewable energy. High interest rates over the past two years have also made it more difficult to maintain the investments needed to make businesses more sustainable, in addition to putting pressure on household budgets, already grappling with inflation, further increasing their price sensitivity.

Despite this challenging environment, in 2023 we continued to invest in the sustainable growth of our businesses and, for the fourth year running, we are the world's top-rated food retailer by CDP (Disclosure Insight Action) as a result of our top score (A) in the fight against climate change and for reaching the leadership level (A-) both in water management as a critical resource and in managing the commodities most associated with deforestation risk (palm oil, paper/timber, beef and soy).

Our carbon footprint continued its downward trajectory and, in 2023, we emitted 24% less CO_2 in absolute terms than in 2017 (scopes 1 and 2), the base year for assessing the degree to which we have met the target for this indicator. We also achieved a 60% reduction per 1,000 euros in sales, largely surpassing the 40% goal we set ourselves. This result compares with an 88% growth in sales over the same period.

By the end of 2023, photovoltaic panels had been installed to produce energy for self-consumption at around 780 stores and distribution centres. Our two largest Companies also stood out in the Lean & Green initiative: Biedronka kept its star and Pingo Doce achieved four stars, the first Portuguese and the fourth European company to do so.

Our good practices have been recognised internationally and, in 2023, we were listed on more than 130 sustainability indices, including the Euronext Vigeo-Eiris Eurozone 120 and Europe 120 indices and the FTSE4Good Developed and FTSE4Good Europe indices.

Food safety and quality remained a relevant topic for the stakeholders we surveyed again, this time in a double materiality assessment (impact and financial), in line with EU requirements. In this regard, the weight of Private Brand products and perishables with sustainability certification increased and now accounts for 13.4% of these categories (8.4% in 2022). Over 90% of our food purchases were sourced from local suppliers. In Portugal, Pingo Doce was the first and only food retailer to eliminate flavour enhancers, after having eliminated artificial colouring from all Private Brand products in 2022. Pingo Doce was also the first retailer to sell antibiotic-free and certified animal welfare approved national chicken. In the three countries where we operate, the nutritional reformulation of our Private Brand food products allowed us to avoid the consumption of 130.2 tonnes of sugar, 62.8 tonnes of fat and 25.2 tonnes of salt.

Internally, we invested 312 million euros in recognition measures awarded to our employees, who also benefited from the 36.3 million euros channelled towards internal social responsibility programmes and the 7.9 million euros invested in well-being measures. In Portugal, and for the third year running, the Group's holding company (which was awarded the seal of Excellence for the first time) and Recheio were again recognised as an Inclusive Employer Brand. Pingo Doce was awarded the coveted title for the first time.

Our banners also strengthened their work with the communities surrounding their stores and distribution centres. In 2023, the value of the direct support, offered both in cash and products, amounted to more than 87 million euros, an increase of around 6% compared to 2022.

1.1. 2023 highlights

We adopt best practices and define quality standards throughout the supply chain, in line with our Corporate Responsibility strategy, which is based on five pillars that cut across all our businesses and are summarised below, along with some results achieved in 2023.

I – Promoting Good Health through Food

Making quality, safe and affordable food available.

- We have prevented 130.2 tonnes of sugar, 62.8 of fats, and 25.2 of salt from entering the market with the nutritional reformulations of our Private Brand and perishable products.
- We now have 1,520 gluten-free product references (6.4% more than in 2022) and maintained the 87 lactose-free references.
- The artificial colouring and flavour enhancers have been eliminated from 100% of our Pingo Doce Private Brand products and from 100% of specialised perishables in Portugal.

II – Respecting the Environment

Reducing the environmental impacts of our operations and supply chains.

- Our carbon footprint is 24% smaller compared to 2017 in absolute terms (scopes 1 and 2).
- We ended the year with photovoltaic panels installed at around 780 stores and distribution centres.
- Pingo Doce was awarded four stars from the European Lean & Green initiative, the first company in Portugal and the fourth in Europe to receive this recognition.

III – Sourcing Responsibly

Integrating social and environmental criteria throughout the supply chain.

- We are committed to ensuring that at least 80% of our food purchases are sourced from local suppliers, a target that exceeded 90% in 2023.
- Our Private Brand and perishable products with sustainability certifications accounted for more than 13.4% of the sales in these categories, above 65% more than in 2022.
- Pingo Doce was the first retailer in Portugal to sell antibiotic-free and animal welfare certified chicken produced in Portugal.

IV – Supporting Surrounding Communities

Fighting hunger and malnutrition, particularly in the communities in which we have operations.

- The amount of direct support granted, in cash and in kind, totalled more than 87 million euros, an increase of around 6% compared to 2022.
- Pingo Doce was the official food partner of World Youth Day (WYD), donating food worth over 2.5 million euros and, together with Jerónimo Martins, channelling more than 3.2 million euros for monetary support.

V – Being a Benchmark Employer

Creating jobs, ensure fair and adequate pay, and provide safe and stimulating working environments.

- We invested 312 million euros in recognition measures for employees in Portugal, Poland and Colombia, 8% more than in 2022.
- A total of 36.3 million euros were invested in internal social responsibility programmes, 93% of which allocated to family well-being programmes, and 7.9 million euros to well-being measures.

1.2. Stakeholders survey and double materiality assessment

We carried out an extensive double materiality assessment for the first time in 2023 to anticipate the requirements established by the EU's Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards (ESRS), which specify the information that a company must disclose about its material impacts, risks and opportunities. This assessment combines, in a single matrix, multi-stakeholder impact materiality views and also a financial materiality analysis.

Thanks to this twofold dimension, an additional layer of information emerges, when compared to the previous assessments conducted by the Group (in 2013, 2016 and 2019), which were in line with the best practices at the time, such as the Global Reporting Initiative, but which only covered impact materiality.

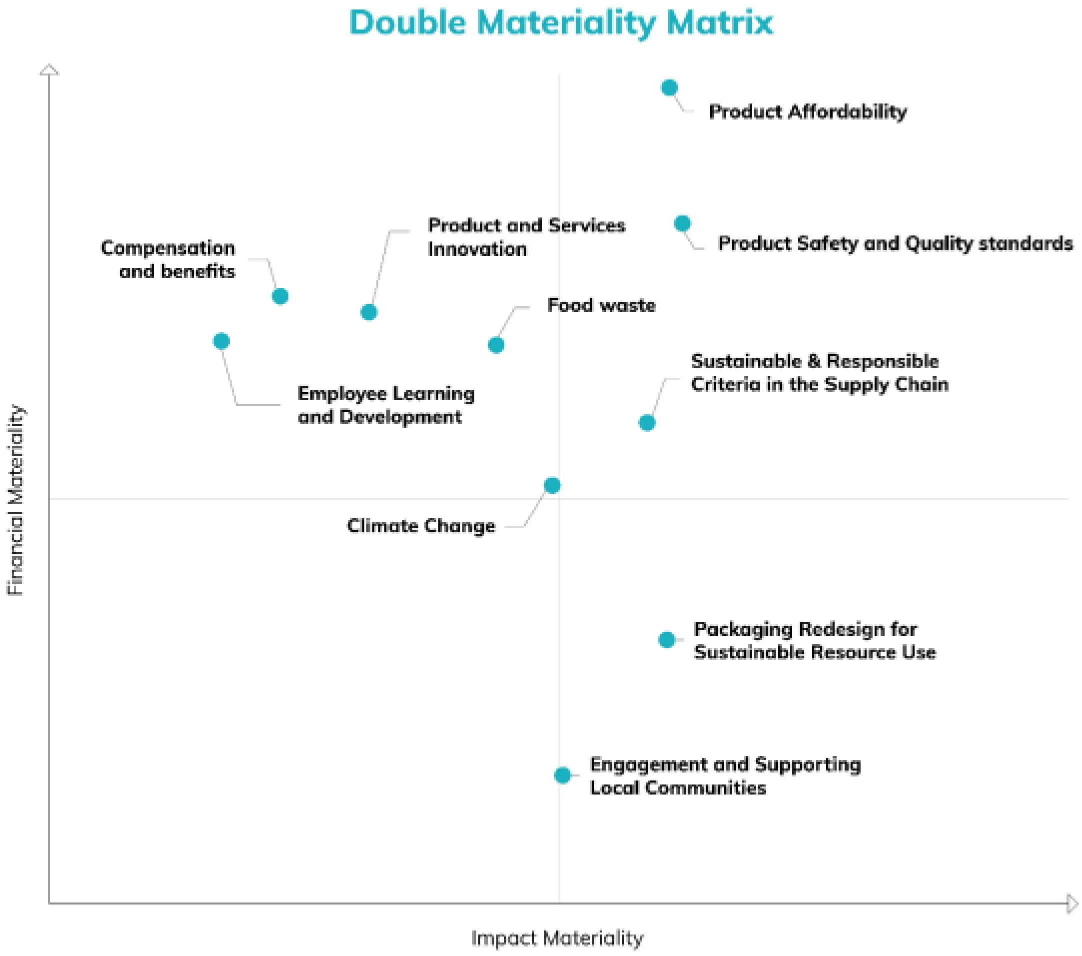
The 2023's survey, the most robust and extensive to date, collected information from over 16,600 stakeholders from nine different groups[11], in Poland, Portugal and Colombia, for an in-depth analysis of impact materiality along our value chain, considering both severity[12] and likelihood. To identify financial materiality, the assessment was based on the Group's risk management system[13] and considered the risks and opportunities along the value chain, based on magnitude[14] and likelihood. Once completed, senior managers and members of the Executive Committee also validated the assessment.

The assessment involved four major steps[15]:

Identification of sustainability topics	• Based on analysing international and local sustainability policies and programmes (e.g: Sustainable Development Goals, international climate and biodiversity agreements, European Green Deal), the main sustainability reporting methodologies (e.g: GRI, ESRS, SASB, TCFD), work programmes of sectoral associations and non-governmental organisations (e.g: WBCSD and WWF), sustainability indices and peer benchmarking.
Stakeholder survey	• Over 16,600 responses were collected through interviews and surveys conducted to employees, consumers, suppliers and service providers, non-governmental organisations, charities, analysts and investors, the media, sectoral associations, insurance companies and opinion makers.
Identification of impacts, risks and opportunities	• Based on the responses, a list of risks, impacts and opportunities was drawn up to assess potential material topics and correlated with the European Sustainability Reporting Standards. The assessment focused on the different stages of the Group's value chain for the following time horizons: short-, medium- and long-term. The impacts were also assessed as positive or adverse and as current or potential. Risks and opportunities were classified based on severity and likelihood. This assessment was based on the Group's risk management system.
Impact and financial materiality assessment	• The information gathered in the previous steps was weighted and placed in a matrix with an impact materiality axis and a financial materiality axis.

[11] Responses were received from representatives of the following groups: employees, consumers, suppliers and service providers, non-governmental organisations, charities, analysts and investors, the media, sectoral associations, insurance companies, and opinion makers. For more details on stakeholder relationships, visit the Stakeholder Engagement page on our corporate website.
[12] Severity was evaluated based on the following factors: scale, scope and irremediable character of the impact.
[13] To learn more, see chapter 4 "Corporate Governance", section C "Internal Organisation", subsection III "Internal Control and Risk Management".
[14] Magnitude was evaluated based on the potential financial impact on the Group's revenues and costs associated with a specific risk or opportunity.
[15] Within the scope of the identification of sustainability topics, and in regard to the European Sustainability Reporting Standards (ESRS) methodology, this approach was carried out in accordance with the draft version dated November 2022. However, correspondence with the version published in the delegated act of July 31, 2023 was ensured.

The following material topics were identified:



Note: Material topics resulting from the application of the cut-off threshold.

Below are the 10 most material topics identified in the double materiality assessment:

- product affordability;
- product safety and quality standards;
- sustainable & responsible criteria in the supply chain;
- food waste;
- product and services innovation;
- climate change;
- packaging redesign for sustainable resource use;
- compensation and benefits;
- employee learning and development;
- engagement and supporting local communities.

Despite including financial materiality aspects in 2023's assessment, the material topics identified are, for the most part, the same as in the previous assessment. The only difference is the topic "climate change", which is now included as one of the most relevant. The "circular economy" topic, included in the 2019 matrix, can be transposed to these results as it is linked to the topics "packaging redesign for sustainable resource use" and "food waste".

We intend to repeat this assessment every three years. In the interim, adjustments will be made to ensure the assessment is kept current. Throughout this chapter, and for each material topic, information will be shared on how the impacts, risks and opportunities identified along our value chain are managed and how we integrate them into the way we do business.

2. Promoting Good Health through Food

2.1. Introduction

We recognise the contribution that a Group like ours can make to ensuring that society adopts healthier food habits. That is why we endeavour to minimise the use of artificial ingredients and processing methods in the foods we produce and market. We also focus on diversifying options for consumers with specific needs or preferences, such as food intolerances and allergies.

2.2. Quality and diversity

Food safety and quality are a top concern for our stakeholders. To guarantee the high standards of food safety and quality of the products we sell, we have guidelines in place in all the countries where we do business:

- the Product Quality and Safety Policy[16], as a guide for improving the development and monitoring of Private Brand products and perishables;
- the Nutrition Policy[17], concerning nutrition profile, preferred ingredients to use, labelling, serving sizes, continuous improvement, and communication;
- the Guidelines for the Development of Private Brand Products and Perishables, specifying quality and food safety requirements for stores and distribution centres, restrictions on the use of food colouring, preservatives and other artificial additives, defining the recommended quantities of ingredients such as salt, sugar and fats, including other principles of nutritional labelling.

In 2023, as a result of improving our procedures and updating both knowledge and technical information on food safety and quality, we revised the guidelines for developing Private Brand and perishable products and shared these guidelines with our suppliers. The main changes were:

- the total ban on the use of acesulfame potassium (E950) and the gradual elimination of sucralose (E955), two sweeteners, whilst giving preference to the use of sweeteners extracted from plants, from 2024 onwards;
- the acceptance of suppliers certified to the FSSC 22000 standard (a food safety management scheme recognised by the Global Food Safety Initiative).

2.2.1. Launches

We continued to offer products that meet the needs and preferences of consumers and expanded the range of foods that contribute to more responsible consumption patterns.

Poland

Biedronka introduced 73 new Private Brand products on the market that encourage healthy eating habits.

A total of 39 new products from the Go Active range were launched, most notably chicken curry (a combination rich in protein with a low fat and sugar content) and couscous salads (sources of protein and fibre). The Go Active range offers solutions to help active people recover post-exercise or who are preparing to train.

To extend access to foods that meet consumers' specific needs, diets and preferences, Biedronka launched seven gluten-free products (e.g. Kraina Wędlin curried turkey fillets). In the vegan and vegetarian product categories, produced without genetically modified organisms (GMOs) and in compliance with other legally required criteria[18], Biedronka launched 13 references, most of which under the Go Vege range.

In the case of perishable foods, new launches included free-range chicken legs and giblets under the Kraina Mięs Nature (Land of Meat Nature) range, a product that did not exist on the Polish market, and duck leg with red cabbage from Wolno Gotowane (Slow Cooked). This range, introduced by Biedronka in

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[16] This policy is available at Corporate Responsibility Documents on the corporate website.
[17] This policy is available at Corporate Responsibility Documents on the corporate website.
[18] The claims regarding suitability for vegan consumption must meet certain criteria, such as compliance with the Polish Agriculture and Rural Development Regulation on food labelling, under which products whose production process does not include animal-based ingredients can be labelled "Certified Vegan" or "Suitable for Vegans"; good production practices so as to minimise cross contamination with non-plant-based ingredients; and be GMO free.

Poland in 2016, offers ready-made convenience products, thus helping to retain nutritional properties and avoid the use of preservatives, and extending product shelf life.

Portugal

Among the products launched in 2023, most noteworthy are the Pura Vida honey and cider flavoured lactose-free milk (fortified with B vitamins), the organic oatmeal-based drink, with no added sugars, suitable for vegans and produced in Portugal, and the Pingo Doce UHT semi-skimmed milk, also organic.

Pingo Doce also launched several organic dried fruit options, pesticide- and GMO-free, such as raw cashew nuts, raw without-skin almonds, walnut kernels and a dried fruit mix.

For customers with specific needs, in particular vegans, Pingo Doce launched an avocado mayonnaise, containing 30% avocado oil. The Pura Vida range also includes effervescent supplements of magnesium, calcium, vitamin C and a multivitamin, as well as a dairy speciality enriched with collagen, antioxidants, calcium, vitamin E and protein, and with no fat, sugar or added sweeteners.

At Pingo Doce, six new products were added to the Go Active brand range, aiming to target consumers who prefer diets rich in protein. These include a dried fruit and seeds mix, the cashew and hazelnut spread with no artificial colouring or preservatives, and the whey protein with a biscuit and cream flavour, with no added sugars and suitable for coeliacs.

As regards perishable foods, of note is the launch of Pingo Doce's slow cooked range, which are cooked at low temperature. Duck breast with cranberry sauce and turkey thigh with plums are two of the products available.

In the fruit and vegetables category, Pingo Doce strawberries, in one-kilogram packs, and the launches of sweet onions and red onions are of particular note.

In the meal solutions and takeaway areas, the offer now includes six new vegetarian options (such as apricot couscous and *ras el hanout*, a traditional mixture of spices in the Maghreb cuisine, and lima bean gratin with mushrooms). During the year, our Central Kitchen in Aveiro implemented new protective atmosphere packaging in 18 references, which helps preserve the product's appearance, colour and organoleptic properties during its shelf life, while limiting the growth of bacteria and slowing down product degradation.

Products for children

Being aware of the need to expand the range of products that help families prepare more balanced meals, Pingo Doce launched two organic flours to make porridge: a rice flour for children from four months (gluten-free and rich in vitamin B1) and a multi-cereal flour for children from six months (rich in vitamins A, B1 and D, calcium, iron and zinc). These flours have no added sugar, salt or hydrolysed flours. Pingo Doce also launched popcorn with dehydrated Alcobaça apples and gluten-free corn sticks with no flavour enhancers, both GMO-free.

Biedronka launched organic juices under its Dada brand, which specialises in childcare products. One is a carrot and apple juice, the other an apple, pumpkin and banana juice, and both are rich in vitamin C.

Colombia

Ara launched the Bien Vida range, which, given the care with which it has been developed, was placed on the market without any of the warning symbols required under Colombian law for products high in sodium, sugar, saturated fat, trans fat or sweeteners. Most noteworthy is the natural, cold-pressed virgin coconut oil made in Colombia. Also of note are the De La Cuesta Slim semi-skimmed milk, with 40% less fat than the regular product sold under the same brand, Top Tea Blanco kiwi-mint iced tea (with no added sugars), and the Solei grape juice, with no added sugars or preservatives.

2023 launches	Poland[19]	Portugal[20]	Colombia[21]	Total
Gluten-free	*7	55	0	62
Lactose-free	0	5	1	6
Vegan and vegetarian	13	11	0	24
Organic products	1	15	0	16

* References bearing a label that guarantees a gluten-free composition.

Total references	Poland[22]		Portugal[23]		Colombia[24]		Total		
	2023	2022	2023	2022	2023	2022	2023	2022	Δ 2023/2022
Gluten-free	*108	*110	1,411	1,316	1	3	1,520	1,429	+6.4%
Lactose-free	26	29	49	49	12	9	87	87	0.0%
Vegan and vegetarian	156	181	39	46	-	-	195	227	-14.1%
Organic products	52	68	99	98	-	-	151	166	-9.0%

* References bearing a label that guarantees a gluten-free composition.

2.2.2. Reformulations

[GRI 416-1]

The nutritional reformulation strategy we follow prioritises foods that:

- are consumed mostly by children;
- contain high levels of salt, sugar, fat, saturated fat, and/or unnecessary additives;
- are highly consumed and, as such, their reformulation might have a material positive impact on public health;
- although they might be perceived as being healthy by the consumers, their nutritional profile needs to be adjusted;
- are low in fibre, vitamins and minerals;
- have ingredients that could potentially cause allergic reactions.

In 2023, the recipes of 37 food products were reformulated (including perishables). These reformulations prevented the consumption of 130.2 tonnes of sugar, 62.8 tonnes of fats (39.7 tonnes of fat and 23.1 tonnes of saturated fat) and 25.2 tonnes of salt.

Nutritional reformulations***	Biedronka	Pingo Doce	Recheio	Ara	Total
Number of reformulated products*	**11**	**11**	**9**	**6**	**37**
Salt (references)	7	3	2	6	18
Sugar (references)	4	7	7	0	18
Fat (references)	2	0	0	0	2
Saturated fat (references)	2	1	1	0	4
Quantities avoided (tonnes)**					
Salt	21.1	1.5	0.8	1.8	25.2
Sugar	28.1	67.0	35.1	0	130.2
Fat	39.7	0	0	0	39.7
Saturated fat	15.9	6.9	0.3	0	23.1

* A product can have its recipe reformulated in terms of more than one ingredient: the single counting method, as opposed to reference counting, is used for the purpose of providing transparency about the number of interventions.
** Method of calculation: the quantities of the ingredients present in the recipes of the references covered multiplied by the number of units of the considered references bought or sold in the year.
*** Includes perishables.

[19] Biedronka Private Brands and perishables.
[20] Pingo Doce and Recheio Private Brands and perishables.
[21] Ara private brands.
[22] Biedronka Private Brands and perishables.
[23] Pingo Doce and Recheio Private Brands and perishables.
[24] Ara Private Brands.

Poland

Among the 11 reformulated Private Brand products, most noteworthy is the Madero mayonnaise, which saw its sugar content cut by 12% (representing 8 fewer tonnes consumed). Regarding salt, the beef gyozas now have 25% less salt (more than 10 tonnes avoided). Fat and saturated fat were cut in the Top cheese corn tortillas and salt corn tortillas, on average between 4% and 12% and between 29% and 43%, respectively.

In 2023, Biedronka fortified two breakfast cereals with fibre (the Vitanella chocolate flakes and honey flakes), amounting to a total of 47 tonnes of added fibre. These two cereals are now produced with less sugar (a reduction of between 2% and 7%, totalling 20.3 tonnes), and less salt (between 35% and 50%, totalling 6.9 tonnes).

Regarding perishables, the amount of meat in the Kraina Mięs Select sausage increased 13 p.p. (from 80% to 93%). All the additives used in their composition (such as oat and wheat fibre, aromas, vinegar powder, tapioca gum, as well as sulphur dioxide and sulphites from spices) were also removed. Soy lecithin was replaced with sunflower or rapeseed lecithin in the croissants with nuts and cocoa filling.

As regards clean labelling, and aimed at offering products with fewer additives, the flavour enhancer and preservatives were removed from the Marinero herring fillets in vegetable oil.

In non-food products, microplastics were removed from the green tea, sensitive and seaweed face masks, and from the nail varnish removers in the Be Beauty cosmetic range.

Portugal

In 2023, the recipes of 20 products were reformulated, in particular of the products that are very popular among children, such as the Pingo Doce and Amanhecer filled breakfast cereals and the Masterchef stars cereal, the Pingo Doce strawberry, biscuit and banana yoghurt, and the Pingo Doce sweet popcorn. Between 12% and 27% of the sugar content of these products was cut, avoiding the consumption of 36 tonnes. Around 6 tonnes of fibre were added to the aforementioned cereals (between 15% and 48% more than before).

Regarding salt, and among the five products reformulated (reductions of between 24% and 40%), the corn flakes cereals are particularly of note (the consumption of more than 2.3 tonnes of salt was avoided). In terms of saturated fat, the Amanhecer light mayonnaise and Pingo Doce mini pancakes are of note, with reductions of 29% and 77%, respectively.

Sulfite ammonia caramel (E150d), a natural colouring used in the Amanhecer oxtail soup, and the chicken soup flavour enhancer were also removed.

Progress on the commitments made by Pingo Doce under the Portuguese government's Integrated Strategy for the Promotion of Healthy Eating (EIPAS) can be found on the Jerónimo Martins corporate website[25].

Colombia

The recipes of six Ara Private Brand products were reformulated to cut salt content, mostly from the Tojitos (crisps) and Camote (nachos) snacks, avoiding the consumption of 1.8 tonnes of salt. The flavour enhancer monosodium glutamate has also been removed from the lemon-flavoured and chicken-flavoured Tojitos crisps.

[25] More information available at Our Commitments and Progress on our coporate website.

Zero Artificial Colourings and Flavour Enhancers

After removing artificial colourings from Pingo Doce Private Brands in 2022, and flavour enhancers from specialised perishables, a new ambition was achieved in 2023, with the elimination of flavour enhancers in private brand products and artificial colourings in perishables.

At Biedronka we have met the target of having at least 90% of Private Brand products without artificial colourings or flavour enhancers, recording a progress of 98% and 97% of the assortment, respectively. In the case of specialised perishables, bakery and pastry products, meat, fish, fruit and vegetables, including both packaged and prepared products, were free of artificial colourings and flavour enhancers.

In Colombia, Private Brands achieved a ratio of 95% of products free of artificial colourings and 96% without flavour enhancers. In Ara's specialised perishables (bakery and pastry products), 96% contained no artificial colourings and 100% no flavour enhancers).

2.2.3. Promoting healthier choices

To help consumers choose what best suits their needs, we have been adjusting the assortment and reinforcing product communication adapted to the reality of each market. Among the priorities set in this regard are changes in product format, the voluntary indication of the number of servings in each package, information on the average time for product consumption once opened (e.g. mayonnaise, milk and fruit jams), and to indicate, where possible, only one expiry date to avoid confusing consumers over other printed dates (such as those related with production batches).

Product information

[GRI 417-1]

In addition to the technical and legal information on packaging, such as composition and full nutrition tables with values per 100 grams and per serving, we also voluntarily disclose more straightforward nutritional information on the front of packages.

In Portugal, we use:

- the GMO-free label on products that contain corn and/or soy, two ingredients likely to be genetically modified. At the end of 2023, this symbol was present in 30%[26] of the products that contain more than 50% of corn and/or soy in the net weight;
- specific symbols on alcoholic beverages to indicate calorie count (on 93% of references, 1 p.p. more than in 2022), pregnancy warnings (on 100% of references), and responsible driving (on 72% of eligible references, 1 p.p. more than in 2022);
- icons for products that are a source of Omega-3, sugar-free, lactose-free, fat-free, and gluten-free;
- identification of Pingo Doce cold meat products that have less fat and salt according to the requirements of the "Escolha Saudável" (Healthy Choice) programme, in collaboration with the Portuguese Heart Foundation. Also in this regard, the Pura Vida fortified oatmeal drink (with Omega-3) was recommended by this programme.

In Poland, we place:

- the GMO-free label on plant-based products[27] consisting mostly of corn and/or soy (above 50% of the net weight). In 2023, this label was used on 100% (9 p.p. more than in 2022) of the 29 eligible products[28];
- the indication of fibre content in the nutrition table;
- specific symbols based on own and other criteria required under Polish law on vegan and vegetarian products (13 new products were labelled suitable for vegans or vegetarians, a total of 156 at the end of the year);
- icons on products that are a source of Omega-3, lactose-free, and gluten-free. In the latter case, we maintained our partnership with the Polish Coeliac Society, ensuring the absence of cross-

[26] Considering 21 Pingo Doce products (Pingo Doce, Go Bio and Pura Vida ranges) and 23 Recheio products (Masterchef and Amanhecer ranges) on sale in 2023. Non-GMO label: 10 Pingo Doce products and three Recheio products.
[27] Labelling applies to two dimensions, in compliance with Polish law: "non-GMO" (for foods of plant origin and foods composed of more than one ingredient, excluding products of animal origin and feed, free from genetically modified organisms) and "Produced without the use of GMOs" (for products of animal origin and foods composed of more than one ingredient, free from genetically modified organisms).
[28] Includes Biedronka's Private Brands.

contamination. In 2023 we obtained certification for seven new products – in total, 108 products bore this icon;

- the sugar-free label, on 32 products;
- symbols on alcoholic beverages to indicate calorie count (on 100% of references, 3 p.p. more than in 2022), pregnancy warnings (100%, 5 p.p. more), and responsible driving (100%, 5 p.p. more);
- "Wybiegaj To!" label (Pace - Physical Activity Equivalent) to quantify the physical effort needed to burn the calories from eating Top snacks such as crisps and appetisers. In 2023, 33 new products bore this new label;
- the "1 of Your 5 a Day" label, in reference to the daily recommended amount of fruit and vegetables. Four new products bear this label;
- "Zalecana Dzienna Procja Orzechow" (A Handful of Dried Fruit) label, aimed at encouraging the consumption of these fruits, which are important for maintaining a balanced diet;
- in the case of non-food products, the "Vegan Friendly" label, which was added to 21 new products.

In 2021, Pingo Doce and Biedronka adopted the Nutri-Score label, a more intuitive symbol used on pre-packaged foods. Nutri-Score establishes a nutritional classification between 'A' (high nutritional quality) and 'E' (products that should be consumed less frequently), and a corresponding colour code, which is placed on the front of packaging. In 2023, Biedronka extended Nutri-Score to a further 152 products among the 20 product categories selected for categorisation, increasing to 405 the total number of items classified according to this system for assessing the nutritional profile of products (+60% compared to 2022). At the end of the year, a total of 591 Pingo Doce products (96% more) and 86 Recheio products (760% more) bore this label[29].

In Colombia, we ensure that nutritional information per portion and per 100g or 100ml of product is displayed on the back of packaging, as required by law[30]. On the front, we ensure the use of symbols indicating sodium, saturated fat and sugar content that is higher than that recommended by the health authorities. These symbols are on 100% of the Private Brand food products covered by this norm, a total of 199 products.

The Ara 20 de Julio beer has borne the responsible driving and pregnancy warning symbols since 2021.

Information in other media

Besides communication on product packaging offering cooking tips and suggestions for side dishes with fruit and vegetables, Pingo Doce uses the significant reach of its website[31], social media, and its *Sabe Bem* (Tastes Good) magazine – with a bi-monthly average print run of 100,000 copies and which includes six articles written by the Portuguese Directorate-General for Health – to promote the Mediterranean diet. Recipes that encourage the reuse of leftover food are also published on the Pingo Doce website.

Since 2021 Pingo Doce and CUF (a business group specialised in health care) have promoted the programme "A Saúde Alimenta-se" (Feeding Health), which raises awareness of the role that a diversified and balanced diet can play in health, encouraging consumers to select the foods that best suit their needs and lifestyle[32].

Biedronka published six *Czas Na...* (*Time For...*) e-books focused on nutrition and healthier/more sustainable lifestyles, with issues dedicated to, among other special occasions, festive seasons such as Christmas, Easter and summer, and themes such as flexitarianism and fighting food waste.

Dada magazine, Biedronka's Private Brand dedicated to babies and children, had four issues published in 2023. Aimed at parents, the magazine contains articles on nutrition and healthy lifestyles, and is produced

[29] More information can be found at www.biedronka.pl/nutri-score and www.pingodoce.pt/responsabilidade/nutri-score.
[30] Colombian Law 2120 and Resolution No. 810, both of 2021.
[31] The website also includes a list of lactose-free and gluten-free products to help consumers in their purchases. The list is updated every month by Pingo Doce's nutrition team, based on the analytical control of its Private Brand products.
[32] To learn more, visit www.pingodoce.pt/responsabilidade/a-saude-alimenta-se/ and www.cuf.pt/saude-alimenta-se

in collaboration between Instytut Matki i Dziecka (Institute of Mother and Child) and Biedronka's Quality Department.

The characteristics of food products and their health benefits were presented in 74 external publications, including themed leaflets, newspaper inserts, and publications on Biedronka's website and social media (Facebook, TikTok, Instagram, LinkedIn and YouTube). The Company's employees also had access to 17 internal publications, through the Intranet.

Just before the start of the 2023-2024 academic year, Biedronka launched the educational and loyalty campaign Gang Mocniaków, aimed at raising the awareness of younger generations to the "superpowers" of food, focusing on fresh produce and in the chain's exclusive brands. Within the scope of the campaign, 33 educational materials were produced, including six children's books.

2.2.4. Partnerships and support

We continued to hold regular talks with public and private benchmark institutions in the three countries where we do business to learn and share knowledge about food, nutrition and health.

In Portugal, Pingo Doce is an active member of APED (the Portuguese Association of Retailing Companies), participating in technical committees, including those dedicated to food quality, among others. Pingo Doce maintained several long-standing partnerships with organisations that aim at contributing to healthy eating, as a pillar of public health, such as the Portuguese Directorate-General for Health (within the framework of the National Programme for the Promotion of Healthy Eating[33]), the Portuguese Coeliac Association, and the Portuguese Nutrition Association. In the latter case, Pingo Doce sponsored the XXII Congress of Food and Nutrition.

Pingo Doce also collaborated with the University of Lisbon's Instituto Superior Técnico (School of Engineering and Technology) in the "Co-creation and TecInnov" workshop, which challenged students to find alternatives to carrageenan (E407) and processed Eucheuma seaweed (E407a), additives used as thickeners, stabilisers and gelling agents. Also within the scope of its relationship with the Academia, Pingo Doce participated in the Working Group to Support the Updating of the Food Composition Table (GTTCA – Grupo de Trabalho para Apoio à Atualização da Tabela da Composição de Alimentos), organised by the Instituto Nacional de Saúde Doutor Ricardo Jorge (Ricardo Jorge National Health Institute), for collaboration in the identification of food products and their nutritional profiles.

In Poland, the second edition of the Nutri-Score nutrition education campaign was held, after being presented on World Consumer Rights Day. As part of this initiative, which saw the participation of the National Consumer Federation, the Nutri-Score Coalition was formalised, a cooperation agreement between several retailers and food producers that use the voluntary Nutri-Score label on the packaging of their products (such as Biedronka, Carrefour, Auchan, Zabka, Nestlé and Danone).

Details about other partnerships involving Pingo Doce and Biedronka can be found on the Jerónimo Martins website[34].

2.3. Food safety and quality

Continued investment in the certification and monitoring of our processes, facilities and equipment is the foundation of our banners and business's reputation capital. We rely on our food safety and quality technicians, work with external auditors and independent and accredited laboratories, and have our own molecular biology laboratory, which verifies the authenticity of ingredients present in the products to prevent food fraud.

In 2023, we carried out 16,869 internal audits of our infrastructures (7% more than in 2022), 259,361 analyses on work surfaces and, among others, product manipulators (15% more) and 75,125 analyses on food products (8% less).

[33] Available at www.alimentacaosaudavel.dgs.pt/
[34] Available at https://www.jeronimomartins.com/en/responsibility/promoting-health-through-food/communication/

Internal and follow-up audits[35] and the analyses of marketed products take into account the level of risk associated with criteria such as hygiene, food safety, and other quality aspects[36].

2.3.1. Certification

The following certifications were renewed or extended to new facilities during the year:

- ISO 22000:2018 at 16 distribution centres and Biedronka's head office related, respectively, to the storage and distribution of food products, and to the development of Private Brand food products;
- FSSC 22000 v.5.1 (which includes ISO 22000:2018) for the soup factory in Poland, with regard to ready-to-eat after heating and individualised packaging;
- ISO 9001 for the development of Private Brands in Portugal and post-launch product/supplier follow-up;
- HACCP[37] in accordance with the Codex Alimentarius[38] for the two Pingo Doce central kitchens (with regard to food safety), 13 Recheio stores, the Recheio MasterChef food service platform in Lisbon, and for four distribution centres in Portugal (with regard to food safety);
- Food Safety Management System, according to the EN ISO 22000:2018 Portuguese Standard, in 26 Recheio stores and two Recheio MasterChef food service platforms;
- Organic product handling certification, in accordance with Council Regulation (EC) No 848/2018, for one distribution centre opened in Poland and renewed for the other 17 distribution centres, which means, certification of a total of 18 distribution centres; Our four distribution centres in Portugal also hold this certification;
- Certification of 489 Biedronka stores regarding the correct storage and preparation of organic products.

2.3.2. Audits

[GRI 416-1]

In addition to internal audits, we also audit the suppliers of Private Brand and perishable products, the results of which are available in subchapter 4. "Sourcing Responsibly".

Poland

Biedronka stores and distribution centres were audited by both internal and external auditors to check facilities, equipment and procedures.

Biedronka	Stores			Distribution centres		
	2023	2022	Δ 2023/2022	2023	2022	Δ 2023/2022
Internal audits	8,687	7,842	+10.8%	38	32	+18.8%
Follow-up audits	248	156	+59.0%	0	0	-
External audits	34	28	+21.4%	9	27**	-66.7%
HACCP Performance*	84%	85%	-1 p.p.	88%	88%	-

* HACCP implementation at Biedronka is evaluated based on requirements which, in turn, are based on the Codex Alimentarius and European Union regulatory framework (Regulation (EC) No 852/2004 on the hygiene of foodstuffs). At the distribution centres, the compliance rate is based on the internal audits conducted under ISO 22000 – Food Safety Management System certification, which is based on the HACCP principles of the Codex Alimentarius.
** Adjusted figure.

[35] Conducted in accordance with the business unit and infrastructure to be assessed, internal audits take into account criteria arranged into dimensions, such as basic hygiene conditions, cleanliness and disinfection, facility and equipment maintenance, good production practices, product handling, water availability, metrology, pest control, waste management, records, traceability, and procedure review. These audits assign scores with specific levels according to the business units: 'Inadequate', 'Basic', 'Satisfactory', 'Good', 'Very Good' and 'Excellent', and the potential corrective actions to be taken are defined based on the severity of any non-conformities identified. The time frame allowed to remedy the identified issues may also vary from immediately to by the subsequent audit.
[36] These include, inter alia: laws in force and the technical specifications of the official authorities; the recommendations of the European Union and/or other official bodies; the Rapid Alert System for Food and Feed (RASFF) urgent notifications and known food fraud incidents; the physical characteristics of products (such as perishability) and organoleptic properties (such as colour, texture, taste or smell); the country of origin of production and/or supply of the products and the track record of trade partners; marketing expansion (stores and distribution centres); the surrounding conditions (sanitation or weather conditions related to humidity and average temperatures); opting for facility certification schemes; and the results of past assessments.
[37] The Hazard Analysis and Critical Control Points (HACCP) system is designed to prevent potential risks that cause harm to consumers, by eliminating or reducing hazards and thereby ensuring food is safe to eat.
[38] A set of international standards aimed at promoting food safety and consumer protection. The Codex Alimentarius is available at https://www.fao.org/fao-who-codexalimentarius/home/en/

More internal and follow-up audits of the stores were carried out as a result of Biedronka's expansion (an additional 174 stores compared to 2022), the increase in the number of meat counters (41.6% more compared to 2022)[39], and the increase in the number of micro-fulfilment centres for the Biek operation[40]. The fact that there are 14 more stores selling organic bread (2.9% more than in 2022)[41] also led to an increase in external controls imposed by responsible authorities.

At distribution centres, the number of internal audits increased slightly as a result of the inclusion of two new distribution centres and the risk assessment. The decrease in external audits is due to the fact that some audits scheduled for early 2023 were carried out at the end of 2022.

We carried out 32.6% more analyses than in 2022, which is explained by the increase in the number of Biedronka stores with meat counters. In the case of raw materials/products finished in-store, the decrease is due to greater process management efficiency and the unavailability of the product at the time the controls were carried out.

Number of analyses/samples collected in Poland	2023	2022	Δ 2023/2022
Work surfaces	121,919	91,804	+32.8%
Manipulators	9,480	7,115	+33.2%
Raw materials/Finished product	334	501	-33.3%
Water	1,885	1,377	+36.9%
Total	**133,618**	**100,797**	**+32.6%**

Portugal

Audits carried out to Pingo Doce, Recheio and distribution centres:

	Pingo Doce stores			Recheio stores			Distribution centres**		
	2023	2022	Δ 2023/2022	2023	2022	Δ 2023/2022	2023	2022	Δ 2023/2022
Internal audits	485	488	-0.6%	99	84	+17.9%	31	15	+106.7%
Follow-up audits	2,886	3,027	-4.7%	246	229	+7.4%	196	181	+8.3%
External audits	74	76	-2.6%	21	19	+10.5%	7	10	-30.0%
HACCP Performance*	87%	82%	+5 p.p.	84%	84%	-	84%	93%***	-9 p.p.

*At Pingo Doce and Recheio, HACCP implementation is assessed using own reference standards, based on the Codex Alimentarius and which are appropriate for the operating realities of the Companies.
** Also includes central kitchens and on-site canteens.
*** Corrected value.

At Pingo Doce, and despite the opening of ten additional stores in 2023 (to 482), the number of audits decreased because priority was given to the evaluation of stores with poorer performance in 2022, aimed at verifying the correction of identified non-conformities. This focus shift, which also occurred in 2022 with similar results, enabled the Company to improve its HACCP performance by 5 p.p..

The number of Recheio stores in 2023 remained unchanged at 43. Nevertheless, the increase in the number of audits is due to the usual periodicity associated with the risk matrix used by the operational food safety teams. The Company maintained its HACCP performance in line with the previous year.

[39] There were 1,079 counters in 2023, whereas in 2022 there were 762. In Poland, internal audits, including follow-up audits, of stores are outsourced to independent entities such as Diversey, Det Norske Veritas (DNV-GL), and Lloyd's Register. At the distribution centres, internal audits are carried out by food safety and quality technicians, while external audits, within the scope of ISO22000 certification, are carried out by DNV-GL.
[40] This operation, which was implemented in 2021, consists of micro-fulfilment centres (MFC) operated by employees to handle orders placed by consumers through the Glovo fast distribution partner application. By the end of 2023 we covered 18 locations (15 in 2022) in the cities of Warsaw, Łódź, Krakow, Gdańsk, Poznań and Wrocław. More information is available at https://www.biek.pl/
[41] In 2023, 489 stores offered an organic bread range (475 in 2022). External controls relating to organic certification were carried out by BIOCERT, an independent entity duly authorised by official bodies for such purpose.

At the distribution centres, where audits also cover the central kitchens and internal canteens, the increase in internal and follow-up audits is the result of a greater sampling by a more dedicated team. This led to a decrease in the associated performance, as more opportunities for improvement were identified. The decrease in external audits carried out by official bodies is due to the regularity of audits established by these organisations.

A total of 114,006 food safety and quality analyses were carried out at Pingo Doce stores, Recheio, distribution centres and other facilities (such as the fresh dough factory, kitchens and canteens), on par with that conducted in 2022. As regards work surfaces and manipulators, the increase is mainly related to the opening of new Pingo Doce stores. The decrease in the number of raw material/finished product controls is in line with the consolidation of processes and good practices, operational changes (e.g. product with less handling at stores) and the associated risk management history that, as it is positive, made it unnecessary to maintain the frequency of the analytical controls.

Number of analyses/samples collected in Portugal	2023	2022	Δ 2023/2022
Work surfaces	51,461	50,609	+1.7%
Manipulators	19,867	19,540	+1.7%
Raw materials/Finished product	36,271	38,560	-5.9%
Water	6,407	6,594	-2.8%
Total	**114,006**	**115,303**	**-1.1%**

Colombia

Audits to Ara stores were carried out by Diversey, an independent entity. Our internal quality teams carried out the audits on the distribution centres.

Ara	Stores			Distribution centres		
	2023	2022	Δ 2023/2022	2023	2022	Δ 2023/2022
Internal audits	2,422	2,634	-8.0%	10	14	-28.6%
Follow-up audits	1,513	1,092	+38.6%	8	11	-27.3%
Good hygiene and quality practices*	80%	89%	-9 p.p.	94%	94%	-

* The compliance rate shown refers to the score obtained on good practices, in line with criteria aimed at guaranteeing the quality and safety of the products according to the law, evaluating the operation itself and the control system and procedures. The criteria include, among others, hygiene and quality control aspects of the facility's conditions for handling the product and aspects related to product temperature, type of packaging, and also to organic waste management procedures.

The decrease in internal audits at stores is due to methodological changes, in particular: (a) increased weighting of critical criteria such as cleanliness, pest control and product quality, and (b) the number of audits to be conducted. In 2022 two technical audits were carried out per store and one annual audit, while in 2023 only one audit was carried out due to the work done over the years to prepare operational teams and reduce the associated risks. As explained above, the decrease in store performance is due to the increased weighting associated with critical criteria.

Follow-up audits are conducted by internal and external audit teams, depending on previous results and based on internal risk metrics and incident frequency – priority corrective measures are, therefore, subsequently evaluated. The increase was to respond to the findings of audits, health inspections and to identified non-conformities in analytical controls, as well as customer complaints.

At the distribution centres, the decrease in the number of audits is explained by the results of previous assessments, which helped lower the risk level and made it unnecessary to keep the follow-up extent on identified corrections. The performance level of the previous year was maintained.

Number of analyses/samples collected in Colombia	2023	2022	Δ 2023/2022
Work surfaces	2,284	2,125	+7.5%
Manipulators	2,285	1,698	+34.6%
Raw materials/finished product	2,285	1,711	+33.5%
Water	4,883	3,638	+34.2%
Total	**11,737**	**9,172**	**+28.0%**

In 2023, the number of analyses carried out increased 28% compared to 2022, as a result of the expansion of Ara stores (the network grew 18% in the year, from 1,093 to 1,290 stores) and due to a methodological change: a sample was taken for each type of criterion being assessed, whereas in 2022 sampling was limited to the risk matrix associated with each criterion.

2.3.3. Product analyses

[GRI 416-1]

The products we market are assessed as to their quality and safety at external, accredited laboratories. In total, 57,917 analyses of Private Brand food products were carried out (6.8% more than in 2022) and 17,208 on perishables (2.4% more).

Poland

Number of analyses/samples collected in Poland	2023	2022	Δ 2023/2022
Private Brand – Food	19,606	18,361	+6.8%
Private Brand – Non-food	1,227	1,164	+5.4%
Private Brand	**20,833**	**19,525**	**+6.7%**
Fruit and vegetables	4,018	4,231	-5.0%
Meat and fish	1,698	1,433	+18.5%
Bakery	218	315	-30.8%
Eggs	468	376	+24.5%
Perishables	**6,402**	**6,355**	**+0.7%**
Total	**27,235**	**25,880**	**+5.2%**

For the increase in analyses of food and non-food products contributed both Biedronka's expansion and the portfolio broadening of regular and seasonal assortments (in-&-outs), which consequently affected the volume of products to be analysed.

In the meat and fish, and eggs categories, analyses increased by 18.5% and 24.5% respectively compared to 2022. In the case of the former, the increase is explained by the expansion of stores with meat counters and, consequently, a greater number of products. In the case of eggs, the increase is due to greater control of potential perfluoroalkylated[42] substances and heavy metals from grains used to feed poultry. The remaining categories recorded decreases in 2023.

Portugal

Number of analyses/samples collected in Portugal	2023	2022	Δ 2023/2022
Private Brand – Food*	17,795	17,798	-0.0%
Private Brand – Non-food	4,844	4,192	+15.6%
Private Brand	**22,639**	**21,990**	**+3.0%**
Fruit and vegetables	2,335	2,597	-10.1%
Meat	1,224	1,291	-5.2%
Fish	1,188	1,339	-11.3%
Bakery	598	565	+5.8%
Meal Solutions	5,201	4,349	+19.6%
Perishables	**10,546**	**10,141**	**+4.0%**
Total	**33,185**	**32,131**	**+3.3%**

* Including routine analyses on the presence of gluten, genetically modified organisms, lactose, denomination of species, control analyses, and extra analyses.

[42] Following the new Commission Regulation (EU) 2023/915 on maximum levels for certain contaminants in food. More information at https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R0915

The decrease in Private Brand product analyses was minor. In the case of non-food products, the increase was due to the regular practice of risk analyses and continuous improvement associated with product quality and performance.

As regards perishables, only the bakery and meal solutions categories saw an increase in analyses, explained by the additional checks performed as part of the Group's support for World Youth Day in Lisbon (partially in the form of food products), the validation of a new packaging process in the central kitchens, and an increase in the assortment. In relation to fruit and vegetables, meat and fish, the risk assessment and history of compliance in previous years led to a reduced need for analyses.

Colombia

Number of analyses/samples collected in Colombia	2023	2022	Δ 2023/2022
Private Brand – Food	20,516	18,086	+13.4%
Private Brand – Non-food	5,734	4,993	+14.8%
Private Brand	**26,250**	**23,079**	**+13.7%**
Fruit and vegetables	100	100	0.0%
Meat	142	165	-13.9%
Fish	8	0	+100.0%
Bakery	10	38	-73.7%
Perishables	**260**	**303**	**-14.2%**
Total	**26,510**	**23,382**	**+13.4%**

The increase in the analysis of Private Brand products is in line with the expansion of the regular assortment (25 more products than in 2022), the expansion of the store network and the usual risk analysis.

In the case of perishables, the reduction in the number of samples takes into account the low risk assessment of suppliers and products. As regards fish, the increase is explained by the inclusion of products on sale in the perishables category, which was not the case in 2022.

2.3.4. Food Recalls and Withdrawals

[GRI 416-2]

With the aim of protecting public health and preserving the reputation and credibility of our Companies, we do not hesitate in removing products that may pose a threat to consumers and society. Continuous monitoring, communication with the official health authorities, and the traceability of products and suppliers enable a fast and effective prevention of and/or reaction to any incidents.

There are two types of food product removal, which address specific risks to the health and safety of consumers: recall[43] (removal from sale of products with potential health risks) and withdrawal[44] (removal from sale of products that do not pose a health risk). In both cases, internal investigations are carried out and, if necessary, at suppliers, to identify the causes and implement the appropriate corrective measures for prevention.

The severity of the risks to consumer health and safety are classified as:

- Level I – critical (recall): aspects that may affect food safety and public health;
- Level II – food safety and quality (withdrawal): aspects that may affect the consumer experience and food safety of the product;

[43] Recall: a mandatory action taken by the Group Companies in response to inspections carried out by local authorities, the results of laboratory analyses or internal audits, or complaints/reports (from producers, retailers, government agencies, or consumers). Notices are published using the appropriate medium for consumers to return or destroy the product concerned.
[44] Withdrawal: a voluntary or mandatory action that can be taken on two occasions based on the risk analysis of the Companies or inspection by a local authority: (a) when quality defects (e.g. colour or texture), weight defects or irregularities are detected in the labelling (which does not pose a potential risk to the health or safety of consumers); or (b) as a precaution pending investigation into a potential risk to health and safety. If a credible risk is identified, the product is removed from sale and it is categorised as a recall.

- Level III – labelling (withdrawal): aspects related to legal labelling requirements.

Food product recalls/withdrawals		Level I (Recall)		Level II (Withdrawal)		Level III (Withdrawal)		Total incidents	
		2023	2022	2023	2022	2023	2022	2023	2022
Group		**6**	**13**	**221**	***262**	**63**	**90**	**290**	***365**
Portugal[45]	Private Brands	0	7	63	60	16	7	79	74
	Perishables	0	1	57	44	30	20	87	65
Poland[46]	Private Brands	5	4	56	59	10	52	71	115
	Perishables	0	1	1	*2	0	0	1	*3
Colombia[47]	Private Brands	0	0	36	81	7	9	43	90
	Perishables	1	0	8	16	0	2	9	18

* Corrected value.

In 2023, 290 incidents that led to food products being withdrawn from sale were registered, 20.5% less than in 2022. The vast majority of these (97.9%) were Level II and Level III, with only 2.1% recalls (critical, Level I). In the latter case, there is a 53.8% decrease compared to 2022, a year in which there had already been a 55.2% decrease compared to 2021 (from 29 incidents in 2021 to 13 in 2022).

The control and monitoring of suppliers and products, including the implementation of action plans, maintenance and packaging changes, are measures we take to prevent non-conformities and thus the need for withdrawals/recalls. Corrective actions are monitored to minimise the risk to consumers' health and to enable the marketing of products to be resumed.

2.3.5. Training

In 2023, the number of people trained in food safety and hygiene decreased 8%. In the same period, training volume increased 16.5%, although there was a decrease in the number of training courses. This increase in volume is explained by the fact that there were significantly more courses and more employees trained in Colombia compared to 2022.

Food safety and hygiene training	Training volume[48]		Training courses		Employees trained	
	2023	2022	2023	2022	2023	2022
Group	242,940	208,544	8,285	10,646	49,772	54,169
Portugal[49]	37,548	48,266	3,426	5,258	9,597	15,492
Poland[50]	25,454	32,323	4,786	5,358	21,926	22,746
Colombia[51]	179,938	127,955	73	30	18,249	15,931

Training in Poland encompassed 21,926 employees, 3.6% less than in 2022. Similar to the aggregated data, there was a decrease in training courses (10.7% less), resulting in a lower volume of training than in 2022 (21.3% less). Some of the topics covered included:

- food safety systems, as per international HACCP standards;
- good hygiene and production practices, with an emphasis on product temperature control and the cold chain;
- waste separation for recycling, washing and cleaning activities, particularly for refrigerated packages, to ensure good food production and hygiene practices;
- FIFO management (first in, first out) for fruit and vegetables in distribution centres.

[45] Pingo Doce and Recheio.
[46] Biedronka.
[47] Ara.
[48] Training volume = number of people trained x number of hygiene and food safety training hours.
[49] Pingo Doce, Recheio, Jerónimo Martins Agro-Alimentar, Hussel and Jerónimo Martins Restauração e Serviços.
[50] Biedronka.
[51] Ara.

Similarly, training volume in Portugal decreased 22.2%, as a result of fewer employees involved (38.1% less) and fewer training courses (34.8% less). These generalised reductions are explained by the fact that a one-off course, initially launched for all store employees, has been completed by the majority of the target audience and was only intended for new employees in 2023. Training topics included:

- requirements associated with the food safety management system, under the international HACCP risk control standard;
- good food hygiene, food safety and food defence practices.

In Colombia there was an increase in all three indicators: employees trained (14.6% more) and training courses (143.3 % more), resulting in 40.6% increase in training volume. These increases are explained by Ara's expansion. The training covered topics such as:

- the cold chain and critical control points;
- in-store hygiene plan, water control and waste handling;
- quality audits and control visits;
- the handling of meat and other products prepared in the store.

3. Respecting the Environment

3.1. Introduction

Human societies and the world face environmental challenges of enormous magnitude, such as pollution (of air, soil and water), loss of biodiversity, the effects of climate change, and water scarcity. Based on the scientific knowledge available, governments, companies, organisations and civil society are challenged to adopt policies and practices that help fight all types of pollution, limit the rise in temperature, preserve and restore biodiversity, as well as protect and value water resources. Some of these policies may include investing in natural habitat conservation projects, adopting better agricultural and food production practices, reducing food waste, promoting healthier and more sustainable diets that include, for example, locally grown and seasonal foods, and good waste management.

Our Environmental Policy[52] sets the priorities for action aimed at reducing the environmental impacts of our operations and supply chains: preserving biodiversity, fighting climate change, protecting water resources and promoting a more circular economy.

3.2. Conserving biodiversity

[GRI 304-1; GRI 304-2; GRI 304-3; GRI 304-4]

Food sector activities are closely linked to biodiversity issues. As experts in the sale of perishable products (e.g., meat, fish, fruit and vegetables), we know we depend on biodiversity and ecosystem services, and the impact we have on them. Risks related to ecosystem services are assessed in accordance with the Ecosystem Services Review methodology proposed by the World Research Institute. It is on the basis of this approach that we defined 11 priority action areas (e.g. agricultural crops, pollination, animal production, fish caught and aquaculture), based on the dependencies and impacts on ecosystem services of the activities of the Group Companies and their value chains.

We are committed to helping preserve ecosystems and working to reverse biodiversity loss. This commitment begins upstream of our operations, in collaboration with perishables and Private Brand suppliers, is top-of-mind in our operations and continues downstream, ensured by providing support for ecosystem conservation and restoration projects and raising employee and consumer awareness on these topics.

Our biggest opportunity to make a positive impact is in the way we buy the products we sell. Given that the main impact on biodiversity occurs in primary production, we have cross-cutting programmes in place to help us follow best practices when selecting and monitoring suppliers, fighting deforestation, promoting sustainable agriculture, in implementing a sustainable fishing strategy, and selling sustainable products certified by external and independent entities[53].

We have also established targets in our operations to reduce our environmental impact by reducing energy and water consumption, reducing greenhouse gas (GHG) emissions, and promoting a circular economy.

We also carry out specific actions to protect biodiversity. In 2023, we invested more than 610,000 euros to support 14 projects (8 in Portugal, 4 in Poland and 2 in Colombia) focused on restoring natural habitats, protecting biodiversity and raising environmental awareness. With regard to the initiatives featured in the table below, we also use the IBAT Alliance tool to assess proximity to protected areas, key biodiversity areas and the conservation risk[54] of species that live near them. This assessment complements our monitoring of the progress of these projects.

[52] Available for consultation on the "Responsibility" page at www.jeronimomartins.com.
[53] These initiatives are described in more detail in subsection 4. "Sourcing Responsibly", in this chapter.
[54] This risk is assessed according to the IUCN – International Union for Conservation of Nature and Natural Resources.

Biodiversity protection and ecosystem regeneration projects of note[55]

Institution	Project	Description
Associação Floresta Serra do Açor	Reforestation of the Açor mountain range	Project launched in 2020 by the Jerónimo Martins Group, in partnership with the Arganil Town Council, the Coimbra School of Agriculture and the common landowners' associations, to preserve and enhance the landscape devastated by the forest fires of 2017. It involves the reforestation of an area spanning 2,500 hectares over a 40-year period. The project is implemented in the protected landscape area of the Açor mountain range and is close to the Lousã mountain range, a protected area part of the Natura 2000 network. A total of 697,000 trees have been planted since the beginning of the project.
ANP - WWF	Green Heart of Cork	Started in 2011, developed and coordinated by ANP | WWF and supported by the Jerónimo Martins Group, this project promotes the conservation of Portuguese cork oak forests and payment for the environmental services they provide. This initiative establishes a platform linking companies to the conservation of cork oak forests and related ecosystem services. In 2023, the Jerónimo Martins Group contributed to the conservation of 803.47 hectares of high conservation value forests, promoting responsible forest management certification and the conservation of biodiversity and ecosystem services. The landowners involved in the project apply good forestry management practices in approximately 45,000 hectares of FSC® certified areas, 30,000 hectares of which obtained certification after our support began.
Fundabejaz	Protection of bees	Started in 2021, supported by Ara, for the protection and conservation of bees and raising awareness of their importance in ecosystems. In 2023, the Fundabejaz Foundation was able to (i) rescue around 1.2 million bees, which were sent in hives to various nature reserves to recover and stabilise, (ii) deliver 1.8 million recovered bees to beekeepers and farmers and (iii) hold 22 awareness campaigns involving 1,715 participants. Ara also donates sugar as a food source for rescued swarms.
Salamander – Polish Society for Nature Conservation	Support for endangered species in Poland	This project started in 2021, supported by Biedronka, and was implemented in cooperation with environmental organisations specialised in the protection of six endangered species: wolf, lynx, European bison, dolphin, Eurasian pygmy owl, and European hedgehog. Two initiatives are of particular note in 2023, (i) the purchase of equipment to save hedgehogs in rehabilitation centres run by the NGO coalition that protects this species in Poland, and (ii) support for the development of the Polish Red List of Species website, the result of the work by the IUCN Polish Commission, the Institute of Nature Conservation of the Polish Academy of Sciences, and Salamander - Polish Society for Nature Conservation.

In the 2024-2026 period, our goal is to identify and quantity the financial effects of the impacts, risks and opportunities associated with biodiversity and with ecosystems.

3.3. Fighting climate change

Our Climate Transition Plan[56] sets out our strategy and ambition in what regards the reduction of the carbon footprint of the value chain and includes measures to identify and assess climate-related risks and opportunities. Collaboration with our supply chain, particularly with Private Brand and perishables suppliers, has enabled us to identify implemented mitigation measures, such as the installation of renewable energy production systems on their units, and measures to adapt to possible changes in production conditions, thus promoting value chain resilience.

Most of our GHG emissions are from the production, use and end-of-life treatment of the products we sell. To achieve the goal of reducing emissions upstream and downstream of our operations, we believe that close relationships with our suppliers and promoting circular economy projects[57], sustainable agricultural practices and/or a commitment to fighting deforestation[58] are vital to guaranteeing the preservation of biodiversity and reducing GHG emissions. In terms of the emissions we can control, those emitted by the activities of our operations, the Climate Transition Plan establishes a set of measures aimed at increasing

[55] More information is available at www.jeronimomartins.com/en (Responsibility > Respecting the Environment > Biodiversity).
[56] More information can be found at www.jeronimomartins.com/cr-documents-2023. Under this plan, it should be made clear that the Group's Companies are not exposed to locked-in greenhouse gas emissions associated with their main assets and products and, as such, they are not included as a transition risk. Our Companies are also not excluded from the EU Paris-aligned benchmarks as defined in point E1-1 paragraph 16(g) of Annex I of the European Sustainability Reporting Standards (ESRS).
[57] To learn more, see section 3.4. "Promoting a Circular Economy", in this subchapter.
[58] To learn more about these initiatives, see sub-chapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", in this chapter.

the efficiency of water and energy use and guaranteeing a greater percentage of renewable energy in the total energy consumption of our Companies.

Our roadmap to carbon neutrality

In 2023 we published our Climate Transition Plan, establishing direct and indirect GHG emission reduction targets aimed at limiting the rise in global average temperature to 1.5°C, in line with the Paris Agreement.

We have implemented a decarbonisation plan underpinned by various initiatives carried out by the different Companies.

In line with the criteria of the Science-Based Targets initiative, we have also set a target to achieve carbon neutrality by 2045 for scope 1 and 2 emissions, and by 2050 for scope 3 emissions.

3.3.1. Managing climate-related risks and opportunities

[GRI 201-2]

In 2020 we adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD[59]), in a process of continuous improvement in the identification, assessment and management of climate-related financial risks and opportunities in our value chain. In order to reduce the impact of our business activities on the environment, we have established a Climate Transition Plan[60] which reflects our ambition to contribute to limiting the increase in average global temperature to 1.5°C. This plan outlines our ambition to reduce the greenhouse gas (GHG) emissions generated in our operations and value chain through close collaboration with our suppliers. We also continue efforts to improve the assessment of short-, medium- and long-term climate risks throughout our value chain and involving our Private Brand and perishables suppliers, so as to increase the climate resilience of the supply chain and assess business opportunities in primary production and the use of low-carbon technologies. In 2023, climate-related risk assessment and management focused on (1) identifying mitigation and adaptation measures implemented by suppliers of the main commodities, such as coffee, fruit and vegetables, meat and animal feed; and (2) improving the assessment of specific risks such as the impact of rising sea levels on seaports and the places where our establishments are located, and potential water shortages in the activities carried out by Jerónimo Martins Agro-Alimentar (JMA).

Governance

Our decarbonisation and climate risk management strategy is monitored and supported by the Board of Directors, ensuring that climate-related issues are integrated into our corporate strategy, in particular the sustainability strategy, both in our own operations and in the supply chain. The Board of Directors oversees the Group's social and environmental obligations, including climate-related matters, and is responsible for monitoring the progress of our environmental commitments.

Topics linked to climate-related risks and opportunities are discussed in regular meetings held by the Sustainability Committees of each of our Companies and by the Corporate Governance and Corporate Responsibility Committee[61], which assists the Board of Directors in assessing and submitting proposals on the corporate responsibility strategy. These include climate mitigation and adaptation and the targets for reducing greenhouse gas emissions established in the Climate Transition Plan.

In addition, risks associated with climate change are also covered by the Jerónimo Martins Group's risk management system, as referred to in chapter 4 "Corporate Governance" of this report and are consequently closely monitored and managed by the different bodies and functions referred to in point 52. of subsection III ("Internal Control and Risk Management").

[59] The TCFD is an initiative promoted by the financial sector that helps businesses quantify and disclose climate-related financial risks and opportunities, and their respective action plans.
[60] More information can be found at www.jeronimomartins.com/cr-documents-2023.
[61] More information can be found at www.jeronimomartins.com (Investor > Corporate Governance > Specialised Committees).

Climate-related issues are central to our responsibility strategy and are integrated into our corporate business strategy. The implementation of our climate commitments is underpinned by ongoing investments, with execution cycles aligned with the business plan. Examples of these investments include the installation, in 2023, of photovoltaic systems for self-consumption of renewable electricity in Poland, Portugal and Colombia, the use of natural refrigeration gases in refrigeration and freezing facilities and equipment, and the additional OpEx costs for the purchase of certified renewable electricity to power our operations in Portugal and in Poland. The achievement of climate-related and other corporate responsibility objectives are part of the incentive scheme for employees in roles that influence the definition and/or implementation of the company's climate commitments and targets[62].

Strategy

Climate-related financial risks and opportunities are identified and assessed across our entire value chain at four different stages: production, processing, logistics and establishments. The first assessment, carried out in 2020, covered the 30 most relevant product groups for our Companies in Poland, Portugal and Colombia. For each product group, the main ingredients and sources were identified and, for each of these and for each stage of the value chain, different categories of physical and transition risks were assessed for time horizons up to 2030 and 2050, based on two IPCC (Intergovernmental Panel on Climate Change) climate scenarios:

- average temperature increase between 4.0°C and 6.1°C (scenario RCP 8.5), meaning that the efforts to limit average warming failed;
- average temperature increase below 2.0°C (scenario RCP 2.6), in line with the Paris Agreement.

As a result of the collaborative work between various departments of our Companies and interaction with suppliers, the number of products covered in our risk assessment increased to 45 in 2023, with the inclusion of products that are highly dependent on weather conditions and therefore more exposed to climate changes (e.g. apples and pears).

Climate-related risks and opportunities

Among the risks assessed are rising average temperature and extreme temperatures, changing precipitation patterns, prolonged water shortages and flooding in coastal and inland regions.

As part of the strategy defined in our roadmap for managing climate-related risks and opportunities, in 2023, the main objectives of the climate risk assessment were:

- identifying and assessing the maturity level of mitigation and adaptation measures implemented by Private Brand suppliers of specific commodities, such as beef, coffee, fruit and vegetables, and other ingredients;
- identifying climate risks and business opportunities for perishable products, in particular for the production of fruit, vegetables and meat;
- assessing the impact of water shortages on Private Brand and perishable products and identifying good water management practices implemented in JMA's operations and supply chain;
- assessing the risk of rising sea levels taking into account all the maritime ports worldwide used by the freight carriers we use;
- assessing the climate action plans for countries with seaports at risk from rising sea levels; and
- identifying more precise tools for assessing, in different time horizons, the exposure of stores and distribution centres to the risk of coastal and inland flooding.

We continued to be involved with the different departments of our Companies, suppliers and producer associations. This involvement enabled us to map implemented mitigation and adaptation measures, making it easier to assess the climate resilience of our supply chain. Although most of the suppliers we engaged with do not yet have a climate risk assessment in line with the TCFD guidelines for their activities, they have identified changes in temperature and water availability that affect production levels and the quality of some products. These same suppliers have implemented or plan to implement adaptation measures, such as increasing production storage capacity and, in some cases, investing in the

[62] More information can be found at CDP Climate 2023 Question C1.3 available at www.jeronimomartins.com/cr-documents-2023.

development of alternative or more resilient products, such as fruit varieties that are better adapted to changes in temperature. In very specific situations, particularly for some coffee bean varieties, we have identified a transfer of production from regions with climate-related problems to other regions of the world that have more favourable climatic conditions for production.

Between 2021 and 2023, a total of 197 strategic Biedronka, Pingo Doce, Recheio and Ara perishables and Private Brand suppliers were involved, resulting in the identification of different climate mitigation and adaptation measures. The table below describes some of the measures identified in 2023.

Climate risks: Mitigation and adaptation measures identified and implemented in 2023

Ingredient	Company	Value chain stage	Climate risk	Examples of adaptation measures implemented
Banana	Pingo Doce Recheio Biedronka Ara	Production	• Water shortages • Changes in precipitation • Extreme temperatures	• Installation of closed circuit water systems in plantations and rainwater harvesting for use in periods of drought; • Implementation of hygiene practices for pest control (e.g. adoption of the TR4 biosafety standard guidelines).
	Biedronka	Logistics	• Energy transition	• Optimisation of transport loads, to avoid half-full loads.
Tomato	Pingo Doce Recheio Biedronka Ara	Production	• Water shortages • Changes in precipitation • Extreme cold • Energy transition	• Planting in heated greenhouses to ensure year-round production, with pollinators to stimulate fertilisation and the use of natural predators; • Diversification of sources and varieties produced; production in the vicinity of thermal power stations, so as to use waste heat as a source of energy for the greenhouses; • Investment in the creation of water reserves, lakes and more efficient irrigation systems; • Investment in LED lighting and photovoltaic panels.
Apple	Pingo Doce Recheio	Production	• Extreme temperatures	• Creation of orchards covered with nets and anti-hail shock wave cannons.
Pear	Pingo Doce Recheio	Production	• Extreme temperatures • Water shortages	• Production using natural techniques to select more resistant varieties; • Investment in efficient irrigation techniques.
Coffee	Biedronka	Production	• Changes in precipitation	• Diversification of coffee sources.
		Processing	• Energy transition	• Transition to biomass roasting ovens.
Potato	Biedronka Ara	Production	• Water shortages • Energy transition	• Diversification of sources and harvest times; • Use of groundwater sources, efficient sprinkler systems for irrigation and implementation of closed circuit water systems; • Protection of crops against the cold using screens; • Increased storage capacity in periods of extreme cold; • Investment in LED lighting and photovoltaic panels.
Sugar	Ara	Production	• Changes in precipitation	• Investment in efficient irrigation techniques, use of groundwater sources and water recirculation; • Regenerative agriculture; • Diversification of sources and investment in resilient varieties.
Pork	Biedronka Ara	Production	• Extreme temperatures • Energy transition	• Production in enclosed spaces with mechanical ventilation; • Planting of trees and shrubs around the farm for thermal protection; • Planting of soy for animal feed, as it requires little irrigation;

Ingredient	Company	Value chain stage	Climate risk	Examples of adaptation measures implemented
				• Replacement of conventional energy sources with low-carbon energy sources (biogas); • Heat recovery, waste separation and recovery, and the installation of photovoltaic panels on farms.
Beef	Pingo Doce Recheio	Production	• Water shortages • Energy transition	• Watering using own wells and ponds and the use of efficient irrigation techniques; • Guaranteed feed reserve for three months; • Installation of photovoltaic panels.
Animal feed	Pingo Doce Recheio	Production	• Changes in precipitation	• Selection of alternative varieties to raw materials and use of by-products.
		Processing	• Energy transition	• Use of renewable energies; • Support for activities that increase carbon sequestration (e.g. reforestation); • Incorporation of fats that lead to less enteric fermentation.

With regard to our establishments[63], we continued to respond to identified risks such as extreme weather events, refrigeration gases used for compliance with environmental legislation, and to maximise opportunities related to the energy transition. As regards the latter, we have invested in acquiring renewable energy certificates in Portugal, establishing long-term renewable energy purchase contracts in Poland, increasing the number of stores and distribution centres with photovoltaic energy production systems in all the countries where we operate, implementing energy recovery systems in industrial units, and refurbishing the store network to reduce energy consumption. The use of natural refrigerant gases or those of low global warming potential is top-of-mind when opening new stores and refurbishing existing ones, aimed at reducing emissions associated with refrigerant gas leaks from cooling and refrigeration equipment. The modernisation of this equipment has also helped to reduce energy consumption and increase the resilience of the operation on days of extreme temperatures. The main mitigation measures implemented in our operations are detailed in subsections 3.3.3. to 3.3.5. of this Annual Report. We also report, in detail, the climate-related risks and opportunities in our responses to CDP – Disclosure Insight Action[64].

In 2023, we improved the assessment of some emerging risks associated with extreme weather phenomena, such as storms with increased wave propagation and intense rainfall leading to urban flooding and/or landslides. To this end, different databases and tools for assessing the risk of coastal and urban flooding were analysed, and more than 5,700 establishments were assessed in the three countries where we operate. This assessment helped identify the most appropriate tools to inform decision-making using risk maps that identify areas with a high or very high risk of flooding. The short- and medium-term risk assessment showed that the risk associated with rising sea levels or inland flooding is not material for the business. Having regard to the long-term projections, which indicate a rise in sea levels of between 0.5 and 1 metre by 2100, the impact of this risk on coastal areas will continue to be monitored periodically in order to identify high-risk areas for our Companies' businesses.

In logistics processes, we have extended the scope of the assessment of risks related to rising sea levels to include more than 3,000 maritime ports, thus guaranteeing we have information on the level of risk for all the ports used by the freight carriers of the goods we purchase. We also continue to monitor the state of implementation of national climate action and adaptation plans, paying particular attention to progress made in Colombia, which has infrastructure in higher risk regions.

Our current climate strategy is guided by the analysis of climate scenarios with mitigation and adaptation actions for ingredients exposed to climate risks and is underpinned by a climate transition plan that includes actions for our value chain: own operations (distribution centres, stores, and industrial and agrifood units); logistics; sourcing (especially food products); and customers (paying close attention to trends in demand for low-carbon products). In our supply chain, of note are the public commitments

[63] Establishments are considered to be stores, distribution centres, head office buildings and manufacturing units (central kitchens and soup or fresh dough factories).
[64] More information can be found at http://www.jeronimomartins.com/cr-documents-2023.

related to eliminating deforestation linked to the main commodities, assisting our fruit and vegetable suppliers in adopting sustainable agricultural practices, the sustainable use of energy, reducing food waste, the ecodesign of packaging, and fighting plastic pollution. Knowledge sharing and co-operation with our Private Brand and perishables suppliers has been key to delivering on our commitments, as an integral part of our process of assessing the resilience of the supply chain and identifying new business opportunities.

With regard to business opportunities, the recent trend continued in 2023, with our suppliers investing in the local production of renewable energy for self-consumption and for the processing of raw materials (e.g., coffee bean roasting or sugar refining), and in the production of raw materials, most notably the growing use of low-carbon fuels in agricultural machinery and the recovery of waste for the production of these fuels. Our suppliers' investment in low-carbon technologies is essential to reducing the indirect emissions associated with our purchases of goods and services. As regards production, diversification of varieties and investing in crops that are more resilient to climate change, as well as diversifying countries of origin, are some of the opportunities identified by producers. The table below indicates the main business opportunities identified in 2023.

Business opportunities identified in 2023

Ingredient	Country	Activity	Business opportunity
Various (fruit, sugar, meat and animal feed)	Portugal Poland Colombia	Production	Production of climate-resilient varieties, focusing in particular on natural selection techniques.
Pork	Colombia	Production	Biogas production for *in-situ* electricity generation. Membership of voluntary carbon markets with projects linked to waste recovery and wastewater recycling.
Coffee	Poland	Production	Diversification of sources, including regions with higher productivity, due to the impact of climate change on these regions with the guarantee that the flavour and aroma of the final product are preserved.
Various (meat, fruit and vegetables)	Portugal Poland Colombia	Production	Production in greenhouses or covered enclosures, thus guaranteeing crop production in periods when weather conditions are less favourable.
Animal feed	Portugal	Production	Incorporation of alternative protein sources, such as algae and insects, to improve product formulation, with a reduction in GHG emissions associated with land use and change in the production of agricultural commodities.

Managing risks and opportunities[65]

The probability of occurrence of the risks and opportunities indicated above and their level of impact, including financial, as well as the identification, assessment and management thereof, are part of our multidisciplinary approach to managing short-, medium- and long-term risks at Group level and are classified as environmental risks in our risk taxonomy, which has been aligned with the TCFD taxonomy.

Despite the high degree of uncertainty associated with assessing the impact of climate-related risks, the process for identifying and managing climate-related risks for our business is identical to that implemented for managing other risks and follows the risk management framework we established. This process covers risks and opportunities that occur at all stages of our value chain: upstream (e.g. the impact of changing precipitation patterns on global food supply chains); direct operations (e.g. the impact on Capex of early replacement of refrigeration systems); and downstream (e.g. the opportunity to increase investor confidence associated with the application of the TCFD recommendations).

Climate-related risks and opportunities are identified, assessed and managed at corporate level where they may affect the Group above the defined materiality threshold. Where they fall below the materiality threshold, risks and opportunities are identified and assessed at corporate level and managed at business/operational unit level. Identification includes the monitoring of country-specific regulations (e.g.

[65] To learn more, see chapter 4 "Corporate Governance", section C "Internal Organisation", subsection III "Internal Control and Risk Management".

carbon taxes in Portugal, Poland and Colombia) and a detailed assessment of the vulnerability of facilities to extreme weather events (e.g. flood risk mapping of stores and distribution centres in Portugal, Poland and Colombia).

Interactions with our supplier network have enabled us to identify not only a high level of adaptation to climate risks, but also storage capacity for long periods of time, thus ensuring the supply of our operations even during low-production periods as a result of weather events. As a food retailer with a very diverse product portfolio and a mature and efficient logistics network, we are able to ensure the supply of similar or alternative products in our stores in the event of temporary supply shortages. Food production continues to rise, particularly in Poland, where winters have been less severe, and diversification of the regions where certain food products are produced has increased, thereby increasing the availability of alternative sources for the same products.

In the short, medium and long term, the availability of water resources and the variability of precipitation present a high risk for agricultural and livestock production in southern Europe, particularly in the Iberian Peninsula. As such, and in order to classify the water risk associated with the main ingredients in our products, we identified the water footprint in the production thereof, as well as the levels of water scarcity in the countries of origin. In addition, and as part of our risk management plan, we identified good water use practices implemented by our suppliers, including rainwater harvesting, the development of water storage systems, and the use of efficient irrigation systems. In this regard, JMA's agricultural and industrial activities, which use much more water than our distribution activities, have an efficient water management plan in place to ensure activities continue during periods of severe drought.

Reputational risk management, directly linked to the expectations of stakeholders regarding our commitment to reducing our carbon footprint, fighting deforestation and supporting biodiversity preservation and conservation projects, is a transversal concern within the scope of our Corporate Responsibility Strategy and is reflected in our Climate Transition Plan[66]. This plan sets GHG reduction targets aligned with a 1.5°C pathway, in particular our ambition to reach carbon neutrality by 2050 in our own operations and in the value chain, and an increased investment in renewable energy consumption. Also of note is our participation in national and international coalitions, such as our membership in the Science Based Targets initiative (SBTi) and The Consumer Goods Forum's Forest Positive Coalition of Action. Equally relevant are the scores awarded to us by CDP - Disclosure Insight Action in 2023 (see feature box).

We are the food retailer with the best CDP score worldwide for the fourth year running

CPD once again awarded us the maximum score (A) in the "Fighting climate change" survey and leadership level (A-) in the "Managing water as a critical resource" and "Fighting deforestation" surveys. As regards the "Fighting deforestation" survey, we are the only food retailer in the world to achieve leadership level (A-) in the management of the commodities more linked to deforestation risk: palm oil, beef, soy and timber.

These results reflect the strategy and performance of the Group and its Companies, to which the assessment and management of climate risks in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the publication of the Climate Transition Plan made a decisive contribution.

The assessment by CDP – Disclosure Insight Action (formerly the Carbon Disclosure Project) position us as the food retailer with the best score worldwide.

Metrics and targets

With operations in Poland, Portugal and Colombia, Biedronka expected to open its first stores in Slovakia by the end of 2024, the expansion of Hebe to Czechia and Slovakia, and JMA pursuing business in Morocco, it is important that we find solutions to counteract the inherent increase in water and energy consumption, which involves combining construction techniques and technology and adopting behaviours in line with good environmental practices.

[66] More information can be found at http://www.jeronimomartins.com/cr-documents-2023.

To support our carbon neutrality journey, we have implemented the Climate Transition Plan, which establishes a set of Group-wide measures and actions to achieve our GHG emission reduction targets. This plan includes the GHG emission reduction measures implemented by the Companies, as well as the additional reduction initiatives and investments needed to ensure full compliance with a 1.5°C pathway.

In 2021 we joined the Science Based Targets initiative (SBTi) and in 2023 we submitted science-based emission reduction targets for validation by this body. In accordance with SBTi's methodology and criteria, 2021 was selected as the base year as it is the most recent year with robust and complete data on scope 1, 2 and 3 emissions. The short- and long-term goals we have set for carbon neutrality are as follows:

Short-term targets

- By 2033, reduce our scope 1 and 2 emissions by 55%, compared to 2021.
- Ensure that, by 2030, 60% of the electricity used is from renewable sources.
- By 2033, reduce our scope 3 energy/industry emissions by 33%, compared to 2021.
- By 2033, reduce our forest, land and agriculture (FLAG) emissions by 39.4%, compared to 2021.
- By 2025, eliminate deforestation risk in the chain of the main ingredients of our products.

Long-term targets

- By 2045, reduce our scope 1 and 2 energy/industry emissions by 90% and make background emissions neutral, compared to 2021.
- By 2050, reduce our scope 3 energy/industry emissions by 90% and make background emissions neutral, compared to 2021.
- By 2050, reduce our FLAG emissions by 72%, compared to 2021.

The targets presented are expected to be validated by SBTi in the first half of 2024.

We have also made other commitments under our strategy to fight climate change, in particular the reduction of scope 3 emissions, such as fighting deforestation and converting high conservation value ecosystems, fighting food waste, encouraging the adoption of good agricultural practices, improving the efficiency of our logistic operations, packaging ecodesign, and fighting plastic pollution.

Progress

In 2024, we will continue working on assessing climate-related financial risks and opportunities to:

- increase knowledge about some emerging climate risks, such as the impact of extreme weather events;
- consider a greater number of ingredients in order to cover more of our Companies' Private Brand and perishable products in the different countries where we do business;
- integrate in the quantification of financial risk the mitigation and adaptation measures identified in our supply chain;
- strengthen collaboration with our supply chain in order to continue assessing its climate resilience;
- improve the quantification of business opportunities, such as increasing the production of some crops, and the identification of new sources for some ingredients exposed to climate risks.

As part of the process of continuously improving the calculation of scope 3 emissions, we will incorporate more primary data on our suppliers' products and strengthen co-operation with our supply chain to reduce the emissions associated with the purchase of products and services.

Our strengthened commitment in the science-based targets, currently pending approval by SBTi, the results of our stakeholder survey and the respective double materiality assessment, allowed us to define intermediate commitments for 2024-2026, which are reflected in the updated version of our Climate Transition Plan.

3.3.2. Carbon footprint

[GRI 302-2; GRI 305-1; GRI 305-2; GRI 305-3; GRI 305-4; GRI 305-5]

In 2023, in line with the recommendations of the GHG Protocol Corporate Accounting and Reporting Standard, we improved the way we calculate the emissions associated with electricity consumption. At

Biedronka, we started using the specific emission factors and the energy mix updated annually and made available by electricity suppliers in Poland, as was already the case for our operations in Portugal. In Colombia, this information is not yet available and data on the country's energy mix is used. Considering the information provided by the Polish electricity sector for previous years, we also recalculated Biedronka's scope 2 emissions for 2021 and 2022[67].

Based on this methodological adjustment, our scope 1 and 2 GHG emissions accounted for 929,000 tonnes of carbon dioxide equivalent (CO_2e) in 2023, 6.9% more than in 2022. This increase is due mainly to the growth of our activities in Poland and Colombia, and to the increase in electricity and fuel consumption. The specific value of scope 1 and 2 emissions decreased 11.7% compared to 2022, as a result of the increased efficiency of our operations. We exceeded our goal to reduce scope 1 and 2 carbon emissions by at least 40% per 1,000 euros in sales by the end of 2023, compared to 2017, reducing emissions by 60%.

The strategy to reduce our carbon footprint, defined on a voluntary basis since our Companies' activities are not covered by the European Emissions Trading Scheme, includes increasing operational efficiency and increasing the consumption of renewable energy, with the production of photovoltaic energy for self-consumption through Power Purchase Agreements (PPAs), Virtual Power Purchase Agreements (VPPAs) and the purchase of guarantees of origin. The 24.2% reduction in our carbon footprint, in absolute terms and compared to 2017, confirms the effectiveness of this strategy.

With regard to scope 3 emissions, particularly in the categories associated with purchased goods and services (category C1) and the end-of-life treatment of sold products (category C12), the increase recorded follows the growth trend of our businesses.

Carbon footprint (t CO_2e/1,000 euros of sales)	2023	2022	Δ 2023/2022
Specific value (scopes 1 and 2)	0.0303	*0.0342	-11.7%

Carbon footprint (t CO_2e)[68]	2023	2022	Δ 2023/2022
Overall carbon footprint (scopes 1 and 2)[69] by GHG	**928,904**	***869,337**	**+6.9%**
Carbon dioxide (CO_2)	801,408	*736,051	+8.9%
Methane (CH_4)	19,692	*19,004	+3.6%
Hydrofluorocarbons (HFC)	104,914	*111,605	-6.0%
Perfluorocarbons (PFC)	0	0	-
Nitrous oxide (N_2O)	2,890	*2,677	+8.0%
Sulphur hexafluoride (SF_6)	0	0	-
Overall carbon footprint (scopes 1 and 2)			
Biedronka	747,290	*713,934	+4.7%
Hebe	21,200	20,583	+3.0%
Pingo Doce[70]	40,536	42,745	-5.2%
Recheio	3,977	*3,187	+24.8%
Ara	91,384	*65,335	+39.9%
JMA[71]	24,372	*23,406	+4.1%
Hussel/Jeronymo[72]	145	*147	-1.4%
Carbon footprint (scope 1 – direct impacts)[73]	**240,466**	***227,719**	**+5.6%**
Leakage of refrigerant gases	104,976	*111,669	-6.0%
CO_2 usage	29,166	25,755	+13.2%
Fuel consumption	65,459	52,858	+23.8%
Light vehicle fleet	21,788	*18,977	+14.8%
Emissions from agriculture and livestock farming[74]	19,077	*18,460	+3.3%

[67] More information can be found at http://www.jeronimomartins.com/cr-documents-2023.
[68] The Group Companies have not acquired carbon credits to offset their scope 1, 2 or 3 emissions, nor have they implemented removal or storage projects in their operations or value chain.
[69] Scope 2 emissions concern location-based (heating) and market-based (electricity) type emission factors.
[70] To measure the environmental indicators reported in this subchapter, the distribution centres, central buildings, and trucks used to distribute goods were accounted for under Pingo Doce.
[71] JMA: Jerónimo Martins Agro-Alimentar.
[72] To calculate the environmental indicators reported in this subchapter, Hussel and Jeronymo's emissions were estimated based on their sales, making a correlation between commercial activities and Pingo Doce's environmental impacts.
[73] Scope 1 GHG emissions from our Companies' activities are not covered by the European Emissions Trading Scheme of the regulated emissions trading systems.
[74] Emissions from JMA's farming and livestock activities include enteric emissions from cattle and sheep, the use of chemical fertilisers, and manure management.

Carbon footprint (t CO_2e)[68]	2023	2022	Δ 2023/2022
Carbon footprint (scope 2 – indirect impacts)	**688,438**	***641,618**	**+7.3%**
Electricity consumption (location-based)	755,226	*753,496	+0.2%
Electricity consumption (market-based)	674,051	*622,080	+8.4%
Heating (location-based)	14,387	19,538	-26.4%
Carbon footprint (scope 3 – other indirect impacts)	**32,593,713**	***28,960,529**	**+12.5%**
Poland	23,108,168	*20,447,987	+13.0%
Portugal	6,106,242	*5,947,187	+2.7%
Colombia	3,379,303	*2,565,355	+31.7%
Carbon footprint (scope 3 – other indirect impacts)			
C1. Purchased products and services	28,051,367	24,694,613	+13.6%
C2. Capital goods	627,556	*511,612	+22.7%
C3. Fuel and energy related activities	307,489	309,982	-0.8%
C4. Upstream transport and distribution	256,781	*261,510	-1.8%
C5. Waste produced in operations	57,091	49,268	+15.9%
C6. Work travel	4,841	3,359	+44.1%
C7. Commuting	20,813	20,392	+2.1%
C8. Assets rented upstream	-	-	-
C9. Downstream transport and distribution	-	*-	-
C10. Transformation of products sold	799	780	+2.4%
C11. Use of products sold	1,798,879	1,822,447	-1.3%
C12. End-of-life treatment of products sold	1,458,531	1,276,387	+14.3%
C13. Assets rented downstream	-	-	-
C14. *Franchises*[75]	-	-	-
C15. Investments	9,566	*10,179	-6.0%

* Values corrected to improve alignment with the Greenhouse Gas Protocol methodology.

Note 1: The carbon footprint of the different activities is calculated using the three levels of the World Business Council for Sustainable Development (WBCSD) Greenhouse Gases Protocol and the World Resources Institute (WRI) method: direct, indirect, and third party impacts. The scopes 1 and 2 emissions correspond to the activities under the Group's financial control and account for 99.996% of turnover. The values shown took the following into account regarding scopes 1 and 2: (i) refrigerant gases and enteric emissions from livestock and chemical fertilizers – emission factors defined by the IPCC; (ii) enteric emissions from sheep and manure management – emission factors defined by Agência Portuguesa do Ambiente (Portuguese Environmental Agency); (iii) fuel and heating – defined by Direção-Geral de Energia e Geologia (Portuguese Directorate-General for Energy and Geology), by Unidad de Planación Minero Energética (Colombian Unit of Mining and Energy Planning) and by Krajowy Ośrodek Bilansowania i Zarządzania Emisjami (Polish Centre for Emission Balance and Management); (iv) electricity – defined by the International Energy Agency (location-based electricity), by suppliers (market-based electricity in Portugal and in Poland), by the Association of Issuing Bodies for franchise stores or stores located in third-party establishments (market-based electricity in Poland), and by Unidad de Planeación Minero Energética (market-based electricity in Colombia); (v) fuel used in the light vehicle fleet – defined by the Greenhouse Gas Protocol. The emission factors defined by IPCC for stationary combustion, refrigerant gases and enteric emissions, and those defined by the Greenhouse Gas Protocol for fuel used in the light vehicle fleet were used to calculate the scope 1 carbon footprint by GHG. As regards the breakdown of scope 2 emissions, the percentages of each GHG were considered in the emission factors defined by the International Energy Agency.
Note 2: The scope 3 values shown took the following into account: C1 – includes emissions associated with the transport of goods between suppliers and distribution centres; C4 – includes emissions associated with the transport of goods between distribution centres and stores and between the Group's operational units; C8 and C13 – emissions of these categories are being reported under scopes 1 and 2; C9 – considers the emissions of delivery services to Pingo Doce, Recheio and Hebe customers; C14 – emissions of franchising stores and similar models are being reported under scopes 1 and 2 for financial control; C15 – considers the emissions of the investments made by the Group Companies. Detailed information on the calculation of scope 3 emissions is available at www.jeronimomartins.com/cr-documents-2023.

Approximately 95% of our scope 3 emissions are associated with the production, use and end-of-life treatment of the products we sell. Collaboration with our suppliers, in particular with those that have the greatest impact on our scope 3 emissions, aims at increasing the resilience of our value chain and reducing C1 emissions, in line with the scope 3 emissions reduction target set in the Climate Transition Plan.

3.3.3. Water and energy consumption management

Focused on reducing the impact of our activities on the use of resources and GHG emissions, we have implemented good practices in our own operations to curb the increase in water and energy consumption inherent in business expansion. The refurbishment and new store opening plan includes solutions such as:

- technologies for generating renewable energy;
- energy control and management systems;
- refrigeration technologies;
- freezers;
- efficient lighting;

[75] This parameter includes franchising and similar models.

- water saving systems, such as flow regulators, taps with timers, and rainwater harvesting for our irrigation systems and to wash equipment.

In 2023, we increased the number of stores with electric vehicle charging points to 215 at Pingo Doce, 5 at Recheio, and 210 at Biedronka, which supplied more than 12,000 gigajoules (GJ). In our fleet of light vehicles, 11% of the vehicles in Portugal and 1.5% in Poland were electric or plug-in hybrid vehicles. The investment made from 2017 in these measures, totalling 384 million euros, was recovered in a three-year period average and has avoided the emission of more than 780,000 tonnes of CO_2e.

Raising employee awareness of waste recovery and the efficient use of water and energy has helped improve the environmental performance of our establishments. The "Water and Energy Consumption Management Teams" project, launched in 2011 in the Pingo Doce and Recheio stores, has helped to reduce water consumption by 508,000 m^3 and energy consumption by 87 million kWh, corresponding to cumulative savings of over 10.7 million euros[76]. The actions of these teams at Pingo Doce are part of the "Todos pelo Ambiente" (Everyone for the Environment) initiative. In 2022, Biedronka launched the initiative "Dobra energia" (Good Energy), which included the development of a good practice handbook to save energy in stores, interactive training for all store employees, electricity consumption monitoring reports, and a dedicated chatbot to facilitate daily operations. By 2023, this project had reduced store electricity consumption by an average of 4%. The "Let's Go Green" project, implemented in 2015 with the same goal, encompasses office buildings in Portugal, Poland and Colombia.

Water withdrawal and reuse [GRI 303-1; GRI 303-3]

Total consumption (megalitres/million euros in sales)	2023	2022	Δ 2023/2022
Overall specific value	0.212	*0.232	-8.6%
Specific value (Distribution)	0.106	0.123	-13.8%
Specific value (Agribusiness)	28.711	*30.848	-6.9%

Total withdrawal (megalitres)	2023	2022	Δ 2023/2022
Water withdrawal by source**	**6,500.4**	***5,881.1**	**+10.5%**
Municipal and private supply system	6,165.9	*5,590.0	+10.3%
Groundwater	316.4	272.8	+16.0%
Surface water (including rainwater)	18.1	18.3	-1.1%
Water withdrawal by business unit			
Pingo Doce	1,726.1	1,666.4	+3.6%
Recheio	88.6	93.2	-4.9%
Biedronka	941.0	956.3	-1.6%
Hebe	21.7	17.8	+21.9%
Ara	472.9	385.1	+22.8%
JMA	3,250.1	*2,762.3	+17.7%

Recycled water (megalitres)	2023	2022	Δ 2023/2022
Total recycled water***	2.4	2.6	-7.7%

* Values corrected due to updated calculations.
** Total withdrawal refers to freshwater.
*** Only at Ara.

We exceeded the goal of reducing the volume of water withdrawal in Distribution by 10% per million euros in sales by the end of 2023 compared to 2017, achieving a reduction of 38%.

In absolute terms, water withdrawal increased 10.5% compared to 2022, due mainly to the growth of the agrifood business and the increase in the number of Ara and Biedronka stores. As regards Jerónimo Martins Agro-Alimentar (JMA), the need to increase water consumption was due to high temperatures and meteorological drought in mainland Portugal, as well as the larger area used to cultivate cereals and pastures at Best Farmer, and the increase in the number of animals and the area used to establish pastures at Ovinos da Tapada.

[76] Value calculated on the basis of regular internal benchmarking reports in which the consumption of stores refurbished in 2022 and 2023 was excluded since consumption is not comparable.

Water withdrawal in Distribution increased 4.2%, in absolute terms, compared to 2022, due to the expansion of the store network (411 more stores compared to 2022), the increase in business at Recheio, and the growth of the takeaway and restaurant activity at Pingo Doce. The two central kitchens produced more, restaurant activity increased and the fresh food area was expanded, resulting in increased water consumption for preparing meals and washing tools and equipment.

More than 95% of the water we used for our activities came from municipal or private supply systems. Groundwater and surface water withdrawal accounts for the remaining 5%, for which we hold the required licences and is used for less demanding operations, such as irrigation and cooling systems.

In 2023, the specific value continued to decrease in Distribution activities, falling from 0.123 to 0.106 megalitres per million euros in sales.

In terms of water reuse, despite the slight reduction in the consumption of reclaimed water due to less rainfall in 2023 compared to 2022, we now also have a Recheio store with a water recycling programme, which joins four distribution centres (one in Portugal and three in Colombia) and two JMA farms that already were reusing water. The harvested water was used for cooling systems, irrigation, external truck washing, and livestock watering systems.

Water disposal [GRI 303-2; GRI 303-4]

Total wastewater (megalitres)	2023	2022	Δ 2023/2022
Wastewater disposal by type of destination*	**2,809.0**	**2,702.5**	**+3.9%**
Municipal sewage	2,757.2	2,641.7	+4.4%
Environment	51.8	60.8	-14.8%
Wastewater disposal by business unit			
Pingo Doce	1,381.0	1,333.2	+3.6%
Recheio	70.9	74.6	-5.0%
Biedronka	752.8	765.1	-1.6%
Hebe	17.4	14.2	+22.5%
Ara	378.2	308.1	+22.8%
JMA	208.7	207.3	+0.7%

* It is estimated that the volume discharged corresponds to less than 0.5% of freshwater.

Wastewater discharged directly into the natural environment is licensed in accordance with local laws and is properly treated in the places where it is generated before being discharged, accounting for 1.8% of the total volume of wastewater we generated (0.4 p.p. less than in 2022).

Water consumption [GRI 303-1; GRI 303-5]

Total water consumed (megalitres)	2023	2022	Δ 2023/2022
Water consumption by business unit	**3,691.4**	***3,178.8**	**+16.1%**
Pingo Doce	345.2	333.3	+3.6%
Recheio	17.7	18.6	-4.8%
Biedronka	188.2	191.3	-1.6%
Hebe	4.3	3.6	+19.4%
Ara	94.6	77.0	+22.9%
JMA	3,041.4	*2,555.0	+19.0%

* Values corrected due to updated calculations.

Note: According to the Global Reporting Initiative (GRI) methodology, water consumption is the difference between water withdrawal and water discharge.

Water stress [GRI 303-1, GRI 303-2]

To determine the exposure of our activities to the risk of a shortage of drinking water, a water stress test per class (associated with water withdrawal) is conducted every year. To this end, the physical locations of the Companies are mapped and the World Resources Institute (WRI) “Aqueduct: Baseline Water Stress Class” model is followed.

Water stress class	Water withdrawal (megalitres)		Water disposal (megalitres)	
	Municipal and private supply system	Groundwater and surface water	Municipal sanitation	Environment
Total	**6,165.9**	**334.5**	**2,757.3**	**51.8**
Low	791.8	36.1	644.2	18.1
Low to medium	255.3	120.6	226.8	31.1
Medium to high	3,493.8	77.8	484.7	0.0
High	296.9	48.5	270.9	0.0
Extremely high	1,326.4	51.6	1,129.2	2.6
Drought	0.0	0.0	0.0	0.0
No data	1.7	0.0	1.4	0.0

This analysis shows that, in 2023, 27% of total water withdrawal (1,723 megalitres, 1,785 megalitres less than in 2022 as a result of an update to the Aqueduct model[77]) has an "extremely high" or "high" water stress level. In terms of water disposal, the volume for both risk levels is of 1,403 megalitres (50% of the total, 844 megalitres more than in 2022, due to the increased risk in Poland according to Aqueduct 4.0). To mitigate the risk of water shortage in our activities, we are:

- installing smart irrigation systems that adjust the amount of water based on soil water needs;
- installing flow regulators and automatic sensors;
- harvesting rainwater for later use;
- using regenerative agriculture techniques applied to the cultivation of cereal crops for cattle feed;
- incorporating non-graded products or by-products of the food industry[78] into animal feed (because they have a high moisture content, these products reduce the animals' need for water and their dependence on cereals);
- preventing deterioration of water quality by treating wastewater.

Water efficiency on JMA farms

To reduce water consumption, optimise production and increase the water resilience of JMA's agricultural activities, the Companies in this business area invest in technologies such as:

- the installation of weather stations to quantify rainfall, wind direction and intensity, the number of hours of sunshine and degrees of heat to optimise irrigation needs;
- the installation of soil moisture sensors to measure the amount of water available for plants and to adjust irrigation according to the needs of each crop;
- the use of pivots with efficient irrigation sprinklers for large crops or fodder, such as maize, or permanent irrigated meadows;
- the use of drip irrigation systems to minimise evaporation losses.

Energy consumption [GRI 302-1; GRI 302-2; GRI 302-3; GRI 302-4; GRI 302-5]

Intensity indicators	2023	2022	Δ 2023/2022
Total consumption (GJ/1,000 euros in sales)[79]	0.262	*0.297	-11.8%

Total consumption (GJ)	2023	2022	Δ 2023/2022
Energy consumption by type	**8,010,628**	***7,529,609**	+6.4%
Electricity**	6,545,154	*6,229,464	+5.1%
Fuel	1,316,381	*1,101,231	+19.5%
Heating**	149,093	198,914	-25.0%
Renewable energy	3,592,316	*3,378,293	+6.3%
Electricity	3,573,631	*3,358,595	+6.4%
Heating	18,685	*19,698	-5.1%

[77] Version 4.0 of the Aqueduct model released in August 2023 was used.
[78] For more information, see subsection 3.4.4. "Waste Management" in this subchapter.
[79] The energy consumption considered in the intensity indicator comprises 95.5% of energy consumed by retail activities (Section G, NACE rev 2) and 0.5% by agriculture and fishing activities (Section A, NACE rev.2) and industry (Section C, NACE rev 2).

Total consumption (GJ)	2023	2022	Δ 2023/2022
Energy consumption by business unit			
Biedronka	4,353,186	*4,391,749	-0.9%
Hebe	98,294	96,081	+2.3%
Pingo Doce[80]	2,005,205	1,917,536	+4.6%
Recheio	210,260	194,827	+7.9%
Ara	1,215,789	815,281	+49.1%
JMA	120,927	107,696	+12.3%
Hussel/Jeronymo	6,967	6,439	+8.2%

* Values corrected due to updated calculations.
** Includes 100% renewable sources and the percentage of renewable energy for each source.

We had pledged to reduce, by 2023, energy consumption by 10% per 1,000 euros in sales, compared to 2017. By the end of 2023, consumption had been reduced by 36% per 1,000 euros in sales, compared to 2017.

Absolute energy consumption increased 6.4% in 2023, compared to the previous year. Ara saw the biggest increase, due to the significant growth in the number of stores, particularly in the north of Colombia, where the unstable electric power distribution network implies a high consumption of fuel used in generators. JMA recorded the second largest increase, due to fuel consumption by the aquaculture unit's vessels, the generator for the new milking parlour at Monte do Trigo and due to the 20% increase in production at the Terra Alegre factory. At Pingo Doce, the increase in energy consumption is due mainly to growth of the ready-to-eat food business (increased production of central kitchens, increased restaurant activity and larger sales area, and more equipment for food preparation, storage of ingredients and display of meals). In the case of Recheio, the increase is in line with the growth of the business in the year. As regards Biedronka, the decrease in energy consumption is the result of reduced heating needs due to milder outdoor temperatures during winter and the efficiency plan which, among many measures, applied new indoor temperature set points for the heating and cooling systems during summer and winter, enabling a slight reduction in the energy consumption of stores.

Renewable energy

Technology	Number of buildings	Energy (GJ/year)	Saving* (t CO_2e/year)
Photovoltaic cells for self-consumption	**779**	**113,901**	**15,772**
Pingo Doce[80]	26	29,475	1,880
Recheio	7	5,174	330
Biedronka	**728	68,887	13,050
Ara	16	4,591	143
JMA	2	5,774	368
Lamp posts and security system powered by photovoltaic panels and/or wind turbines	**9**	**534**	**35**
Pingo Doce[80]	1	130	8
Recheio	5	258	17
Biedronka	1	10	2
JMA	2	136	8
Solar collectors to produce hot water used for heating water and/or in the air conditioning system	**17**	**4,020**	**256**
Pingo Doce[80]	7	3,399	217
Recheio	8	552	35
JMA	2	69	4
Geothermal heat pumps (Biedronka)	15	5,884	1,115

* These values reflect the update in the electricity emission factor (market-based).
** At the end of 2023, 379 new photovoltaic power production units were under construction and awaiting connection to the grid at Biedronka's locations.

Investment in renewable energies for self-consumption (in particular, the increase in stores and distribution centres with photovoltaic panels in Colombia, Poland and Portugal) has guaranteed the production of over 24,000 GJ, 138% more than in 2022. Since July 2018, we have been investing in electricity from renewable

[80] To measure the environmental indicators reported in this subchapter, the distribution centres, central buildings, and trucks used to distribute goods were accounted for under Pingo Doce.

energy sources to power the operations of our banners in Portugal, by purchasing Guarantees of Origin, also known as RECS certificates (Renewable Energy Certificate System). In 2023, this investment helped avoid the emission of 120,000 tonnes of carbon dioxide equivalent. Through a virtual purchase power agreement (VPPA), Biedronka guaranteed the production of 198,000 GJ of photovoltaic solar energy and avoided the emission of 37,500 tonnes of carbon dioxide equivalent.

In total, 45% of the energy we consumed in 2023 came from renewable sources. In absolute terms, renewable energy consumption increased 6.3%, mainly as a result of the investment in power purchase agreements and Guarantees of Origin. Considering electricity consumption alone, around 55% came from renewable energy sources.

Our goal is to ensure that, by 2030, 60% the electricity we use comes from renewable sources.

Investment in renewable energy

Biedronka increased the number of establishments with solar photovoltaic power production units from 118 to 728, which produced 19.1 million kWh (68,887 GJ) and avoided the emission of 13,050 tonnes of carbon dioxide equivalent. By the end of 2024, the Company expects to have 1,500 stores with photovoltaic solar energy generation systems. In 2023, the first year of the virtual power purchase agreement established with GoldenPeaks Capital, 55 GWh of renewable energy was produced, around 6% of Biedronka's electricity consumption, avoiding the emission of 37,500 tonnes of carbon dioxide equivalent.

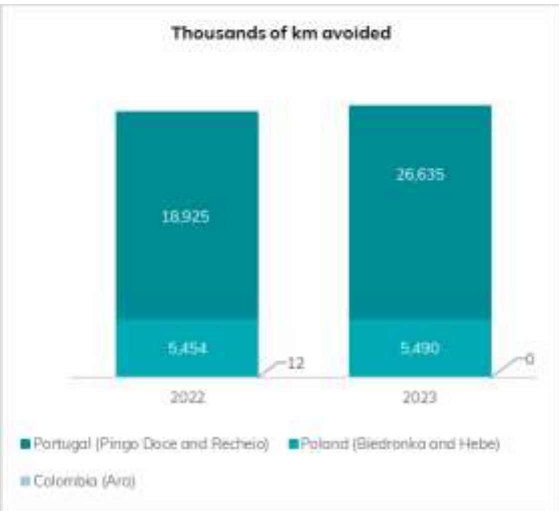
Pingo Doce and Recheio increased the number of stores with photovoltaic panels from 20 to 33, producing 9.4 million kWh (33,991 GJ) and avoiding 2,210 tonnes of carbon dioxide equivalent.

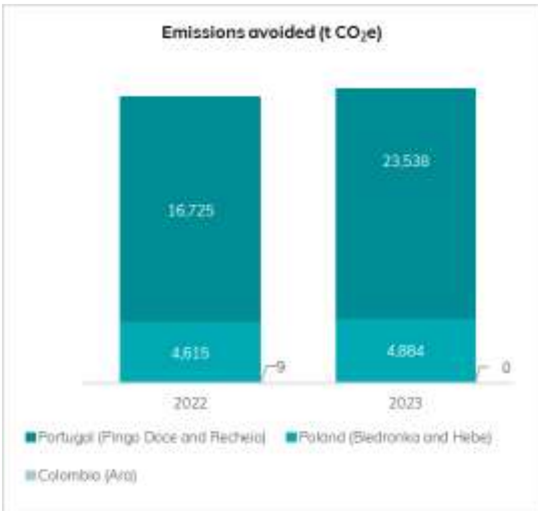
In 2023, Ara began its plan to produce renewable energy for self-consumption, installing photovoltaic panels in 15 stores and a distribution centre, which ensured the production of 1.3 million kWh (4,590 GJ) and avoided the emission of 143 tonnes of carbon dioxide equivalent.

3.3.4. Reduction of environmental impacts from logistics processes

To improve the environmental performance of our logistics processes, we continued efforts to optimise distribution routes and increased investment in more efficient goods transport vehicles.

Backhauling operations[81]





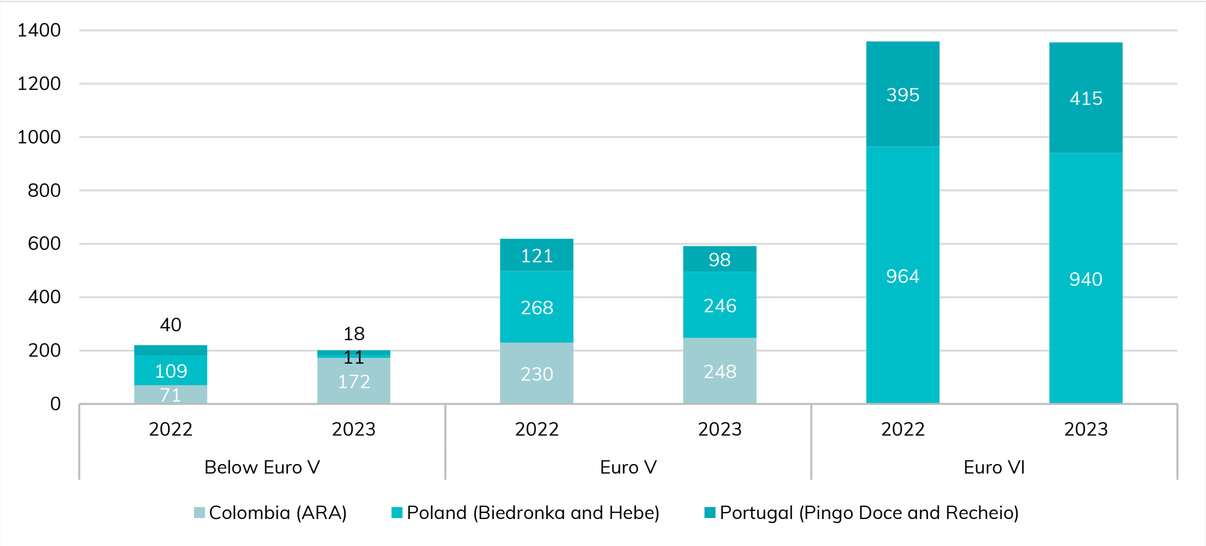
[81] After delivering products to our stores, the return route includes stopping by the facilities of the Group's suppliers to pick up goods and take them to the distribution centre.

In 2023, backhauling operations shaved off 31.1 million kilometres, 32% more than in 2022, with the respective reduction in emissions (28,400 tonnes of carbon dioxide equivalent). In Colombia, backhauling is still not relevant due to the distance between our suppliers and our distribution centres on the return routes.

The fronthauling project[82] shaved off 145,331 kilometres (4.7% less than in 2022) and avoided the emission of 129 tonnes of carbon dioxide equivalent at Pingo Doce and Recheio.

At Ara, the project to transport non-palletised goods to optimise transport loads between our suppliers' facilities and our distribution centres shaved off 613,000 kilometres (35% less than in 2022) and avoided the emission of 1,003 tonnes of carbon dioxide equivalent. The by-truck project (trailers for the transportation of goods between distribution centres and the farthest stores) shaved off 2 million kilometres, 31% less than in 2022, and avoided the emission of 1,632 tonnes of carbon dioxide equivalent.

Breakdown of goods transport vehicles according to the Euro standards



As regards goods transport vehicles, over 90% of trucks are Euro V or VI. In 2023, there were four fewer Euro VI trucks and 27 fewer Euro IV and Euro V trucks than in 2022. Colombia increased its fleet of Euro V and Euro IV trucks.

In 2023, carbon emissions associated with transporting goods to stores per thousand pallets decreased 1.0% compared to 2020. Our goal was to reduce carbon dioxide equivalent emissions by 5% per thousand pallets transported by 2023 compared to 2020, but with the expansion of Ara's business this indicator fell short of the forecast. Among the companies with more stabilised logistics processes, the reduction in emissions represented 2.3% at Pingo Doce, 6.5% at Biedronka and 7.8% at Hebe.

Decarbonising logistics

Pingo Doce is the first company in Portugal and the fourth in Europe to earn four stars in the Lean & Green initiative, following a 55% reduction in carbon dioxide equivalent emissions (t CO_2e/pallet) in its logistics operations in mainland Portugal, compared to 2018.

Biedronka's performance had already been recognised with the award of one star in 2022, as a result of a 20% reduction in emissions from logistics activities in eight distribution centres between 2018 and 2020.

Lean & Green is a European initiative that aims to achieve carbon neutrality in logistics activities by 2050.

[82] After delivering products to our distribution centres, our suppliers' return route to their facilities includes stopping by the Group's stores to deliver goods. This project is only implemented in Portugal.

3.3.5. Management of refrigerant gases

Cooling and air conditioning systems are of great importance to ensure the quality, safety and preservation of food products, and play a decisive role also in fighting food waste. To reduce carbon emissions associated with the use of refrigerants in these systems, we have installed leak control technologies and, where possible, we voluntarily opt for natural refrigerant gases (in industrial refrigeration installations) or with low global warming potential (in heating, ventilation and air conditioning installations)[83].

Establishments using natural refrigerant gases

Type of establishment	Number		Progress*	
	2023	2022	2023	2022
Stores - centralised refrigeration system	2,953	1,948	52%	37%
Stores - stand-alone equipment	4,875	2,723	85%	51%
Distribution centres and industrial units - centralised refrigeration system	24	23	67%	61%

*Coverage degree compared to total establishments.

The inventorying and systematisation of establishments with refrigeration equipment running on natural or low global warming potential (GWP) refrigerant gases saw their quantification improve in 2023, while ensuring the standardisation of progress reporting practices. By 2023, 67% of our distribution centres and industrial units and 52% of stores had their refrigeration systems running on natural or low-GWP refrigerant gases. It is worth highlighting the investment in stand-alone refrigeration units, such as freezers cabinets, which are already used in 85% of our stores (3,201 Biedronka stores, 1,212 Ara stores, 422 Pingo Doce stores and 40 Recheio stores and platforms).

3.4. Promoting a circular economy

Our strategy for transitioning to a circular economy encompasses the entire value chain and includes mitigation actions such as the ecodesign of packaging, optimisation of waste recovery and food recovery (namely through donations and discounts on food products approaching their sell-by date). We work with our suppliers to reduce the consumption of virgin materials, increase supply chain efficiency and reduce the waste of natural resources.

3.4.1. Managing circular economy risks opportunities

The main risks and opportunities identified, in particular those associated with the two issues most relevant to Jerónimo Martins (packaging and food waste), are related to the types of resources used (renewable and non-renewable), the waste of resources, and the recovery and recycling of waste. Because of the potential loss to the value chain, food waste is the most significant circular economy risk. The risks associated with regulations, particularly on the recyclability of packaging, are of minor importance as, in some cases, they depend on sectoral adaptations.

In this regard, we realise that, along with cold chains, packaging also plays an important role in preserving the food we sell. In this way, we aim to guarantee both the integrity and shelf life of food and the development of packaging in the most circular way possible. In the particular case of packaging components comprising vegetable fibres, such as paper and wood, additional measures are also implemented to promote the regeneration of natural systems and ensure that the origin of commodities do not contribute to deforestation[84].

We strive to continually account for and monitor the use of the different materials that make up our packaging in order to identify opportunities for improvement, increase the incorporation of recycled

[83] These actions are in line with the commitments to reduce GHG emissions that we have made voluntarily, including The Consumer Goods Forum's resolution to promote the use of natural refrigerant gases.
[84] For more information, please see chapter 5 "Corporate Responsibility in Value Creation, subchapter 4. "Sourcing Responsibly", section 4.3. Promoting More Sustainable Production Practices", subsection 4.3.1. "Fighting Deforestation".

material, test reusable solutions and promote increased recyclability. We have also implemented measures to fight food waste and to recover the different waste streams with the aim of promoting circularity and the entry into new streams. We do this both in our own operations and by raising awareness and involving our companies' business partners and customers.

3.4.2. Materials used and reduction initiatives

[GRI 301-1; GRI 301-2]

Main materials used

Total consumption (tonnes/million euros in sales)	2023	2022	Δ 2023/2022
Specific value	16.99	*19.13	-11.2%

Total consumption (tonnes)	2023	2022	Δ 2023/2022
Consumption by business unit	**520,095**	***485,490**	**+7.1%**
Biedronka	395,563	*372,455	+6.2%
Hebe	1,023	949	+7.8%
Pingo Doce[85]	64,272	*62,288	+3.2%
Recheio	13,292	*12,804	+3.8%
Ara	45,945	*36,994	+24.2%
Private Brand product packaging (by type)	**490,953**	***454,508**	**+8.0%**
Paper and cardboard	201,520	188,976	+6.6%
Cardboard packaging for liquid products[86]	15,529	16,551	-6.2%
Plastic	162,837	142,872	+14.0%
Glass	83,685	79,083	+5.8%
Steel	21,470	20,711	+3.7%
Other materials**	5,912	*6,315	-6.4%
Service packaging (by type)	**13,430**	**12,841**	**+4.6%**
Plastic	8,736	8,861	-1.4%
Paper and cardboard	4,217	3,490	+20.8%
Other materials**	477	490	-2.7%
Other consumption	**15,711**	***18,140**	**-13.4%**
Office paper	992	976	+1.6%
Promotional leaflets	12,674	15,981	-20.7%
Publications	2,045	1,183	+72.9%

Recycled materials (tonnes)	2023	2022	Δ 2023/2022
By business unit* **	**220,310**	**199,366**	**+10.5%**
Biedronka	180,230	163,414	+10.3%
Hebe	84	49	+71.4%
Pingo Doce[85]	23,241	19,804	+17.4%
Recheio	4,544	4,142	+9.7%
Ara	12,211	11,957	+2.1%
By type* **			
Paper and cardboard	178,492	164,715	+8.4%
Plastic	11,545	8,678	+33.0%
Glass	30,273	25,973	+16.6%

* Values corrected due to updated calculations.
** Includes aluminium, wood and other materials.
*** Includes Private Brand product packaging and service packaging.

In 2023, total material consumption increased 7.1% in absolute terms, due mainly to the increase in the sale of Private Brand products. However, compared to 2022, material consumption in tonnes per million euros in sales decreased 11.2%.

[85] To measure the environmental indicators reported in this subchapter, the distribution centres, central buildings, and trucks used to distribute goods were accounted for under Pingo Doce.
[86] Correspond to composite packaging used to package products such as juices, milks and creams, among others.

Also in 2023, service and Private Brand product packaging incorporated 43.7% of recycled materials (1.0 p.p. more than in 2022), particularly paper and cardboard, plastic and glass. Paper and cardboard packaging contains 82% recycled materials. In total, around 220,000 tonnes of recycled materials were used, 10.5% more than in the previous year.

Single-Use Plastics (SUP)

Total consumption (tonnes/million euros in sales)	2023	2022	Δ 2023/2022
Specific value	6.47	*7.00	-7.6%

Total consumption (tonnes)	2023	2022	Δ 2023/2022
SUP use by business unit	**198,158**	***177,636**	**+11.6%**
Biedronka	136,331	*126,572	+7.7%
Hebe	210	*178	+18.0%
Pingo Doce	26,500	*24,918	+6.3%
Recheio	5,767	*5,353	+7.7%
Ara	29,350	*20,615	+42.4%
SUP use by category			
Private Brand packaging	162,837	142,872	+14.0%
Service packaging	8,736	8,861	-1.4%
Check-out bags	10,163	*9,735	+4.4%
Pallet wrapping film	3,234	3,280	-1.4%
Rubbish bags	13,083	12,791	+2.3%
Other SUP**	105	*97	+8.2%

* Values corrected due to updated calculations.
** Includes cutlery and stirrers for drinks, plates and bowls, cups, straws, and cotton buds (SUP includes Private Brand, exclusive brands and own consumption).

Incorporation of recycled plastic in SUP (tonnes)	2023	2022	Δ 2023/2022
By business unit	**26,940**	***21,910**	**+23.0%**
Biedronka	18,612	14,704	+26.6%
Hebe	42	*36	+16.7%
Pingo Doce	5,676	5,070	+12.0%
Recheio	1,626	1,444	+12.6%
Ara	984	656	+50.0%
By category			
Packaging**	11,545	8,678	+33.0%
Check-out bags and wrapping film	8,168	*7,494	+9.0%
Rubbish bags and other SUP***	7,227	5,739	+25.9%

* Values corrected due to updated calculations.
** Includes Private Brand product packaging and service packaging.
*** Includes cutlery and stirrers for drinks, plates and bowls, cups, straws, and cotton buds (SUP includes Private Brand, exclusive brands and own consumption).

Incorporation of virgin plastic in SUP (tonnes)	2023	2022	Δ 2023/2022
By business unit	**171,217**	***155,727**	**+9.9%**
Biedronka	117,719	*111,869	+5.2%
Hebe	169	*141	+19.9%
Pingo Doce	20,823	*19,848	+4.9%
Recheio	4,140	*3,910	+5.9%
Ara	28,366	*19,959	+42.1%
By category			
Packaging**	160,028	143,056	+11.9%
Check-out bags and wrapping film	5,229	*5,521	-5.3%
Rubbish bags and other SUP***	5,961	7,150	-16.6%

* Values corrected due to updated calculations.
** Includes Private Brand product packaging and service packaging.
*** Includes cutlery and stirrers for drinks, plates and bowls, cups, straws, and cotton buds (SUP includes Private Brand, exclusive brands and own consumption).

In the specific case of plastic, we have made several voluntary commitments as a result of our pledge to the New Plastics Economy Global Commitment and our participation in the Portuguese Plastics Pact, the Polish Plastics Pact (through Biedronka), the Colombian Plastics Pact (through Ara), and in The Consumer Goods Forum's Plastic Waste Coalition of Action. These commitments were defined with the aim of

reducing the input and output of resources used, ensuring the promotion of circularity, by following a waste management hierarchy: reduction, reuse and recycling.
Accordingly, by 2025 we undertake to:

- ensure that all Private Brand plastic packaging is reusable or recyclable;
- incorporate at least 25% of recycled content in Private Brand plastic packaging;
- reduce specific plastic consumption by 10%, compared to 2018, measured in tonnes of plastic packaging per million euros of turnover;
- reduce virgin plastic used in Private Brand packaging by 15%, compared to 2018.

Regarding single-use plastics (SUP), consumption increased 11.6% compared to 2022. In 2023, plastic made up 35.7% of the materials used in the four packaging categories (Private Brand, service, check-out bags and pallet wrapping film[87]). Of the total plastic used, 19,713 tonnes were recycled plastic, representing 10.7% of the SUP in these categories, thus enabled us to achieve another target: by 2023, increase to 10% the recycled plastic content of all the plastic packaging we are responsible for.

In terms of the use of virgin plastic, consumption increased 9.9% compared to 2022. This figure is now 4.0% higher than in the reference year (2018). In recent years, market conditions for collecting packaging waste and the amount of recycled plastic available for reincorporation into new packaging, especially those used for food, have changed little in the countries where our Companies are located.

For this reason, it will be difficult to achieve the related commitments by 2025, that is, ensuring the incorporation of at least 25% recycled plastic in plastic packaging and reducing the use of virgin plastic by 15%. We achieved a 33% reduction in plastic consumption (measured in tonnes per million euros in sales) compared to 2018, in line with our commitment for 2021-2023 (5% by 2023).

By applying the Ellen MacArthur Foundation's Recyclability Assessment Tool methodology, we have concluded that 42% of the plastic packaging of our Private Brand products is recyclable (0.2 p.p. more than in 2022). This figure considers the different polymers and plastic packaging formats, and the existence and effectiveness of sorting and recycling systems in the countries where we have operations.

Although our Companies have successfully completed numerous mono-material packaging projects, there are still no sorting solutions for some flows (e.g., multi-layer polypropylene flexible plastics and hard polystyrene packages), even where a recycling industry has been set up. Because of this, some plastic packaging formats are still classified as "non-recyclable" according to the aforementioned methodology, even where sorting and downcycling[88] circuits exist locally, as is the case in Poland and in Portugal. To increase the recyclability of the plastic packaging of our Private Brands, we have been eliminating problematic components (e.g., PVC and EPS polymers) that hinder recycling or reduce the quality and value of the recycled material. In line with our commitment, these components were eliminated from 91.8% of our packaging in 2023, 1.2 p.p. more than in 2022.

[87] Excluding rubbish bags and other SUP that are not packages.
[88] Recycling process whereby the resulting materials are of an inferior quality to the original ones, so that the same products with the same quality cannot be manufactured, only those that require lower quality material.

Fighting plastic pollution – highlights from 2023

- Biedronka launched a project to recycle plastic film waste from its stores and distribution centres, transforming it into check-out bags. Made from a minimum 80% recycled plastic, the carbon footprint of these check-out bags is 56% smaller than that of an equivalent bag made from virgin plastic. Biedronka was the first retailer in Poland to use its own plastic film waste to produce its check-out bags. An estimated 116 million bags are expected to be produced under this project per year.
- Pingo Doce and Recheio have eliminated plastic fibres from the composition of the fabric of 8 references of household cleaning wipes and baby wipes and replaced them with biodegradable fibres (e.g. viscose and cellulose), preventing over 54 million wipes containing plastic from being placed on the market each year.
- At Ara, the PET plastic bottle and cap collection system, launched at the end of 2021 in five distribution centres in Colombia, was extended to all distribution centres and Ara's head office. Around nine tonnes have been collected since the project began.

See also the feature box "Packaging Ecodesign – highlights from 2023".

3.4.3. Promoting the sustainable use of materials

Ecodesign of packaging

The ecodesign packaging project, created more than ten years ago, seeks to reduce the environmental impact and optimise the costs of production, transport and waste management of Private Brand product packaging. Since its launch, the initiative has helped to change 1,893 product references, thus avoiding the use of 41,869 tonnes of materials. An additional 774 FSC® or similar certified packages were also introduced. The optimisation of packaging size, weight and shape also helped avoid the emission of 6,296 tonnes of carbon dioxide as a result of increased efficiency in the transport of products.

In 2023, we implemented 737 of these projects (497 at Biedronka, 132 at Pingo Doce, 50 at Recheio, 44 at Hebe, and 14 at Ara), increasing the percentage of ecodesigned Private Brand product packaging to 30% since 2011, greatly exceeding our target of 12% by the end of 2023.

As regards the reusability of plastic packages, in 2023 we determined that 1.3% of them were reusable (0.2 p.p. less than in 2022), according to the Ellen MacArthur Foundation proposed method for reporting this indicator to the Global Commitment.

Packaging ecodesign – highlights from 2023

- Biedronka – The usual handle attached to the neck of the 5 litre "Oaza" still water bottle and the label in the middle of the bottle have been eliminated and replaced with a label-strap on the top of the bottle, which also serves as a handle. This solution helps save over 160 tonnes of plastic each year.
- Pingo Doce – The cork stoppers of all Pingo Doce brand still and sparkling wines are now FSC®certified. The use of cork stoppers in all Pingo Doce still and sparkling wines corresponds to an annual production of cork from around 670 hectares of cork oak forest and avoids the emission of more than 2,000 tonnes of CO_2 into the atmosphere.
- Recheio – The size of the unit cardboard box of nine Amanhecer flavoured jellies and one *crème brûlée* has been reduced, with a 28% reduction in unit weight, saving over 1.8 tonnes of cardboard per year.
- Ara – The plastic packaging of four baby nappy references and two detergents now incorporates 30% recycled plastic. Ara has also incorporated 5% recycled plastic in a shampoo bottle. Using this recycled plastic avoids the use of more than 12 tonnes of virgin plastic each year.
- Hebe – The paper used in the packaging of 44 of Hebe's Private Brand references is now FSC® certified, thereby ensuring that this commodity is sourced from responsibly managed forests.

Reusable packaging

The use of reusable packaging in our operations enabled us to avoid over 40,000 tonnes of disposable packaging in 2023. Pingo Doce and Recheio recorded 41.5 million uses of reusable boxes in the perishables areas, which include the pool of boxes used between central kitchens, distribution centres and

Pingo Doce stores. At Biedronka this figure stood at 22.4 million uses for bakery products and at Ara we recorded more than 16 million uses of reusable boxes in the transport of bottled water, milk, meat and fruit and vegetables.

The ECO plastic bottle refilling solution, available at Pingo Doce, was extended to 284 stores, 51 more than in 2022. This solution avoided the use of 105 tonnes of SUP in 2023, 9% more than in the previous year.

Reusable solutions for transporting customers' shopping

Material used by type of solution	2023	2022	Δ 2023/2022
Reusable paper check-out bags (tonnes)	**1,024**	**2,445**	**-58.1%**
Biedronka	906	2,319	-60.9%
Hebe	15	10	+50.0%
Pingo Doce	101	111	-9.0%
Recheio	0	0	-
Ara	2	5	-60.0%
Reusable plastic bags* (tonnes)	**9,548**	****9,196**	**+3.8%**
Biedronka	7,069	6,606	+7.0%
Hebe	44	**44	0.0%
Pingo Doce	2,199	2,153	+2.1%
Recheio	8	7	+14.3%
Ara	228	386	-40.9%
Trolleys (units)	**32,955**	**28,650**	**+15.0%**
Biedronka	0	0	-
Hebe	0	0	-
Pingo Doce	32,950	28,287	+16.5%
Recheio	2	353	-99.4%
Ara	3	10	-70.0%

* Includes different sized resistant bags and materials that can be used multiple times.
** Values corrected due to updated calculations.

In 2023, there was a marked decrease in the consumption of paper bags, due mainly to an adjustment at Biedronka, which saw increased use in 2022 to cope with a disruption in the delivery of plastic check-out bags.

Despite the fact that our Companies stopped providing plastic bags for free in 2017, we recorded a 3.8% increase in use, associated with the expansion of the Group Companies' businesses. The reusable plastic bags (polyethylene) available at Biedronka and Pingo Doce are Blue Angel[89] certified. In 2023, we increased the amount of post-consumer recycled plastic in reusable bags, from around 60% in 2019 to 80%, totaling 7,700 tonnes.

As regards paper bags, the content of recycled materials is 70% at Biedronka and Pingo Doce, corresponding to around 703 tonnes.

Promoting bulk sales

Biedronka and Pingo Doce stores offer the bulk sale of some food products, specifically sweets and nuts. In 2023, Biedronka sold 31.4 tonnes of bulk products, a service available in 83% of its stores, while Pingo Doce sold 209 tonnes, which are available in 40% of its stores.

Ara sells rice, sugar, lentils and beans in bulk registering 13.5 tonnes sold in 2023. This initiative is implemented in 470 stores (36% of total stores).

3.4.4. Waste Management

[GRI 306-3; GRI 306-4; GRI 306-5]

[89] Blue Angel certification is awarded to products that have a better environmental profile.

Our businesses produced nearly 600,000 tonnes of waste, 2.7% more than in 2022, due to the growth of our Companies' operations. When taking tonnes of waste produced per million euros in sales into account, there was a reduction in waste of 14.8% compared to 2022.

The increase in hazardous waste is associated with the scrapping of refrigeration equipment following significant investment in the refurbishment of Pingo Doce and Recheio stores. Old freezers and refrigerators are being replaced by equipment that runs on natural refrigeration gases or those with low global warming potential.

Waste produced (tonnes/million euros in sales)	2023	2022	Δ 2023/2022
Specific value	19.38	22.75	-14.8%

Waste produced (tonnes)	2023	2022	Δ 2023/2022
By type of waste	**593,064**	**577,538**	+2.7%
Cardboard and paper	357,693	344,172	+3.9%
Plastic	16,069	15,224	+5.6%
Wood	2,178	2,049	+6.3%
Organic	111,636	109,460	+2.0%
Unsorted waste	87,301	90,642	-3.7%
Cooking oil and fats	167	211	-20.9%
Effluents treatment waste	12,751	9,704	+31.4%
Hazardous waste	387	307	+26.1%
Other waste	4,882	5,769	-15.4%
By business unit			
Biedronka	445,082	438,763	+1.4%
Hebe	1,156	1,197	-3.4%
Pingo Doce	93,994	93,855	+0.1%
Recheio	7,222	6,455	+11.9%
Ara	42,020	34,643	+21.3%
JMA	3,590	2,625	+36.8%

Waste recovery and destination in operations

The waste recovery rate was 85.4%, with 13.5% of waste going to landfill.

Waste recovery rate	2023	2022	Δ 2023/2022 (p.p.)
Overall value	**85.4%**	**85.5%**	**-0.1**
Biedronka	91.5%	90.8%	-0.7
Hebe	79.7%	81.4%	-1.7
Pingo Doce	64.3%	65.3%	-1.0
Recheio	72.4%	70.3%	+2.1
Ara	70.7%	75.3%	-4.6
JMA	88.6%	87.5%	+1.1

Waste management methods	2023	2022	Δ 2023/2022 (p.p.)
Recovery*	85.4%	85.5%	-0.1
Landfill	13.5%	14.1%	-0.6
Incineration (without energy recovery)	0.1%	0.0%	+0.1
Other destinations without recovery	1.0%	0.4%	+0.6

*Includes sending waste for recycling, organic recovery, and incineration with energy recovery.

Fighting food waste[90]

We are committed to halving the food waste[91] generated per tonne of food sold by our banners by 2030, in line with target 12.3 of goal 12 - Responsible Consumption and Production, defined in the United Nations Sustainable Development Goals. We have also set the goal of limiting annual food waste to 2.5% of the total sales volume (tonnes) of foodstuffs in the period from 2024 to 2026.

[90] We were the first retailer in Portugal to calculate and publicly disclose our food waste footprint, in line with the methodology of the World Resources Institute's Food Loss and Waste Protocol (FLWP), enabling us to ensure that these objectives are accounted for and monitored.
[91] The calculation assumptions are available at www.jeronimomartins.com/cr-documents-2023.

In 2023, notwithstanding all efforts from our banners, food waste increased 4.5% compared to 2022, to 18.5 kg per tonne of food products sold, with the perishables categories accounting for around 70% of the food waste generated by our operations. Despite increased pressure on our goal of reducing food waste footprint, the investment made in the perishables categories embodies our conviction to promote healthier eating habits that incorporate less processed or unprocessed food, and which necessarily have much shorter shelf life than processed products, such as tinned, dried or frozen products.

Kg of food wasted/tonne of food sold	2023	2022	Δ 2023/2022
Food waste*	**18.5**	**17.7**	**+4.5%**
Destination			
Animal feed and bioprocessing	1.0	1.1	-9.1%
Anaerobic digestion, composting and controlled combustion	11.2	11.9	-5.9%
Landfill, incineration and wastewater treatment systems	6.2	4.7	+31.9%
Quantity per business unit			
Biedronka	19.6	18.7	+4.8%
Pingo Doce**	22.1	22.0	+0.5%
Recheio	4.0	5.1	-21.6%
Ara	14.5	11.7	+23.9%

* According to the Food Loss Waste Protocol, food not used for human consumption is considered food waste.
** The food waste from distribution centres was accounted for under Pingo Doce, although the structures are shared with Recheio.

The increase in the amount of food that is disposed of as waste (landfill, incineration and wastewater treatment systems) is linked to the lack of infrastructure for the recovery of organic waste, especially in Colombia.

We carry out several initiatives up and downstream of our value chain and in our operations to fight food waste[92]. In total, we recovered 70.7 thousand tonnes of food in 2023, which corresponds to 46.3 thousand tonnes of CO_2 avoided.

One such initiative is the incorporation of ungraded food (or “ugly” vegetables with the same nutritional profile as graded products) into the soups we produce in Portugal and Poland, and into 4th range products (washed and pre-cut ready-to-use vegetables) sold at Pingo Doce and Recheio stores. Since 2015, this use of ungraded vegetables has prevented the waste of 127,000 tonnes of food. We also add by-products from the food industry and ungraded vegetables to JMA’s livestock feed. This initiative has enabled the recovery of 65,000 tonnes of food since 2018.

We have markdown implemented at Pingo Doce since 2019 and at Biedronka since 2020. This initiative involves selling products that are close to their sell-by date at reduced prices and was implemented in 892 Biedronka and Pingo Doce stores in 2023. Over 27,000 tonnes of food waste have been avoided since 2019. We also use leftover roast chicken and roast suckling pig to make various products (e.g., pizzas, salads and sandwiches) available at the Pingo Doce takeaway, avoiding 345 tonnes of food waste.

In 2023, Biedronka established a partnership with Too Good To Go, a company that runs a surplus food sales platform covering 500 stores. In 2023 one million bags were delivered, preventing an estimated 1,600 tonnes of food from being wasted. In December, Biedronka ran a special week-long campaign to support Polish producers and raise consumer awareness about the consumption of “ugly” vegetables, selling nearly 200 tonnes of carrots during the campaign.

Pingo Doce sells salmon heads at its fish counters at reduced prices, avoiding 161 tonnes of food waste in 2023. Products such as golden apples, Rocha pears, persimmons, green beans and carrot sticks falling outside of specification were also sold. An initiative was also carried out at Halloween to sell oddly shaped pumpkins. Together, these initiatives helped avoid around 1,500 tonnes of waste. We also cut larger fruit (melons, watermelons, cantaloupes, papayas and pineapples) into halves so that customers can buy the quantity they want and avoid waste in stores and at home.

[92] More information at www.jeronimomartins.com (Responsibility > Respect the Environment > Waste Management).

Food is donated to charities through our stores and distribution centres[93]. In 2023, we donated 19,000 tonnes, 12.2% less than in 2022, mainly due to the lower availability of products for donation given the success of the markdown project. Employees are trained[94] to ensure that safe food for donation is identified, selected and separated.

Along with these measures, we also hold campaigns to raise consumer awareness through social media, leaflets and in-store communication, and publish recipe books to make use of leftover food[95].

Customer waste recovery

[GRI 301-3; GRI 306-2; GRI 306-3; GRI 306-4]

To promote waste sorting and recovery, we provide our customers recycling bins and other systems[96]:

- for the collection of used batteries, small electrical appliances, used cooking oil or coffee pods in 96% of the Pingo Doce store network;
- for the collection of small electrical appliances and used batteries at 91% of Biedronka stores;
- for the collection of used batteries at 74% of Ara stores and at all Pingo Doce and Recheio stores;
- for the collection and recycling of coffee pods at Pingo Doce stores, which helped raise 2,300 euros for charity;
- a pilot project implemented at a Recheio store in partnership with Novo Verde (a waste management company) to encourage the separation of plastic and metal packaging waste by HoReCa customers. Between May and December 2023, customers used the recycling bins over 6,000 times and more than 28 tonnes of packaging were collected;
- a project of which Pingo Doce is a partner, to encourage consumers to return beverage packaging (since the project began in 2019, a total 108 tonnes of materials such as PET, glass and aluminium have been collected).

Waste dropped off by customers in recycling bins at stores

Waste collected in stores (tonnes)	2023	2022	∆ 2023/2022
Pingo Doce	**648.44**	**607.91**	+6.7%
Batteries	18.74	7.51	+149.5%
WEEE[97] (including fluorescent light bulbs)	69.33	57.22	+21.2%
Used cooking oil	72.59	65.27	+11.2%
Coffee pods	487.80	477.91	+2.1%
Recheio	**0.20**	**1.22**	-83.6%
Batteries	0.20	1.22	-83.6%
Biedronka	**300.33**	**296.24**	+1.4%
Batteries	273.67	237.77	+15.1%
WEEE	26.65	58.48	-54.4%
Hebe	**1.20**	**0.00**	-
Batteries	1.20	0.00	-
Ara	**16.33**	**18.28**	-10.7%
Batteries	0.16	1.96	-91.8%
Used cooking oil	0.02	0.13	-84.6%
WEEE	16.15	16.19	-0.2%

[93] For more information, see subchapter 5. "Supporting Surrounding Communities", section 5.3. "Direct Support", in this chapter.
[94] Refers to hygiene and food safety training. For more detailed information, see subchapter 2. "Promoting Good Health through Food", section 2.3. "Food Quality and Safety", subsection 2.3.5. "Training".
[95] For more information, see section 3.5. "Awareness Campaigns", in this subchapter and the "Responsibility" page at www.jeronimomartins.com.
[96] For more detailed information on the number and type of recycling bins available to customers, visit the "Responsibility" page at www.jeronimomartins.com.
[97] WEEE – Waste Electrical and Electronic Equipment.

In 2023, customer waste collection levels increased at Pingo Doce and Biedronka stores. At Pingo Doce, the use of recycling bins increased as a result of awareness-raising campaigns and investments made. In the case of Ara, the decrease is related to a change in the frequency of collection, with the scheduling of pick-ups having been adjusted to reduce the number of trips to the stores, ensuring that larger quantities are collected in fewer journeys.

3.5. Awareness campaigns

We hold various campaigns to raise awareness among employees, customers and surrounding communities on the importance of individual and collective behaviours in protecting the environment. The table below highlights some of the projects implemented in 2023.

Awareness campaigns of note

Campaign	Company	Description
"Did you know that you can make organic fertiliser/compost using fruit peels?"	Ara	In February 2023, Ara[98] used social media to raise public awareness of the importance of composting at home, with step-by-step tips.
"Do Like Grandma Did"	Biedronka	In August, the online campaign "Act jak Babcia" (Do Like Grandma Did) was launched in partnership with Onet ACT NOW, sharing videos depicting the sustainable methods and practices our grandmothers used to reduce food waste and recycle.[99]
"Waste Electrical and Electronic Equipment" (an APED initiative)	Pingo Doce	In September, Pingo Doce launched the Portuguese Association of Distribution Companies (APED) campaign "Recycling household appliances is as easy as shopping![100]" in its stores (including Madeira), with the support of ERP Portugal, Electrão and E-Cycle, which ran until 16 October. The goal is to help Portugal meet European and national targets, and to raise public awareness on recycling electrical and electronic equipment, strengthening Pingo Doce's commitment to promoting waste recovery.
"Recycling Always Works"	Recheio	In December, Amanhecer stores and waste management company Novo Verde launched a digital campaign to encourage the Portuguese to separate packaging for recycling.

For more detailed information, see the "Responsibility" page at www.jeronimomartins.com/en/.

[98] https://www.instagram.com/p/Co8TKU1Mu9I/?igshid=YmMyMTA2M2Y%3D&img_index=1
[99] https://actjakbabcia.onet.pl/teaser
[100] https://www.youtube.com/watch?v=h4RaZukasrU

4. Sourcing Responsibly

4.1. Introduction

Every day we seek to ensure access to quality products at affordable prices and to encourage healthy eating habits based on a sustainable development model. These are the foundations on which our strategy and sourcing activities are built, and which are dependent on the close relationships we establish with our suppliers.

4.2. Relationship with suppliers

4.2.1. Selection and monitoring of suppliers

[GRI 308-1; GRI 308-2; GRI 407-1; GRI 408-1; GRI 409-1; GRI 412-3; GRI 414-1; GRI 414-2; GRI 416-1]

Our business relationships with suppliers and service providers are based on compliance with ethical, social and environmental principles[101]. We seek out partners who share with us the values inherent in this way of working and who, like us, have the ambition to contribute to the achievement of the United Nations' 2030 Agenda.

To ensure compliance with these principles, set out in our Corporate Responsibility policies[102], and to monitor process management, systems management and product formulation, regular audits are carried out of our perishables and Private Brand suppliers[103]. Three types of audits are conducted: food safety and quality, environmental and social audits.

Measures are taken when suppliers fail to comply with and/or when they are unwilling to implement a corrective action plan, such as suspending the partnership until confirmation that the identified nonconformity has been remedied or even terminating business relations between the parties.

Food safety and quality audits

We conduct food safety and quality audits both in our selection processes of new perishables and Private Brand suppliers[104] and to monitor current suppliers in the development and production stages. These audits assess several aspects, such as hygiene and food safety conditions, traceability and labour-related aspects[105]. Audit frequency is defined based on criteria that determine the performance of the supplier, taking into account:

- the level of perishability of the product and/or the history of risk assessments per supplier;
- the results of analytical checks, rejections and complaints;
- the previous audit results;
- the existence of food safety system certification, under the schemes approved by the Global Food Safety Initiative.

Based on the outcome of this assessment, suppliers are monitored, in the form of a new audit or visit, with a frequency that usually varies between 6 and 12 months. Suppliers with a "Basic" score are audited/visited at intervals of no more than 6 months, those evaluated with a "High" score are audited/visited at least every 12 months, and for those that achieve a score of "Excellent" a longer monitoring window is allowed, which may be up to 36 months.

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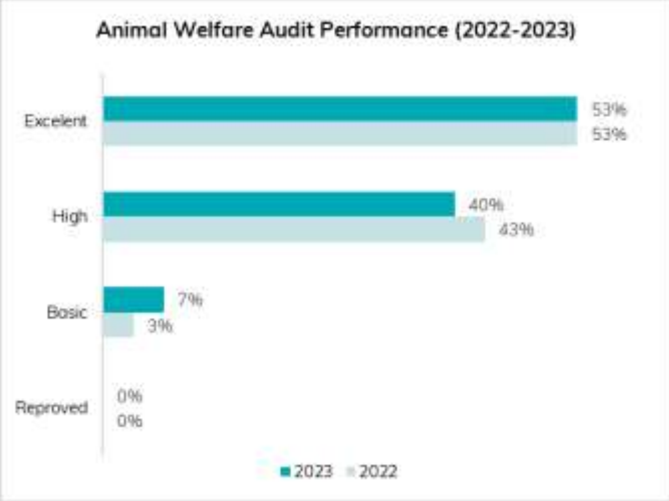
[101] These principles are set out in the Jerónimo Martins Group's Sustainable Sourcing Policy, Supplier Code of Conduct, Code of Conduct and Anti-Corruption Policy, available on our corporate website www.jeronimomartins.com.
[102] The Group's Corporate Responsibility policies, in particular our Nutrition Policy, Product Quality and Safety Policy, Environmental Policy, Sustainable Sourcing Policy and Supplier Code of Conduct, are available on our corporate website on Responsability.
[103] Environmental audits also include our service providers.
[104] In the case of new suppliers with food safety certification systems approved by the Global Food Safety Initiative, a selection audit is not required, except were the risk presented by a Private Brand supplier is above '"Low". The Global Food Safety Initiative is a coalition of The Consumer Goods Forum that assesses food safety management systems in supply chains with the aim of ensuring a reliable supply of safe food products to consumers. A set of schemes such as the British Retail Consortium (BRC), Global Good Agricultural Practices (Global G.A.P.), HACCP/Codex Alimentarius, International Featured Standards (IFS), Food Safety System Certification (FSSC) 22000 and ISO 22000 are recognised by this initiative.
[105] Labour-related aspects, which account for 10% of the assessment, are related to the quality and safety of products, and the audits assess elements such as health and safety working conditions, training, the use of appropriate clothing, hand washing equipment, rules of conduct and personal hygiene, the existence of adequate social areas, changing rooms, and employee bathrooms.

Whenever necessary, corrective action plans are drawn up, the progress of which we monitor together with the suppliers.

These audits also include animal welfare criteria for the slaughterhouses[106] of perishable meat suppliers who own primary farms. The criteria assessed are based on the Global G.A.P. (Global Good Agricultural Practices) framework and on laws in force. General aspects are adapted for different meat categories[107], such as conditions on the farm, feed, transport and stunning.

In 2023, we extended these audits to Colombia (primary production and slaughterhouses), which joined Portugal (primary production and slaughterhouses) and Poland (slaughterhouses). In the year, 54 audits were carried out, 35% less than in 2022. This decrease is a result of the good performance of previous years, which reduces the need for new follow-up audits compared to assessments with a lower score, such as "Basic", which require more frequent auditing.



Food safety and quality audits of perishables and Private Brand suppliers

Portugal	2023	2022	Δ 2023/2022
Perishables	1,008	1,045	-4%
Private Brand – Food and Non-Food	250	244	+2%
Poland			
Perishables	1,401	*1,480	-5%
Private Brand – Food and Non-Food	432	390	+11%
Colombia			
Perishables	233	204	+14%
Private Brand – Food and Non-Food	226	182	+24%

The audits include the following topics: selection, control and follow-up.
* Corrected value due to the integration of ad-hoc audits and inspections.

The total number of audits increased 10% compared to 2022. The increase in the number of audits registered in Colombia is due to audits carried out on new potential Private Brand and perishable suppliers, with a similar situation occurring in Poland under the Private Brand category. In Portugal and Poland, the slight reduction in the number of audits in the perishables category is due to the results obtained, as previous better classifications determined a lower frequency of follow-up audits in 2023.

Environmental audits

We also assess the environmental performance[108] of our perishables and Private Brand suppliers as well as of our service providers, both at the time of selection and during the course of the business relationship. The environmental criteria assessed at the time of selection are given the same weighting as the audit components of food safety and quality, which are equally important at the time of supplier approval. In 2023, 120 new suppliers were assessed and approved after meeting both criteria.

[106] Audits cover the slaughterhouses with which the Companies and their suppliers work.
[107] Specific criteria are defined for beef, poultry, pork, rabbit, and sheep/goat meat.
[108] We assess requirements related to environmental certification and environmental management aspects, such as water, packaging, effluents, waste, emissions, and hazardous substances, among other aspects.

The follow-up environmental audits of our perishables and Private Brand suppliers and service providers are carried out by an external entity. Approximately 100 requirements are assessed, and suppliers' performance[109] is categorised into four levels: Excellent, Good, Satisfactory and Inadequate.

Among the criteria for selecting suppliers and service providers to submit to these audits are the volume of purchases made by the Companies and the significance of the environmental impacts resulting from their activities.

In 2023, a total of 85 perishables and Private Brand suppliers were audited, 10 more than in 2022, including re-audits[110]. Between 2021 and 2023, a total of 194 suppliers were assessed for the first time, corresponding to 21% of perishables and Private Brand suppliers with a purchase volume of more than 1.1 million euros, thus achieving the goal of ensuring that at least 20% of these suppliers were audited during this period. In 2023, we also audited 64 service providers (22 in Portugal, 26 in Poland, and 16 in Colombia) whose activities have relevant environmental impacts[111].

The increase in the number of suppliers with "Satisfactory" performance is related to the number of suppliers that have shown an improvement in performance, following re-audits. There has also been an increase in the number of audits of suppliers with environmental management systems, hence the increase in the number of cases with an "Excellent" performance level. In 2023, it was found that in most cases, the environmental management systems of the audited service providers were poorly developed, leading to performance levels of mainly "Satisfactory" and "Inadequate".

Suppliers and service providers with a score of “Inadequate” are given a corrective action plan that requires a response within a maximum of six months and the status of implementation is measured in a second audit carried out the following year. We reserve the right to suspend cooperation in cases where the corrective action plan is not complied with. Improvement plans are presented in cases where there are nonconformities or partial conformities.

Social audits

We are committed to eradicating forced labour[112] from supply chains and promoting dignified working conditions, in line with the Priority Principles of The Consumer Goods Forum (an organisation of which we

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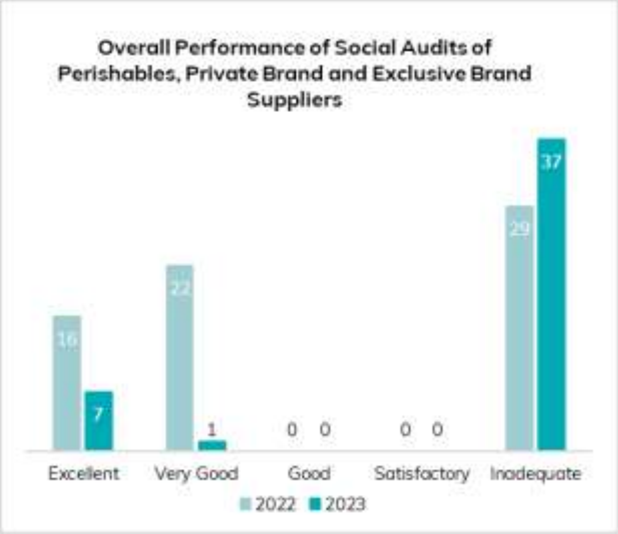
[109] Assessment scores are determined as followed: (i) Excellent: compliance with 100% of the critical requirements and compliance with more than 94% of the Satisfactory level requirements, plus a compliance of between 71% and 85% with the Good level requirements and at least 70% of the Excellent level requirements, or compliance with 100% of the critical requirements and the existence of a certified environmental management system; (ii) Good: compliance with 100% of the critical requirements and compliance with between 85% and 94% of the Satisfactory level requirements, plus compliance with 70% of the Good level requirements; (iii) Satisfactory: compliance with 100% of the critical requirements and compliance with between 70% and 84% of the Satisfactory level requirements and; (iv) Inadequate: non-compliance with one or more critical requirements and/or compliance with less than 70% of the Satisfactory level requirements.
[110] Re-audits are new audits of suppliers that obtained a score of ‘Inadequate’ in the first audit. They serve to assess the extent to which the improvement plan has been implemented.
[111] Production and supply of equipment, transportation, refrigeration and HVAC (heating, ventilation and air conditioning), waste management operators, installation and maintenance of treatment systems, and printers.
[112] As defined by the International Labour Organization, available at www.ilo.org.

are members): “Every worker should have freedom of movement, no worker should pay for a job and/or be indebted or coerced to work”.

In this regard, since 2019 we have fully supported a social audit programme. This is how we carry out due diligence on our perishables and Private Brand business partners from whom we purchase more than 1.1 million euros, aiming to get to know them in order to assess their procedures and prevent and mitigate potential human and labour rights risks, in line with the principles of our Sustainable Sourcing Policy. We believe that this social audit programme can help our partners to gain a better understanding of social issues, minimise risks and leverage their capacity to expand to countries with more demanding labour requirements.

These audits, carried out by an external and independent entity and which are preceded by an explanatory session with our partners, analyse compliance with national and international laws and take into account the best practices shared by The Consumer Goods Forum’s Sustainable Supply Chain Initiative. There are three audit schemes to incorporate aspects related to high-risk sectors: primary production, operations at sea and the processing industry.



The audits assess over 125 requirements across 12 dimensions – preventing child labour; preventing forced labour; preventing of discrimination; safeguarding the right of association; contractual terms; working hours; salaries and benefits; health and safety at work; emergency preparedness; compliance monitoring; business ethics; protecting human rights – including criteria we consider to be of '“zero tolerance”. We have defined five levels of compliance[113] on the basis of the overall score obtained: Excellent, Very Good, Good, Satisfactory and Inadequate.

In-person audits of 45 direct suppliers were carried out based on their turnover associated with our purchases, specifically of the production units of perishables and Private Brand food and non-food products. Local suppliers in Portugal, Poland and Colombia were audited. Seven suppliers classified as “Inadequate” in previous cycles were audited again, and all maintained a score of “Inadequate”.

A personalised corrective action plan was presented to and discussed with all suppliers, irrespective of whether no critical nonconformities were identified in the assessment, requiring a mandatory response within 12 months at the most, depending on the level of severity. During this period, additional contact is established with the supplier to ascertain progress in the implementation of the plan and, when needed, to carry out subsequent audits. Suppliers classified as “Inadequate” are regularly contacted for up to six months to confirm implementation of the corrective action plan. An *in loco* or a remote assessment is performed the following year for further evaluation. In the absence of evidence of progress, we reserve the right to suspend the business relationship, as defined in our Sustainable Sourcing Policy.

4.2.2. Supplier awareness and training

Alongside the visits and audits we conduct, awareness-raising and training for our suppliers also play an important role in sharing and defining good practices, common goals and identifying opportunities for product and process improvement.

[113] The results of each supplier are measured based on full or partial compliance or non-compliance with critical requirements, general-level requirements and, where applicable, good practice requirements. The five levels of compliance are: (i) Excellent: compliance with 100% of the critical requirements and compliance with at least 95% of the general-level and good practice requirements; (ii) Very Good: 100% compliance with the critical requirements and compliance with between 85% and 94% of the general-level and good practice requirements; (iii) Good: Compliance with 100% of the critical requirements and compliance with between 75% and 84% of the general-level and good practice requirements; (iv) Satisfactory: Compliance with 100% of the critical requirements and compliance with between 65% and 74% of the general-level and good practice requirements; (v) Inadequate: non-compliance, albeit partial, with at least one critical requirement and/or compliance with less than 65% of the general-level and good practice requirements.

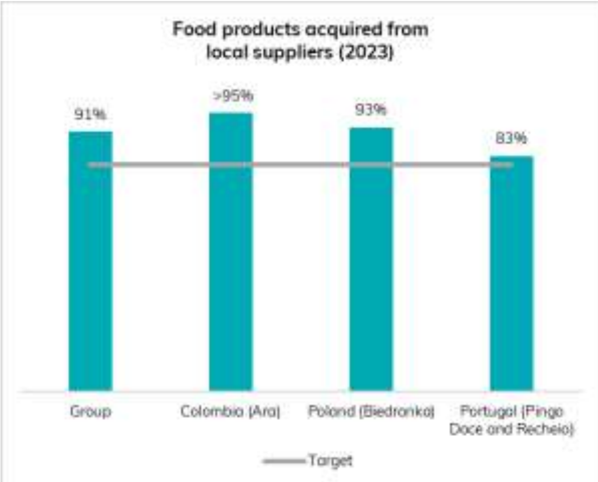
In 2023, several training sessions were held focusing on topics such as food safety and quality, traceability, reformulations, and product development (in particular vegetarian and vegan products), food defense and animal welfare. Awareness-raising and/or training workshops were also held on good agricultural practices, fighting deforestation and the conversion of high conservation value ecosystems, environmental and social audits, the ecodesign of packaging, carbon footprint and climate change, and other sustainability-related topics.

In total, more than 2,400 representatives from perishables and Private Brand suppliers participated in these sessions in Portugal, Poland and Colombia.

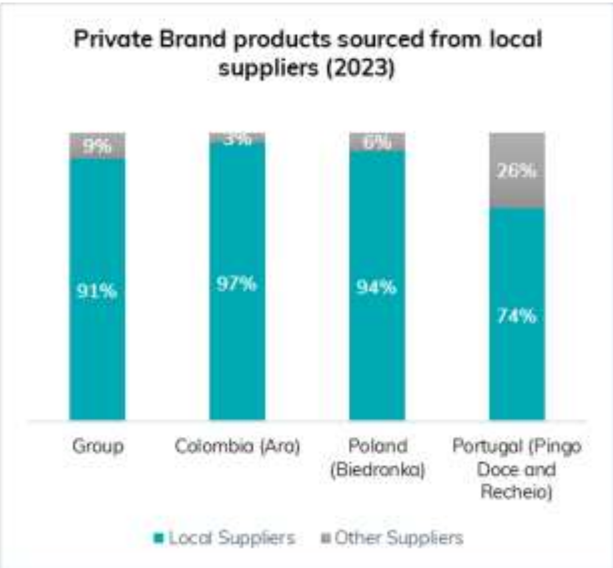
4.2.3. Local supplier engagement

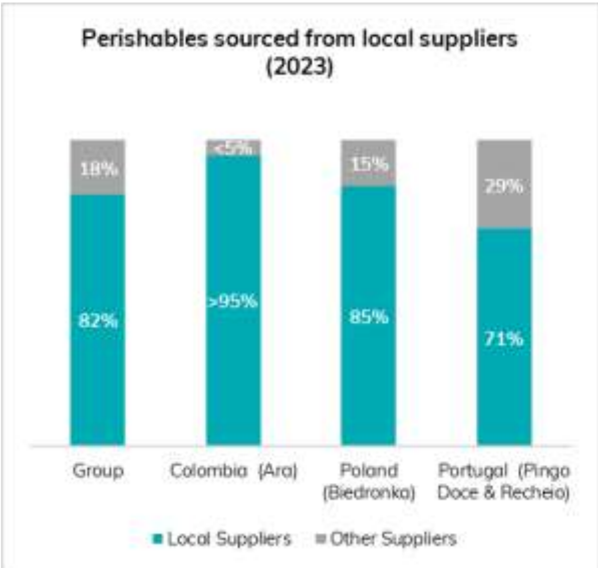
[GRI 2-6; GRI 204-1]

By giving preference to relationships with local suppliers, we are helping to develop the economy of the countries where we do business. At the same time, we strengthen our supply chains and ensure that products reach our stores faster, guarantee fresher food with a longer shelf life, and help prevent food waste. Shorter distances between suppliers and our operations also help reduce carbon emissions associated with transport, particularly by air and sea.



That's why we are committed to ensuring that at least 80% of the food we sell, in each of the countries where we have operations, is sourced from local suppliers. In 2023, we sourced 91% of food products from local suppliers, just as with our purchases of Private Brand products from local suppliers. More than 80% of specialised perishables were sourced from local suppliers[114].





Additional measures have also been implemented to strengthen our relationships with local suppliers, such as support for small and medium-sized producers of perishable produce that are members of Confederação dos Agricultores de Portugal (Confederation of Portuguese Farmers). This measure is unique in Portuguese retail and consists of bringing forward payment to an average of 10 days, instead of the 30 days established by law, without any financial costs to the producer. Since 2012, around 375 suppliers have benefited from this initiative. In Poland, and since 2020, we have reduced the payment period to a

[114] More information on purchases from local suppliers in the meat, fish, fruit and vegetables, bakery/pastry and flowers categories is available on the Group's corporate website on the Local Suppliers and Innovation" page.

maximum of 21 days for producers with a turnover of less than 100 million złoty (22 million euros). Around 200 suppliers benefited from this initiative, about 30 more than in 2022.

We also bolstered arrangements to improve the liquidity of suppliers. In Colombia, we enable suppliers to receive the early payment of their invoices at more favourable rates and without affecting their debt rating. An additional 48 new suppliers benefited from this initiative in 2023, reaching over a total of 500 suppliers. This mechanism is also implemented in Portugal and Poland, covering more than 240 and 190 suppliers, respectively.

Sourcing from local farmers

Biedronka once again bolstered the programme for local fruit and vegetable producers so they could deliver their products to stores or distribution centres located close to the production area. In 2023, this initiative secured commercial relationships with around 200 suppliers, who delivered over 123,000 tonnes of fruit and vegetables, 36,000 more than in 2022. As part of this programme, also of note is the purchase of these products from more than 60 family farms.

In Portugal, Pingo Doce acquired more than 14,000 tonnes of nationally grown cherries, apples and kiwis (-12% compared to the previous year, largely due to the reduction in the drop in cherry production – by around 50 % – associated with adverse weather conditions) and also reinforced the range of specialised perishables with national products in the vegetable, meat and aquaculture fish category.

Ara also invested in relationships with local fruit and vegetable producers. In 2023, around 85% of its purchases in this category were from domestic production.

More information is available on the Group's corporate website on the 'Local Suppliers and Innovation' page.

We also stepped up consumer communication about the local and seasonal products sold by our Companies, using different formats, such as in-store communication, leaflets, television campaigns and digital channels.

Labels with the colours of the national flags are placed on perishables, such as fruit and vegetables, and we use stickers on Private Brand products to highlight:
- the incorporation of 100% Portuguese raw materials and/or production at Recheio;
- origin, with the "100% Nacional" (100% Portuguese) sticker at Pingo Doce, "Polski Produkt" (Polish Product) sticker at Biedronka, and "Hecho en Colombia" (Made in Colombia) sticker at Ara.

4.3. Promoting more sustainable production practices

We promote the adoption of good environmental and social practices in the production of our Private Brands and perishables, with the aim of reducing the consumption of natural resources, minimising the impact on ecosystems and contributing to the social and economic development of the countries where we do business.

4.3.1. Fighting deforestation

Fighting climate change also involves the conservation of forests and other terrestrial ecosystems of high conservation value (HCV), which are considered to be of outstanding significance given their capacity to sequester carbon from the atmosphere and the biodiversity they harbour in their ecosystems. Indeed, the expansion of agricultural areas – as a result of changes in land use – and the associated deforestation are the second major source of human greenhouse gas emissions and a threat to the conservation of biodiversity.

It is for this reason that we have made ambitious commitments to ensure the responsible use of the main commodities linked to deforestation in our Private Brands and perishable products and packaging containing palm oil, timber, soy and beef. To this end, we work with The Consumer Goods Forum's Forest Positive Coalition of Action (FP CoA) in four areas of action:

- integrate environmental and social sustainability criteria[115] in Private Brand and perishable products, ensuring that, by 2025, these ingredients are not associated with deforestation or the conversion of HCV ecosystems;
- encourage the main traders of these commodities and the suppliers of Private Brand and perishables to make a commitment to fighting deforestation;
- promote, through multi-stakeholder initiatives, the conservation of ecosystems in the major areas where these ingredients are produced;
- define and publicly disclose specific progress indicators[116].

Commitment to fighting deforestation recognised in 2023

We were distinguished in the CDP Forests survey as the best food retailer worldwide in managing commodities associated with deforestation. We were awarded a score of 'A-' (leadership level) in all four commodities assessed by CDP - Disclosure Insight Action: palm oil, soy, beef and timber.

This rating, which we obtained in 2023, 2022, 2020 and 2019, attests to the robustness and consistency of our commitments and actions in this important challenge.

To monitor our progress and identify opportunities for improvement, we map the presence of ingredients linked to deforestation in our Private Brand products and perishables, collecting information on their origin and sustainability certification from suppliers, as well as their respective policies for fighting deforestation.

Main agricultural commodities with deforestation risk in Private Brand and perishables

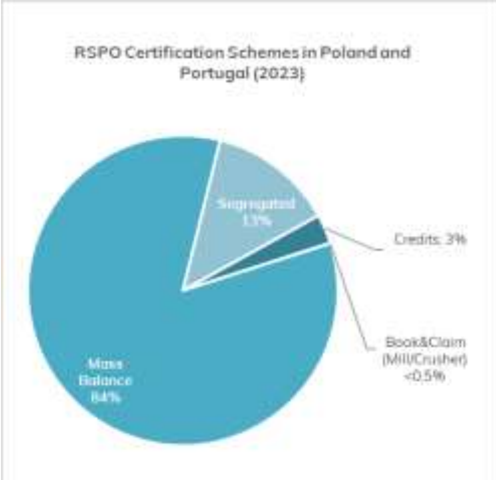
Commodity	Total quantity (tonnes)		
	2023	2022	Δ 2023/2022
Palm oil	**67,270**	**60,430**	**11%**
Colombia (Ara)	42,331	33,764	25%
Poland (Biedronka and Hebe)	20,531	20,454	0.4%
Portugal (Pingo Doce and Recheio)	4,407	6,212	-29%
Soy	**499,206**	**506,263**	**-1%**
Soy (direct)	**23,318**	**20,409**	**14%**
Colombia (Ara)	20,024	16,837	19%
Poland (Biedronka and Hebe)	2,551	2,769	-8%
Portugal (Pingo Doce and Recheio)	744	804	-7%
Soy (indirect)	**475,888**	**485,854**	**-2%**
Colombia (Ara)	3,799	3,950	-4%
Poland (Biedronka and Hebe)	351,285	362,859	-3%
Portugal (Pingo Doce and Recheio)	120,804	119,045	1%
Paper and wood	**200,052**	**190,663**	**5%**
Paper and wood (products)*	**163,622**	***152,045**	**8%**
Colombia (Ara)	13,750	5,363	156%
Poland (Biedronka and Hebe)	128,571	*124,515	3%
Portugal (Pingo Doce and Recheio)	21,301	22,167	-4%
Paper and wood (packaging)*	**36,431**	**38,618**	**-6%**
Colombia (Ara)	3,444	3,957	-13%
Poland (Biedronka and Hebe)	25,877	26,246	-1%
Portugal (Pingo Doce and Recheio)	7,110	8,415	-16%

[115] These criteria include support for activities that do not contribute to deforestation or the loss of high conservation value ecosystems and/or contribute to their regeneration, as well as the efforts to eliminate human, child and/or workers' rights violations.
[116] The strategy that shapes our action is publicly disclosed and our progress updated as part of our participation in the CDP Forests programme, and is available at www.cdp.net and also on our corporate website, on the Fighting Deforestation page.

Commodity	Total quantity (tonnes)		
	2023	2022	∆ 2023/2022
Beef	41,094	*40,567	1%
Colombia (Ara)	181	88	106%
Poland (Biedronka and Hebe)	13,862	*11,831	17%
Portugal (Pingo Doce and Recheio)	27,051	*28,648	-6%

* Revised values as a result of improvement opportunities identified when verifying the previous year's data.
** Soy used in animal feed for the production of animal protein contained in products.
*** Only virgin fibres; recycled fibres are excluded.

Palm oil



As in previous years, we have been using palm oil in our Private Brand products, particularly at Ara, where 85% is used in vegetable cooking oils. In Portugal, the use of palm oil in Private Brand products has decreased after being replaced by cooking oils with a better nutritional profile, such as sunflower oil, for example. In 2023, 100% of the palm oil used in our Private Brands and perishables in Poland and Portugal was RSPO (Roundtable on Sustainable Palm Oil) certified, with the vast majority certified according to the "Mass Balance" and "Segregated" schemes[117].

Despite being among the top five palm oil producers worldwide, the level of RSPO certification is still relatively low in Colombia. This reality, combined with our strategy of promoting local sourcing in the countries where we do business, makes it all the more difficult to obtain RSPO certification for palm oil in the country. Since 2021, Ara has been part of the "Acuerdo de Voluntades para la Deforestación Cero en la Cadena de Aceite de Palma en Colombia" (Voluntary Agreement for Zero Deforestation in the Palm Oil Chain in Colombia), with the aim of ensuring that the palm oil used in Private Brand and perishable products does not contribute to deforestation. The Agreement is an initiative of the Colombian government and is supported by civil society organisations such as RSPO, Proforest, Tropical Forest Alliance and WWF. To that end, the Agreement acts on several fronts, from the traceability of palm oil produced in Colombia to production farm level, in order to ensure that palm oil is not associated with deforestation and to progressively ensure that imported palm oil is certified sustainable (e.g. RSPO).

In 2023, more than 90% of the palm oil used in Ara's Private Brand and perishable products originated in Colombia, 13% of which was RSPO certified (10 p.p. more than in 2022). In 2023, we were able to trace the origin of 91% of palm oil from Colombia used in Private Brand and perishable products back to the area of the farm where it was produced. Based on this information, we confirmed that the palm oil came from the four production areas in the country and from 28 (out of 68) processing plants operating in Colombia. Only 0.65% of the deforestation identified by public entities in 2020 was associated with palm oil[118].

In 2023, 98% of the palm oil used in Ara's Private Brand products and perishables that did not come from Colombia was RSPO certified (24 p.p. more than in 2022), in line with the commitment to ensure that palm oil originating outside Colombia is not associated with deforestation or the conversion of high conservation value ecosystems.

[117] Information on these certification schemes is available on the RSPO Website.

[118] Data disclosed in the analysis of the level of deforestation linked to palm oil production, carried out in 2023 by IDEAM - Instituto de Hidrología Meterelogía y Estudios Ambientales and the Colombian Ministry of the Environment.

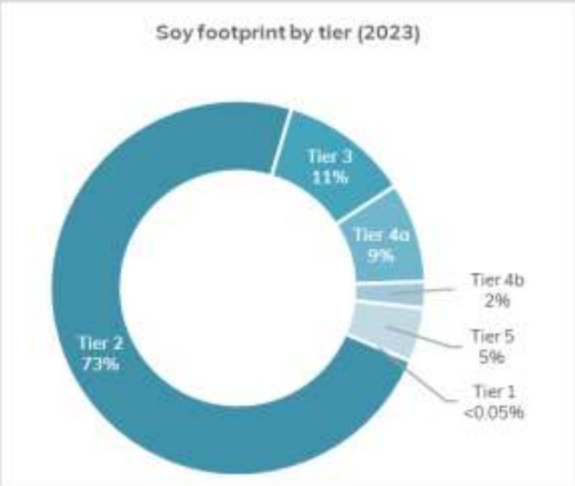
Soy

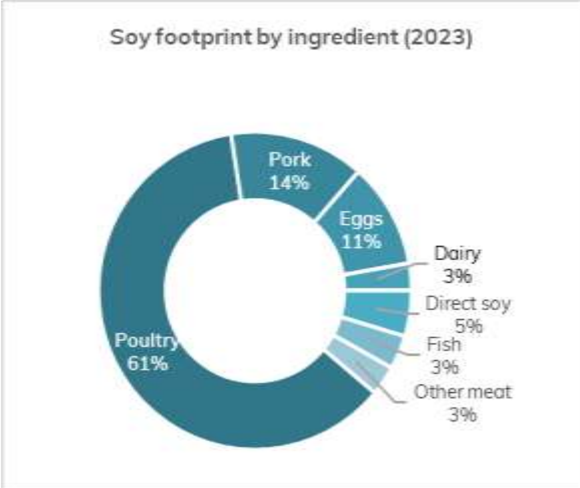
For the first time we recorded a slight reduction in the soy used in animal feed (indirect soy), which accounts for around 95% of total soy used for our Private Brand and perishable products (tiers 2 to 4b[119]). Only 5% corresponds to soy used as an ingredient (direct soy), specifically in vegetable oils and drinks.

At Ara in particular, the increased sale of vegetable cooking oils containing soy in Private Brand products led to a 19% increase in soy used as a direct ingredient (tiers 1 and 5) compared to the previous year. The reduction in Portugal or Poland, in turn, are associated with changes in the Companies' assortment and the formulation of some products.

Most of the soy in our chain (around 85%) is associated with specialised perishables in the meat and aquaculture fish categories (tier 2) and in non-specialised perishables, such as eggs and dairy products (tier 3). The remaining soy (around 15%) is associated with processed foods that contain animal-origin ingredients (soy-fed), such as ready meals.

More than 61% of soy in our chain was associated with feeding poultry for meat (9 p.p. more than in 2022), 14% with feeding swines (10 p.p. less than in 2022) and 11% with egg production (2 p.p. more than in 2022).





We maintained our commitment to tracing soy supply and managed to trace the origin, at least to the country of production, of 93% of the total soy in our supply chains (7 p.p. more than in 2022). We were unable to determine the origin of 7% of total soy used (vs. 14% in 2022). The increase in traceability is thanks to the close collaboration with our suppliers, who have put a great deal of effort into the traceability of their supply chains. In 2024, we will continue to enhance this work with our suppliers, focusing in particular on poultry meat, pork and eggs, the categories in which most of the soy materiality in our supply chain is.

More than 70% of the soy used in Private Brand and perishable products, in particular indirect soy, comes from countries at risk of deforestation[120], of which 10% (4 p.p. less than in 2022) had sustainability certification, such as Round Table on Responsible Soy (RTRS) or ProTerra.

Paper and wood

Use of virgin paper and wood fibres in Private Brand products increased comparing to 2022, due to the launch of new products and the sales increase at Ara and Biedronka. At the end of 2023, the FP CoA revised the list of countries considered to have a non-negligible risk of deforestation. According to the new

[119] The five tiers of soy quantification in the supply chain are taken into account in accordance with the CGF's "Calculation guidelines for the measurement of embedded soy usage in consumer goods businesses" methodology, available at www.theconsumergoodsforum.com.
[120] The following countries are considered to pose a deforestation risk associated with soy production: Argentina, Brazil, Bolivia, Paraguay and Uruguay.

list, 6% of these fibres are from countries with non-negligible risk of deforestation[121], of which 75% come from sustainably managed forests, as they are FSC®, PEFC or SFI certified. However, based on the list of countries with non-negligible risk of deforestation applicable in 2022[122], these values would represent 2.9% and 0.5%, respectively.

Unknown origins represent only 0.4% of the total. Nonetheless, 100% of fibres of unknown origin are from sustainably managed forests.

In terms of the paper and wood used in packaging, more than 80% of the fibres are recycled. With regard to the use of virgin fibres in packaging, only 4% of total virgin fibres come from countries with non-negligible risk of deforestation. Of these 4%, more than 90% have FSC® or PEFC certification. However, based on the list of countries with non-negligible risk of deforestation applicable in 2022, these values would represent 8% and 85%, respectively.

Around 90% of the virgin fibres used in our Private Brand products had sustainability certification (FSC®, PEFC or SFI), on par with 2022. In the case of packaging, 74% of virgin fibres are certified sustainable (4 p.p. more than in 2022). It is our goal to ensure that 100% of the paper and wood used in our Private Brand products and packaging is certified by 2030.

Around 6% of the total virgin paper and wood fibres used in perishable and Private Brand products and packaging comes from countries with non-negligible risk of deforestation, of which more than 75% is FSC®, PEFC or SFI certified. However, based on the list of countries with non-negligible risk of deforestation applicable in 2022, these values would represent 4% and 32%, respectively.

We were able to trace the origin of around 90% of virgin fibres used, at least, to country level. With regard to fibres of unknown origin (11% of the total), around 77% have sustainability certification, such as FSC®, PEFC or SFI.

Beef

As in previous years, in 2023 we were able to map and trace all beef used in our Private Brand and perishable products back to at least the country of origin. Based on this work, we concluded that 0.4% of total beef (the same as in 2022) was sourced from Brazil, a country associated with deforestation risk for cattle production. Despite the reduced exposure we have associated to this ingredient, we continue to participate in the beef working group within the framework of the CGF's Forest Positive Coalition of Action.

In 2023, we continued to invest in multi-stakeholder initiatives aimed at contributing to the preservation and regeneration of ecosystems, in line with the ten principles defined by The Consumer Goods Forum's FP CoA[123].

We continued to financially support a project in Mato Grosso (Brazil), in partnership with the Amazon Environmental Research Institute and Nestlé. The first phase, already completed, made it possible to identify 3.2 million hectares of forest assets on soy and beef farms that can be legally deforested or converted. The second phase of the project, which took place in 2023 and also included Sainsbury's as partner, aimed, among other things, to ensure the certification of soy production with the RTRS benchmark, as well as contributing to the protection of natural systems and ensuring the application of the Brazilian Forest Code on soy farms. Small producers will be rewarded for the services provided by ecosystems, such as carbon sequestration, preserving biodiversity and contributing to climate regulation.

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[121] The countries considered to have non-negligible risk of deforestation associated with the agricultural production of paper and timber were revised in 2023 and correspond to those defined in the CGF guidelines (Brazil, Bulgaria, Cambodia, Ecuador, Russian Federation, Gabon, Honduras, Indonesia, Laos, Malaysia, Myanmar, Democratic Republic of Congo, People's Republic of China and Papua New Guinea).
[122] The list of countries considered to have non-negligible risk of deforestation associated with the agricultural production of paper and timber applicable to 2022 correspond to those defined in the CGF guidelines (Cambodia, Colombia, Indonesia, Malaysia, Myanmar, Democratic Republic of Congo, Republic of Cameroon, Republic of Ghana, People's Republic of China, Papua New Guinea, Thailand and Vietnam).
[123] For more detailed information, please visit the "Fighting Deforestation" page under "Responsibility" at www.jeronimomartins.com and our response to 2023 CDP Forests: Question F6.12.

4.3.2. Promoting sustainable agricultural practices

We promote sustainable agricultural production practices among our suppliers and in our agri-food operations. These help reduce environmental impacts in areas such as soil pollution, and preserve ecosystem services, provided, for example by pollinators. At the same time, these practices increase the resilience of production systems, ensuring their economic viability and social development.

It is based on these principles that we developed the Sustainable Agriculture Handbook to help our fruit, vegetable and flower suppliers calculate the sustainability index of their farm, thereby helping to identify opportunities for improvement in strategic areas such as land use, biodiversity preservation, water and energy efficiency, and the proper use of fertilizers and phytopharmaceuticals. We also provide training for farms that are part of the programme, aligning the methodology used in the handbook with the objectives of the EU's Farm to Fork strategy.

In 2023, we applied the principles set out in the handbook to 28 new farms in Portugal, including a total of 72 new farms covered by the programme between 2021 and 2023 and thereby fulfilling our goal of integrating at least 70 new locations. The average sustainability index for these new farms was 3.6 (on a scale of 1 to 5, where 5 is the maximum score).

We have also set ourselves the goal of achieving an average sustainability index of at least 3.7 for farms that have already undergone two or more assessments. In the 2021-2023 period, a total of 65 farms were reassessed, resulting in an average index of 3.7, in line with the goal we set. Reassessments are usually carried out every two years and, in general, the indicators with the highest score (more than 4) are those related to waste management, crop practices and soil. The indicators that present the greatest opportunities for improvement are those related to energy management and consumption.

A total of 188 farms, managed by 92 suppliers, have been integrated since the start of the project, which together account for 63% of the volume of fruit, vegetables and flowers purchased by our Companies in Portugal.

4.3.3. Practices to promote animal welfare

[GRI 304-2; GRI 304-4; GRI 417-1]

We recognise animals as sentient beings and encourage our perishables and Private Brand suppliers and our production units to follow practices aligned with the five freedoms of animal welfare: (i) freedom from hunger and thirst; (ii) freedom from discomfort; (iii) freedom from pain, injury or disease; (iv) freedom to express normal behaviour; and (v) freedom from fear and distress.

Based on these principles, we have established operating standards applicable to all species of animals we market and that can also be applied to our perishable and Private Brand products in the three countries where we operate, and to our production units, most notably:

- prohibiting the use of growth promoters (growth hormones and beta-agonists);
- only using antibiotics for therapeutic purposes, never preventively or to promote growth;
- mandatory stunning of all animals before slaughter[124];
- prohibiting animal testing in the development of our products[125];
- banning the use of genetically modified or transgenic additives or ingredients, including cloning techniques, whether plant- or animal-based.

Our Policy on Genetically Modified Organisms[126] (GMOs) states that companies must:

- cooperate with suppliers to understand the production processes and assess the safety and quality standards implemented;
- regularly carry out laboratory analyses, using independent and accredited entities;
- ensure that suppliers can identify and trace GMOs in the cases where they cannot be replaced;

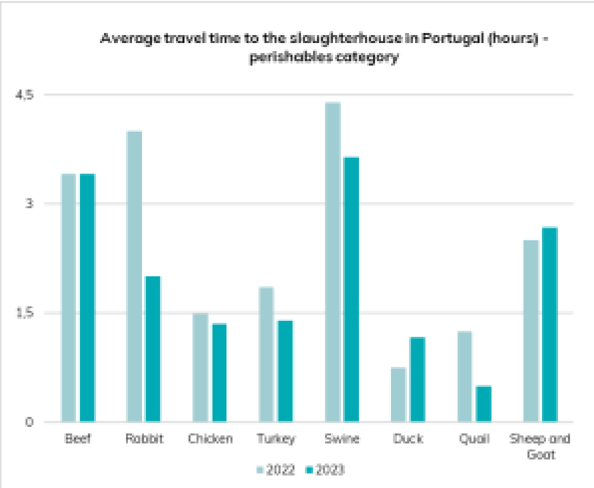
[124] Except for certified religious rituals such as *halal* or *kosher* (which account for less than 5% of total sales).
[125] Except for animal food products (for which sensory tests are performed to assess the level of satisfaction of a specific target population) and also products for controlling or eliminating parasites and/or super-populations that might be sources of contamination or disease (e.g. insects).
[126] Part of our Product Quality and Safety Policy, available on our corporate website under the "Responsibility" section.

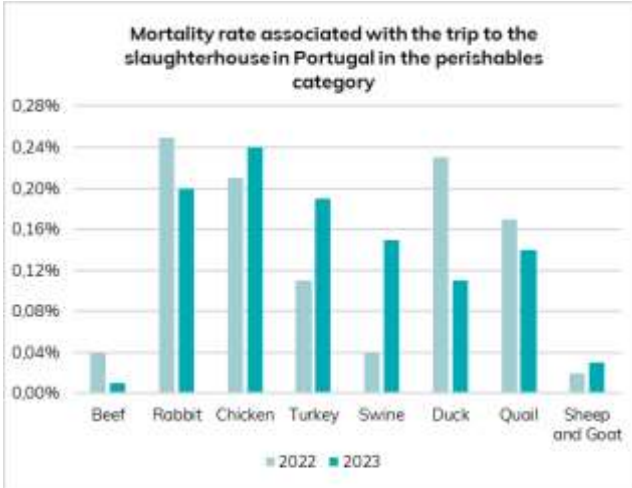
- guarantee the consumers' right to information about the presence of GMOs through product labelling[127].

We regularly carry out laboratory tests[128] and conduct food safety and quality audits[129] of suppliers and the slaughterhouses used by our Companies in Portugal, Poland and Colombia to ensure compliance with these principles, complemented by training and awareness-raising initiatives[130]. These topics are also included on the agenda of the Sustainability Committees of each of the Companies. These meetings aim at defining strategies for action and setting performance objectives, the results of which are made public so as to implement opportunities for continuous improvement. For instance, and as a result of the Sustainability Committees, animal welfare criteria were included in the food safety and quality audits of the perishable meat category, and new animal welfare targets for the 2024 to 2026 period[131] were set.

Livestock transport and slaughter practices

In Portugal, we have implemented measures to monitor perishables suppliers by assessing critical indicators to ensure animal welfare. For example, to assess animal transport conditions, we monitor the average duration of transport and the mortality rate during transport.





Since 2021, the average transport time in Portugal has been less than 4.5 hours, below the 8 hours stipulated in law as a recommended maximum limit. With regard to transport conditions, the reduced mortality rate (less than 0.25% in all animals) suggests that the animals are not subjected to excessive levels of discomfort, pain or injury. Our goal is to progressively extend this assessment to the other countries where we have operations.

With regard to the practices used by our perishable suppliers at slaughterhouses in Portugal, all animals were stunned before slaughter and more than 98% of stunning was effective at the first attempt (0.3 p.p. more compared to 2022).

Dairy, fresh egg and meat production practices

In our Private Brand and perishables assortment, we integrate animal-based products and ingredients produced in line with animal welfare practices. We also endeavour to raise awareness on these measures among consumers through the use of product labelling and in-store communication actions, commercial leaflets, websites and social media. Below is a description of some of these initiatives.

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[127] We ensure disclosure in strict compliance with the limit applied by the Group of a maximum of 0.1% (within the method's quantification limit). The limit allowed under European law is 0.9%.
[128] In 2023, the Group conducted over 1,979 GMO analyses in its Molecular Biology laboratory. For more information on these audits see section 2.3. "Food Safety and Quality" in subchapter 2. "Promoting Good Health through Food" of this chapter.
[129] For more information on these audits see section 4.2. "Relationship with suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers" of this subchapter.
[130] For more information on these audits see section 4.2. "Relationship with suppliers", subsection 4.2.2. "Supplier Awareness and Training" of this subchapter.
[131] For more information on these audits see section 8. "Commitments for 2024-2026" in this chapter.

Beef

In 2023, at Pingo Doce we continued to market Private Brand Angus beef with double antibiotic-free production and animal welfare certification (obtained according to the international benchmark Welfare Quality, and bearing the Welfair™ label), as well as organic beef. In the latter case, we ensure compliance with certification criteria such as access to the outdoors, non-GMO feed, and grazing. Together, Angus beef and organic beef accounted for a 13% weight on sales in the perishable beef category.

Chicken

Biedronka continued to sell its 100% nationally produced free-range chicken, raised antibiotic-free and fed with GMO-free feed. The minimum slaughter age is 70 days (higher than the market average of 14 days) and access to the outdoors with a density below 30kg/m^2 is assured, providing up to ten times more area than that of conventional chickens. Biedronka's assortment also continued to include 100% nationally produced antibiotic-free conventional chicken meat.

At Pingo Doce and Recheio, free-range chickens are 100% raised in Portugal. These chickens have a minimum slaughter age of 81 days and are raised outdoors with a maximum density of 25 kg/m^2. Both Companies continued to include the Best Farmer's free-range chicken, raised mostly outdoors and with an area per animal 30% larger than conventional methods (equivalent to a maximum density of 25 kg/m^2). Production is antibiotic-free and animal-welfare certified, approved according to the Welfair™ protocol for welfare assessment (based on the international benchmark Welfare Quality). Thinning is not practised in these operations. Both free-range and Best Farmer's free-range chickens have access to a natural outdoor environment.

The sale of free-range chicken, animal welfare certified chicken and antibiotic-free chickens at Biedronka, Pingo Doce and Recheio have a 6% weight on the total sales of this perishable category.

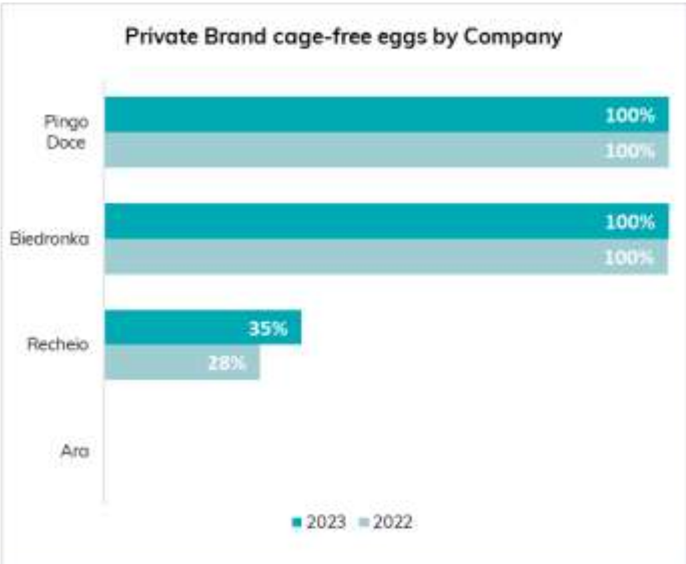
Dairy products

The Pingo Doce fresh milk range upheld the Welfair® label, which attests animal welfare certification according to the Welfare Quality protocol, issued by AENOR. The protocol is built on four basic principles: good feed, good shelter, good health and proper animal behaviour. This certification also ensures that dairy cows are free from tethering and tail docking. More than 90% of the producers who supply Terra Alegre's dairy farm have maintained this certification.

Cage-free chicken eggs

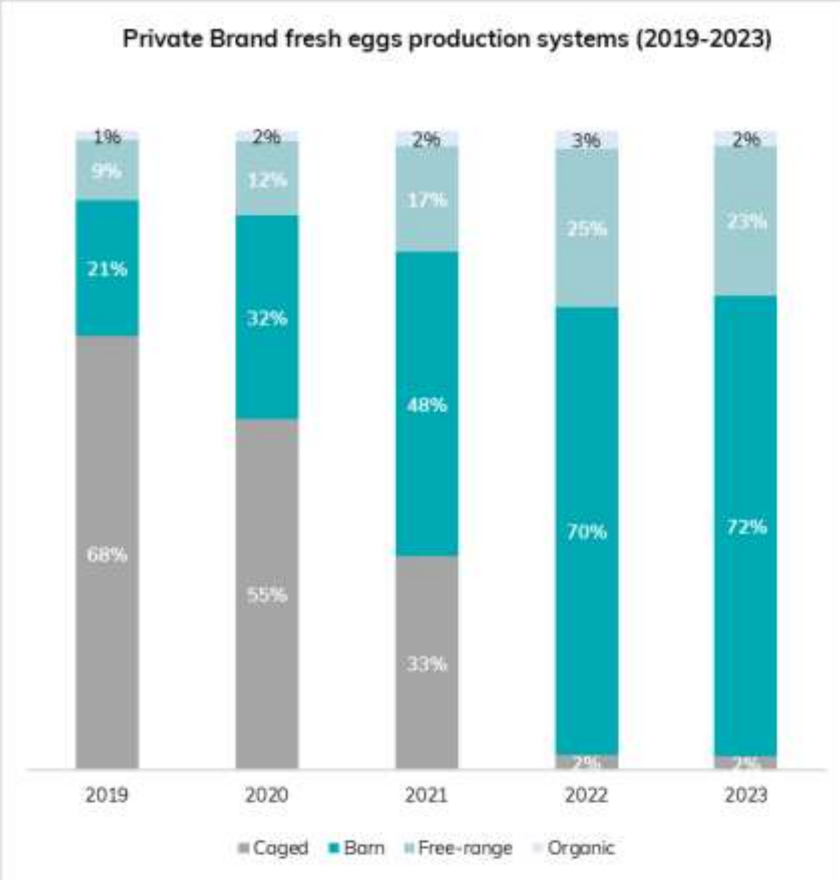
We are committed to ensuring that all Private Brand fresh eggs come from uncaged hens by 2025. Three chicken production systems are accepted: barn, free-range and organic. These systems establish a set of animal welfare criteria and require, for instance, a larger area available per hen, straw bales for the animals to peck at, greater freedom of movement, and perches.

In 2023, 98% of Private Brand fresh eggs (0.4 p.p. more than in 2022) came from uncaged hens. Biedronka[132] achieved this goal at the end of 2022, just as Pingo Doce had already achieved it in August 2019. With regard to Recheio, 7 p.p. more cage-free eggs were marketed, ending the year with 35% of sales of Private Brand fresh eggs coming from uncaged hens. Ara does not offer Private Brand fresh eggs in its assortment.



[132] Biedronka extended this goal to its entire fresh egg assortment, which now includes its Private Brand and supplier brand eggs.

To facilitate the transition to the end of the use of cages, the Group's Companies have been working closely with their suppliers. In the case of Private Brand eggs, this includes, for example, identifying new production sites and visits by food safety and quality teams to ensure that producers meet the require d criteria. The implementation of alternative production systems to cages also requires time for suppliers to improve their production systems or build new facilities. In these cases, we also give preference to local production, ensuring that more than 95% of the fresh eggs from uncaged hens that we sell in our Private Brands are sourced locally.



Whenever possible, we eliminate the incorporation of fresh eggs from caged hens also into Private Brand products that use eggs as an ingredient. In the case of Biedronka, cage-free eggs have been used in 100% of the Private Brand assortment containing egg as an ingredient since 2022. Pingo Doce and Recheio have also made progress on this commitment, ending the year using cage-free eggs in 61% (10 p.p. more than in 2022) and 39% (4 p.p. more than in 2022) of their Private Brand products that contain egg, respectively.

Practices at Jerónimo Martins Agro-Alimentar (JMA)

JMA is a Group Company specialising in food production to also supply our distribution operations. The Company has four business areas: (i) dairy; (ii) livestock farming (production and fattening of Angus cattle, sheep production, and milk production); (iii) aquaculture (sea bass and sea bream); and (iv) fruit and vegetables (seedless grapes and oranges, both organic, stone fruit and tango mandarin).

Angus cattle are reared by JMA in an area of 6.5 m^2 or more per animal, with grooved concrete or rubber flooring to prevent the animals from slipping and getting hurt. We also replace straw used for bedding every day to ensure their comfort and well-being.

At the dairy farm, we provide at least one bed per cow and 60 cm of feeding space. Animals have access to automatic massage brushes and ambient music is played to reduce stress, as well as pasture areas. Barns also have automatic cooling systems that activate fans and sprinklers to cool the animals, which have monitoring collars that enable early detection of pathologies through behavioural changes, thus contributing towards a reduction in the use of drugs.

At our dairy farms and Angus production units, we also ensure:

- the vaccination and de-worming of all animals;
- 100% of animals are free of mutilations (e.g., tail docking and dehorning) and have free movements (they are free from chains);
- automatic cooling systems that activate fans for ventilation and to reduce the amount of ammonia in the air;
- mandatory training in animal welfare for all employees in contact with the animals;

- that no electronic shocks, sticks or any system that may hurt the animals are used when moving or handling them.

In sheep production we ensure a minimum area of 0.6 m^2 per animal, more than the recommended good practice of 0.5 m^2, and feed based on forage (source of fibre) and concentrate. None of the animals are castrated and they all have freedom of movement.

JMA maintained its certification in the responsible use of antibiotics in its beef production and dairy farm operations. The Welfair™ animal welfare approved certification of these units was also renewed, in accordance with the European Welfare Quality benchmark. Sheep production is also Welfair™ animal welfare certified, based on the AWIN® benchmark.

In the aquaculture of sea bass and sea bream, we ensure the vaccination of all fish that we grow in the open sea with constant currents that guarantee good circulation and water quality. None of the fish are subject to mutilation practices (e.g., cutting of fins) in our aquaculture operations, We use ice-cold water for rapid cooling of body temperature to desensitize the animals during slaughter.

In 2023, JMA increased its financial stake to 25% in Andjford Salmon, a company that has developed an innovative system for sustainable salmon production in Norway.

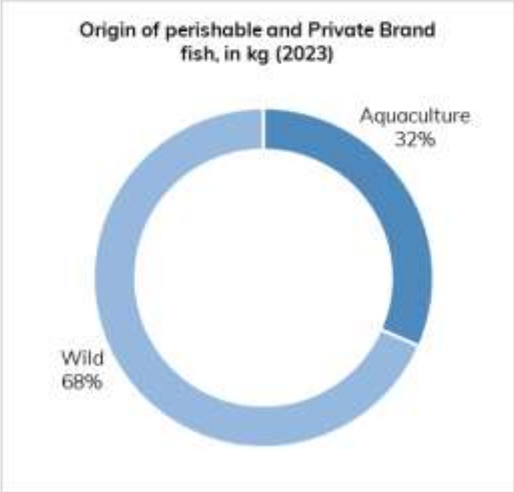
More information is available on our corporate website, on the “Animal Welfare” page.

4.3.4. Sustainable fishing

[GRI 304-2; GRI 304-4]

Hand in hand with the fight against plastic pollution and the implementation of good production practices throughout the supply chain, our Sustainable Fishing Strategy also contributes to fighting pollution and the overexploitation of the aquatic environment. Our Companies’ commitment to following this strategy ensures that our Private Brand and perishable fish products do not contribute to the overexploitation, depletion or extinction of species[133].

In 2023, we remained faithful to our commitment to annually assess the risk level of all species of fish species in the Group's Private Brand and perishable assortments, in a clear reinforcement of self-requirement in relation to the every three year periodicity that was in force until 2021. We sold more than 210 species of fish, continuing to invest in diversifying our assortment as a way of reducing pressure on the most consumed fish species.

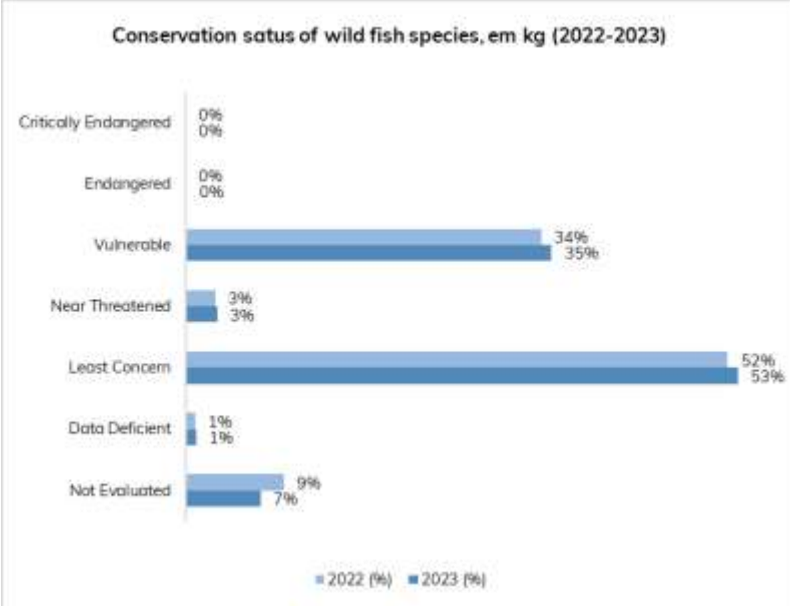


The share of wild-caught fish increased slightly compared to 2022 (3 p.p. more). More than 30% of the fish sold in our stores are sourced from aquaculture, a system that helps to reduce pressure on wild fish stocks, particularly on species most sought after by consumers, such as salmon, sea bream, shrimp, trout and sea bass.

As regards the level of conservation of each of these species, we use IUCN data for wild-caught fish[134], updated in April 2023. The IUCN categorises the different levels of threat as follows: Vulnerable (low risk), Endangered (medium risk) and Critically Endangered (high risk)[135]. The Not Evaluated, Data Deficient, Least Concern or Near Threatened categories are not considered threatened categories.

[133] This commitment is also set out in the Jerónimo Martins Sustainable Sourcing Policy, available on our corporate website on the “Sourcing Responsibly” and “Sustainable Fishing” pages.
[134] Assessment is carried out using 2023 data from the IUCN Red List of Threatened Species, accessed through the Integrated Biodiversity Assessment Tool (IBAT) (http://www.ibat-alliance.org). This data is provided by BirdLife International, Conservation International, IUCN and UNEP-WCMC.
[135]For the purposes of this analysis, the ‘Extinct in the Wild’ category is not considered since the species analysed are caught in the wild.

In 2023, 35% of wild-caught fish in our Private Brands and perishables were classified as 'Vulnerable' (representing the lowest level of risk) and more than 55% of our wild fish purchases do not present a conservation risk ('Near Threatened' and 'Least Concern' categories). One flounder species, *Hippoglossoides platessoides*, fell under the 'Endangered' category, representing less than 0.1% of total purchases (in kg). However, this species was purchased before the IUCN updated its conservation status, so it is deemed to be in full compliance with our Sustainable Fishing Strategy. No purchases of species considered to be 'Critically Endangered' were made.



The table below depicts the level of compliance with the commitments at each of the three levels of conservation risk[136].

IUCN Red List category	Commitment	Compliance in 2023
Critically Endangered	Ban the purchase and sale of species classified at this level of risk and for which there are no specific extraordinary permits or whose aquaculture production is not ensured across all stages of its life cycle. Only the European eel (*Anguilla anguilla*)[137] falls into this risk category. It has not been marketed in our stores since 2016. In the assessment carried out in 2022, two other commercial species were identified under this level of risk: the Siberian sturgeon (*Acipenser baerii*) and the school shark (*Galeorhinus galeus*). In 2023, only the species *Acipenser baerii* was marketed, and we ensured aquaculture production for its entire life cycle.	100%
Endangered	Ban the marketing of species classified at this level of risk whenever they are not 100% obtained from aquaculture and/or from sustainably managed stocks and/or that do not have a certificate of sustainability (e.g. MSC or ASC). In 2023, we identified seven species falling under this category, to which we applied the foregoing measure: shortfin mako (*Isurus oxyrinchus*); striped catfish (*Pangasianodon hypophthalmus*)[138]; smooth-hound (*Mustelus mustelus*); black hake (*Merluccius senegalensis*); undulate ray (*Raja undulata*), sandy ray (*Raja Circularis*) and American plaice (*Hippoglossoides platessoides*)[139].	100%
Vulnerable	Limit promotional activities with species that are classified as 'Vulnerable' whenever they are not obtained from aquaculture and/or from sustainably managed stocks and/or that do not have a certificate of sustainability (e.g., MSC or ASC). In the 2023 assessment, we identified 20 species in this risk category, for which we limited promotional activities.	100%

In 2023, the codfish stocks in the coastal area of the Norwegian Sea, Spitzberg and Bear Island (FAO 27.2) and Atlantic bigeye tuna stocks remained unchanged compared to 2022. Changes in these stocks must continue to be monitored and the stock management plan complied with in the coming years.

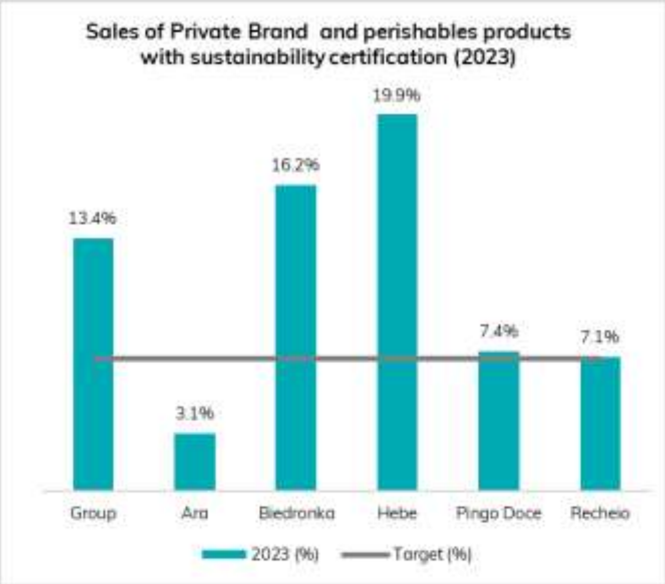
[136] More information at www.iucn.org.
[137] Although the European eel is produced from aquaculture, these production systems rely on the collection of "young" specimens (glass eels) from natural environments, which puts pressure on wild populations.
[138] 100% from aquaculture.
[139] In 2023, the conservation risk level of the species *Hippoglossoides platessoides* (American plaice) was revised from not threatened ('Least concern') to medium risk ('Endangered'). This revision was included in the new 2023 Service Information and the quantities marketed in 2023 relate to the supply of the quantities agreed with suppliers in 2022, when this species was classified as 'Least Concern'. As such, the service instruction was complied with.

4.3.5. Certified products

[GRI 417-1]

As a complement to the initiatives carried out with our suppliers, we encourage the adoption of sustainability certification. These systems follow a benchmark with environmental and/or social requirements that are verified by external entities and can cover one or more ingredients, the product itself and/or the packaging thereof. This certification ensures that good environmental practices are implemented in the value chain (guaranteeing that there has been no deforestation or conversion of high conservation value ecosystems, or that production processes to mitigate pollution are best in class) and/or that human rights principles are respected, confirming, for instance, that there is no child labour or forced labour, or that fair payment is made to the producer. Specific symbols and labelling are also used at the point of sale to facilitate the communication of these attributes to consumers, raising their awareness and encouraging them to opt for certified products.

Our goal is to ensure that at least 7% of sales of perishables and Private Brand products and/or packaging is sustainably certified and that such certification is communicated at the point of sale. In 2023, 13.4% of the sales of products in these categories came from products and/or packaging with sustainability certification (5 p.p. more than in 2022, the largest annual increase recorded to date).



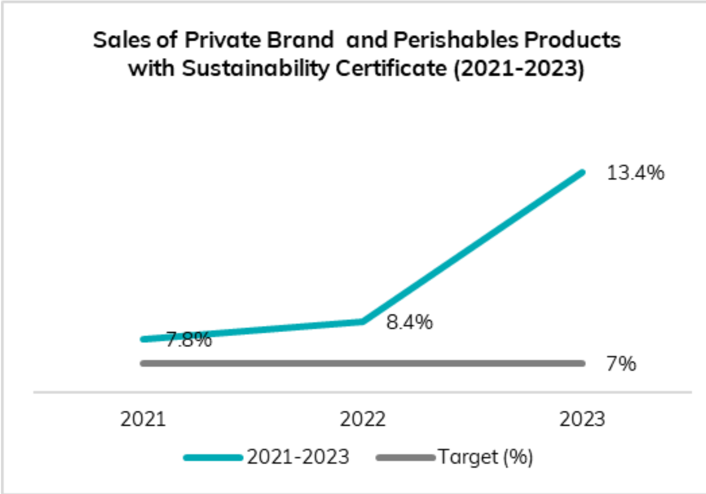
A total of 1,494 references were certified under these systems[140] in 2023, an increase of more than 65% compared to 2022.

Many certification systems are associated with paper fibres from sustainably managed forests (FSC®, PEFC or SFI), the organic production of food products, and the OEKO-TEX Made in Green certification of the textiles we market. These systems are related to the adoption of good agricultural and industrial production practices and ensure good labour practices.

We thus ended the 2021-2023 cycle with the sale of Private Brand products and perishables with sustainability certification accounting for sales 6.4 p.p. above the 7% target previously set. This increase results, above all, from the efforts of our teams to promote sustainability practices, both by identifying new suppliers that have already adopted them, and by encouraging existing suppliers to adopt them, remembering the importance of ensuring access for the vast majority of our consumers to products with these characteristics, ensuring their democratization.

[140] Detailed information about sustainability certified products by certification type and Company is available on our corporate website on the "Certified Products" page.

Certification of these products implies the adoption of internal management practices and the identification of suppliers along the supply chain who can satisfy the requirements of these systems. To this end, we have established an ongoing and close working relationship with our suppliers. As a result of these efforts, 440 new certified sustainable products were launched in 2023. Around 85% of the suppliers who supply us with these products have maintained their relationship with our Companies since 2021.



5. Supporting Surrounding Communities

5.1. Introduction

We are an active agent in building a society with less inequalities, and it is through our network of more than 5,700 proximity stores, we are able to reach the most vulnerable groups in society: the elderly, children and young people in need. We do so, in accordance with our Policy on Supporting Surrounding Communities[141], by supporting institutions and projects that help fighting hunger and malnutrition, and that work towards breaking cycles of poverty and social exclusion. We also support projects that promote healthy eating habits and lifestyles. The consolidation of reading habits and incentives for projects oriented towards environmental preservation, entrepreneurship, and citizenship as other relevant areas of our social intervention.

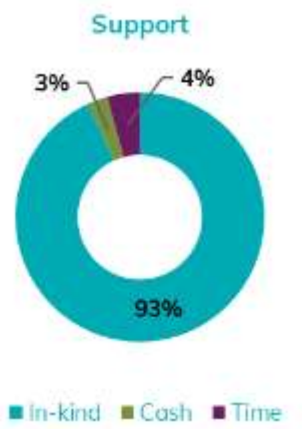
5.2. Managing the Policy on Supporting Surrounding Communities

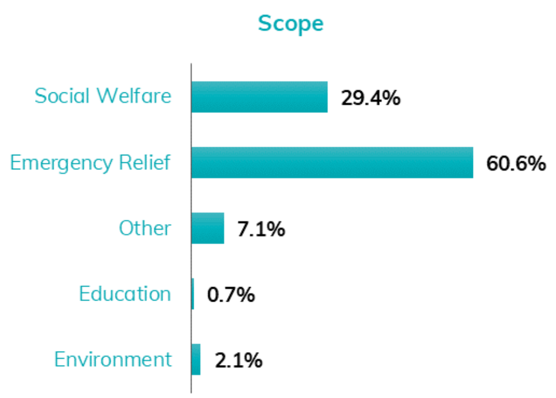
[GRI 413-1]

The initiatives we support and/or promote are monitored and assessed as to the impact they have. We strive to ensure that resources are allocated to projects that reach the greatest possible number of people and/or generate the greatest and best outcome.

Besides carrying out follow-up visits to institutions of whom we have initiated ongoing cooperation agreements to perform *in loco* quality assurance on infrastructures and services provided to the people supported, we measure whether and how the desired social changes have occurred by applying the criteria of the Business for Societal Impact (B4SI) methodology[142]. Based on these criteria, and applying the methodology – for reasons of minimum materiality – to each of the institutions we support annually with a value of at least six thousand euros, we estimate that around 45.5 million euros[143] allocated in 2023 to 220 organisations positively impacted more than 2.2 million people. Support was mostly in the form of in-kind donations and focused on improving social well-being.

Social impact measurement

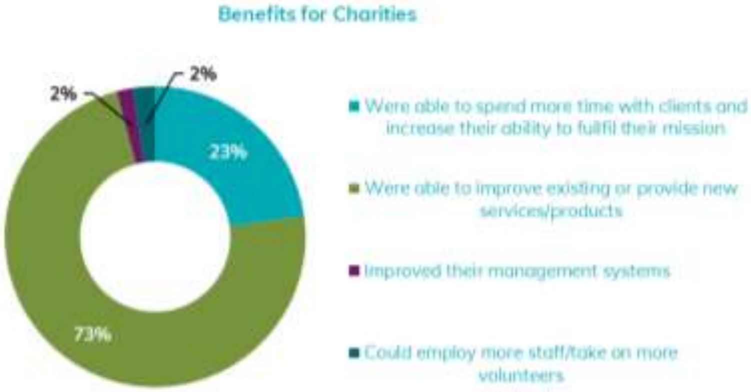




The total percentage may not correspond to 100% due to the rounding up of each item.

[141] The Policy on Supporting Surrounding Communities is available on our corporate website on the Supporting Surrounding Communities page.
[142] The global report on the key indicators relating to community support, based on the B4SI model, is available on our corporate website on the Supporting Surrounding Communities page, and is verified by an external and independent entity.
[143] This value refers to the activities/projects measured with the institutions and beneficiaries thereof supported by the various Group Companies and which have a minimum level from which significant social impact data can be considered. It does not, therefore, correspond to the total amount of support offered by Jerónimo Martins.

As in previous years, the majority of beneficiaries surveyed by the institutions that support people in need every day (87.5%) reported positive impacts in their quality of life. These institutions also report the support provided has enabled them to offer or improve their services.



We also seek to train people in socially vulnerable situations, to reinforce their probabilities to succeed in the labour market. In 2023, 380 of employees in Portugal and Poland took part in on-the-job training programmes, resulting in more than 84 thousand hours of mentoring corresponding to a value over two million euros[144].

5.3. Direct support

[GRI 203-1]

In 2023, we provided more than 87million euros in direct support to more than 2,100 organisations. The around 6% increase vs. 2022 follows the trend of increasing the support offered in recent years and is justified by the need to respond to the growing context of economic and social difficulties.

[144] In 2022 we reviewed the methodology associated with the internship programmes considered in the social impact assessment.

Direct support (euros)	2023	2022	Δ 2023/2022
Biedronka*	63,972,697	55,558,681	+15.1%
Hebe	30,249	54,209	-44.2%
Holding (JMH)	2,904,975	10,671,257	-72.8%
Pingo Doce	17,193,702	13,489,858	+27.5%
Lidosol	937,331	709,008	+32.2%
Recheio Cash & Carry	825,042	532,014	+55.1%
Recheio Masterchef	299,485	238,493	+25.6%
João Gomes Camacho	8,198	2,555	+220.8%
Jeronymo and Hussel	13,282	14,562	-8.8%
Jerónimo Martins Agro-Alimentar	23,125	118,659	-80.5%
Ara	863,773	801,876	+7.7%
Total	**87,071,858**	**82,191,172**	**+5.9%**

* Includes the monetary contribution to the Biedronka Foundation, amounting to more than 20.6 million euros (around 93.8 million złoty), resulting from the allocation of the results of the founding company, Jeronimo Martins Polska (Biedronka), approved by the General Meeting. The activities and financial reporting of the Biedronka Foundation are independent from Biedronka.

Food surplus that meets food safety standards but which cannot be sold, are donated to social welfare institutions, guaranteeing that it reaches people in situations of socioeconomic vulnerability. This practice, common to all Companies, enables products to fulfil their primary mission: to feed people. In 2023, we donated approximately 19,300 tonnes[145] of food, 12% less than in 2022. This decrease is explained by the growth in the “markdown" programme (selling products with huge discounts) to maximise the sale of products approaching their sell-by date at Biedronka, which led to fewer products available for donation.

Food donations (tonnes)	2023	2022	Δ 2023/2022
Biedronka	13,004	15,299	-15.0%
Pingo Doce	5,301	5,879	-9.8%
Recheio	332	290	+14.5%
Ara	625	472	+32.4%
Total	**19,262**	**21,940**	**-12.2%**

Corporate areas

The Group’s holding supported 75 entities, five more than in 2022, corresponding to over 2.9 million euros. Most of these entities (55%) focus on social work. Other projects were also supported, namely covering structural topics such as education, environmental protection[146] and culture. We continue to provide regular support to 21 institutions, most of which we have supported for more than a decade. However, the amount of support fell by more than 70% compared to 2022, given the last year extraordinary support of 5 million euros aimed at the Ukrainian refugees who fled their country after Russia invaded Ukraine.

Most notably among the continued support provided is the investment of 40,000 euros in 19 social scholarships to students in Portuguese schools from disadvantaged socioeconomic backgrounds, currently being supported by EPIS – Empresários pela Inclusão Social (Businessmen for Social Inclusion), an organisation we are members of and that we have been supporting since its establishment in 2006. In the "Sustainability and Active Citizenship" category, five scholarships were awarded to students and their 3rd cycle schools, acknowledging the merit and feasibility of projects to raise awareness, mobilise and transform behaviour and practices at school and/or in the education communities, in line with the United Nations Sustainable Development Goals and the strategic pillars of the Group's Corporate Responsibility. Another 14 scholarships, awarded in the second edition of the special category “Jerónimo Martins

[145] Values calculated internally in accordance with proxies resulting from implementing the Food Loss and Waste Protocol, a methodology devised by the World Resources Institute and various stakeholders to be able to consistently calculate and report food waste and loss in the supply chain.
[146] For more information, see subchapter 3. “Respecting the Environment”.

Academic Merit", aim at supporting students who have achieved good results in secondary education, bachelor's and master's degrees who wish to continue their studies.

Biedronka

Biedronka channelled approximately 64 million euros to support social campaigns and projects[147], a 15% increase compared to 2022. More than 650 institutions benefited from in-kind donations and monetary support.

Surplus food donations exceeded 13,000 tonnes[148], 15% less than in 2022, as explained above by the success of the programme to sell products approaching their sell-by date. 2,701 stores were involved in these donations (over 75% of the Company's store network), close to what happened in 2022, when the food surplus donation programme was implemented in 2,550 stores, thus achieving the commitment of involving at least 70% of stores in food donations in the period between 2021 and 2023. Among the 155 institutions that benefited, the Federation of Polish Food Banks, Caritas and Mar-Kot association were the most relevant.

Regarding healthy eating habits, Biedronka was the main sponsor of the 30th and 31st editions of the Olimpiada Zdrowia PCK z Biedronką (Polish Red Cross and Biedronka Health Olympics), with the approval of the Ministry of Education. In the 30th edition, 17,894 students from 1,311 schools took part, and in the 31st edition there were 16,348 students, from 1,150 schools. These Olympics consist of tests taken by young people and the presentation of projects to promote healthier eating habits and lifestyles in their communities. The winners will be able to study at the nutrition faculties of the Medical University of Lodz or the University of Opole, both honorary sponsors of the initiative, after finishing secondary school, regardless of their final exam score. Biedronka offered a total of 45,000 euros to support the 30th edition and the expected value of more than 50,000 euros to support the 31st edition will be available in 2024.

In 2023, the monetary contribution to the Biedronka Foundation exceeded 20.6 million euros, mostly used to provide food support to vulnerable senior citizens – the Foundation's primary mission.

Hebe

Hebe's responsibility strategy focuses on supporting young women, namely through feminine entrepreneurship and supporting young women living in orphanages in the transition to a more independent life. In 2023, seven organisations received direct support from the Company, mainly through the donation of cosmetic and personal hygiene products, valued in the amount of more than 30,000 euros.

Pingo Doce

In 2023, the Company responded to the request of more than 1,350 charities[149] operating in the surrounding areas of its stores. In-kind donations, accounted at cost price, and monetary donations (which includes fixed support, gift cards and the sponsorship of environmental conservation projects), surpassed 18 million euros[150], 28% more than in 2022.
Food donations from stores surplus totalised 5,301 tonnes, 9.8% less than in 2022, explained by the increase in markdown sales, the same that happened in Biedronka[151]. These donations reached over 520 institutions and are estimated to have impacted more than 100,000 people.

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[147] Biedronka's annual responsibility reports are available at https://csr.biedronka.pl/.
[148] Amounts calculated internally based on proxies resulting from applying the Food Loss & Waste Protocol, a methodology developed by the World Resources Institute and several stakeholders to consistently quantify and report food loss and waste in the supply chain.
[149] Pingo Doce's Responsibility Policy is available at www.pingodoce.pt/responsabilidade.
[150] Includes Lidosol.
[151] For more information, see subchapter 3. "Respecting the Environment".

Bairro Feliz (Happy Neighbourhood) is a programme that provides financial support to the causes proposed by the entities and residents of the neighbourhoods where Pingo Doce stores are located, and donates up to 1,000 euros to the causes most voted for by customers.

The 2023 edition, the third held nationwide, received 2,894 entries mostly from local institutions (91%), with the remaining 9% submitted by residents. After the public vote, Pingo Doce awarded more than 422,000 euros to the most voted project in each store. 59% of the projects focus on social inclusion and 30% on education. It is estimated that more than 15,200 seniors and 23,800 children have been impacted by the winning projects of the 2023 Bairro Feliz edition.

World Youth Day 2023

Pingo Doce was the official food partner of World Youth Day (WYD), an international celebration held in Lisbon at the beginning of August 2023. The event symbolises many of the values that are intrinsic to the Group, due to the energy it always summons and the mobilisation for sharing and inclusion. More than 2.5 million euros worth of food was donated and more than 715,000 euros in direct monetary support.

As the event's food partner, Pingo Doce served its fresh food at the main WYD venues and helped prepare the kits for registered pilgrims, also serving other meal kits. In some stores, closer to the main geographical points of the event, stocks of the most sought-after products were reinforced, and opening hours extended. Sustainability played a key role, with the ECO filtered water bottle becoming part of pilgrims kits (350,000 of these reusable bottles were distributed).

During the first days of August, the tents set up by Pingo Doce took over four strategic locations in Lisbon, where around 190,000 pilgrim kits were distributed, and more than 22,000 meals sold. At the Vigil, which was attended by Pope Francis and was the last event of the WYD, a huge logistic operation was set up with 89 galleys to distribute 400,000 meal kits.

This very special week for Pingo Doce involved the participation of 329 volunteers from the Group's head offices in Portugal.

Recheio

The Company donated more than 1.1 million euros[152] in in-kind and monetary support, 47% more than in 2022. Recheio supported 181 organisations, 21 fewer than the previous year. A total of 332 tonnes of food[153] were donated, 15% more than in 2022.

Jerónimo Martins Agro-Alimentar

The various JMA companies have allocated more than 23,000 euros in support to eight socially orientated institutions located in the areas surrounding the production units, particularly in the region of Portalegre (Alto Alentejo, close to the Spanish border), where the Terra Alegre dairy factory is located.

[152] Includes Recheio Masterchef and João Gomes Camacho.
[153] Values calculated internally in accordance with proxies resulting from implementing the Food Loss and Waste Protocol, a methodology devised by the World Resources Institute and various stakeholders to be able to consistently calculate and report food waste and loss in the supply chain.

Ara

Renewing its commitment to supporting Colombian low-income families, the Company invested around 863.000 euros in social support projects, 8% more than in 2022. The 11 organisations that benefited from the investment estimate that more than 38,000 people received support as a result thereof in 2023.

Institutions such as Asociación de Bancos de Alimentos de Colombia (Colombian Food Banks Association), which brings together 24 food banks and has been supported by Ara since the start of its operation in the country in 2013, and Fundación Alimentar Colombia, whose mission is to eliminate child malnutrition in the country, received most of the surpluses donated by 302 stores and 9 distribution centres (625 tonnes of food, 32% more than in 2022).

A new partnership, also with ABACO, for the promotion of the "Desayunos Saludables" (Healthy Breakfasts) programme began in June and ran until December, aimed to support 20% of the recommended daily nutritional needs of 920 children in Medellín, Cúcuta, Riohacha and Santa Marta, through food packs for breakfast consisting of 80 grams of fruit and 30 grams of bread or cereals. 15 tonnes of food were donated under this program.

Support was also provided to institutions that help young single mothers and their children, very low-income families, and homeless young people, such as Fundación A La Rueda Rueda and Fundación Malabareando las Calles.

The partnership between Jerónimo Martins Colombia, Caritas Polska and Caritas Colombia to provide humanitarian aid to vulnerable populations in Soacha, close to Bogotá, and Villa del Rosario and Cúcuta, two villages in the Norte de Santander region bordering Venezuela[154], continued for the fourth consecutive year. More than 3,370 baskets containing basic food products (tuna, sugar, rice and other cereals) and non-food products (soap and household cleaning products) were donated, together with vouchers to exchange for food and hygiene products. Around 11,000 people from more than 2,190 families benefited from this initiative. Over the course of this three-year partnership, nearly 600,000 euros have been invested, around 200,000 euros each year, and more than 30,000 people have received support.

5.4. Other direct support

We establish partnerships with different institutions to identify and respond to social cohesion challenges in areas such as healthy eating, promoting reading habits, and social inclusion[155].

Volunteering and internal campaigns

In Portugal, 412 employees participated in volunteer initiatives, donating around 2,235 hours of their time[156]. Although the number of people involved decreased 30% compared to the previous year, volunteer hours increased 231% as a result of World Youth Day, which took place in Lisbon in August (see feature box on WYD). We invited our employees to participate in different volunteer activities to assist in the logistics and the food safety of the products available to pilgrims. A total of 329 employees participated in actions to help the event, offering a total of 1,515 volunteer hours.

Other volunteering initiatives included “Voluntários Clientes 70+” (70+ Customer Volunteers), a programme created in 2020 during the Covid-19 lockdowns to help elderly customers do their shopping and delivering their purchases to their homes. This programme was continued in 2023, supporting mostly customers with reduced mobility, digital illiteracy and no family or network support. Since the programme was launched,

[154] In June 2022, the Statistics Office of Colombia published the results of the“Pulse of Migration” study on Venezuelan migration in Colombia. The results revealed that 7% of the population experienced violent events crossing the border, such as theft, bribery, abuse by representatives of Venezuelan and Colombian institutions, and physical assault.
[155] To learn about other direct support initiatives, visit the Supporting Surrounding Communities page on our corporate website.
[156] Only volunteer hours during working hours are considered. To learn more about these and other volunteer initiatives and internal campaigns, visit the “Supporting Surrounding Communities” page on our corporate website.

233 volunteers went shopping for more than 370 customers, making over 4,200 deliveries (more than 111,000 products).

Junior Achievement Portugal is a non-profit organisation whose mission is to inspire and prepare children and young people for the future. Activities are focused on three pillars (entrepreneurship and citizenship, financial literacy, employability skills) and our volunteers collaborated with six schools and impacted 282 pupils, in a total of 114 volunteering hours.

We again welcomed four trainees from the Girl Move Association, an initiative aimed at training and empowering young Mozambican women to become agents of development in their communities. The Girl Movers spent a month in Portugal and in the first week they visited various facilities to learn about our value chain, followed by an internship lasting three weeks with eight tutors in their areas of interest. An additional 32 employees also offered their time to teach the trainees. These 40 volunteers devoted 584 hours to the initiative.

Although EPIS - Empresários pela Inclusão Social (Entrepreneurs for Social Inclusion) is an association focused primarily on supporting young students, particularly those from vulnerable backgrounds, to promote their success at school, the quality of education and training systems, the employability and integration, it also runs other volunteer programmes with companies. In 2023 we participated in the EPIS Volunteers' Meeting at the Monsanto Forest Park in Lisbon with four volunteers. We helped collect 3.7 tonnes of ceramic waste and more than 2,000 litres of plastic, glass and paper waste. We also helped monitoring invasive species – acacias and pittosporum – and building an insect hotel.

As in 2022, we joined Portugal Chama, a campaign by the Portuguese Agency for the Integrated Management of Forest Fires, aimed at raising public awareness, especially in areas most at risk of fire, of the importance of prevention during the hottest months of the year. With the same goal of fire prevention, Pingo Doce and Recheio promoted the National Road Safety Authority's "O Melhor Presente É Estar Presente" (The Best Gift Is To Be Present) campaign in their stores, in leaflets and on social media, calling for safe driving on roads, particularly during the festive season, when there is more traffic.

In Colombia, four volunteering sessions were held with 115 employees devoting 30 hours of their time. Most noteworthy are the support for the building of a house for a vulnerable family in Bogotá, the planting of 40 flowers and 80 trees in a forest reserve in the city of Bogotá, in partnership with the Biblioseo Foundation and the preparation of 600 basic food baskets at the Bogotá Food Bank for people in vulnerable situations.

Promoting healthy eating habits and lifestyles

Since 2016, and in Portugal, we have sponsored the Eco-Schools Alimentação Saudável e Sustentável (Healthy and Sustainable Food) programme, promoted by ABAE – European Blue Flag Association. The programme raises awareness among students on issues such as eating habits, nutrition, and the sustainability of agrifood production. In the 2022/2023 edition, 284 entries were submitted by 348 schools across the country. The works submitted tackled challenges such as:

- making people aware of the importance of more sustainable food choices, prioritising the consumption of seasonal and, where possible, organically grown local fruit and vegetables;
- involving families and guardians in the preparation of healthy, sustainable, nutritious and varied lunch boxes;
- reusing the discarded edible parts of food, sharing recipes that make use of leftover food;
- creating complete menus, using local and seasonal ingredients, that can be implemented in school canteens;
- promoting the Mediterranean Diet through artistic and digital expression.

Promoting literature and reading habits

Promoting family reading habits from an early age is a way of developing children's literacy and contributing to more informed and prepared societies. To this end, and besides selling books at affordable prices, Pingo Doce and Biedronka hold children's literature competitions that foster the emergence of new authors and illustrators. The winners of the two stages of the competition – writing and illustration – are guaranteed publication of their work and that the book is sold exclusively in each of the two banners' stores. Each winner in each of the stages, both in Portugal and in Poland, receives a monetary prize of 25,000 euros.

In 2023, a total of 3,692 entries for the writing stage and 846 for the illustration stage were received in the tenth edition of the Pingo Doce Children's Literature Prize. More than 2,100 copies of *O Livro que Não Sabia o que Queria Ser* (*The Book That Didn't Know What It Wanted to Be*), by Márcio Martins (text) and Cláudia Abrantes (illustration), were sold in 2023.

Piórko (Biedronka Children's Literature Prize) has been sponsored by the Polish Children's Ombudsman since the first edition. The ninth edition received over 2,130 entries for the writing stage. *Sernik z Kamieniami (Cheesecake with Stones)* by Joanna Czarny won the contest and inspired more than 760 illustrators who submitted entries for the second stage of the prize, which was won by Aleksandra Lipka. Since the initiative was launched in 2015, more than 560,000 copies of the winning books have been sold, with the winning book of the 2023 edition selling over 12,000 copies during the year.

In Portugal, in addition to its habitual presence at the Lisbon and Porto Book Fairs, Pingo Doce took its pavilions to the first edition of the Loures Book Festival (a municipality north of Lisbon), the Tavira Fair (Algarve), and the first edition of the Braga Literary Festival. At these events, open to the general public and children, exclusive children's books were sold and reading, and autograph sessions were held with the winners of the Pingo Doce Children's Literature Prize.

Around 70 exclusive books were also delivered to the libraries of the schools in Porto de Mós (Leiria district), which are attended by more than 2,500 children. During Reading Week, which is part of the National Reading Plan, Pingo Doce employees organised book reading sessions for the pupils of these schools. Over 140 books were also donated to the University of Beira Interior and the Loures Parish Council.

Promoting social inclusion and entrepreneurship

Biedronka has been the main sponsor of the Nadzieja Na Mundial Association (Hope for Mundial) since 2018. The association supports the development of children in institutions, helping them to socialise through sport and holding football tournaments with other children and young people from Poland, other European countries and the rest of the world. In 2023, and for the first time since 2020, the World Cup was held again, which saw more than 200 young people up to the age of 17, from countries such as Portugal, Jordan, Thailand and Madagascar, travel to Warsaw to play football, win prizes, socialise and enjoy attractions such as the "Biedronka Zone", with fitness tests and other competitions. Biedronka invested more than 140,000 euros in the event.

To celebrate birth in Poland, Biedronka offered more than 38,000 packs of products to children born in the country and registered on the Dada Club website (the Company's Private Brand range of hygiene and childcare products and market leader in the nappy segment).

In 2021, Biedronka was the first retailer in Poland to launch a programme dedicated to fighting period poverty[157], the "Together We'll Start a Period of Change". Biedronka committed to supporting the project

[157]According to a study conducted by the Kulczyk Foundation, one out of five women in Poland have difficulty buying suitable hygiene products and 40% of women with financial difficulties were forced to stop buying hygiene products.

until 2023, providing more than 3.5 million Private Brand Femina tampons and pads to Okresowa Koalicja e Akcja Menstruacja. In 2023, around 45,000 euros worth of products were donated.

Hebe continued its involvement in the initiative “Discover yourself with Hebe”, in partnership with the One Day Foundation, aimed at promoting the social and professional inclusion of young adults who enter working life after ageing out of orphanages. The 13 participants worked in 12 Hebe stores for two months. Hebe also donated nearly 7,700 euros to the third edition of the TOP Women in e-business programme created by Fundacja Kobiety E-Biznesu (Foundation for Women in E-Business).

Ara maintained the support programme for low-income mothers with the distribution of welcome kits for their newborns. With the initial goal of supporting 1,500 families per year, the project was implemented in hospitals with the highest number of deliveries in six Colombian cities. More than 5,100 kits were offered containing nappies, shampoo, soaps and other essential products from the Bubu Private Brand range specialising in baby care, and also a micellar water and sanitary pads for the mothers. 10,344 mothers and new-born babies were impacted.

In the year, Ara resumed its “Madres Comunitárias” (Community Mothers) programme, developed with Instituto Colombiano de Bienestar Familiar (ICBF - Colombian Institute for Family Wellbeing), to donate food for the 243 nannies who look after 2,430 children (an average of ten children per nanny) in the municipalities with the highest malnutrition rates in the country: La Guajira, Chocó, Norte de Santander, Nariño and Cauca. Support was provided in the form of gift cards worth around 38,000 euros.

5.5. Indirect support

[GRI 203-2]

We regularly take part in campaigns for collecting food and other items, and in fundraising initiatives to support charitable organisations.

Portugal

Pingo Doce held 20 campaigns to sell vouchers that could be redeemed for food and other products, as well as campaigns to raise funds and sell items made by charities to help 15 institutions that support people in different social emergency situations and those working with animals. These institutions include Operação Nariz Vermelho (Operation Red Nose), comprising professional clowns who visit hospitalised children, Portuguese Caritas, the Portuguese Red Cross and Animas - Associação Portuguesa para a Intervenção com Animais de Ajuda Social (Portuguese Association for Intervention with Social Support Animals), an institution that provides service, therapy and assistance dogs. Portuguese Food Bank and CASA – Centro de Apoio ao Sem Abrigo (Support Centre for the Homeless) once again held campaigns in Pingo Doce stores, collecting around 80,000 vouchers (the equivalent to more than 55 tonnes of food) and over 1,000 tonnes of food donated by customers. In all, Pingo Doce’s customers donated an equivalent of 596,000 euros, 7% more than in 2022.

To support the financial sustainability of third sector organisations and to foster social entrepreneurship, Pingo Doce sells products produced by institutions that are dedicated to fighting social exclusion. Since 2011 that we have been supporting CEERDL – Centro de Educação Especial Rainha Dona Leonor, a cooperative that helps over 500 people with a disability or mental illness. In 2023, Pingo Doce bought about 41,000 lily bouquets, which accounts for around 25% of the cooperative’s flower farming annual revenue. This successful partnership has led to an increase in production which, in turn, has helped to improve social services and the integration of people with disabilities in the job market. At the end of the year, CEERDL had 15 employees with disabilities.

Poland

Biedronka carried out several food collection campaigns among customers for people in need. More than 487 tonnes of products were collected, 35% more than in 2022.

Caritas Polska was present at more than 850 Biedronka stores to collect food, and the "Yes, I Help" campaign collected over 115 tonnes of food, which was used to offer Easter meals to families in greater need. At Christmas, a similar campaign was held in 730 stores, with 180 tonnes of food collected from the Company's customers.

The Federation of Polish Food Banks also organised food drives over Easter and Christmas. In March, under the theme "Easter with Dignity, Not with Hunger", more than 490 stores collected over 57 tonnes of food from their customers and, in November, during the "Christmas that's Worth It, Not with Hunger" campaign, over 910 stores collect 118 tonnes of food.

As in the previous year, in 2023 Stowarzyszenie Wiosna (Spring Association) launched the Szlachetna Paczka (Noble Gift) project for vulnerable people. The baskets of food, personal hygiene products, small electronic appliances, clothes and toys, valued at 23,000 euros, were prepared by more than 660 volunteers from Biedronka, in 25 teams from stores, distribution centres and offices, and were donated to 27 families. At Christmas, the association held its usual "Magnetic Attracts Kindness" campaign with the help of 12,000 volunteers. The proceeds from the sale of Private Brand Magnetic chocolates were distributed to more than 17,000 families in situations of economic vulnerability. Support from Biedronka's customers saw more than 88,000 euros donated to the association.

Biedronka become the main sponsor of the 31st final of Wielka Orkiestra Świątecznej Pomocy - WOŚP (Great Orchestra of Christmas Charity), the largest charity event in Poland, held in January 2023. Through the sale of official merchandising and the collection of donations from customers across the country, more than 1.6 million euros were raised, used to purchase and donate equipment for the diagnosis of sepsis, an infectious disease, to paediatric hospitals.

Hebe provided around 20,000 euros in indirect support, in partnership with make-up and cosmetic products suppliers, that were donated to institutions that support women, teens and orphans.

Colombia

The Ara programme encouraging customers to round up the value of their purchases was implemented in more than 1,200 Ara stores in 2023, resulting in a donation to Aldeas Infantiles SOS Colombia (SOS Children's Villages Colombia) in the amount of around 441,000 euros (13% less than in 2022).

The amount raised was distributed between the "Acogimiento Familiar" (Foster Family) programme, for families at risk of separation, and the "Fortalecimiento de Familias de Origen" (Strengthen Families of Origin) programme, for children and young people taken away from their families. Aldeas Infantiles SOS also work with families in situations of violence and in emergency situations. The funds raised helped give over 6,800 children and young people access to education programmes, healthcare, food, and housing.

6. Being a Benchmark Employer

We strive to have a positive and lasting impact on the lives of the more than 134 thousand people who contribute to the growth of our business, as well as that of their families. Our commitment is to continually improve our ability to respond to the needs of our employees and prepare them for the increasingly demanding challenges we face.

6.1. Introduction

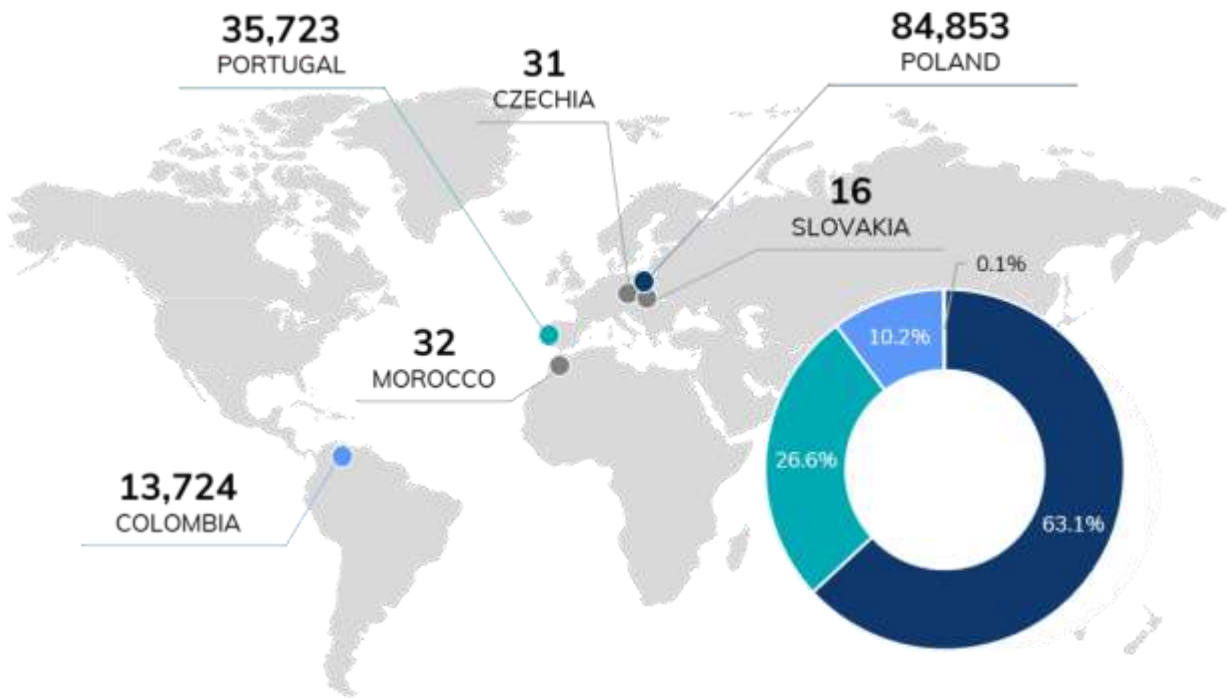
In 2023, the challenging social and economic environment demanded considerable resilience from our employees and from our businesses. Strong geopolitical tensions, low economic growth and persistent high levels of inflation and interest rates continued to increase the cost of living for families. As a result, the Group's responsibility as an employer has been to identify and implement measures to minimise the impact of the rising cost of living on our employees. From a structural point of view, the gradual ageing of the population, notably in Europe, and low unemployment levels continue to create a bottleneck of available talent and the need to restructure the workforce, in terms of sources and forms of hiring. Rapid technological advances have also led to changes in our ways of working.

All these factors affect the strategic management of our people and are monitored through an annual risk assessment, reviewed each quarter, where we identify concrete risk mitigation measures for the identified risks. To address these challenges, we have enhanced our HR strategy to better respond to five major objectives: mitigate labour shortage; sustain the pipeline of leaders; guarantee the needed capabilities through people growth and development; ensure an engaged workforce; and anticipate the organisational challenges of the future.

As a result of our efforts, in 2023 Humpact (a sustainability analyst focused on the social dimension) ranked Jerónimo Martins as the company with the best social performance out of the 43 companies analysed in the retail sector. We were also included in LinkedIn's list of the top 25 companies to pursue a career in Portugal and, in Poland, we were awarded the "Friendly Workplace 2023" prize by Marka Pracodawcy.

6.2. Our people

Total number of employees and by country[158]



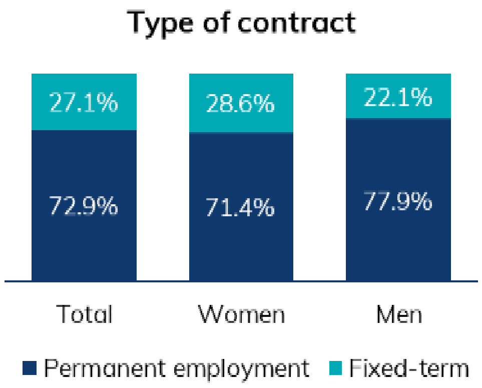
Age groups, gender, occupational categories and nationalities [GRI 405-1]

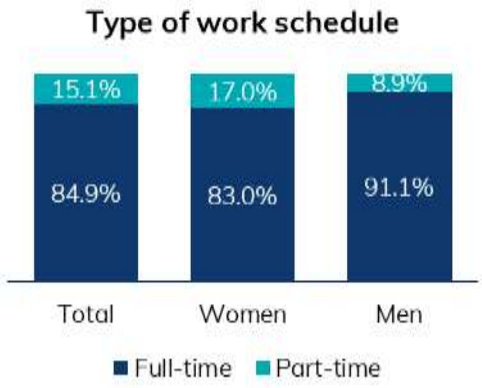
	Age groups					Gender		Total
	< 25	25-34	35-44	45-54	>55	Women	Men	
Group	16,936	41,827	42,553	25,087	7,897	101,960	32,340	**134,300**
Portugal	5,810	9,337	9,309	7,647	3,620	22,897	12,826	35,723
Poland	8,770	24,307	30,275	17,235	4,266	72,339	12,514	84,853
Colombia	2,356	8,183	2,969	205	11	6,724	7,000	13,724
Hierarchical segmentation								
Members of Executive Committees	0	2	15	47	7	20	51	71
Top and middle managers	8	806	1,414	883	200	1,727	1,584	3,311
Store, distribution centre and office employees	16,928	41,019	41,124	24,157	7,690	100,213	30,705	130,918

77 NATIONALITIES
Foreign nationalities most common in our countries of operation are:
Brazilian in Portugal, Ukrainian in Poland, and Venezuelan in Colombia

[158] Includes the employees of all the Companies controlled by Jerónimo Martins, with some Companies employing people spread across more than one country. For the purposes of reporting the indicators included in this subchapter 6. "Being a Benchmark Employer", we have taken into account the three countries with the greatest representation in the Group (Poland, Portugal and Colombia), totalling 134,300 employees.

Employment contract and job type [GRI 2-7]





Note: The SENA (Servicio Nacional de Aprendizaje) traineeships in Colombia were included under the "fixed-term" contract type.

Compared to 2022, we offer greater job stability through permanent contracts, which increased their relative weight by 1.2 p.p. In terms of working hours, full-time contracts are still predominant, with the ratio between full-time and part-time contracts remaining stable since last year.

Turnover, hires, retention and seniority [GRI 401-1]

30.3% Turnover (i)	**32.8%** Hires (ii)	**80.2%** 12-month retention rate (iii)	**6 years** Average seniority

Notes: (i) ratio between employee exits during 2023 and the total number of employees at the end of the period; (ii) ratio of employee hires during 2023 and the total number of employees at the end of the period; (iii) percentage of employees who were still with the Group in December 2023, based on December 2022.

We hired 44,021 people during the year and created 3,206 new jobs. We are offering increasingly more job opportunities to young people, since the age group representing the greatest number of hires was between 18 and 24 years old (36.0%). A total of 40,688 contracts were terminated, 62.2% of which voluntarily, and the turnover rate fell 0.5 p.p. In line with the global retail sector, the highest turnover is concentrated in the store and distribution centre operator roles and is most evident in the younger age groups.

6.3. Our intervention areas

6.3.1. Key Indicators

LIVE diversity 98.5% gender pay ratio	**PREPARE** for the future 18.7 M€ training investment
EMPOWER the individual path 11.7% employees promoted	**RECOGNISE** with fairness and competitiveness 312 M€ investment in recognition measures
INNOVATE in the way of working 50M visits to internal communication platforms[159]	**PROTECT** through the best work conditions 47.1% employees trained in health and safety at work
INTEGRATE work and personal context 7.9 M€ wellbeing investment	**SUPPORT** employees and their families 36.3 M€ internal social responsibility investment
PROMOTE inclusion 1,693 employees with a disability and/or an impairment	**ACT** ethically 100% complaints investigated

[159] Includes all platforms available to the entire workforce in each country: Por Nós (Portugal), Dla Nas (Poland) and Hablando Naranja (Colombia), as well as the Intranet for connected employees (Our JM).

6.3.2. Live diversity

As an international group with operations in six countries and on three continents, diversity and wide-ranging skills are intrinsic characteristics of our workforce and natural in our way of working. We respect and value the attributes and abilities of each person that works with us, because we believe that individual differences make us stronger as a team and allow us to be a more inclusive and flexible employer that is representative of the communities of which we are a part.

In 2023 we employed over 134 thousand people, of which 8,321 (29.7% more than in 2022) were foreign nationals in the main countries where we do business. The 77 nationalities and 5 different generations make us a diverse, multicultural and multigenerational employer. Because we strive to preserve these qualities and because we have zero tolerance for discrimination based on diversity factors (gender, age, culture or ethnicity, among other factors), our Corporate Internal and External Recruitment Policy establishes guidelines for attracting and selecting talent that follow the rules set out in our Code of Conduct[160].

Our recruitment and selection processes are therefore based on promoting and complying with criteria of ethics, fairness, non-discrimination and equal opportunities at all levels of our organisation. The recruitment and selection teams ensure that profiles are analysed impartially and must apply pre-established criteria relating to experience and qualifications, among others, at every stage of the process. They also ensure compliance with the law, regulations, and risk and privacy management rules, observing the requirements of each country, in particular with regard to the minimum working age.

An example of these practices is Hebe's recruitment and selection process, leveraged by a digital solution that allows candidates to play an online game that simulates real situations their role entails in stores. Besides aligning expectations in relation to the tasks to be performed, the game helps to screen candidates based on behaviours they demonstrate throughout the simulation, rather than on factors such as gender or age.

As a result of our work in this area, the Financial Times and the online platform Statista recognised the Jerónimo Martins Group as a Diversity Leader.

Gender diversity

We are active agents in advocating for gender equality, a basic principle that we live by every day and which we incorporate into policies and initiatives implemented within the Group and in our surrounding communities. Our human resources (HR) policies include a daily commitment to ensuring that work environments respect equal opportunities on the basis, above all, of merit and skills. To ensure continuous monitoring and identify opportunities for improvement, in 2023 we began an internal in-depth and transversal assessment of all people management practices from the gender equality perspective.

The vast majority (75.9%) of our employees are women, a reality that is common in the sector in which we operate, and we seek to ensure gender balance at all levels of the organisation. In 2023, 67.4% of management positions (managers and operational employees who have a team) and 52.2% of top and middle management positions (managers only) were held by women, and 40% the organisation's Executive Committee members were women[161].

Key gender indicators

Representativeness and employee life cycle (i)	2023	2022	2021
% of management positions held by women (ii)	67.4%	66.9%	68.1%
% of entry-level positions held by women (iii)	77.0%	78.8%	78.0%
% of revenue-generating functions carried out by women (iv)	73.1%	72.6%	73.8%
% of promotions given to women (v)	73.6%	78.2%	75.7%

[160] Our Code of Conduct is available on our corporate website, on the Ethic and Integrity page.
[161] The composition of the remaining specialised committees can be found on the "Specialised Committees" page on our corporate website.

Representativeness and employee life cycle (i)	2023	2022	2021
% of hires taken by women	68.1%	66.9%	70.1%
% of terminations taken by women	67.6%	67.0%	68.2%

Compensation [GRI 405-2]	2023		2022		2021	
Gender pay ratio (iv)	**Group**	**98.5%**	**Group**	**97.8%**	**Group**	**97.6%**
	Portugal	100.2%	**Portugal**	100.1%	**Portugal**	99.5%
	Poland	97.9%	**Poland**	96.5%	**Poland**	96.7%
	Colombia	98.0%	**Colombia**	99.7%	**Colombia**	99.9%

Notes: i) Following the criteria change in Bloomberg Gender Equality Index, our calculation and reporting methodology for the KPIs presented in this table was redefined, now including all types of work schedule, which impacts on the results reported for the years 2022 and 2021, compared to those reported in the respective years; ii) takes into account women who are part of the occupational categories "members of Executive Committees" and "top and middle managers", as well as women who manage teams of "store, distribution centre and office employees" (n= 6,894); iii) percentage of positions that do not require previous experience in the industry or profession that are held by women; iv) percentage of functions responsible for core business objectives, profit or loss that are held by women; v) salary difference between women and men in the universe of employees of the Jerónimo Martins Group, based on comparable realities. It is expressed by considering the average salary of women as a percentage of the average salary of men, where 100% is the pay ratio that represents full gender equity. Measurement of this indicator is in line with the GRI methodology and includes partial ratios by country, considering the heterogeneity between them. The structure of the Group's various function and wage levels is currently being reviewed and, once implemented, will be considered as a calculation variable. Based on this assumption, and since 97.5% of employees are allocated to the category "store, distribution centre and office employees", which means that the results are mostly illustrative of this segment, the Group does not consider partial reporting based on this variable relevant.

Our Gender Equality Plan[162], the progress on which is reported and reviewed annually, aims to guide the functional areas in the implementation of four action pillars:

1. **Formalising gender equality in policies and procedures**
   inter alia, through concrete guidelines and rules of conduct that must be followed by all employees, reflected in the Code of Conduct and in Group-wide HR policies, and the management of whistleblowing channels and resolution mechanisms.

2. **Monitoring gender indicators**
   by analysing indicators for the entire employee life cycle on a quarterly basis and continuously improving the reporting thereof, as well as monitoring investors, analysts and the major sustainability indices that assess our performance in this regard.

3. **Facilitating a work, personal and family life integration**
   with measures to support parenthood and improve the wellbeing of families, and to provide support in situations of vulnerability and/or social emergency.

4. **Empowering and raising awareness of gender equality within and outside the Group**
   by sharing information and providing training on the Code of Conduct and fundamental rights, such as equal opportunity and the prohibition of discrimination, establishing external partnerships and participating in working groups.

The 2023-2024 Gender Equality Plan, underpinned by a set of internal and external assessment tools, lays out an action plan with seven dimensions and fifteen measures aligned with the guidelines of CITE – Comissão para a Igualdade no Trabalho e no Emprego (Commission for Equality in Labour and Employment), a Portuguese entity with oversight by the Ministries of Parliamentary Affairs and Labour, Solidarity and Social Security.

In 2023 we strengthened cooperation with public entities and/or civil society organisations that pursue the goal of promoting equality between women and men. Most noteworthy in this regard is our membership of the LEAD Network, the purpose of which is to boost diversity in leadership, particularly among women. We also continued to participate in the "SDG 5 Gender Equality" working group, promoted by GRACE –

[162] Our 2023-2024 Gender Equality Plan is available for consultation on our corporate website, on the Living Diversity page.

Empresas Responsáveis, an entity made up of more than 30 organisations in Portugal working together to meet these challenges.

We were also part of the Promova Programme developed by CIP – Confederação Empresarial de Portugal (Portuguese Business Confederation) and NOVA SBE to promote gender equality and encourage the promotion of more women to senior management positions through mentoring by executives.

Our contribution to promote gender equality extend to the community. Hebe took part in the Top Women in e-Business project by hosting a workshop for female entrepreneurs, focused on building their personal brand and professional image.

As a result of our work to promote gender equality, we once again improved our ranking in the Equileap index regarding 2022 performance, scoring 59%, 8 p.p. above last year’s result (51%) and 18 p.p. above the average of the companies analysed worldwide (41%).

Generational diversity

The generational diversity of our workforce is a critical success factor in ensuring the skills and experience needed for the sustainability of our business and our leadership. To promote generational diversity and to encourage cooperation between the different generations, we have a number of young talent development programmes in place, which are regularly improved on as a way of keeping them attractive and appropriate to the expectations of the participants and the needs of the business, and of sharing knowledge and experience.

One of the Group-wide programmes is our Trainee Programme[163], a two-year course that challenges participants to strengthen their skills so that they can become future leaders of the Jerónimo Martins Group, with a significant investment in their training and development. In the first year of the programme, designed to promote their self-knowledge and assess the cultural fit between them and the Group, participants develop two projects with assistance from tutors in different functional areas, based on their individual preferences and the needs of the Companies. The second year offers participants an immersive experience in the retail business and, in Portugal, access to a mentor who guides them. This programme gives all participants several opportunities to meet with the Group's top management, allowing them to share their career expectations and influence their path within the organisation from the outset. In 2023, Trainee Programme saw its assessment model improved, which now incorporates the renewed Group Values and associated behaviours[164], and had 55 participants from the three main countries of operation (Poland, Portugal and Colombia).

Summer Internship Programme involves a two-month internship. In 2023, 102 university students in Portugal and Poland, mostly those taking a bachelor's degree, developed projects during the summer months with tutors and were given opportunities for development. In Colombia, we had 23 trainees during the year.

At local level, Campus Ambassador Programme allowed 37 participants to represent the Jerónimo Martins employer brand at their universities in Portugal, also giving them the opportunity to learn more about our businesses and introducing them to the retail sector. In addition, and to strengthen our relations with universities in Portugal and reinforce our positioning with young talent, we created a department focused on establishing partnerships and protocols with universities, which include participation in academic research and innovation projects.

Recheio saw 37 students participate in various Campus Recheio activities, an initiative to strengthen its employer brand which included education, vocational and seasonal internships, ambassador programmes, academic work and visits to the business.

At Jerónimo Martins Agro-Alimentar, young talent programmes include education and vocational internships that provide an introduction to this business area, while the Futuro JMA programme offers

[163] More information about the Trainee Programme is available on our corporate website.

[164] More information about our Values is available on our corporate website.

operational internships that are fully customised to the specificities of the agrifood business. In total, 25 people took part in these JMA programmes.

At Ara, SENA programme – National Learning Service – and the government programme to encourage the hiring of young people between the ages of 18 and 28 are the main mechanisms for integrating young talent, under which 740 and 2,755 people were hired, respectively.

Biedronka was recognised for its efforts to build a strong employer brand with the HRM Institute's Employer Branding Excellence Awards and third place in the Employer Branding category in Poland's most prestigious public relations competition, Złote Spinacze. The Company's seasonal employment campaigns were also recognised by the Employer Branding Institute and Siła Przyciągania.

Regarding older adults, we also invested in creating opportunities and hired 735 people over the age of 55 during 2023. Particularly of note was the second edition of Easter at Pingo Doce, which had 36 participants. This initiative gives family members of employees over the age of 55 the opportunity to work at the Company for a short period of time.

In an effort to bring together the different generations within its teams, Hebe has developed a training programme for area managers with four objectives: intergenerational communication, cooperation, feedback, and a culture of appreciation. The Company also held a video campaign to reinforce the different perspectives of each generation and to foster effective communication between them, which had 8,517 views.

6.3.3. Prepare for the future

We believe that personal and professional development is one of the most important investments we can make as an employer. Guided by the belief that learning should be lifelong, we focus on training our employees to excel in their roles and on ensuring that they have the tools they need to thrive in an increasingly demanding environment in the multiple dimensions of their lives.

In 2023, we provided nearly 7.4 million hours of training, corresponding an average of 55 training hours per employee and an investment of 18.7 million euros. With over 220 thousand training courses, we trained 93.8% of our workforce (9 p.p. more than in 2022).

Key training indicators

	Training volume (i)			Training hours per employee [GRI 404-1] (ii)			Total no. of training courses		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Group	**7,367,472**	**7,325,452**	**5,596,592**	**55**	**56**	**45**	**220,788**	**211,438**	**165,840**
Portugal	1,761,827	1,450,067	1,213,357	49	42	35	57,417	48,869	39,468
Poland	4,449,299	4,605,471	3,474,071	52	55	43	160,859	160,320	124,126
Colombia	1,156,347	1,269,915	909,164	84	102	106	2,512	2,249	2,246

Notes: (i) training volume – number of training hours multiplied by the number of participants; (ii) training hours per employee – quotient of the training volume divided by the total number of employees.

[GRI 404-2]

Our investment in digital learning platforms such as EducAction enables training content to reach increasingly more employees. This platform is accessible by all our employees at any time and from anywhere and has made 5,375 compulsory and optional training materials (87.0% more than in 2022) available in different formats, such as e-learning, video and supporting documents for in-person training. In 2023, a total of 132,485 employees participated in training via EducAction, an average of 46 thousand active users per month. Knowledge Share, another digital platform, is a library that centralises over three thousand different types of content (news, articles, podcasts, webinars and other content) that seek to inspire and encourage the self-development of our managers. In 2023, we added 553 content materials to the platform.

We have also made significant strides in adopting new technologies to support training. At Biedronka, following a virtual reality training pilot on giving feedback, the Company implemented the technology in the onboarding process of store operators, specifically in the modules related to the bakery section. Hebe has also tested the technology to train employees in preventing workplace accidents. In total, 331 employees were trained using virtual reality.

To support our digital transformation, information technologies (IT) professionals had access to over 4,600 hours of technical, language and innovative work methodology training.

Leadership training

Our ambition is to develop and secure prepared leaders at all levels of the organisation, enabling us to continue to grow and deliver results. Leadership development also helps us to position ourselves in the labour market as a benchmark employer.

Among the many tools we make available to our leaders, of note is Be a Leader development programme. Be a Leader was created in 2018 in partnership with the Center for Creative Leadership (CCL) and is unique, as it is fully customised to the needs of our businesses and has a value proposition leveraged on training paths adapted to each context (Leading Self, Leading Others and Leading Teams). It includes classroom training, individual coaching, and participation in collaborative learning groups focused on sharing experiences and interpersonal development. Since its launch and until the end of 2023, Be a Leader has trained a total of 1,283 managers. In 2023, we trained 215 people under this programme, investing more than 1.2 million euros.

Líder Ara (Ara Leader)

In rapid expansion and with the development of leaders as a top priority, Ara was the first Group Company to implement Be a Leader at operations level. The programme, initially tailored for area managers, was extended to store managers in 2023, with 1,196 people trained. 95.2% of store managers were covered by this training programme.

In addition to Be a Leader, which covers the managers of all Companies, in Colombia, Ara created Líder Ara (Ara Leader) programme, which is part of the Company's Leadership School and also encompasses store managers. The first part of Líder Ara comprises ten microlearning modules that include videos or short articles that allow participants to acquire new knowledge. The second part consists of 30 webinars, led by in-house facilitators, the content of which is defined in partnership with CCL, based on an assessment of the main challenges in operations, and include self-knowledge, communication, delegation and a results-oriented mindset, among other topics.

After completing the ten modules, attending at least nine of the webinars and submitting a summary of the main lessons learned, participants receive a certificate, which is mandatory for possible career progression.

To encourage participation in the programme, Ara created an internal campaign that included announcing the first ten certified store managers in each region. To date, 77% of store managers have been certified, and 30 participants have been promoted to area managers.

To enhance the development of our leaders, we launched the Exponential Leadership programme, in partnership with CCL, aimed at creating a group of internal facilitators. A mentoring programme was also launched to encourage the transfer of knowledge and promote leadership by example. The programme included 53 mentor-mentee pairs in the first two pilot projects.

We also continued to train senior managers under the Strategic Management Programme, a partnership with Católica Lisbon School of Business & Economics and Kellogg School of Management. This programme is tailored to our reality and consists of a learning experience with access to world-class content and instructors. A total of 532 thousand euros were invested in the programme in 2023 for the development of leaders with the greatest potential.

At local level, the Companies have implemented specific leadership programmes. Pingo Doce, in partnership with CCL, enhanced its De Bom a Excellent! (From Good to Excellent!) programme, which focuses on communication between leaders and teams, and its Programa Geral de Gestão de Loja (General Store Management Programme), aimed at developing critical management and business skills, which saw 196 store management employees trained. In 2023, Chef Estrela Michelin (Michelin Star Chef) programme was also launched, focusing exclusively on the development of 39 chefs and sous chefs in Pingo Doce kitchens, in particular in the areas of communication, emotional management and control, conflict management, and team motivation.

In Poland, Biedronka promoted Akademia Zarządzania dla SOM (Management Academy for Senior Operations Managers) and Biedronkowa Akademia Zarządzania 2.0 (Biedronka 2.0 Management Academy) for store managers. In 2023, a total of 1,643 employees participated in these two programmes (51.2% more than in 2022).

Business training

Given our value proposition, underpinned by our commitment to offering fresh products to the millions of consumers who visit our stores every day, the training provided to our operations teams (who account for 97.5% of our total workforce) focuses primarily on the performance of their duties, while at the same time seeking to promote their continued employability. Training offer is regularly updated, with specialisation in perishables being one of our major areas of focus.

Escola de Frescos (Perishables School – focused on training in the butchery, bakery, meal solutions and fish categories), the fruit and vegetable training programme for store managers and district managers, and other perishables training programmes in Portugal combined have trained a total of 19,559 Pingo Doce and Recheio employees. At Biedronka, the basic and advanced modules of the Zostań Świeżoznawcą (Become a Perishables Expert) programme trained 12,881 employees and, at Ara, 18,249 people were trained in perishables.

In order to improve the training process and to cope with Ara's expansion, the Company created the field trainer position, responsible for onboarding new employees, prioritising their training. The 24 field trainers have thus far trained 2,100 people.

Customer service is also a core competence in our companies. A total of 27,677 employees completed customer service training. Pingo Doce relaunched and trained its store operators in the SVAL – Sorrir, Vender, Agradecer, Limpar (Smile, Sell, Thank, Clean) customer service model. Ara designed a new customer service model, based on the pillars of personal appearance, customer service protocol and operational protocol. Biedronka also started a training programme for operations leaders focused on customer service standards.

Commercial skills were also developed during the year, with a total of 1,930 hours of training provided to 181 employees in Portugal. The Lead the Commercial Way programme, focused on offering advanced management skills training to employees in the commercial area, as well as a partnership with IMD for topics related with negotiation techniques and strategies, and specialised e-learning courses were instrumental in this regard.

With regard to the business transformation and operational efficiency processes currently underway at Biedronka, Hebe, Pingo Doce and Ara, 26,315 employees received training in new business processes.

Hebe is a benchmark in the Group when it comes to the digitisation of management and operational processes. At its head office, the Company provided training with partners of excellence for 47 people in areas such as IT, e-commerce and commercial. The aim is to ensure that these employees are prepared for a strategic digital transformation pathway. Hebe's distribution centre is progressively being automated and 60 operators have been trained to operate a new robot that increases the efficiency of sorting boxes for shipment to stores using RFID technology[165].

[165] RFID (Radio-Frequency Identification) is a wireless connection technology that transmits data via radio frequency, enabling the remote tracking and identification of objects.

6.3.4. Empower the individual path

We strive to provide employees with the tools and opportunities to reach their full potential. We view each career as unique and believe that an employee's development path should be an experience based on self-knowledge and individual accountability, in line with our principles, needs and challenges. As such, we have mechanisms that include performance appraisal, feedback, potential assessment, personal development plans, and opportunities for internal mobility and progression. We also invite employees to actively participate in building the organisation of the future.

Potential and performance appraisal

[GRI 404-3]

Our performance management cycle, which is based on equal opportunities and meritocracy, is intrinsically linked to business priorities. Every year, employees are challenged to achieve new goals and develop their skills in a journey monitored by their managers, who are responsible for sharing regular and individualised feedback.

Potential assessment is a strategic tool for monitoring talent within the organisation, anticipating next career steps and promoting employee development and growth. The process covers managers and operational employees who carry out critical roles. In all, 5,465 employees were covered in the process.

Managers and operational employees identified as having potential for progression or urgent development needs were given the opportunity to design their personal development plan and receive training tailored to their needs. In 2023, our Companies monitored 3,019 personal development plans.

Biedronka revised its development process for store managers in 2023, including a review and feedback stage in personal development plans and greater involvement of HR Business Partners (HRBP), who are responsible for monitoring employees and their goals. For the other roles included in the potential assessment process, the Company relaunched the Sukces(i)ja (You are Success) talent programme, focusing primarily on self-developing "learning agility" skills and which saw the proactive participation of 70 employees with progression potential. Biedronka also held the third edition of the business coaching programme for the operations and logistics areas, focusing on the implementation of personal development plans for high-potential employees. Since the initiative was launched, 50 employees have been accompanied by in-house coaches.

The work done by Biedronka to develop talent, particularly as part of the Development Embassy project, was recognised in 2023 with the HR Dream Team award from the recruitment website pracuj.pl.

Internal mobility

We promote internal growth opportunities and challenge our employees to take on new roles in other areas, Companies and/or countries. Internal mobility is a key tool for professional and personal growth, benefiting all those who seize the opportunity while helping to meet business needs.

62,689 **people changed roles, workplace or Company (46.7% of total employees)**	**15,755** **people were promoted (11.7% of total employees)**

Listing internal job openings gives employees the chance to decide on their career path within the organisation. Other moments, such as performance appraisals, allow them to express their desire to change areas. In Portugal, Pingo Doce employees can submit transfer requests between stores via Sou Pingo Doce (I am Pingo Doce) app. In 2023, 280 transfers were executed using the app.

Active participation

Employees are invited to actively contribute in sharing experiences and to participate in the life of the organisation.

Biedronka's action plans

Following the Group-wide employee satisfaction survey launched in 2022 in all of the Group's Companies, Biedronka held analysis and discussion sessions with representative groups from across the Company to hear and better understand employee perceptions.

The joint results of the Group-wide survey and the subsequent focus groups, in which more than 100 employees took part, served as a guide for establishing an action plan for the whole company, including measures to optimise logistics processes, store efficiency, health and safety at work, service quality, and transparency in HR processes.

Managers were also asked to communicate the results to their teams and create an action plan for their areas, compliance with which is integrated into the performance management metrics. A total of 548 Biedronka managers created an action plan.

Biedronka and Pingo Doce launched another edition of their internal competitions to generate innovative ideas, aimed at solving operational challenges, promoting a culture of continuous improvement, and involving employees in solutions. A total of 2,915 employees took part in the competitions, sharing more than 5 thousand ideas, of which 107 were selected for implementation.

Our employees can also refer candidates to join the recruitment and selection processes, thereby helping to secure the future of the teams. Around two thousand people were referred across all the Companies and, in all, 674 employees were hired through this source of recruitment.

6.3.5. Recognise with fairness and competitiveness

The pay strategy in the different Companies, embodied in compensation and recognition policies, is guided by three fundamental principles:

- creating a positive impact on our people, ensuring a balanced and dignified standard of living for employees and their families;
- ensuring fairness and equity as a foundation, guaranteeing competitive pay packages adjusted to different contents and functional levels;
- recognising the effort and commitment of our teams, the achievement of results and the exceeding of targets, singling out and reinforcing exemplary performance and behaviours.

Guaranteed income

A fundamental principle that guides our policies is the guarantee that, in the different Companies, our employees receive a competitive salary. For this reason, our strategy is to set entry-level salaries above the national minimum wages.

Poland introduced a new system for increasing the national minimum wage, with two increases taking place in the year (in January and July), resulting in a historic 20% increase in the national minimum wage in 2023 compared to the previous year. Despite the impact this measure had on Biedronka and Hebe, the Companies invested to maintain the competitiveness of guaranteed minimum income. Biedronka ensured an entry-level salary up to 22% higher than the Polish minimum wage.

In Portugal, and in line with the biggest increase on record of the national minimum wage, all the Companies secured an increase in their entry-level minimum salary of up to 18%. Many employees thus received an increase in income above inflation recorded during the year.

In Colombia, where the national minimum wage increased 48% between 2018 and 2023, Ara offers an entry-level salary higher than the national minimum wage, with the efforts made by the Company guaranteeing its employees a minimum monthly income 53% higher than the Colombian minimum wage in 2023.

Portugal	Poland	Colombia
Minimum monthly income* between 19% and 62% above the national minimum wage	Minimum monthly income* between 11% and 22% above the national minimum wage	Minimum monthly income* 53% above the national minimum wage

*In Portugal, the minimum monthly income includes the entry base salary and meal subsidy. In Poland it includes the entry base salary and presence subsidy, and in Colombia it includes the entry base salary, meal subsidy and transport subsidy. The values presented are for full-time working hours in the three countries under analysis.

In addition, we follow policies and processes to reward our people fairly and equitably in all our Companies. The majority of our employees have their salary reviewed after their first year of service as a way of rewarding their commitment and distinguishing experience and autonomy. We have also defined salary levels adjusted to the different functional contents and levels of responsibility in the different operations and business support areas. All these variables led to a considerable increase in average salaries in 2023, particularly at Biedronka (where the average salary increased 16%) and Recheio (increased 11%).

Also taking into account merit-based salary increases, 99% of active employees during the year saw their salary increased, resulting on an average raise of 18%.

Recognition

In 2023 we invested around 312 million euros in recognising our employees, 8% more than in 2022, strengthening the growing trend in the use of these mechanisms in the Group's pay strategy.

Biedronka has incentive mechanisms in place that recognise the individual or team performance of all store and logistics employees, in addition to various extraordinary awards paid during the year. Pingo Doce launched its quarterly store management bonus in 2023 to reward the performance of store management teams in increasing sales and reducing losses. Recheio recognises the employees in its different business areas by offering at least one monthly performance bonus, including the monthly store bonus, sales incentives, productivity bonus and the bonus related to store openings.

In 2023, between annual performance bonuses, non-absence awards and incentive schemes, we invested around 277 million euros (16% more than in 2022) distributed as follows:

- more than 120 million euros in performance bonuses paid to managers and extraordinary awards paid to operational teams (around 85,300 employees);
- more than 156 million euros allocated to sales performance bonuses, non-absence awards, and other bonuses and awards.

As a way of recognising their loyalty and commitment, every year we award a special bonus to employees who reach a certain level of seniority. In 2023, we invested around seven million euros in this special bonus, paid to nearly 5,900 employees.

Cognizant of its strategic nature, we have improved our approach to recognition, increasingly valuing how objectives are achieved and not just the fact that they have been achieved. We have been testing innovative mechanisms that meet these needs, for instance at Ara and Hussel, where we implemented gamification recognition systems, focused on improving processes and recognising behaviours and results.

At Christmas, an important season for families, and amidst a challenging economic climate, with a significant increase in the cost of living, over 109,000 employees in operations roles in Poland and Portugal received an exceptional recognition award totalling 24.4 million euros. Biedronka also ensured the payment of an extraordinary bonus to store management teams, corresponding to an additional investment of around 4.1 million euros.

Benefits

[GRI 401-2]

Fringe benefits are another key component of the Group's compensation policy, as they enhance our value proposition for employees and are tailored to their needs.

Depending on their level of responsibility, employees receive a benefits package that can include life insurance, health insurance, travel accident insurance, and a pension plan. These benefits are complemented by a package of work tools designed to make it easier for employees to carry out their duties, in addition to the wide range of family and wellbeing support measures we have available for employees.

We also offer a flexible social benefits plan, Bolsa Flex, under which an amount is allocated to each employee to select, from amongst the available options, the ones that best suit their needs and personal preferences. In 2023, more than 4,500 employees were covered by Bolsa Flex. At Hebe, a sum from the Social Fund (a legally required mechanism in Poland) can be allocated to more than 4 thousand available options, giving employees complete flexibility over how to use their money.

6.3.6. Innovate in the way of working

Technology has played a central role in increasing the efficiency of our people management processes and has helped achieve the goal of connecting our more than 134 thousand employees.

Through knowledge-sharing and training initiatives, the Companies actively contribute to ensuring that our people are ready to adapt to a more technological world. Such is the case of Biedronka, which hosted six sessions on artificial intelligence, covering the following topics: "How AI changes the world and the labour market" and "Artificial vs. Human Intelligence – what we are losing and what will never be replaced", attended by 467 employees.

People management solutions

The GPS (Global People Solutions) project is particularly of note, focused on the global implementation of SAP SuccessFactors solution, aimed at making the processes managed by HR teams more efficient. This solution can be accessed anywhere and at any time, thus offering greater autonomy and a richer user experience to all who use it.

With the first phase of this project underway, which includes the Employee Central and Recruitment and Onboarding modules, 2023 saw the implementation of the solution in Poland. By the end of the year, there were 78,490 active users in Poland and Colombia, which was the first to use the new system. As part of project implementation and preparation to go-live in Portugal (which took place at the beginning of 2024), more than 85,688 people were trained in the three countries to ensure that they were prepared to embrace the new ways of working and become familiar with the platform.

Communication channels

In order to connect and make relevant information available to all our employees, we have internal communication platforms at Group level (Our JM intranet) and at local level (Por Nós in Portugal, Dla Nas in Poland, and Hablando Naranja in Colombia). The four platforms saw around 50 million visits in 2023.

Biedronka's internal platform, Dla Nas, has been publicly recognised, winning the Digital Impact Awards in the category of "Best Intranet", awarded by Cravenhill Publishing. Dla Nas offers a chatbot in Polish and Ukrainian and, since 2023, also has a voicebot. The two AI tools make communicating with employees regarding social requests, among other HR processes, more efficient. These automated solutions assisted in responding to 344,677 requests in 2023.

Specifically designed to connect HR professionals from all our Companies, HR2HR platform, besides serving as an internal social network, provides information on teams, the strategic HR agenda, articles, events and other content.

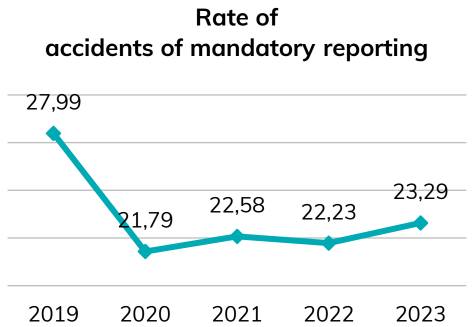
Radio Pingo Doce and Ara's Hablando Naranja radio station continued to share information about the business periodically aired in the stores, transmitting a total of 35 broadcasts. Radio Pingo Doce received the award for best audio/podcast/corporate radio, awarded by the Meios & Publicidade magazine.

6.3.7. Protect through the best work conditions

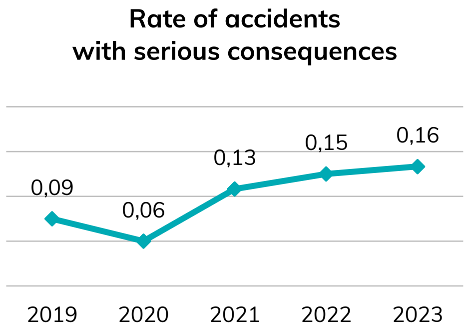
[GRI 403-1]

Protecting employees and ensuring health and safety at work (HSW), especially in operations where there is a greater risk of workplace accidents and occupational diseases, is a constant concern. To this end, we fully comply with the applicable laws and have an HSW management system in place, which includes good practices in risk assessment and management, as well as in workplace accidents and occupational diseases management.

We have implemented policies, processes and procedures to prevent and mitigate risks and that guide the actions of our teams. In this regard, we carry out audits, drills and regular consultations and health assessments, making teams aware of the dangers and of safe practices through training and employee engagement. Also of note is the regular monitoring of the major HSW indicators:



Rate of workplace accidents of mandatory reporting = (Number of workplace accidents that must be reported/Total hours worked) x 10^6. Workers that are not employees of the Group are not included.



Rate of workplace accidents with serious consequences (except deaths) = (Number of workplace accidents with serious consequences (except deaths)/Total hours worked) x 10^6. Accidents with serious consequences are those that result in an employee being absent for more than 180 days. Workers that are not employees of the Group are not included.

In 2023 there were 4.9% fewer workplace accidents of mandatory reporting in Portugal, thanks to the Companies' investment in initiatives that promote safe working conditions and create an environment of prevention and care. However, due to the number of store openings and refurbishments and the turnover of workers who are not employees, Poland saw a slight increase in the number of workplace accidents.

The inclusion of a new cause of accidents related to muscular overexertion from handling loads also resulted in a slight increase in workplace accidents in Colombia. As a result, there was a 4.8% increase in the rate of accidents of mandatory reporting. The rate of accidents with serious consequences remained stable at 0.16.

Risk identification and assessment

[GRI 403-2]

To create and maintain an increasingly safe and healthy working environment, we are committed to implementing risk identification and assessment systems that include the definition and implementation of risk control and mitigation measures.

To identify and assess risks, HSW technicians conduct an assessment that allows them to quantify the magnitude of existing risks and thus prioritise the elimination and/or mitigation of those risks. This assessment is carried out based on a risk matrix applied to all areas and processes, which is used to describe the risks, their causes and potential effects, the degree of exposure, severity and risk, and recommends the most appropriate measures to address them.

The identified risks can be classified into seven categories: environmental (physical, chemical and biological), mechanical, electrical, fire and/or explosion, ergonomic, psychosocial and organisational. Given that food distribution is our most relevant business area, there are activities that could pose additional risks to employees, in particular those who work in warehouses, industrial kitchens and stores, and who load/unload and store products and process them (e.g. fish and meat cutting, bread making, and meal preparation). Jerónimo Martins Agro-Alimentar employees work in the primary and secondary sectors and are also exposed to specific risk factors[166].

The results obtained by identifying and assessing risks inform the selection of work equipment and tools, the preparation of work procedures and instructions, the structuring of training content, and the definition of action plans for continuous improvement of the HSW management system.

Risk control measures

[GRI 403-3, 403-4 and 403-5]

Work and personal protective equipment

Whenever the need to install new work equipment is identified, the safety requirements are defined in advance and checked after installation. Work instructions are drawn up that include safety, handling, maintenance and cleaning actions, being provided to employees. The equipment manufacturer/representative also trains the teams. The need to use personal protective equipment (PPE) is also identified in the risk assessment and selection is based on user tests and a technical assessment.

In Portugal, based on the feedback from 13,917 employees through a dedicated survey on workplace footwear, we replaced around 29 thousand pairs of shoes used by employees, also taking into account specific orthopaedic and anatomical needs, with custom-made footwear. A total of 543 thousand euros were invested in this measure. JMA invested a total of 230 thousand euros in renewing its safety and preventive equipment, including containment basins, emergency showers, fuel tank covers, safety belts, anti-slip covers, and forklifts.

In Poland, Hebe replaced its entire fleet of forklifts and the packing crates used in its stores and distribution centre, reducing their maximum weight capacity to better protect the physical integrity of employees.

[166] The occupational hazards at these workplaces and of the tasks performed there include, among others, exposure to extreme temperatures, with possible vascular injuries, physical exertion, with possible musculoskeletal injuries, and contact with machinery, with possible traumas, wounds and electrocution.

Self-protection measures

To test effectiveness, the Companies provide and regularly implement self-protection measures that include safety records, emergency plans, and prevention plans and procedures.

In Portugal, with Segurança Máxima (Maximum Safety) and Segurança em Ação (Safety in Action) programmes, Pingo Doce and Recheio, respectively, involved their store teams in practising safe behaviours on an ongoing basis in their day-to-day operations. These programmes are preventative in nature and involve close monitoring and immediate intervention, where behaviour that could potentially result in a workplace accident is identified.

In Colombia, Mi CEDI Seguro (My Safe Distribution Centre) programme comprises preventive measures such as daily inspections of equipment and racks, monthly safety observations, warm-up exercises for each shift, and training for new employees. The programme also includes emergency brigades, made up of 289 employees identified and certified to lead drills and other HSW initiatives, and provide assistance in the event of an emergency. The programme also includes mapping the HSW competencies of distribution centre employees and the design of training plans based on the results of this assessment. In 2023, a total of 152 employees were mapped. Ara's commitment to safety and self-care is embodied, for example, in the Cúcuta Distribution Centre reaching the milestone of 737 accident-free days in 2023, a Company record. Ara also has 413 HSW leaders identified and trained in safe behaviours and the Atento observation tool.

Health

We have doctors specialised in occupational health who visit different workplace to assess the health impacts on our people and prescribe corrective actions, as well as to carry out medical fitness tests.

In Portugal, we introduced two mobile health units to increase the frequency of medical assessments, ensuring that employees are fit to work, and to treat and prevent illnesses and injuries associated with each job. These units are vehicles that have been converted into fully-equipped doctors' offices that complement the in-house consultation rooms in some workplaces and travel around the country. These mobile units assisted 3,196 employees in 2023.

In 2023, fewer occupational health exams were carried out, explained by the fact that in 2020 and 2021, at the height of the pandemic, some assessments were suspended, which meant that 2022 was a year of recovery. In 2023, there was a return to normalcy in occupational health exams.

	Occupational health exams		
	2023	2022	2021
Group	**136,620**	**141,451**	**125,769**
Portugal	36,468	33,914	30,878
Poland	83,514	92,782	86,302
Colombia	16,638	14,755	8,589

Training and awareness-raising

To promote prevention and the practice of safe behaviours, the general training plan and its contents are reviewed annually. Training is provided at different points in an employee's career, such as when they are hired, when they change jobs, when new equipment is introduced or when existing equipment is modified. Based on their role and the risks associated with it, employees are also given access to pre-defined training courses.

In Poland, most noteworthy is the Biedronkowa Akademia Zdrowia (Biedronka Health Academy), which focuses on the prevention of occupational diseases. It offers health and safety training by physiotherapists who teach employees how to prevent musculoskeletal problems, as well as physiotherapy appointments and daily warm-up exercises. In 2023, a total of 2,886 employees were trained and 31,986 consultations provided (20.7% more than in 2022). The Company also has a prevention programme that includes education campaigns and training on the most common causes of workplace accidents and how to reduce them, which reached 79,268 employees.

Hebe has a channel on the internal EducAction platform dedicated to raising awareness of HSW issues, where it uploads short videos on accident prevention, safe behaviour and safety instructions. First-aid training was also provided to store employees through videos that garnered 1,441 views, and to employees who use a company car.

In Portugal, the Impacto Programme was created, consisting of a series of training sessions organised by the Companies' safety technicians. In 5,096 hours of training, 728 safety delegates learned how to motivate the teams they work with to adopt safe behaviours and cultivate a self-care approach.

	Employees trained in HSW			HSW training volume (i)		
	2023	2022	2021	2023	2022	2021
Group	**63,221**	**76,875**	**60,785**	**388,831**	**444,494**	**337,079**
Portugal	23,109	25,192	22,400	72,062	74,902	62,034
Poland	30,807	40,133	33,277	274,655	335,216	240,266
Colombia	9,305	11,550	5,108	42,115	34,376	34,779

Notes: (i) training volume - the number of training hours provided multiplied by the number of participants.

Continuous improvement of the health and safety at work management system

[GRI 403-1, 403-2, 403-4, 403-8]

The verification and review of our HSW management system enables us to confirm the implementation and effectiveness of risk control measures, with a view to continuous improvement.

Audits – a systematic approach for identifying and analysing the factors that can lead to incidents/accidents, monitoring the remedy mechanisms, communicating the outcomes to stakeholders, and designing and following up on action plans until they are completed;

Drills – periodic confirmation of the adoption of self-protection measures in order to identify potential deficiencies and increase emergency response capacity, by structuring and monitoring a corrective action plan.

	Audits			Drills		
	2023	2022	2021	2023	2022	2021
Group	**11,002**	**9,661**	**9,625**	**4,797**	**4,129**	**3,330**
Portugal	601	570	567	262	277	265
Poland	9,121	8,127	8,297	3,252	2,908	2,231
Colombia	1,280	964	761	1,283	944	834

Accident investigation – reporting and describing the facts, including the logical sequence of events, determining the root cause, identifying contributing factors, identifying shortcomings in the HSW management system, and designing, monitoring and reporting on the corrective action plan.

Employee consultation and involvement – our Companies have different mechanisms for listening to their employees' concerns on HSW issues. In Portugal, employees are invited to share their opinion in two HSW surveys each year. Biedronka has an HSW Committee, which meets every month and is attended by employee representatives. It also has 17 regional teams responsible for implementing and maintaining the HSW system. At Hebe, an HSW Committee, comprising representatives of the Company's management and employees, holds quarterly meetings. In Colombia, the HSW Committee raises awareness about situations that may harm the health and safety of employees.

Certification of HSW management systems – certification of HSW systems enables alignment with international quality requirements and standards and guidance for continuous improvement in our approach to HSW. At Biedronka, the system is certified to ISO 45001:2018, covering all 3,369 workplaces (stores, distribution centres, soup factory and offices), with 1,453 new instructions for improving team protection implemented over the course of the year. In Portugal, the Terra Alegre dairy factory has its HSW management system certified to ISO 45001:2019. In both cases, certification covers employees and workers who are not employees.

6.3.8. Integrate work and personal context

[GRI 403-6]

As a benchmark employer, we endeavour to improve the wellbeing of our employees and, thus, their satisfaction, by helping them reconcile their work and personal lives. We do so through initiatives that promote the physical, mental and social wellbeing of employees, as well as a healthy working environment and flexible ways of working. In 2023, investment in wellbeing exceeded 7.9 million euros Group-wide.

Physical, mental and social wellbeing

In Portugal, we have facilities that allow office and distribution centres employees access to different health and wellbeing services. Jerónimo Martins Clinic offers general medicine, sleep, smart ageing, psychology and nutrition appointments, nursing services, alternative therapies and physiotherapy, among other services. The Wellbeing Centre includes a gym and services such as dermoesthetics. Both facilities, located near our head offices, were used by 3,308 employees in 2023 (15.5% more than in 2022).

Also in 2023, and in addition to the centre already established at the Azambuja distribution centre, we inaugurated a Prevention and Physical Rehabilitation Centre at the Alfena distribution centre, an investment of over 2.3 million euros. Both help to prevent, assess and treat physical illnesses and musculoskeletal injuries through physicotherapy, gym and nutrition services, and also offer general medicine appointments and nursing services. In total, 1,743 logistics employees used both centres and 69.3% of the patients undergoing physiotherapy had a medical release during the year.

In Portugal, we also offer a free teleconsultation service, available seven days a week from 8am to midnight, with a nurse who refers users to the most appropriate speciality. In 2023, a total of 1,088 employees used this service (24.6% more than in 2022).

Clinical nutrition programme

Following the success of the pilot carried out in 2022, the clinical nutrition programme was implemented in Portugal, aimed at promoting healthy eating habits and ensuring the nutritional monitoring of employees with health problems. The programme seeks to respond to weight loss needs and diseases such as diabetes, hypertension and dyslipidaemia (high concentration of lipids in blood) and is based on three pillars: nutrition appointments, literacy actions and environmental modulation (introduction of healthy eating options in the workplace).

The sessions are carried out by the Group's clinical nutrition team and a partner trained by the Group. In 2023, a total of 2,256 consultations were provided to 803 employees and, of these, 47.1% were discharged. The programme was recognised as the project of the year by the Healthy Living 2023 award in the “Community Nutrition and Public Health” category.

At Biedronka, the Razem zadbajmy o zdrowie (Let's Take Care of Health Together) programme was redesigned and now offers employees a package of complementary medical examinations, with a market value over 600 złoty (132 euros), which covers vitamin D, morphology, hormone and cancer screening tests (allowing for the testing of tumour markers), among other blood tests that help prevent illnesses. A total of 32,605 employees benefited from the programme, which saw around 32 thousand medical examinations carried out (90.4% more than the previous year). Besides blood tests, for all employees, distribution centres and office employees were also able to have abdominal, breast and thyroid ultrasounds, and sessions with specialists, including nutritionists, dermatologists and oncology nurses. Following the programme, all employees may be monitored via teleconsultation by a personal trainer, nutritionist or psychologist.

To protect the health of our employees and their families, we once again made the flu vaccine available, free of charge and optional. A total of 5,081 people were vaccinated.

We continue to implement different programmes to respond to the growing concern about mental health.

In Portugal, we support the mental health of our employees and their children up to the age of 18 by offering a free psychology service provided by an in-house team of psychologists, with the support of a network of partners. The aim is to prevent mental illness and act in diagnosed cases. In the year, 2,570 people benefited from this service. With regard to prevention and early detection, we share knowledge on how to avoid and identify the signs of mental health problems through training and literacy and by closely monitoring vulnerable populations.

We also launched the Cuidar do Cuidador (Caring for the Carer) programme, for employees who, given the nature of their jobs, have contact with a large number of other employees. These "carers" are trained by a psychologist who prepares them to handle and support their colleagues in difficult or sensitive situations. We trained 44 employees under this programme.

In Poland, in addition to the psychological support provided under the Razem zadbajmy o zdrowie (Let's Take Care of Health Together) programme, we enhanced the Spokojna Głowa (Calm your Mind) programme. This year, besides updating the digital content available on EducAction on stress management, mindfulness, changes in routine, relaxation, mental illnesses and tips for a healthy lifestyle, the programme included a national awareness and training event on the importance of health. The event included inspirational sessions, workshops and appointments with experts in nutrition, physical therapy and relaxation through virtual reality. The in-person event was attended by 555 employees, who received 1,213 hours of training, while the EducAction content had over 19 thousand views (13.3% more than in 2022).

In 2023, Hebe launched the Mindgram online platform. This platform, which is free for all employees and can be extended to their families, offers three types of support: educational, in the form of webinars and podcasts on mental health, career development and personal finance; sessions, where unlimited psychological support is provided in online sessions; and a chat, where employees and their families can get written support from professionals in psychology, law, finance and other fields. At the end of the year, Mindgram had 804 active users, 82.2% of whom had already used the online sessions service.

In Colombia, the Ara Contigo programme, created in 2023, focuses on mental health training for operations leaders and HR teams, giving them the tools to care for themselves and others, and shared webinars on managing stress and addressing mental health problems, impacting 458 people. Ara Contigo also includes intervention in crisis situations, with sessions held with teams who have suffered a trauma.

In 2023, we also continued to carry out initiatives that promote team spirit and build healthy interpersonal relationships between employees.

- In Portugal, we maintained the Loucos por Corrida (Crazy about Running - also established in Colombia), Loucos por Padel (Crazy about Padel) and Loucos por Criar (Crazy about Creating) communities and launched Loucos por Cozinha (Crazy about Cooking), which saw around 11 thousand participations.
- Recheio held another edition of Momentos em Cheio (Enriching Moments), a month dedicated to employee wellbeing and a sense of belonging, with 516 participants.
- A new edition of the Jampions League internal futsal tournament was also held, in which 861 people participated in Portugal.

- Biedronka employees ran and cycled again, individually and in teams, to support Biedronka Foundation. A total of 300,988 km were covered by 623 employees, translating into an equivalent donation to the Foundation.
- Biedronka provided funds for the organisation of meetings between its work teams, investing over one million euros.
- Ara and Hebe organised Wellbeing Weeks, in which 4,981 employees took part in various activities related to promoting physical and mental health.

As a result of the work carried out in Portugal, we received the awards for Best Wellness Programme and Best Musculoskeletal Health Programme, awarded by Workwell. We were also recognised by the Internal Communication Observatory for our mental health communication campaign, aimed at countering the stigma of mental illness and making employees aware of existing support services.

Flexibility

Recognising the demands of our business, we seek to implement solutions that give employees greater flexibility and harmony in managing their work and personal lives.

To this end, we have the Flexible Working Policy in force for office roles, which includes flexible entrance and exit schedules and the possibility of remote working, covering 5,619 employees across all Companies. At Ara, a pilot project has been implemented for the head office, where 351 people work, to test a compressed work schedule, as a means to improve the quality of life of employees, offering them flexibility in commuting times.

For store roles, the Companies have tested and implemented different measures. Pingo Doce has an hours bank system in place and a solution to support work schedule planning. The first initiative gives employees the flexibility to take time off when it suits them best, in return for overtime worked. A total of 22,935 employees made use of this measure in 2023. The latter initiative is a schedule planning tool that helps to better organise work schedules and enable greater equity in the distribution of work hours. Besides legal requirements, this solution also takes into account a set of internal principles aimed at giving greater stability to employees' lives, for example, by facilitating greater predictability of work schedules. This mechanism reached 26,748 employees.

We continued to facilitate the family management of employees in Portugal through three daycare centres, located in Recheio store in Braga and in the Azambuja and Alfena distribution centres, which took care of 216 children of employees who work there and at nearby stores. These daycare centres also provided 2,669 paediatric, child nutrition and speech therapy sessions for our employees' children.

6.3.9. Support employees and their families

With the mission to positively impact the lives of our more than 134 thousand employees, we also endeavour to support their families, which include around 140 thousand children. We have internal social responsibility (ISR) programmes specially geared towards employees who find themselves in situations of vulnerability and/or social emergency. Investment in these types of initiatives amounted to 36 million euros.

	Investment in ISR by action pillars (in million euros)		
ISR action pillars	**2023[167]**	**2022**	**2021**
Group	**36,3**	**35,4**	**25,6**
Health	0,8	2,1	1,7

[167] Based on the type and preventative nature of the initiatives, this year some of the employee support programmes in Poland, such as Razem zadbajmy o zdrowie (Let's Take Care of Health Together), were included in the investment in wellbeing, which until 2022 had been included in the investment in ISR for that country. The investments made in wellbeing are detailed under chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.8. "Integrate work and personal context".

	Investment in ISR by action pillars (in million euros)		
Education	1,9	3,2	3,8
Family wellbeing	33,7[168]	30,1	20,1

Health

In Portugal, the Mais Vida (More Life) programme supports employees with cancer and their families by providing second opinion appointments and multidisciplinary support, which includes transportation, home care services and psychological support. In Poland, Biedronka supports employees with serious, life-threatening illnesses or disabilities by funding treatment and rehabilitation. In 2023, we invested 217 thousand euros in supporting 298 employees under these programmes.

With Famílias Especiais (Special Families) in Portugal and Mali Bohaterowie (Little Heroes) in Poland, we support families with children suffering from rare diseases or those with special needs. The investment of 523 thousand euros in these programmes gave families access to treatment and medical equipment, among other forms of support.

SOS Dentist programme continued in Portugal, enabling 784 oral health treatments to continue for employees who otherwise are unable to afford them, in an investment of 53 thousand euros.

Education

Since 2011, Aprender e Evoluir (Learn and Grow) programme, held in partnership with the Qualifica[169] network of centres, enables employees to complete compulsory education during working hours. In 2023, a total of 223 people benefited from this programme. Moreover, our scholarship programmes supported the costs of access to higher education for 17 employees and 121 children of employees, corresponding to an investment of 123 thousand euros. These initiatives play an important role in creating opportunities for our people and their families for access to and/or support for education.

Online Study Hall

The Online Study Hall programme, available in Portugal, aims to improve school performance of employees' children attending 1st to 9th grade. This is a free tutoring programme available to employees in which a specialised mentor accompanies students in groups or individually, depending on their needs. The programme also fosters the students' responsibility and autonomy by teaching them study methods. Parents are also involved, through workshops focused on the challenges of family management.

In 2023, we offered national exam preparation sessions to the 9th grade students and, in addition to the core subjects (Portuguese, Mathematics and English), we extended the offer to any subject they were struggling in. In 2023, a total of 838 students were enrolled in the programme, in which we invested 211 thousand euros (31.8% more than in 2022).

In Portugal, to ensure that all the children of our employees have access to the materials they need for school, we continued the Regresso às Aulas (Back to School) initiative, offering three types of support: a voucher for the purchase of school supplies at the start of the school year; support in ordering textbooks; and special support for the purchase of textbooks for large families. In Poland, school kits were distributed to the children of employees starting 1st year. A total of 21,086 vouchers and kits were handed out in the two countries, equivalent to over 359 thousand euros and a 12.1% increase on the previous year.

Every year we organise holiday camps for our employees' children, giving them a place to learn and play with other children during school holidays. In 2023, we invested 1.2 million euros in holiday camps, which

[168] This includes €5,100,079.79 invested in the Możesz liczyć na Biedronka (You Can Count on Biedronka) programme in loans granted to employees, which was repaid to the Company.
[169] Qualifica Centres specialise in the professional qualification of adults, offering guidance and referral to education and professional training offers for adults aged 18 or older seeking education or vocational training certification. They ensure the development of the recognition, validation and certification of skills acquired by adults throughout their life.

welcomed 2,431 children (1,431 in Portugal and 1,000 in Poland). In Colombia, Ara organised recreational activities that brought together 50 employees and 177 children during school holidays, aimed at building children's artistic, communication, social and cognitive skills, as well as nurturing the relationship between parents and children through educational activities.

Family wellbeing

Complementing the response provided by existing government support mechanisms in Portugal, our Social Emergency Fund (SEF) supports vulnerable employees and families, ensuring a response to urgent situations of food shortages, domestic violence, the need for legal support, healthcare, financial management and other issues. Based on an individual assessment, a team of social workers designs response plans tailored to the needs of each employee and their family, while encouraging their autonomy and reorganisation. In 2023, the SEF supported 1,688 employees, 6.9% more than in the previous year, corresponding to an investment of more than 1.2 million euros.

In Portugal, we conducted a survey to better understand the needs of employees. A total of 25,274 employees (73.9% of the target audience) responded and the results have enabled the ISR team to adapt the social programmes offered to the characteristics and fragilities of employees' families.

In Poland, the programme Możesz Liczyć (You Can Count on Biedronka) allocates funds to respond to social requests, assessed by a committee responsible for managing the Social Fund, which is mandatory under Polish law. In 2023, to support employees in their financial management, 5,991 subsidies were granted, with over one million euros invested, and 6,919 loans with special conditions were granted. The Company also distributed 7.2 million euros in electronic cards for employees to use in stores, more than double the investment made in the previous year.

Social support in Colombia

Measures such as Fiado, Payflow and Fondo de Empleados: ATulado (Employee Fund: By Your Side) help employees in Colombia make ends meet in an adverse economic environment.

Fiado allows employees to buy products at Ara stores on credit, deducting the amount from their salary at the end of the month. Take-up of the measure doubled compared to 2022, with 56% of eligible beneficiaries making use of this measure.

Payflow allows employees to receive advances on part of their salaries, depending on the number of days in the month they have already worked, to gradually cover their expenses. This measure is in the pilot phase and, in the last quarter of 2023, was tested by 54 employees.

Fondo de Empleados: ATulado is an existing mechanism for most companies in Colombia and allows access to loans with lower interest rates than those charged by banks and informal markets. The Fund, which is self-supporting and non-profit, financed loans for 2,530 employees in 2023, mainly for the purchase of motorcycles, education and financial consolidation. To access this programme, employees need to be members of the Fund and undergo training that gives them the knowledge they need for the sustainable use of credit.

In 2023, Ara also granted one-off support to help its employees and their families in social emergencies.

To support employees when they welcome a child into the world, we once again invested in offering kits for newborns in Poland and Portugal, where the kit includes a €150 voucher to be used in Pingo Doce stores. We distributed a total of 3,681 kits in both countries, in an investment of 286 thousand euros. In Portugal we also offer a course for expecting employees and/or their partners during pregnancy, in which 241 people took part in a total of 48 sessions.

At Christmas, Biedronka offered a hamper to all employees and their children up to the age of 18, customised for each age, with food and non-food products. A total of 164,400 hampers were distributed, representing an investment of seven million euros. In Portugal vouchers were given to 13,556 children of employees, corresponding to an investment of over 340 thousand euros.

Financial literacy is our way of promoting autonomy and family organisation among our employees. In 2023, we created Contas Certas (Good Money Management) programme, which provides digital financial literacy content, holds in-person training in the workplace, and offers financial advisory and other protocols. The programme impacted 625 employees of the Companies in Portugal.

6.3.10. Promote Inclusion

We take an inclusive approach in the communities to which we belong, creating employment and training opportunities for those who are at a disadvantage in accessing the labour market. We do so through innovative programmes, methodologies and infrastructures, in an effort to increase recruitment and improve their integration.

Incluir (Include) programme, implemented in Portugal in 2015, aims at creating training and employment opportunities for people with disabilities and/or an impairment, migrants and refugees, and people at social risk. This programme is supported by a network of 102 partner institutions, which help us in identify potential candidates.

We now have two Incluir Centres, which provide training tailored to the needs of these populations in two stages. The first, in the classroom, focuses on developing behavioural skills and simulating operations tasks in a safe and comfortable environment for trainees in our simulation-stores. The second involves on-the-job training, with the support of tutors and the inclusion team, made up of social reintegration technicians who specialise in preparing and integrating such people. After completing these two stages, trainees are ready to be employed.

Incluir Centres were built and designed taking different impairments into account. As such, they have signage and fonts that make it easier for people with low vision or dyslexia to read them, as well as touch surfaces and texts in Braille (for the blind and partially-sighted persons), colour codes (for people who are colour-blind), and headphones (for Autistic people), among other adaptations. Because they play an important role in promoting an inclusive community, Incluir Centres are open to all and host conferences, debates and rotating exhibitions of artwork created by people with disabilities.

Incluir Programme was awarded at the first edition of EuroCommerce's European Commerce Awards for being the best practice in the “Qualification and Inclusion” category. A total of 1,709 people have benefited from the programme since it was created, which impacted 567 people in 2023 (49.6% more than in the previous year), 269 of whom were hired. In 2023, Incluir Centres trained 253 people.

We have a total of 1,693 people with disabilities and/or an impairment on our teams (855 in Portugal, 829 in Poland and 9 in Colombia).

In order to raise awareness among our leaders and give them the tools to deal with difference and onboard, monitor and develop each person without unconscious bias, we launched another edition of the Liderar para a Diferença (Leadership for the difference) programme, which has seen 2,827 employees trained in Portugal.

As a result of the work carried out in Portugal, in 2023 Pingo Doce, Recheio and the holding company won the Inclusive Employer Brand seal, awarded by Instituto de Emprego e Formação Profissional[170] (Institute for Employment and Vocational Training). The holding company achieved the “Excellence” level for the first time.

In 2023, Ara began implementing an inclusion programme targeting three segments: people with a disability and/or an impairment, women who are responsible for their household, and people over 50. The first two groups were given priority and, with regard to the former, the types of stores and jobs compatible with the programme were identified, resulting in the hiring of ten people with a disability and/or an impairment. These new employees received legal and labour support, training and close monitoring to aid them in their integration. The teams at the stores responsible for onboarding these employees also

[170] Criteria: (i) recruitment, professional development and advancement; (ii) job retention and return to work; (iii) accessibility (employees); (iv) services and relationships with the outside world (community and customers).

received training to better integrate them. As regards the second group, to empower women in vulnerable situations due to their family role and to give them the tools to help them manage and succeed in their personal and professional lives, we provided training on topics such as strengthening personal and family life, their role as mothers, and mental health. In all, 176 employees received training.

In Poland, through the Odkryj Siebie Z Hebe (Discover yourself with Hebe) programme, run in partnership with the One Day Foundation, the Company offers a two-month internship in its stores to young adults who live in or aged out of orphanages. The initiative ensures the training of young people in essential skills to succeed in the labour market, who are guided by mentors. In 2023, 13 young people took part in the programme, and five were subsequently hired by Hebe.

Our Companies in Poland continued to invest in the integration of Ukrainian employees. In 2023, we hired 2,918 Ukrainians, 99.5% of which in Poland. The Group currently employs a total of 3,166 Ukrainian people. To facilitate their journey within the organisation, Biedronka has the following mechanisms in place:

- a team responsible for recruiting and integrating migrants;
- content and recruitment channels designed especially for the Ukrainian population;
- onboarding materials, communication and operation processes, such as store check-out, in Ukrainian;
- internal channels with useful information in Ukrainian, including a chatbot to assist employees.

Besides translating training materials and HSW and HR procedures into Ukrainian, Hebe supports these employees in their immigration process. It also offers language training in Polish for Ukrainian employees, and in Ukrainian for Polish logistics coordinators who have teams with people of that nationality.

JMA has 31 migrant employees on its teams and also invested in their inclusion by providing 65 hours of Portuguese language training, as well as tax and administrative support.

In 2023, we also made improvements to our online channels to promote inclusion, by making the Our JM intranet more accessible. Following an audit of the platform, several changes were made and tested with the support of the Incluir Centre team. Most noteworthy is the greater compatibility with screen readers and keyboard navigation to lower the barriers that exclude people with visual impairments or intellectual disabilities, among other impairments, from enjoying all the possibilities that the online world has to offer.

6.3.11. Act ethically

Our commitment to high standards of integrity and ethics ensures that all employees and workers who are not employees feel respected and protected, thus contributing to a work environment that promotes dignity and trust among our people and other stakeholders.

We do this by respecting human rights, laws in force in the countries where we operate and applicable international laws and guidelines, including the Universal Declaration of Human Rights, the International Labour Organization Conventions and those of the Organisation for Economic Co-operation and Development (OECD), and the Guidelines for Multinational Enterprises, among others.

Our Code of Conduct[171] and Anti-Corruption Policy[172] establish the standards of behaviour that all our structures must take into account throughout the employee life cycle, simultaneously acting as a yardstick of the ethics and good conduct that employees must follow, irrespective of their hierarchical level, function or the country in which they work.

We also have in place 92 Group-wide and local policies that follow and embody these principles in people management rules and processes. Among these policies are the global Labour Fundamentals Guidelines, which serve to guide our Companies and corporate structures in respecting and safeguarding human and labour rights, fostering a healthy, safe and balanced workplace. With these guidelines, we ensure compliance with the following principles and rights:

- principle of equality and non-discrimination;
- right to work;

[171] Our Code of Conduct is available on our corporate website, on the Ethics and Integrity page.
[172] Our Anti-Corruption Policy is available on our corporate website, on the Ethics and Integrity page.

- right to rest;
- right to equal pay and fair remuneration;
- right of association and collective bargaining;
- right to a safe workplace;
- right to parenthood;
- right to privacy and private life;
- right to remedy.

Also of note is the policy that establishes and shares with all employees in Portugal the guidelines for preventing and combating harassment and discrimination, setting out:

- the rules for preventing and addressing discriminatory behaviour and/or harassment, in any form, in the workplace and/or for work-related reasons;
- the channels of contact between employees and their Companies on this matter;
- the guidelines for assessing and investigating complaints received.

[GRI 408-1, 409-1 and 411-1]

We ensure the prevention of the risk of labour rights violations, inter alia through regular HR operations audits, the audit of working hours, rest and holiday periods, medical exams, workplace conditions, and other criteria with which compliance and control are aimed at promoting the dignity of work and the wellbeing of employees. Where nonconformities are identified, a recovery plan is defined, closely monitored by the HR team, and the subsequent audit is brought forward to confirm that the plan has been implemented. In 2023, a total of 441 audits were carried out in Pingo Doce and Recheio stores.

In Colombia, we have a policy in place that sets out the ten fundamental rules to be followed by the Company in managing people, to ensure that human and labour rights are respected in all situations. In 2023 we began the certification of store managers and other key functions, mandatory for the performance of these roles, and which enabled us to validate the knowledge of 218 people on this policy. In addition, Ara's teams monitor a criticality map that allows them to control priority labour rights indicators[173] and trigger the audit of stores with an identified risk. A total of 630 audits were carried out.

At Jerónimo Martins Agro-Alimentar (JMA) there is a growing dependence on migrant labour and 27.2% of workers come from temporary employment agencies. Accordingly, there is a greater concern in ensuring compliance with the labour and human rights of these workers and in 2023 we began to evaluate our partners.

In the fight against forced labour and as part of The Consumer Goods Forum, we continued our involvement in the Human Rights Coalition – Working to End Forced Labour, aimed at ensuring that by the end of 2025 its members have all of their own operations covered by due diligence systems, as a way to identify, remedy and prevent human rights risks.

Group-wide, we ensure the prevention and eradication of child labour by implementing recruitment and selection procedures that prohibit the hiring of persons under the legally permitted employment age. In 2023, the Global Child Forum, which assesses the policies developed and implemented by organisations to address the impact on children's rights, ranked us as a “Leader”, in eighth place worldwide and first among Portuguese companies, with a score of 8.9 points out of 10 possible points (1.3 points above the previous year and 3.5 points above the sector average).

[GRI 2-30 and 407-1]

With regard to freedom of association and collective bargaining, under the terms of applicable law, all employees are free to form and join organisations without the need for prior authorisation and may be represented by them when negotiating agreements with their employer. Collective bargaining, for now only applicable to Portugal, covers 95.4% of employees in the country[174]. Biedronka has a trade union

[173] Some examples of the aspects monitored by these indicators include working times, rest times, labour costs, FTEs, turnover, absenteeism and disciplinary procedures. The assessment of these aspects culminates in a criticality score ranging from 1 to 5, assigned to stores, areas and managers, among others.

[174] Only in Portugal, since there are no collective labour regulation instruments in Poland and in Colombia applicable to the Group's Companies, thus corresponding to 25.4% of the Group's total employees.

policy that sets out the main rules and guidelines for conducting an effective social dialogue, in line with the law and based on the principles of transparency, independence and mutual trust.

Communication and training

[GRI 205-2]

To ensure that our employees are properly informed about their rights and responsibilities in complying with the ethical standards we set, we ensure regular communication campaigns and training. When new employees join the Group, they are provided with a copy of the Code of Conduct and the Anti-Corruption Policy, and requested to acknowledge receipt thereof. In Colombia, in addition to being made aware of the Anti-Corruption Policy, employees also receive training in the policy during their first two months on the job. In 2023 we trained 15,587 employees in this policy, corresponding to 84.5% more training hours than in the previous year, and we launched communication campaigns that reached 12,787 employees[175] Group-wide.

We also regularly promote in-person and e-learning sessions on labour law, having trained more than double the number of employees in 2023, compared to 2022, and increased training hours by 24.7%. As a result of the labour reforms in Portugal and Poland, several of our Companies implemented communication campaigns focused on employee rights, reaching 640 people.

	Code of Conduct		Anti-Corruption Policy		Labour law	
	Training hours	Employees trained	Training hours	Employees trained	Training hours	Employees trained
Group	**4,718**	**5,251**	**16,951**	**15,587**	**15,904**	**7,704**
Portugal	136	426	1,123	1,596	6,317	2,204
Poland	0	0	58	75	5,604	1,518
Colombia	4,583	4,825	15,770	13,916	3,983	3,982

Resolution mechanisms

Our efforts to promote the highest standards of ethical conduct culminate in the need to establish and disclose mechanisms for reporting and remedying any irregular situations. We ensure that all situations that are reported are investigated and subsequent action plans designed, activated and implemented, while ensuring the confidentiality and protection of whistleblowers.

In the three countries where the Group has its largest operations, employees have the Employee Assistance Service at their disposal for reporting, clarifying and resolving labour issues and, in the case of Portugal, for receiving and forwarding social requests. This channel ensures confidentiality, independence and impartiality, and safeguards employees against any retaliation, discrimination or loss of rights.

Employee Assistance Service	Contacts/procedures initiated			Contacts/procedures completed (%)		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**
Group	**90,809**	**87,325**	**64,385**	**100%**	**98%**	**98%**
Portugal	22,972	37,926	39,845	100%	100%	99%
Poland (i)	19,537	22,280	8,995	100%	97%	92%
Colombia	48,300	28,776	15,545	99%	97%	98%

Notes: (i) does not include contacts related to payroll/administrative issues and requests for Social Fund support

[175] Includes access to a communication notice on business courtesies via the Our JM platform in the three main countries where we do business.

The Ethics Committee is an independent body tasked with monitoring disclosure of and compliance with the standards and principles of the Code of Conduct and Anti-Corruption Policy. To this end, it has its own dedicated website that allows employees, as well as any interested party with whom our Companies work or interact, to confidentially report any instance of non-compliance with or violation of the law, internal policies or principles, in particular related to aggression, harassment, conflicts of interest, corruption, discrimination, fraud, improper business practices or the misuse of information, among other wrongdoing. We also have four Ethics Boards[176] in Portugal, independent reporting channels which, together with the Ethics Committee, are responsible for ensuring the receipt and follow-up of reports of any wrongdoing related to the Companies, consistent with the violation of European Union law, national law and the Code of Conduct. The Ethics Committee and Ethics Boards act in accordance with principles of independence, impartiality, integrity, confidentiality and absence of conflicts of interest, and have a platform for managing reports of wrongdoing pursuant to law.

In Poland, an Anti-Mobbing, Anti-Discrimination and Sexual Harassment Committee is formed whenever a complaint involving these matters is reported, which is responsible for investigating the complaints and formulating an action plan. In Colombia, the Committee for Labour Coexistence investigate complaints relating to working conditions or other work-related problems.

[GRI 406-1]

All situations reported via any of these channels are analysed and investigated, and action plans are drawn up for the resolution thereof whenever necessary. In 2023, we received 3,286 labour-related complaints, all of which were investigated, of which 83.0% were closed and 41.4% required remedy actions.

Labour-related complaints[177]	**Total number**	**% of complaints received**
Complaints received	3,286	-
Complaints investigated (i)	3,286	100%
Complaints with the need for remedy actions (ii)	1,362	41%
Complaints closed (investigation concluded without need for action or investigation concluded with the implementation of the required actions) (iii)	2,727	83%

Notes: (i) number of complaints investigated by the resolution mechanisms, out of the total complaints received; (ii) number of complaints whose conclusion resulted in the implementation of remedy actions, out of the total complaints received; (iii) number of complaints considered closed by 31.12.2023 after the appropriate investigation, out of the total complaints received.

[176] According to Directive (EU) 2019/1937 and with the transposition thereof into Portuguese Law No. 93/2021, companies that have 50 or more workers must establish internal reporting channels, and those that employ between 50 and 249 workers may share resources as regards the receipt of reports and follow-up, which resulted in the establishment of four Ethics Boards in our context in Portugal. At the time of writing of this report, Directive (EU) 2019/1937 has not been transposed into Polish law.
[177] The figures shown represent complaints made by employees through the Ethics Committee, Ethics Boards, and the Employee Assistance Service.

7. 2021-2023 Commitments

Action pillar	2021-2023 commitment	2023 progress
Promoting Good Health Through Food	In all countries develop food alternatives such as vegan, lactose-free and/or gluten-free solutions that are aimed at consumers with specific dietary needs/preferences.	**Achieved.** In 2023, the Group Companies had 1,520 gluten-free products (62 of which were new), 87 lactose-free (6 of which were new), and 195 for vegans/vegetarians (24 of which were new) on sale. There are no products for vegans/vegetarians in Colombia.
	Ensure that products targeted for children have a higher nutritional profile than the benchmark (or best in class), according to the country of operation. In Colombia, ensure that products targeted for children have a higher nutritional profile than this benchmark until 2025.	**Partially achieved.** At the time of product launch, many may have a nutritional profile considered by the Companies to be better than the benchmark (or best in class) and, for reasons of competitive dynamics, progressively (in the same year or in subsequent years) adjusted by competitors. In 2023: • Private Brand Poland, 59% of the products with an established benchmark had a higher profile than the market, 38% had the same profile, and 3% had a worse profile. Out of the 109 considered products, 51 products had no benchmark on the market for comparison. • Private Brand Portugal, out of the 50 products on sale most consumed by children* with a benchmark established in Pingo Doce and Amanhecer, 78% had similar profiles to the benchmark, and 22% had a better profile. One product had no benchmark due to its innovative nature on the market (launched in 2023). • Private Brand Colombia, it was not possible to establish benchmarks. * from 3 years of age, with appropriate formats and pictograms on the packaging for these ages.
	In Portugal and in Poland, ensure the use of voluntary "Without GMO" labelling for 75% of Private Brand food references containing mostly (>50%/net weight) potentially modified ingredients (soy and corn), thus helping consumers in their decision-making process (55% year 1, 65% year 2, 75% year 3).	**Not achieved.** • Private Brand Poland: 100% (9 p.p. more versus 2022) of 29 eligible products; • Private Brand Portugal: 30% of the 44 eligible products had this symbol; • the total number of eligible products was 73, with 42 bearing the GMO-free symbol, i.e., 58%.
	In Portugal and Poland, continue to develop programmes promoting the Mediterranean diet principles and healthy nutritional habits, based on recommendations by local experts, and raise consumer awareness on reading food labels.	**Achieved.** In both countries, the adoption of the Nutri-Score symbol in 2021 was a decision aimed at offering consumers more intuitive information regarding nutritional profiles of pre-packaged Private Brand products. In 2023, Biedronka extended the Nutri-Score to more 152 products among the 20 categories selected for classification, increasing the total number of items classified according to this system for assessing the nutritional profile of products to 405 (+60% compared to 2022). At the end of the year, products with this symbol totalled 591 in Pingo Doce (+96% vs. 2022) and 86 in Recheio (+760% vs. 2022). In Portugal, the partnership with CUF to promote health through food was maintained with the "Feeding Health" programme, which raises awareness of the role that a diversified and balanced diet can play in health, and encourages consumers to select the foods that best suit their needs and lifestyle, and the publication of *Sabe Bem* magazine (average bimonthly circulation of 100,000 copies). Biedronka maintained its *Czas Na...* magazine (containing recipes, it is dedicated to nutrition and healthier lifestyles), the Dada magazine (aimed at parents, on nutrition and healthy lifestyles, it results from the collaboration between

Action pillar	2021-2023 commitment	2023 progress
		Instytut Matki i Dziecka [Mother and Child Institute] and Biedronka) and the publication of articles in external media such as social networks. The Gang Mocniaków educational and loyalty campaign was launched, aiming to alert younger generations to the "superpowers" of food, emphasising fresh products and the chain's exclusive brands. As part of this campaign, 33 educational materials were produced, including 6 children's books.
	In Portugal and in Poland, ensure that 90% of Private Brand products do not contain, in their direct ingredients, artificial colorants until 2023.	**Achieved.** Portugal Private Brand: 100%. Poland Private Brand: 98%. Colombia Private Brand: 95%. Perishables Portugal: • raw materials used in central kitchens: 100%. • raw materials used in restaurants, takeaway and sushi: 100%. • bakery sold under the Pingo Doce label: 100%. • manufacturing raw materials (store and factory): 100%. • pastries sold under the Pingo Doce label: 100%. Perishables Poland: in the bakery, 100%. Additionally, in Colombia, 96% of specialised perishable products, for example in bakeries, do not contain artificial colourings.
	In Portugal and in Poland, ensure that 90% of Private Brand products do not contain, in their direct ingredients, artificial flavour enhancers until 2023.	**Achieved.** Portugal Private Brand: 100%. Poland Private Brand: 97%. Colombia Private Brand: 96%. Perishables Portugal: • raw materials used in central kitchens: 100%; • raw materials used in restaurants, takeaways and sushi: 100%; • bakery sold under the Pingo Doce label: 100%; • manufacturing raw materials (store and factory): 100%; • pastries sold under the Pingo Doce label: 100%. Perishables Poland: • raw materials bakery: 100%; • meat: 100%; • fruit and vegetables: 100%; • fish: 100%. Perishables Colombia: 100% of specialised perishable products, for example in bakery, do not contain artificial flavour enhancers.
	In Portugal and in Poland, position the Companies as healthy ageing promoters, through democratising the access to Private Brand food products that meet internationally recognised nutritional and dietary needs for the +50 age groups.	**Achieved.** In 2023, specific products were launched for these age groups, namely in the Go Active range in Poland and Portugal, whose target audiences include senior citizens. 39 Go Active products in Poland and 6 in Portugal were launched.
	In Hebe, in the scope of promoting health through cosmetic products' formulation, develop Private Brand alternatives without ingredients of animal origin, aimed at consumers with specific needs/preferences.	**Achieved**. In 2023, 49 products without animal ingredients were launched, making them suitable for vegans. The total of this range amounted to 89 references (+122.5% vs 2022) in compliance with the European Regulation (EU) for Cosmetics No. 1223/2009 (product safety and labelling) as well as European Regulation (EU) No. 655/2013 for the common criteria for claims on cosmetic products.
	In Hebe, in the scope of promoting health through cosmetic products' formulation, ensure that Hebe Naturals products have at least 90% natural ingredients in their composition (according to ISO 16128).	**Achieved**. Out of a total of 13 references available in the Hebe Naturals range in 2023, 100% had ≥90% natural ingredients on their composition (in line with ISO 16128). Additionally, the production of these items follows the ISO 22716 standard on Good Manufacturing Practices for Cosmetics. In 2023, seven new products hit the market.

<table>
<tr><th>Action pillar</th><th>2021-2023 commitment</th><th>2023 progress</th></tr>
<tr><td>Respecting the Environment</td><td>Increase the number of locations with environmental certification to at least 60% of the total distribution centres and industrial units* by 2023.
*Fresh dough factory, central kitchens, soup factory and Terra Alegre dairy factory.</td><td>Achieved. In 2023, 70% of all distribution centres and production units had environmental certification:
<table>
<tr><th rowspan="2">Locations</th><th colspan="2">2023</th><th colspan="2">2022</th></tr>
<tr><th>ISO 14001</th><th>Total</th><th>ISO 14001</th><th>Total</th></tr>
<tr><td>Distribution centres (#)</td><td>23</td><td>34</td><td>22</td><td>32</td></tr>
<tr><td>Ara</td><td>0</td><td>8</td><td>0</td><td>6</td></tr>
<tr><td>Biedronka</td><td>17</td><td>17</td><td>16</td><td>17</td></tr>
<tr><td>Hebe</td><td>0</td><td>1</td><td>0</td><td>1</td></tr>
<tr><td>Pingo Doce and Recheio</td><td>6</td><td>8</td><td>6</td><td>8</td></tr>
<tr><td>JMA</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>Production units (#)</td><td>5</td><td>6</td><td>3</td><td>6</td></tr>
<tr><td>Ara</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>Biedronka</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Hebe</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>Pingo Doce and Recheio</td><td>3</td><td>4</td><td>1</td><td>4</td></tr>
<tr><td>JMA</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Total certified (%)</td><td>70%</td><td>---</td><td>66%</td><td>---</td></tr>
</table>
To ensure that environmental management procedures are followed and opportunities for improvement are identified, we conduct audits to stores, warehouses, distribution centres and other operational units. In 2023, 8,364 environmental audits were carried out (6,860 at Biedronka, 1,110 at Ara, 352 at Pingo Doce, 41 at Recheio, 10 at JMA and 1 at Hebe), 9.5% more than in 2022. The average score was 93%, the same as in 2022. Corrective actions are defined for all cases in which the score does not reach 100%.</td></tr>
<tr><td></td><td>Reduce the carbon footprint (scopes 1 and 2) by at least 40% by 2023 (per 1,000 euros of sales), compared to 2017.</td><td>Achieved. In 2023, the reduction in the Group's carbon footprint per 1,000 euros of sales compared to 2017 was 60%.</td></tr>
<tr><td></td><td>Reduce energy consumption by 10% (per 1,000 euros of sales) by 2023, compared to 2017.</td><td>Achieved. In 2023, the reduction in energy consumption per 1,000 euros of sales compared to 2017 was 36%.</td></tr>
<tr><td></td><td>Reduce water withdrawal in Distribution activities by 10% by 2023 (in megalitres per million euros of sales), compared to 2017.</td><td>Achieved. In 2023, the volume of water withdrawn in Distribution activities per million euros of sales was 38% less compared to 2017.</td></tr>
<tr><td></td><td>Limit food waste to 16.1 kg for each tonne of food sold by 2023.</td><td>Not achieved. In 2023, food waste in the Group grew to 18.5 kg for every tonne of food sold, 15% above the defined limit.</td></tr>
<tr><td></td><td>Ensure that at least 12% of the packaging in Private Brand products are included in the Ecodesign project by 2023, comparing to the 2020 assortment.</td><td>Achieved. In 2023, 737 packaging ecodesign projects for Private Brand products were completed. Since 2011, 1,893 packages were developed according to ecodesign strategies, which corresponds to 30% of the assortment in 2020.</td></tr>
<tr><td></td><td>Ensure an annual waste recovery rate of at least 85% of the volume of waste generated by 2023.</td><td>Achieved. In 2023, waste recovery rate was 85.4%, that is, 0.4 p.p. above the defined target for the three-year period 2021-2023. In 2021 and 2022, this rate was 85.8% and 85.5%, respectively.</td></tr>
<tr><td></td><td>Support at least one nature conservation project in each of the countries where we have operations and disclose its results annually.</td><td>Achieved. In total, the Group supported 14 nature conservation projects in 2023 (8 in Portugal, 2 in Colombia and 4 in Poland).</td></tr>
<tr><td></td><td>Reduce by 5% by 2023, the specific consumption of plastic (measured in tonnes of plastic packaging per million euros of turnover), compared to 2018.</td><td>Achieved. In 2023, there was a 33% reduction in the specific consumption of plastic (t/million euros in sales) compared to 2018.</td></tr>
</table>

Action pillar	2021-2023 commitment	2023 progress
	Increase the content of recycled plastic to 10% of the total amount of plastic packaging under our responsibility (Private Brand, service packaging, check-out bags and wrapping film) by 2023.	**Achieved.** In 2023, the amount of recycled plastic in our directly managed packaging was 10.7%, an increase of 5.3 p.p. compared to 2020.
	Reduce carbon emissions resulting from transporting goods to stores by 5% (in tonnes of CO_2e per thousand pallets transported), by 2023, compared to 2020.	**Not achieved.** In 2023, a total of 5.38 tonnes of carbon emissions per thousand pallets were recorded in the transport of goods between distribution centres and stores, a reduction of 1.0% compared to 2020.
Sourcing Responsibly	Guarantee that at least 80% of the Jerónimo Martins Group's purchases of food products are sourced from local suppliers.	**Achieved.** In 2023, 91% of the food products sold by the Group were purchased from local suppliers.
	Increase sales of Private Brand and perishable products and/or packaging with sustainability certification to at least 7% of the total sales of these product categories by 2023.	**Achieved**. In 2023, sales of Private Brand and perishable products and/or packaging with sustainability certification accounted for 13.4% of total sales.
	Carry out environmental audits to at least 20% of Private Brand and perishable suppliers, with a purchase volume greater than 1.1 million euros in the 2021-2023 period.	**Achieved.** In 2023, 85 Private Brand and perishables suppliers were audited. Since 2021, the audited suppliers accounted for 21% of Private Brand and perishable suppliers with a purchase volume greater than 1.1 million euros.
	Contribute to The Consumer Goods Forum's (CGF) Forest Positive Coalition of Action commitments. Within the scope of our Private Brand and perishable products and for each of the commodities considered, the following goals were defined: • **Palm oil:** continue to ensure 100% RSPO certification in Portugal and Poland. In Colombia, ensure compliance with the "Acuerdo de Voluntades para la Deforestación Cero en la Cadena de Palma en Colombia" (Voluntary Agreement for Zero Deforestation in the Colombian Palm Oil Chain) from the Colombian government. • **Soy:** reduce by 50% soy from unknown origins to 16% of total direct and indirect soy. Reduce soy from countries with risk of deforestation to 25% and/or ensure it is sustainably sourced (e.g. RTRS or ProTerra certified or other multi-stakeholder schemes that promote the preservation of ecosystems in the main production areas of this ingredient). • **Beef:** reduce unknown origins to 2.5% of total beef purchases. If sourcing from Brazil, engage with suppliers to ensure the adoption of deforestation policies and actions. • **Paper and timber:** work with suppliers to achieve sustainable certification (e.g., FSC® or PEFC) in 80% of virgin fibres used in products	**Partially achieved.** In 2023, the Group had the following performance in its Private Brands and perishables: • **Palm oil**: the Companies in Portugal and Poland maintained the RSPO certification for 100% of the palm oil used. In Colombia, Ara traced the origin of 91% of the palm oil to the farm where it was produced. The palm oil in our products comes from three of the four production areas in the country and 28 (out of 68) processing plants operating in Colombia. Only 0.1% deforestation detected by public bodies in 2019 was associated to palm oil. In Ara, over 90% of the palm oil used in Private Brand and perishable products was produced in Colombia, and 13% was RSPO certified. In 2023, 98% of the palm oil in Ara's Private Brand and perishables not produced in Colombia had RSPO certification. • **Soy**: soy (direct and indirect) sourced from unknown origin represented 7% (7 p.p. less than in 2022) of the total. More than 70% of the total soy from known origins comes from countries with risk of deforestation (+15 p.p. compared to 2022), of which 10% had sustainability certification (e.g., RTRS). In a partnership with Nestlé and IPAM (Amazon Environmental Research Institute), we kept our support to the project to develop a governance model for low-carbon agricultural production and the conservation of natural ecosystems among smallholder farmers and indigenous populations in the state of Mato Grosso (Brazil). • **Beef**: it was possible to map all the beef used to at least the country of origin. Based on this work, it was possible to confirm that 0.6% of the total originated from Brazil. Despite the reduced exposure to this ingredient, we maintain our participation in the beef working group under the CGF's Forest Positive Coalition of Action. • **Paper and timber**: 90% of the virgin fibres used in our Private Brand products had sustainability certification

Action pillar	2021-2023 commitment	2023 progress
	and in 70% of virgin fibres used in our packaging.	(FSC® or PEFC). In the case of packaging, the proportion reaches 74%.
	Ensure the annual application of the Sustainable Agriculture Handbook in at least 70 new farms in Portugal and Poland, ensuring a minimum average sustainability index of 3.7 points (on a scale from 1 to 5, in which 5 is the maximum score) for farms with at least two assessments in the 2021-2023 period.	**Achieved.** In 2023, the Sustainable Agriculture Handbook methodology was applied in 28 new farms in Portugal, therefore reaching a total of 72 new locations in the 2021-2023 period. Regarding farms with two or more assessments, the average sustainability index was 3.7 (on a scale of 1 to 5, where 5 is the maximum score).
Supporting Surrounding Communities	Monitor and disclose at least 70% (in value) of the social impacts resulting from the support offered by all Group Companies, according to the Business for Societal Impact (B4SI) model.	**Achieved.** In 2023 it was possible to monitor around 70% of the Group's direct support (eligible according to the internal methodology based on the B4SI criteria and excluding social internships). The monitoring and dissemination of the impacts resulting from the support offered by the Group, according to this model, is published in this document –subchapter 5. "Supporting Surrounding Communities", section 5.2. "Managing the Support Policy for Surrounding Communities" – and on the corporate website.
	Strengthen the involvement in social projects in all countries, targeted to children, youngsters and elderly people from vulnerable environments, focusing on aspects of health and healthy eating, aiming to directly impact one million people until 2023.	**Partially achieved**. In 2023, based on the B4SI methodology, it is estimated that the Group Companies' (essentially focused on responding to social emergencies and social welfare) have supported around more than 2.2 million people from vulnerable backgrounds, including projects focused on issues such as health and healthy eating. We estimate that we had reached around 4.5 million people in 2022 and around 2.4 million people in 2021.
	In Poland, expand the food donations programme for local non-governmental organisations to 70% of stores.	**Achieved**. Stores with food donations procedures to local institutions totalled 2,701 by the end of 2023. This figure represented more than 75% of the Company's stores.
Being a Benchmark Employer	Promote the integration of personal and professional life and a flexible and healthy work environment across the Group, by implementing the flexibility policy and providing mental health services to more than 90% of employees. Additionally, the Group aims to achieve a wellbeing index and an engagement index* equal to or greater than 75%. * Global wellbeing index and global engagement index: measured through the group-wide employee satisfaction survey, considering the result of the "wellbeing" and "engagement" sections, respectively.	**Partially achieved**. In 2021, the Group's Managing Committee approved a Flexible Working Policy that includes flexible working hours and remote working, which was officially implemented in all the Group's Companies in 2023. 100% of our employees have access to mental health services. In Portugal, through the Mental Health Programme, aimed at employees and their children, we provide access to free psychology consultations. In Poland, employees have access to relevant digital content through the Spokojna Głowa (Calm Your Mind) programme and psychology consultations through the Razem Zadbajmy o Zdrowie (Let's Take Care of Health Together) programme at Biedronka and a wellness platform (Mindgram) with online psychology consultations at Hebe. In Colombia, digital content and training in the area of mental health are available, as well as mental health helplines. The Group-wide employee satisfaction survey was conducted in 2022, and we did not succeed to reach 75% in the wellbeing index and in the engagement index. In 2023, results were analysed at Group, Company and team levels, and action plans were drawn upon and implemented at all three levels.
	Reinforce the support given to employees in situations of vulnerability due to social	**Achieved**. In Portugal and Poland, 100% of requests for social and/or family emergencies are answered through

Action pillar	2021-2023 commitment	2023 progress
	and/or family emergencies across the Group, ensuring that more than 90% of emergency requests have a response and, depending on their nature, an action plan.	the Employee Assistance Services. In Colombia, although there is no formal social support programme, all the requests addressed to the Company were answered and, depending on the case, an action plan was structured. Through the Social Emergency Fund programme in Portugal and Możesz Liczyć (You Can Count on Biedronka) in Poland, as well as occasional support given in Colombia, 31,108 employees in vulnerable situations were supported over the 2021-2023 cycle.
	Promote the respect for human and labour rights across the Group, through regular awareness-raising and communication actions, ensuring: i. a training module on Code of Conduct for all employees; ii. a global training programme on human and labour rights for employees in management positions; iii. that 100% of new employees receive the Code of Conduct and the Anti-Corruption Policy, and that they sign their acknowledgement.	**Partially achieved.** i and ii. The training module on the Code of Conduct and the global training programme on human and labour rights are under development. iii. By 2023, 100% of employees joining the Group had received the Code of Conduct and signed its acknowledgement; 94% of new employees have received and signed an acknowledgement of the Anti-Corruption Policy, due to the fact that, in Colombia, the process includes training, which can take place in the first two months of the contract, which has not been completed by everyone.
	Prepare the Group for the future of work in the age of digitalization, ensuring the development of employees and leaders, through: i. a minimum number of 50 hours/employee of training, which includes training in leadership programmes and training courses carried out through the Group's self-development platform; ii. the creation of development plans for 80% of the managers.	**Achieved.** i. In 2023 we exceeded the defined commitment, achieving an average of 55 hours of training per employee, in a hybrid training model consisting of face-to-face training and e-learning via EducAction platform. ii. Personal development plans for managers were prepared in 2022 and implemented in 2023. Regarding the 2023 performance cycle, 89% of eligible employees have created their plan.
	Create opportunities for people at a disadvantage in accessing the labour market, namely people with disabilities, ensuring that more than 2% of people hired in Portugal have a disability or an incapacity.	**Achieved.** At the end of 2023, 2.2% of employees in Portugal had a disability and/or an impairment, reflecting the work carried out through Incluir Programme and Centres in creating training and employment opportunities for people at a disadvantage accessing the labour market. Specifically, the Group's holding company had 3.6% of employees with a disability and/or an impairment and most Companies exceeded the legally required quota, according to their size. We would also point out that the Group's holding company, Recheio and Pingo Doce have been awarded the Inclusive Employer Brand seal by the Institute for Employment and Vocational Training (in the case of the holding company, the level of excellence was achieved).

Action pillar	2021-2023 commitment	2023 progress
	Strengthen the promotion of gender equality across the Group through: i. improving methodologies for determining and monitoring disparities between men and women; ii. reducing wage inequality between men and women, measured by the gender pay ratio* and based on the year 2021 (97.6%), and also reporting this indicator for the most relevant Companies of the Group in terms of the number of employees (Biedronka, Pingo Doce and Ara); iii. training at least 50% of managers in relevant content such as unconscious bias. * The salary difference between women and men in the universe of employees of the Jerónimo Martins Group, based on comparable realities. It is expressed by considering the average salary of women as a percentage of the average salary of men, with 100% being the salary ratio that represents total gender equity.	**Partially achieved.** i. Monitoring the main gender indicators and improving the respective reporting methodologies are concerns that have remained constant throughout the 2021-2023 cycle. A global internal diagnosis across all people management practices from the gender equality perspective started in 2023, to better identify potential imbalances and act on them. ii. The global gender pay ratio continued to increase, reaching 98.5% at the end of 2023 (an increase of 0.9 p.p. compared to 2021), thus moving closer to full equality. iii. The training module on unconscious bias is under development.
	Strengthen workplace safety across the Group to prevent fatalities and accidents at work, reaching, by 2023 and globally, a reduction in the frequency index* to 12.50 and the severity index** to 0.30, based respectively on 13.26 and 0.31 in 2021. * Number of accidents with loss of working days/total hours worked ** Number of days lost/total hours worked	**Not achieved**. The Group achieved a frequency index of 13.05 in 2023, which corresponds to a decrease of 0.21 compared to 2021. In 2023 there were 2.4% fewer accidents at work with lost days in Portugal, thanks to the Companies' commitment to initiatives that promote safe working conditions and create an environment of prevention and care. However, there was a significant increase in this type of accidents in Poland and Colombia. The severity index was 0.32, with the number of loss of working days increasing in all countries. We therefore remain committed to analysing incidents and establishing concrete actions so that this severity can also decrease.
	Foster a culture of recognition across the Group, ensuring: i. salaries' competitiveness through annual internal, and external diagnostics every two years; ii. at minimum, 85% of the Group's employees benefit from at least one recognition programme.	**Achieved.** i. Throughout the 2021-2023 cycle, we continuously assessed the level of competitiveness of the wage policies in alignment with the benchmark in each country and for each Company, as well as ensured that internal equity levels were monitored on a regular basis. ii. By the end of 2023, 89% of our employees were covered by at least one recognition measure in the form of an annual performance bonus and/or incentive scheme.

8. 2024-2026 Commitments

Action Pillars	2024-2026 Commitments
I. Promoting Good Health Through Food	In all countries reinforce the offer of food alternatives such as vegan, plant-based, low carbohydrates, fat and salt, low sugar content/sugar-free, lactose-free, gluten-free and/or for consumers over 50 years old.
	In all countries, ensure that products targeted for children have higher, or at least equal, nutritional profile than the benchmark (or best in class), according to the country of operation.
	In Portugal ensure the use of voluntary "Without GMO" labelling for at least 75% of Private Brand food references containing mostly (>50%/net weight) potentially modified ingredients (soy and corn), helping consumers in the decision-making process.
	In Portugal, facilitate responsible consumption through voluntary labeling of alcoholic beverages (including wines) for 100% of Private Brand references, in the following areas: • calorie intake; • not recommended for pregnant women; • promotion of responsible driving.
	In Hebe, reinforce the relevance of Private Brand alternatives without ingredients of animal origin, in particular by launching at least 10 new references a year.
	In Hebe, reinforce the relevance of "Hebe Naturals" product range, which contain at least 92% natural ingredients in their formula (according to ISO 16128).
	In Portugal, Poland and Colombia carry out at least one annual programme to promote the principles of the Mediterranean diet, in Portugal, or healthy eating habits in geographies with other diets (based on the recommendations of local experts).
	In all countries, promote literacy for product labelling.
	In Portugal, ensure the Nutri-Score labelling is applied on100% of Private Brand food launches.
	In Poland, ensure the Nutri-Score labelling is applied on 100% of Private Brand food launches in selected categories.
	In Colombia, ensure that 100% of Private Brand products do not contain, in their direct ingredients, artificial colorants or flavour enhancers until 2026.
	In Poland, guarantee the absence of glucose-fructose syrup in at least 90% of Private Brand products by the end of 2026.
	In Poland, remove soy lecithin in at least 50% of Private Brand products with that ingredient until the end of 2026.
	In Poland and in Portugal, ensure whenever possible, by the end of 2026, that wholegrains are the main ingredient in breakfast cereals (with the exception of corn-based cereals).
	In Portugal, guarantee the enrichment of essential minerals and vitamins in the best-selling Private Brand products that aim to complement the main sources of food until the end of 2026.
	Ensure that, by 2026, 100% of our Private Brand food portfolio does not contain acesulfame and develop alternatives, together with suppliers, to replace aspartame for natural sweeteners.
	In Portugal and Poland, reinforce the relevance of the offer of Private Brand cosmetic products without ingredients of animal origin, for consumers with specific preferences.
	In Biedronka, ensure that at least 95% of the Private Brand regular assortment of personal hygiene products is microplastic-free.
	In Portugal and Poland, reinforce the relevance of the offer of Private Brand cosmetic products containing at least 90% of natural ingredients in their composition (in line with ISO 16128).
	In Biedronka develop Private Brand detergents that have, simultaneously, natural fragrances in their ingredients, are preservatives-free and are Ecolabel certified.
	In Biedronka, introduce the 'Eat fish twice a week' labelling for 100% of fresh fish references in selected processed Private Brand references and specialized perishables by 2026.
	Seek to ensure, on an annual basis, that the number of recalls of food products with potential risk to public health (level I severity), the cause of which is attributable to the Jerónimo Martins Companies, is zero. In the event of the occurrence of cases of level I severity, and in line with Jerónimo Martins' Product Quality and Safety Policy, ensure by all available means that the collection of food products in stores and Distribution Centres is 100% effective.
	In Poland, maintaining the number of ISO 22000-certified locations (16 distribution centres in 2023) and ensuring that the new Distribution Centres to be opened in the 2024-2026 period are certified within two years of starting operations.
II. Respecting the Environment	Ensure that the number of locations with environmental certification is at least 70% of the total number of distribution centres and industrial/similar units*. * including fresh dough factory, central kitchens, soup factory, Terra Alegre dairy factory and packing units.

<table>
<tr><th>Action Pillars</th><th>2024-2026 Commitments</th></tr>
<tr><td></td><td>In Colombia, Poland and Portugal support and/or implement, in the period 2024-2026, at least two nature conservation and biodiversity protection projects, aligned with the Kunmig-Montreal Global Diversity Framework, and disclose its results annually.</td></tr>
<tr><td></td><td>Reduce the Group's scopes 1 and 2 emissions, in absolute terms, by at least 10% by 2026, compared to 2021.This commitment is aligned with the science-based target for the near-term submitted by Jerónimo Martins to the Science Based Targets initiative.</td></tr>
<tr><td></td><td>Reduce carbon emissions resulting from transporting goods to stores by 5% (in tonnes of CO_2e per pallet transported) by 2026, compared to 2021.</td></tr>
<tr><td></td><td>Engage, in the period 2024-2026, with at least 5 of the top 100 suppliers in terms of purchased goods in each company, to collaborate on the definition of strategies for the reduction of scope 3 emissions.</td></tr>
<tr><td></td><td>Reduce energy consumption by 10% (per 1,000€ of sales) by 2026, compared to 2021.</td></tr>
<tr><td></td><td>Reduce water withdrawal in Distribution activities by 10% (per 1,000€ of sales), by 2026, compared to 2021.</td></tr>
<tr><td></td><td>Define and implement a mitigation and adaptation plan to improve the efficiency of water use and to manage its scarcity during low precipitation periods in JMA units, publicly disclosing its progress.</td></tr>
<tr><td></td><td>Ensure that at least 25% of Private Brand products' packaging is included in the Ecodesign project by 2026, considering the 2023 assortment.</td></tr>
<tr><td></td><td>Reduce by 10%, by 2025, the specific consumption of plastic measured in tonnes of plastic packaging per million euros of turnover, compared to 2018.</td></tr>
<tr><td></td><td>Increase the content of recycled plastic incorporated in plastic packaging under our responsibility (Private Brand, service packaging, carrier bags and palletizing film) to 25% by 2025.</td></tr>
<tr><td></td><td>Ensure an annual waste recovery rate of at least 85% of the volume of waste generated by 2026.</td></tr>
<tr><td></td><td>Limit annual food waste to 2.5% of total food sales (in tonnes), in 2024-2026 period.</td></tr>
<tr><td></td><td>Increase by 10% the amount of rescued food in own operations and in the supply-chain, namely through food donations, sales with a discount price of food products reaching the expiry date, recovery of non-graded food from farmers and leftovers from own operations and recovery of wasted food to animal feed and bio processing, by 2026, compared to 2023.</td></tr>
<tr><td>III. Sourcing Responsibly</td><td>Guarantee that at least 80% of the Jerónimo Martins Group's purchases of food products are sourced from local suppliers.</td></tr>
<tr><td></td><td>Increase sales of Private Brand and/or perishable products and packaging with sustainability certification to at least 15% of the total sales of these product categories by 2026.</td></tr>
<tr><td></td><td>Carry out environmental audits to at least 20% of selected Private Brand and Perishables suppliers, based on a risk assessment and with a purchase volume greater than one million euros, in the 2024-2026 period.</td></tr>
<tr><td></td><td>Contribute to the objectives of the Forest Positive Coalition of Action of The Consumer Goods Forum. The following objectives have been set for our Private Brand and perishable products:
• By 2025, ensure that palm oil, soy, paper and wood and beef in our Private Brand and perishable products are not associated with either deforestation or conversion of ecosystems (DCF - Deforestation and Conversion Free).
• Palm Oil:
o Continue to ensure that 100 % of palm oil in Portugal and Poland is RSPO certified and progressively extend this commitment to palm oil derivatives.
o In Colombia, ensure compliance with the Colombian government's "Acuerdo de Voluntades para la Deforestación Cero en la Cadena de Palma en Colombia" (Voluntary Agreement for Zero Deforestation in the Colombian Palm Oil Chain), guaranteeing that by 2026, the palm oil of Colombian origin used in Private Brands and perishable products is traceable to the farm where it was produced and is not associated with deforestation, and that 100% of palm oil of non-Colombian origin used in Private Brands and perishable products is certified by the RSPO.
• Soy: By 2025, ensure that 100% of direct and indirect soy is traceable at least to the country of origin and that whenever it comes from an origin where the risk is not negligible, the soy is traced back to the municipality of origin and/or has sustainability certification (e.g. RTRS or Proterra).
• Paper and Wood: Working with suppliers of Private Brand products and perishables to ensure that 95% of the virgin fibres used in our products and 80% of the virgin fibres used in our packaging are certified (FSC® or PEFC) by 2026.
• Beef: Ensure that 100% of the beef in our Private Brand and perishable products is traceable at least to the country of origin, and that traceability to the farm of origin is guaranteed for all beef sourced from non-negligible risk countries.</td></tr>
<tr><td></td><td>By 2026, analyse the sustainability status of fish stocks for at least 80% of fish sales (in kg), from Private Brand and perishable products, and publicly disclose progress.</td></tr>
</table>

Action Pillars	2024-2026 Commitments
	By 2026, ensure that 100% of wild-caught tuna in our Private Brand and perishable products is traceable to the vessel.
	Eliminate, by 2025, the sale of Private Brand fresh eggs from caged hens.
	By 2026, in Portugal and Poland, ensure that at least 90% of eggs used as an ingredient in our Private Brand products are from cage-free hens.
	In Poland, carry out inspections to 100% of egg farming units from which Private Brand fresh eggs are produced for Biedronka, until the end of 2024.
	In Portugal and Poland, ensure, by 2026, that animal welfare topics are included in the scope of audits to perishable suppliers who manufacture products containing at least 80% animal protein, and publicly disclose the results.
	In Poland, starting from 2024, carry out 100% of fresh fish, from aquaculture, audits according to the 'Fish Welfare' standard.
	In Biedronka, ensure the extension of product guarantee from 2 to 3 years for all electric and additional non-electric non-food products where applicable.
IV. Supporting Surrounding Communities	Monitoring and disclosure of at least 70% (in value) of the social impacts resulting from the annual support offered by all Jerónimo Martins companies, according to the Business for Societal Impact (B4SI) model and aligned with criteria for the financial materiality.
	Strengthen the involvement in social projects in all geographies, targeted to children, youngsters and elderly people from vulnerable environments, aiming to directly impact 1 million people per year, until 2026.
	In Colombia, promote health through food to at least 3,000 vulnerable children, per year, by supporting them with in-kind in regions with the highest indicators of malnutrition and food insecurity.
	By 2026 in Colombia, ensure that 50% of stores donate food and non-food products to nongovernmental organizations, with the aim of supporting vulnerable people.
	In Colombia, ensure support until 2026, to more than 1,200 community mothers' houses through food and equipment assistance, while simultaneously following-up on nutritional indicators of children under their care, such as anthropometric measures.
	In Colombia, ensure at least 200 volunteers participate on environmental protection initiatives and livelihood improvement projects for vulnerable people by 2026.
	In Colombia, support more than 60,000 people by 2026 in context of vulnerable conditions through humanitarian and livelihood programs, namely with food, prioritizing children and regions with the highest poverty rate and higher food insecurity indicators, by ensuring at least two partnerships with NGOs and/or other industry leaders.
V. Being a Benchmark Employer	Promote respect for human and labour rights, by: • ensuring a training module on the Code of Conduct available to 100% of employees; • ensuring a global training programme on human and labour rights available to 100% of managers; • implementing an internal global policy and process of prevention and compliance with labour rights, reflecting the Labour Fundamentals Guidelines in place. Strengthen the promotion of gender equality across the Group, by: • deploying a global diagnosis of HR practices to identify any gender inequalities that may exist and work on the identified improvement opportunities; • ensuring a gender pay ratio * variation of +/- 3% compared to the parity ratio (100%), globally and by country; • ensuring a global training programme on unconscious bias available to 100% of managers. * Salary difference between women and men in the Jerónimo Martins Group employee universe, based on comparable realities. It is expressed considering the average salary of women as a percentage of the average salary of men, with 100% being the pay ratio that represents full equality among genders (parity).
	Reinforce leadership capabilities in future generations and stimulate knowledge transfer, by: • organizing at least four yearly global sessions with senior experts, available to all young talent population; • promoting a global Jerónimo Martins experience for the young talent population, with the definition of a new global trainee policy; • ensuring that 90% of managers take part in at least one leadership development initiative by the end of 2026; • embedding the Group's Values and associated behaviours in people management processes with at least two global processes reviewed and 100% of eligible employees impacted; • implementing a mechanism to measure leadership impact in the Group.

Action Pillars	2024-2026 Commitments
	Strengthen our recognition mechanisms and promote greater transparency about compensation, by: • ensuring at least one recognition mechanism that values behaviours in all Companies (evolving existing ones or implementing new recognition mechanisms), covering 100% of employees by 2026; • making available the total compensation package statement (fixed and variable remuneration and benefits) to 100% of employees by 2026.
	Increase the number of employees in our workforce at a disadvantaged position in accessing the labour market (people with disabilities and/or impairments, refugees and migrants or people at social risk) and contribute positively to increasing social inclusion awareness within and outside the Group, promoting at least four yearly forums to share good practices in this scope.
	Reinforce our internal development and mobility opportunities, increasing their attractiveness and effectiveness, by: • creating personal development plans for at least 95% of eligible managers; • evolving the personal development plan definition process, aligning it with individual and business needs and ensuring close follow-up (from line managers and HR) for managers in the talent pool; • ensuring that 100% of eligible internal vacancies are published and increasing the average number of applications per vacancy; • Rolling out a global referral programme.
	Foster safe working conditions, by: • investing in certifying at least three new workplaces/businesses following ISO 45001; • decreasing the current frequency and severity index to 12.00 and 0.29, respectively.
	Promote a flexible and healthy work environment across the Group, by: • piloting at least one measure in the scope of new ways of working and/or hiring; • making training in wellbeing available to 100% of managers, giving them tools to identify and manage their own issues and help their team; • ensuring that 100% of employees have access to a structured wellbeing programme; • supporting employees in vulnerable situations due to social and/or family emergencies across the Group, ensuring at least the same level of investment in the Social Emergency Fund, in Portugal, and in Możesz Liczyć (You Can Count on Biedronka), in Poland.

9. The EU Taxonomy

9.1. Framework

The aim of the European Union's (EU) Taxonomy[178] is to encourage public and private investment to be allocated to sustainable activities, thereby contributing towards the European Commission's carbon-neutral targets by 2050. The Taxonomy recognises environmentally sustainable economic activities to be those that:

- make a substantial contribution to at least one of the six environmental objectives: (i) climate change mitigation; (ii) climate change adaptation; (iii) the sustainable use and protection of water and marine resources; (iv) the transition to a circular economy; (v) pollution prevention and control and (vi) the protection and restoration of biodiversity and ecosystems;
- do no significant harm to any of the other environmental objectives;
- meet minimum social safeguards.

Of the six environmental objectives defined, those relating to climate change mitigation and adaptation are regulated by the Climate Delegated Act and the Complementary Climate Delegated Act (the latter covering specific activities in the gas and nuclear energy industry). In 2023, new economic activities were included in the scope of these two objectives. The remaining objectives are covered in the Environmental Delegated Act, also published in 2023. These documents list the eligible economic activities and technical criteria for assessing whether certain economic activities make a "substantial contribution" and at the same time "do no significant harm" to any of the other environmental objectives. Activities that comply with these criteria and those related to the minimum safeguards are considered to be taxonomy-aligned.

Our main activity, food distribution, is not, yet, included in the activities listed in the Taxonomy. Therefore, only the activities supporting our operations are listed as eligible and not necessarily the main activities that we carry out, which could make a greater contribution towards the EU's carbon-neutral targets.

9.2. Our Contribution

Fighting climate change is one of the priorities defined in our Environmental Policy[179]. The commitments and the actions we have undertaken and implemented in this regard are detailed in subchapter 5. "Respecting the Environment" and subchapter 6. "Sourcing Responsibly".

In 2023 we submitted our short- and long-term greenhouse gas (GHG) emission reduction targets to the Science Based Targets Initiative (SBTi). We estimate that these targets will be validated in the first half of 2024. Our objectives are as follows:

Short term

- by 2033, reduce our scope 1 and 2 emissions (energy and industry) by 55%, compared to 2021.
- by 2033, reduce our scope 3 emissions (energy and industry) by 33%, compared to 2021.
- by 2033, reduce our forest, land and agriculture (FLAG) emissions by 39.4%, compared to 2021.

Carbon neutrality[180]

- by 2045, reduce our scope 1 and 2 emissions (energy and industry) by 90%, compared to 2021.
- by 2050, reduce our scope 3 emissions (energy and industry) by 90%, compared to 2021.
- by 2033, reduce our forest, land and agriculture (FLAG) emissions by 72%, compared to 2021.

These reduction targets ensure that we are aligned with the EU 2030 emissions reduction targets and with the science-based carbon reduction pathways for compliance with the Paris Agreement.

Until the end of 2023, we worked consistently to meet the carbon reduction targets we had set ourselves and which were:

[178] The EU Taxonomy is defined through Regulation (EU) 852/2020 of the European Parliament and the Council of 18 June 2020.
[179] Available for consultation on the "Responsibility" page at www.jeronimomartins.com.
[180] Includes the neutralisation of residual greenhouse gas emissions.

- reduce by 40%, compared to 2017, greenhouse gas (GHG) emissions, in scopes 1 and 2, for every 1,000 euros of sales;
- reduce carbon emissions resulting from transporting goods to stores by 5% compared to 2020 (in tonnes of CO_2e for every 1,000 pallets transported).

At the end of 2023, we had reduced GHG emissions (scopes 1 and 2) by 60% compared to 2017 per 1,000 euros of sales, meeting and exceeding the target. Regarding emissions associated with transport per 1,000 pallets transported, we achieved a reduction, compared to 2020, of 1%. Additionally, we reduced total carbon emissions in scopes 1 and 2 by 24.2% compared to 2017 and in absolute value.

The implementation of our commitments is underpinned by continuous investment, with execution cycles aligned with the business plan, through which we promote the adoption of carbon-reduction technologies that will enable us to transition our activities to a low-carbon economy. The majority of this expenditure is allocated to the acquisition of goods and services from economic activities related to energy efficiency and renewable energy technologies.

Energy efficiency is an integral part of the activities involved in building and refurbishing our facilities, especially stores and distribution centres in the countries in which we operate. The measures implemented include the installation of highly energy-efficient equipment, heat recovery and cold conservation systems for refrigeration appliances, speed controllers for the motors of the refrigeration equipment and LED lighting.

We have also invested in installing photovoltaic solar panels to generate renewable electricity that powers our stores and distribution centres. At the end of 2023, such technology was installed on around 780 sites in Poland, Portugal and Colombia and, as a general rule, supplied between 5% and 45% of those sites' consumption. Also in 2023, in the first year (of 15) of the Virtual Power Purchase Agreement (VPPA), Biedronka guaranteed the supply of 55 GWh (198,000 GJ) of renewable energy, avoiding the emission of 37,500 tonnes of CO_2e. Since July 2018, we have purchased 100% certified renewable electricity to power our operations in Portugal, avoiding the emission of 120,000 tonnes of CO_2e.

Although the Taxonomy does not yet identify them as being eligible, nor does it define technical screening criteria for these technologies, reducing refrigerant gas leaks from our heating, ventilation, air conditioning and industrial cooling equipment also play a relevant role in reducing our carbon footprint. In 2023, emissions from this type of equipment accounted for around 11% of scope 1 and 2 emissions.

In 2015, we established a Group-wide plan to replace high global warming potential (GWP) refrigerant gases with natural refrigerant gases (e.g., carbon dioxide, ammonia or propane) or those with low GWP (e.g., R407f). At the end of 2023, 4,875 of our stores and platforms had freezers running solely on propane. In addition, 2,953 stores and 24 distribution centres and industrial units used natural refrigerant gases in their cooling systems.

Along with managing refrigerant gases in such equipment, we implemented other energy efficiency measures that are not yet considered in the Climate Delegated Act, but which also constitute an important contribution towards meeting the European Commission's targets, namely:

- installation of equipment with improved energy performance (e.g., fridges and freezers with doors and lids that prevent energy loss);
- sale of products and packages with sustainability certification, that guarantees the implementation of good agricultural and production practices and/or those not linked to deforestation or the conversion of high conservation value ecosystems;
- the work we have carried out with our suppliers to promote sustainable agricultural practices and to eradicate deforestation in our supply chains[181].

[181] According to the EU regulation on deforestation-free supply chains, it is estimated that deforestation is responsible for around 11% of total global carbon emissions and that around half of these are linked to agricultural production.

9.3. Eligibility Analysis

We examined the eligible economic activities identified in the Climate Delegated Act, in the Complementary Delegated Act and in the Environmental Delegated Act, and identified five eligible activities related to the acquisition of goods or services that support our main activity:

Activity	Code[182]	Description
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5. / CCA 6.5.	This activity includes service vehicles related to car leasing operations.
Renovation of existing buildings	CCM 7.2. / CCA 7.2. / CE 3.2.	We have made significant investments in the refurbishment of our stores (Portugal, Poland and Colombia). Only major renovation works are considered in this activity[183].
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3. / CCA 7.3.	This activity includes measures such as envelope and roof insulation and replacement of windows, doors, light sources and HVAC systems with more efficient technologies. There is other equipment that helps to improve the energy efficiency of our stores and operations that is not included in the Taxonomy but enables us to reduce our carbon footprint and increase our energy efficiency, namely chillers and standalone cooling equipment.
Installation, maintenance and repair of renewable energy technologies	CCM 7.6. / CCA 7.6.	We have invested in the installation of photovoltaic solar energy equipment[184].
Acquisition and ownership of buildings	CCM 7.7. / CCA 7.7.	This activity includes the acquisition of buildings, new leases/rentals of buildings (right-of-use) and refurbishments and other renovations of existing buildings not included in other activities. Refurbishments are outsourced to third parties in the civil engineering sector who carry out the building/refurbishment works. Jerónimo Martins only acquires the result of those services and does not carry out any actual construction. As such, considering (i) the similarity to the situations in which we acquire a building that has been built by third parties and (ii) the absence, at this stage, of another activity in the Taxonomy where they would be more suitably classified, we have considered it appropriate to classify these situations as exercising the right of ownership over the refurbished buildings.

The Climate Delegated Act determines eligibility and alignment with climate change mitigation and adaptation objectives. As the contribution to the climate change adaptation objective is of lesser importance compared to the mitigation objective, the subsequent alignment analysis is carried out in relation to the mitigation objective.

The activities described above are also included in Annex II to the Climate Delegated Act regarding the objective of climate change adaptation. Since the contribution to this objective is of lesser importance than the climate change mitigation objective, we assessed the eligibility under the Climate Delegated Act of the mitigation objective.

Some additional activities were identified as possibly fitting within the terms of eligible capital expenditure (CapEx). However, since they are carried out as part of the construction and refurbishment of our infrastructures, they are considered under activities 7.7 "Acquisition and ownership of buildings" and 7.2 “Renovation of existing buildings”, respectively. These activities are:

- 5.1. Construction, extension and operation of water collection, treatment and supply systems;
- 5.2. Renewal of water collection, treatment and supply systems;
- 5.3. Construction, extension and operation of wastewater collection and treatment;
- 5.4. Renewal of wastewater collection and treatment;

[182] CCM (Climate Change Mitigation); CCA (Climate Change Adaptation); CE (Circular Economy).
[183] As set out in the Portuguese national and regional regulation transposed from Implementing Directive 2010/31/EU for “major renovations”.
[184] More information is available in subsection 3.3.3. “Water and Energy Consumption Management”, section 3.3. “Fighting Climate Change” in subchapter 3. “Respecting the Environment”.

- 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring energy performance of buildings.

With regard to activities 5.5. “Collection and transport of non-hazardous waste in source segregated fractions” and 6.6. “Freight transport services by road”, as these are outsourced to third-party service providers who do not represent our assets, they were excluded from the calculation of the indicators. However, considering their relevance to our operations, they are an integral part of our strategy to reduce greenhouse gases[185].

Activity 7.4. “Installation, maintenance and repair charging stations for electric vehicles in buildings (and parking spaces attached to buildings)” is also outsourced to third-party service providers who do not represent our assets and has therefore been excluded from the calculation of the indicators.

We also examined Delegated Regulation (EU) 2022/1214, which adds a set of economic activities to the Climate Delegated Act in certain energy sectors (nuclear energy and fossil gas). We do not carry out, fund or have exposure in the construction, renewal or operation of such activities.

9.4. Alignment analysis

9.4.1. Substantial Contribution (SC) and Do No Significant Harm (DNSH)

Once the eligible activities had been identified, the technical screening criteria were analysed in order to establish whether those activities Substantially Contribute (SC) to the objective of Climate Change Mitigation, and simultaneously, the technical screening criteria were also analysed to certify that they Do No Significant Harm (DNSH) to any of the other five environmental objectives.

This analysis was performed for the three main countries in which we have operations. It is important to stress that the majority of our investments in Colombia are not aligned due to the absence of guidance from the European Commission on how to transpose the technical requirements linked to the European directives and regulations to non-European countries. We also found that the technical criteria defined for some activities (e.g., 7.7. “Acquisition and ownership of buildings”) may not be applicable to the weather conditions in some regions of that country. The combination of these two factors prevents the assessment of a potential alignment of around 15% of the Group's CapEx.

Some of the criteria analysed for the three activities identified as eligible are highlighted below.

Activity 6.5. Transport by motorbikes, passenger cars and light commercial vehicles

Criteria	Description (non-exhaustive)	Alignment analysis
SC	Category M1 and N1 vehicles meet the following requirements: • Until 31/12/2025, specific CO_2 emissions of less than 50g CO_2/km (light commercial vehicles with zero or low emissions) • From 1 January 2026, specific emissions of CO_2 are zero.	In 2023 we contracted service vehicle leasing operations in Portugal, Poland and Colombia. For the vehicles in which it was possible to collect all the necessary technical information, we evaluated and validated their alignment with the technical criteria. For cases where it was not possible to obtain all the information regarding their characteristics, we have chosen to consider these investments as non-aligned.
DNSH	Climate change adaptation: • Appendix A.	See Appendix A application analysis below.
DNSH	Transition to a circular economy: • Vehicles of categories M1 and N1 are both of the following: a. reusable or recyclable to a minimum of 85 % by weight; b. reusable or recoverable to a minimum of 95 % by weight. • Measures are in place to manage waste both in the use phase (maintenance) and the end-of-life of the fleet, including	Despite our commitments to promoting a circular economy and waste management, we have not been able to collect the evidence needed to ensure that 85% (by weight) of vehicles are reusable or recyclable and 95% (by weight) are reusable or recoverable. Thus, we opted to adopt a conservative approach and assume that we do not align with these NPS criteria.

[185] More information in section 3.3. “Fighting Climate Change” in subchapter 3. “Respecting the Environment”.

Criteria	Description (non-exhaustive)	Alignment analysis
	through reuse and recycling of batteries and components, in accordance with the waste hierarchy.	
DNSH	Pollution prevention and control: • Vehicles comply with the requirements of the most recent applicable stage of the Euro 6 emissions; • The vehicles comply with the established emission thresholds for clean light-duty vehicles; • For road vehicles of categories M and N, tires comply with external rolling noise requirements in the highest populated class and with rolling resistance coefficient (influencing the vehicle energy efficiency) in the highest two populated energy efficiency classes.	The data collected to verify compliance with the associated requirements is still insufficient to ensure their alignment.

Activity 7.2. Renovation of existing buildings

Criteria	Description (non-exhaustive)	Alignment analysis
SC	Complies with the applicable requirements for major renovations or leads to a reduction of PED (primary energy demand)[186] of at least 30%.	In 2023, we carried out some major renovations on our stores in Portugal and in Poland. These comply with the major renovations classification criteria in these countries.
DNSH	Climate change adaptation: • Appendix A.	See Appendix A application analysis below.
DNSH	The sustainable use and protection of water and marine resources: • Appendix E.	The data collected to check compliance with the requirements linked to Appendix E are still insufficient to guarantee their alignment.
DNSH	Transition to a circular economy: • At least 70 % (by weight) of the non-hazardous construction and demolition waste generated on the construction site is prepared for reuse, recycling and other material recovery; • Building designs and construction techniques support circularity (ISO 20887).	Notwithstanding the commitments we have undertaken to promote a circular economy and waste management, we were not able to collect the necessary evidence to guarantee that 70% of non-hazardous construction and demolition waste on the construction sites is prepared for reuse, recycling or other material recovery. As such, we chose to adopt a conservative approach and acknowledged that we are not aligned with these DNSH criteria.
DNSH	Pollution prevention and control: • Appendix C; • Building components and materials used in the construction that may come into contact with occupiers[187] emit less than 0.06 mg of formaldehyde per m^3 of material or components.	We regularly carry out indoor air quality assessments, namely for major retail and services buildings. In addition, during construction or maintenance works, we adopt appropriate measures to reduce noise, dust and pollutant emissions. However, the assessment carried out does not allow us to validate all the requirements set out in these criteria, namely those indicated in Appendix C. As such, we have chosen to consider that there is no alignment.

Activity 7.3. Installation, maintenance and repair of energy efficiency equipment

Criteria	Description (non-exhaustive)	Alignment analysis
SC	Complies with minimum requirements set for individual components and systems in the national measures and, where applicable, are rated in the highest two populated classes of energy efficiency.	For those energy efficiency equipment measures where it was possible to collect all the necessary information on their technical characteristics, we assessed and validated their alignment with the technical criteria. For the cases where all the information relating to their characteristics could not be obtained, we chose to consider these investments as not being aligned.
DNSH	Climate change adaptation: • Appendix A.	See Appendix A application analysis below.
DNSH	Pollution prevention and control: • Appendix C;	In 2023, no investments were made related to thermal insulation.

[186] Quantity of energy calculated as necessary to meet the energy demand linked to the typical consumptions of a building (in kWh/m²).
[187] Applicable to paints and varnishes, ceiling tiles, floor coverings, including associated adhesives and sealants, internal insulation and interior surface treatments (namely those to treat damp and mould).

Criteria	Description (non-exhaustive)	Alignment analysis
	• In case of addition of thermal insulation to an existing building envelope, a building survey is carried out in accordance with national law.	

Activity 7.6. Installation, maintenance and repair of renewable energy technologies

Criteria	Description (non-exhaustive)	Alignment analysis
SC	Consists in the installation, maintenance and repair of solar photovoltaic systems when they are installed on-site as technical building systems.	In 2023, we invested in the installation of solar photovoltaic equipment in our buildings[188].
DNSH	Climate change adaptation: • Appendix A.	See Appendix A application analysis below.

Activity 7.7. Acquisition and ownership of buildings

Criteria	Description (non-exhaustive)	Alignment analysis
SC	For buildings built after 31/12/2020, the buildings meet the SC of activity 7.1.: • The primary energy demand (PED) is at least 10% lower than the threshold set in the requirements for nZEB[189]. For buildings built before 31/12/2020, the buildings have at least an EPC[190] class A or are within the top 15% of buildings of the national or regional building stock expressed as operational PED percentage, comparing the performance of the relevant asset with the performance of the national or regional building stock built before 31.12.2020.	For buildings built after 31.12.2020: • In Portugal, within our exercise of ownership rights, we made investments in 2023 that comply with the SC requirements (validated by the existence of type A+, A and B energy certificates); • In Poland, the criteria are certified using a methodology equivalent to the energy certificate, based on the energy performance of the stores; • In Colombia, we were unable to validate alignment due to the absence of guidance for transposing the technical criteria required by the applicable European Directives and Regulations. For buildings built before 31/12/2020: • In Portugal, according to official databases, the top 15% of buildings in the national building stock built before 31/12/2020 have an EPC of B or higher, and so we have considered that the investments in buildings built before 2020 with an EPC of at least B, comply with the substantial contribution criteria; • In Poland, according to the Polish Central Energy Performance Register, the value of the PED of the top 15% of non-residential buildings corresponds to 118.26 kWh (m^2/year), and so we have considered that the investment in buildings built before 2020 with an EPC below that value, comply with the substantial contribution criteria; • In Colombia, we were unable to validate alignment due to the absence of guidance for transposing the technical criteria required by the applicable European Directives and Regulations.
DNSH	Climate change adaptation: • Appendix A.	See Appendix A application analysis below.

Application of Appendix A "Climate change adaptation"

We adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD[191]) in 2020, in a process of continuous improvement in the identification, assessment and management of climate-related financial risks and opportunities in our value chain. In order to reduce the impact of our business activities on the climate, we have established a Climate Transition Plan[192] which reflects our ambition to contribute to limiting the increase in average global temperature to 1.5°C. We also continue to

[188] More information is available in subsection 3.3.3. "1.3.3. Water and Energy Consumption Management", section 3.3. "Fighting Climate Change" in subchapter 3. "Respecting the Environment".
[189] Standard building used by countries of the European Union as the value for the minimum construction requirements.
[190] Energy performance certificate or equivalent
[191] The TCFD is an initiative promoted by the financial sector that helps businesses quantify and disclose climate-related financial risks and opportunities, and their respective action plans.
[192] More information can be found at www.jeronimomartins.com/cr-documentos-2023.

improve the assessment of short-, medium- and long-term climate risks throughout our value chain and involving our Private Brand and perishables suppliers, so as to increase the climate resilience of the supply chain and assess business opportunities in primary production and the use of low-carbon technologies.

Among the risks assessed are rising average temperature and extreme temperatures, changing precipitation patterns, prolonged water shortages and flooding in coastal and inland regions. The risks and opportunities of transitioning to a low carbon economy were also assessed, which, among the risks of energy transition, contemplates an increase in the costs of energy linked to the targets of the Paris Agreement. More than 5,700 of the Jerónimo Martins Group's establishments[193] were included in this assessment, in risks and opportunities identified were considered non-material. In 2023, we continued to respond to identified risks such as extreme weather events, refrigeration gases used for compliance with environmental legislation, and to maximise opportunities related to the energy transition. As regards the latter, we have invested in acquiring guarantees of origin in Portugal, establishing long-term renewable energy purchase contracts in Poland, increasing the number of stores and distribution centres with photovoltaic energy production systems in the countries where we operate, implementing energy recovery systems in industrial units, and refurbishing the store network to reduce energy consumption. In addition to investment in energy efficiency and renewable energy, we continue to replace refrigeration equipment with technologies using natural refrigerant gases to reduce the potential of global warming linked to the operation of such equipment in the case of leaks. By 2023, 52% of our stores and 67% of our distribution centres and industrial units had this refrigeration technology installed, which is also being used in 85% of the standalone refrigeration and freezing equipment in our stores.

The conclusions of the TCFD study will enable us to adjust the mitigation and adaptation strategy of our businesses and will be considered when defining the plans for the transition to a low carbon economy. In subsection 3.3.1. “Climate-Related Risks and Opportunities” in subchapter 3. “Respecting the Environment”, we provide detailed information on the application of the TCFD recommendations, namely climate scenarios used, and time horizons considered.

9.4.2. Minimum Safeguards

In order to comply with the European due diligence recommendations, we have been implementing a set of measures in the Group's Companies to prevent and mitigate the adverse impacts of our activity on the environment, and in respect of human rights, labour and other social aspects.

The European Taxonomy establishes minimum safeguards such as “alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work, and the International Bill of Human Rights”[194].

To help undertakings assess compliance with these requirements, in October 2022 the European Commission’s Platform on Sustainable Finance published the Final Report on Minimum Safeguards[195], identifying four topics that companies must address: human rights, corruption, taxation and fair competition. The activities carried out by Jerónimo Martins in the pursuit of compliance are described below.

Human rights in our operations[196]

The Jerónimo Martins Group respects human and workers' rights, following the guidelines of the United Nations and the International Labour Organization, within the framework of the Universal Declaration of Human Rights, the Fundamental Conventions of the International Labour Organisation and other conventions, as well as the local laws in the countries where it does business.

[193] Establishments are considered to be stores, distribution centres, head office buildings and manufacturing units (central kitchens and soup or fresh dough factories).
[194] Regulation (UE) 2020/852 of the European Parliament and of the Council of 18 June 2020.
[195] “Final Report on Minimum Safeguards”, Platform on Sustainable Finance, October 2022.
[196] See chapter 5. “Corporate Responsibility in Value Creation”, subchapter 6 “Being a Benchmark Employer” and, in particular, section 6.3. “Our areas of action”, subsection 6.3.11 “Act ethically”.

Our actions are guided by principles such as respect for the law and human rights, honesty, integrity, transparency, diversity and inclusion, corporate social responsibility and independence from political parties. We prevent all forms of discrimination and ensure that professional development and recognition are based on merit and fairness, qualifications and equal opportunity. We promote a safe and healthy working environment and have zero tolerance for any form of harassment. We strive to guarantee the best workplace health and safety practices[197], for the benefit of our more than 130,000 employees. We ensure freedom of association and collective bargaining[198].

We also promote respect for the privacy of employees, working hours and the right to rest, valuing a balanced organisation of time. We seek to prevent the risks of forced and child labour, in particular through mechanisms that prevent the hiring of persons under the legally permitted employment age and have implemented measures to ensure respect for the rights of indigenous peoples.

The aforementioned human rights topics are integrated into our Code of Conduct[199], which addresses the principles that guide our relationships with all stakeholders.

We regularly promote human rights initiatives under the Code of Conduct and applicable labour law. In 2023 we provided training on the Code of Conduct to 5,251 people, and on labour law to 7,704 employees, totalling more than 20,000 training hours.

Human and labour rights in the supply chain

With regard to the supply chain, in addition to the rules set out in the Jerónimo Martins Code of Conduct, three guiding documents are of note: the Supplier Code of Conduct, the Sustainable Sourcing Policy and the Anti-Corruption Policy[200]. Suppliers are selected based on criteria of quality, innovation capacity, price, supply capacity, performance, trust, continuity and sustainability over time.

Suppliers and other business partners undertake to conduct their business with honesty, integrity and respect for compliance with the laws of the countries where they operate and applicable international treaties. By integrating the Supplier Code of Conduct and the Anti-Corruption Policy into new business agreements, we stress the importance of reducing and remedying potential adverse impacts for the whole supply chain. Irrespective of how long they have been working with us, suppliers are also invited for training sessions in these matters promoted by Jerónimo Martins.

In relation to the Sustainable Sourcing Policy, the Group reserves the right to immediately, and unilaterally, cease business relations with suppliers whenever it becomes aware that these and/or their suppliers are engaged in the violation of human, children's and/or workers' rights and/or do not incorporate ethical and environmental concerns in carrying out their activities.

In global sourcing processes (products that serve Companies located in more than one country), supplier selection criteria include accepting the Sustainable Purchasing Policy, the Supplier Code of Conduct and the Anti-Corruption Policy, declaring that no forced or child labour is used in their operations, guaranteeing that working hours are in line with the law, and granting the legally required rest days. Other criteria include fair pay, promotion of a safe working environment by, for example, providing fire-fighting and personal protective equipment, emergency exits, workers' compensation insurance and medical care for all employees, and the willingness to undergo a social audit and related training if selected.

Perishables and Private Brand suppliers are regularly audited, including in the selection phase, to follow-up on the management and control of production processes, in particular of implemented quality and food safety systems. These audits are conducted by internal teams and with the help of independent external entities. They include aspects such as food quality and safety and the incorporation of environmental and

[197] We have 92 Group-wide and local policies that accompany the entire career path of employees within the organisation and that safeguard ethical and responsible conduct in each of the human resources management processes. Of note in Portugal are the anti-harassment and anti-discrimination guidelines focused on managing and combating such situations in the workplace.
[198] In Poland, Biedronka has a Trade Union Policy in place that sets out the main rules and guidelines for conducting effective and efficient social dialogue in line with the law and based on the principles of transparency, independence and mutual trust. In 2023, collective bargaining, applicable only to Portugal, covered 95.4% of the banner's employees in the country.
[199] Our Code of Conduct is available on our corporate website, on the "Ethics and Integrity" page.
[200] Our Anti-Corruption Policy is available on our corporate website, on the "Ethics and Integrity" page.

labour criteria, among other aspects.[201]

Social audits, in turn, carried out by an independent external entity, aim at monitoring and ensuring compliance with national and international law, and at encouraging the adoption of good practices shared by The Consumer Goods Forum's (CGF) Sustainable Supply Chain Initiative. They also seek to ensure compliance with the Resolution and Priority Principles[202], in force since 2015, of the Human Rights Coalition – Working to End Forced Labour, also from CGF.

These social audits cover more than 120 assessment criteria, some of which considered to be of "zero tolerance" regarding aspects related to preventing forced and child labour, emergency preparedness, health and safety and, among others, combating corruption.

They are preceded by training and, after an *in loco* check of the infrastructure and interviews with workers, culminate in the assignment of a score. Where necessary, a corrective action plan is designed with a time limit for implementation based on severity. Audits apply to three types of activities in the agrifood sector: primary production, offshore operations and processing industry.[203]

As a complement to the initiatives carried out with our suppliers, we encourage the adoption of sustainability certifications. These systems follow benchmarks with environmental and/or social requirements that are confirmed by external entities and can cover one or more ingredients, the product itself and/or the packaging thereof. This certification ensures that good environmental practices are implemented in the value chain, helping, among other things, to guarantee that there has been no deforestation or conversion of high conservation value ecosystems in product manufacture, that production processes to mitigate pollution are best in class, and/or that human rights principles are respected, confirming, for instance, that there is no child labour or forced labour, and that fair payment is made to the producer. Specific symbols and labels are also used at the point of sale to facilitate the communication of these attributes to consumers, raising their awareness and encouraging them to opt for certified products[204].

Preventing and combating corruption

We are committed to fighting all forms of corruption, whether directly or indirectly associated with the various links in our value chain, demanding transparency and integrity in relationships between different stakeholders. In our Anti-Corruption Policy, which is an integral part of the Code of Conduct, we established the principle of zero tolerance for any behaviour involving corruption, influence peddling, receiving or offering undue advantages, or paying or receiving any benefits contrary to the laws in force in each country and Jerónimo Martins' Code of Conduct.

We are a member of the United Nations Global Compact, which, per its ten principles, protects human and workers' rights and establishes, in its Principle 10, that "businesses should work against corruption in all its forms, including extortion and bribery"[205]. Fighting corruption and bribery is also one of the Sustainable Development Goals (Goal 16 – Peace, Justice and Strong Institutions)[206], and one of the United Nations Guiding Principles on Business and Human Rights[207]. It is also included in the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises[208].

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[201] For more information on supplier food safety and quality audits, see chapter 5. "Corporate Responsibility in Value Creation", subchapter 4 "Sourcing Responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers".
[202] The CGF priority principles (available at www.theconsumergoodsforum.com/wp-content/uploads/2018/08/Priority-Industry-Principles-One-Pager.pdf) advocating for issues considered critical in the protection of labour rights in global supply chains: freedom of movement (the ability of workers to move freely should not be restricted by their employer through abuse, threats and practices as retention of identification documents and valuable possessions); the voluntary nature of a job (no worker should pay for a job, should be aware of the terms and conditions of their work in advance, and should be paid regularly as agreed; contractual arrangements based on indebtedness or servitude are prohibited); and, contractual freedom (no worker should be indebted or coerced to work and fees or costs associated with recruitment and employment should be paid by the employer and not by placing any financial burden on a worker).
[203] For more information on social audits, see chapter 5. "Corporate Responsibility in Value Creation", subchapter 4 "Sourcing Responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1 "Selection and monitoring of suppliers".
[204] For more information on certified products, see chapter 5. "Corporate Responsibility in Value Creation", subchapter 4 "Sourcing Responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1 "Selection and monitoring of suppliers".
[205] Available at www.unglobalcompact.org/what-is-gc/mission/principles
[206] Of the 17 Sustainable Development Goals, goal 16 "Peace, Justice and Strong Institutions" lists as one of its targets (16.5) "substantially reduce corruption and bribery in all their forms." Available at www.un.org/sustainabledevelopment/peace-justice/
[207] The "Guiding Principles for Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework", created in 2011, are available in several languages at www.unglobalcompact.org/library/2
[208] The OECD Guidelines for Multinational Enterprises, first adopted in 1976 and updated in 2011, are available in several languages at www.oecd.org/daf/inv/mne/oecdguidelinesformultinationalenterprises.htm

The Group has a Plan for the Prevention of Corruption Risks and Related Offences[209] in place, following the approval in Portugal of the General Framework for the Prevention of Corruption approved by Decree-Law No. 109-E/2021 of 9 December, a document that identifies and classifies the company's main and potential corruption risks, considering the likelihood and impact of the risks identified. This plan also sets out the prevention and mitigation measures that the Company has implemented to minimise the likelihood and the estimated impact. An annual report about the implementation of the Plan for the Prevention of Corruption Risks and Related Offences was published in 2023 and is available on www.jeronimomartins.com.

When onboarding employees, and to make known our values and ethical principles, they are provided with a copy of the Code of Conduct and the Anti-Corruption Policy and requested to formally acknowledge receipt, thus ensuring regular communication on these issues.

Moreover, we have implemented a training programme on the Anti-Corruption Policy in two formats (e-learning and advanced training for critical functions), the content of which is periodically reviewed to ensure that it is up to date. In 2023, a total of 16,951 hours of training were provided on this topic (84.5% more than in 2022) and we reached 12,787 employees through communication campaigns. Additional training was also provided to specific target audiences on different topics related to corruption prevention, such as the Due Diligence Procedure, audit procedures focusing on corruption for auditors, and Anti-Corruption Policy procedures for sponsors and pivots. In Poland, additional courses for specific audiences were also held, such as training on compliance policies and on conflicts of interest, visits to suppliers and courtesies, as well as on procurement procedures. In Colombia, 5,059 employees had access to training on the anti-money laundering, counter-terrorism financing and data processing self-monitoring and risk management system. Training on conflicts of interest and procurement procedures was also provided at Ara.

Third-party entities that work with the Group's Companies are also receptors of communication actions. In this regard, of note is the disclosure of the Anti-Corruption Policy to suppliers, the Supplier Code of Conduct and the Sustainable Sourcing Policy, shared on our website and/or included in contracts with third parties.

We also periodically check the effectiveness and due implementation of our internal policies, procedures, and control mechanisms by conducting, for instance, audits that include risk verification (including operational risk, which covers the risk of fraud and/or corruption) to identify possible nonconformities and opportunities for improvement[210].

Taxation and fair competition

As regards tax matters, the Holding's Fiscal Affairs Department, together with the Tax Departments of Jeronimo Martins Polska and Jeronimo Martins Colombia, assists all the Group's Companies in complying with the laws in force and in optimising, from a tax perspective, the business units' management activities. It also manages tax disputes and the Group's relationship with external consultants and lawyers, as well as with the tax authorities.

We also take a collaborative approach with the tax authorities of the countries where the Group does business, participating, for instance, in various initiatives by the Portuguese Tax Authority on tax transparency and cooperative relationships.

The risks associated with tax and legal matters, as well as disputes with tax and competition authorities is constantly monitored by Management and by the Audit Committee.

With regard to fair competition, the Jerónimo Martins Group supports all efforts aimed at banning activities that restrict free trade, unfair practices or abuse of a negotiating position, and believes in strong and fair competition, supporting the development of appropriate competition laws.

[209] Available at www.jeronimomartins.com
[210] See chapter 4. "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Governance", section C. "Internal Organisation", subsection III – "Internal Control and Risk Management".

Risk Management

Our Risk Management Policy and Risk Management Methodology are also noteworthy and aim at aligning the Group's objectives and strategy with a structured and consistent assessment of the specific risks each Company is exposed to and the risks common to the Group. They also enable us to monitor emerging risks that may affect the Group and/or its Companies.

The annual risk management process, which involves around 70 managers from all the countries where the Group operates and aims at ensuring the identification, monitoring, assessment and reporting of the risks to which Jerónimo Martins and its Companies are exposed as well as the most relevant measures to mitigate them, is explained in more detail in items 52. to 55. of chapter 4. "Corporate Governance" of this report.

Quarterly reviews are also carried out to ensure alignment with critical areas for the business and active monitoring of any emerging risks that may be relevant to the Group.

Based on this assessment, internal audits are planned and carried out and the strategic plans of each Company are prepared. The topics covered by the risk assessment consider aspects that could be associated with critical concerns related to corruption, reputation and human rights risks.[211]

Enforcement mechanisms

The Ethics Committee is the Group's specialised body that monitors, with impartiality and independence, the disclosure and the compliance with the Code of Conduct in Portugal, Poland and Colombia.

In the light of the Whistleblowing Policy approved by the Group, the Ethics Committee provides a digital platform[212] for the confidential reporting of wrongdoing, anonymously if desired.

We also have four Ethics Boards in Portugal[213]. These Ethics Boards are independent reporting channels which, together with the Ethics Committee, are responsible for ensuring the receipt and follow-up of reports of any irregularities related to the Companies, submitted by any concerned stakeholder. The Ethics Committee and Ethics Boards act in accordance with principles of independence, impartiality, integrity, confidentiality and absence of conflicts of interest.
There are also other bodies that receive and investigate complaints on specific topics: the Anti-Mobbing, Anti-Discrimination and Sexual Harassment Committee, formed whenever there is a complaint involving these matters in Poland, and the Committee for Labour Co-existence in Colombia, which investigates complaints relating to working conditions or other labour-related issues.

Employees also have the Employee Assistance Service available to them to report, ask questions about and resolve labour-related issues, and to receive and forward requests for social support. This channel ensures confidentiality, independence and impartiality, thereby safeguarding employees against any retaliation, discrimination and/or loss of rights.

The Group's internal control system is ensured by a group of departments dedicated to monitoring critical processes at central and operational level, involving, namely:

- the Board of Directors;
- the Audit Committee;
- the Chief Executive Officer, supported by the Managing Committee;
- the Risk Committee;
- the Internal Audit Department, which reports hierarchically to the Chairman of the Board of Directors and functionally to the Audit Committee;
- the Strategy and Risk Management Division;

[211] See chapter 4. "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Governance", section C. "Internal Organisation", subsection III – "Internal Control and Risk Management".
[212] Available at www.jeronimomartins.com and ethicscommittee.jeronimomartins.com/. For more information on the handling of complaints and resolution rate, see chapter 5 "Corporate Responsibility in Value Creation", subsection 6. "Being a Benchmark Employer", section 6.3. "Our areas of action", subsection 6.3.11 "Act ethically".
[213] Following approval of the framework for the protection of whistleblowers, according to Directive (EU) 2019/1937 and the transposition thereof into Portuguese Law No. 93/2021, companies that have 50 or more workers must establish internal reporting channels, and those that employ between 50 and 249 workers may share resources as regards the receipt of reports and follow-up, which resulted in the establishment of four Ethics Boards for Jerónimo Martins in Portugal.

- the Business Unit Risk Managers;
- all employees in charge of the execution and/or control of a given process or activity, within a business unit or the corporate structure, and who are responsible for managing the risks involved in those activities.

The Internal Audit Department assesses the quality and effectiveness of the internal control and risk management systems (operational and non-operational) determined by the Board of Directors, ensuring that they comply with the procedures and policies of the Group and its business units. This department's mission is also to promote compliance with the laws and regulations applicable to the operations. Internal control processes are formalised in internal policies and procedures[214].

We are currently consolidating a human rights due diligence process in line with the OECD recommendations and with European Union legislation, in the process of being approved, concerning the Directive on the due diligence of undertakings with regard to sustainability, as well as preventing and fighting corruption, in compliance with the applicable legal framework.

Communication

Details about our approach to the protection of human rights, the prevention of discrimination, the safeguarding of the right to collective bargaining, the prevention of forced and child labour, the prevention of corruption, fair taxation and competition practices, as well as the management and mitigation of the associated risks, the sustainability indicators recommended by the Global Reporting Initiative (GRI), and listed below, can be found in subchapter 10. "Tables of Indicators" of this report:

- Management Approach: GRI 2-1 to 2-30, 3-1/2/3.
- Material Aspects: GRI 103-1/2/3.
- Anti-corruption: GRI 205-1/2.
- Anti-Competitive Practices: GRI 206-1.
- Employment: GRI 401-1/2/3.
- Labour/Management Relations: GRI 402-1.
- Health and Safety in the Workplace: GRI 403-1/2/3/4/5/6/7/8/9/10.
- Training and Education: GRI 404-1/2/3.
- Diversity and Equal Opportunity: GRI 405-1/2.
- Non-Discrimination: GRI 406-1.
- Freedom of Association and Collective Bargaining: GRI 407-1.
- Child Labour: GRI 408-1.
- Forced or Compulsory Labour: GRI 409-1.
- Security: GRI 410-1.
- Local Communities: GRI 413-1.
- Supplier Social Assessment: GRI 414-1/2.
- Public Policy: GRI 415-1.
- Customer Health and Safety: GRI 416-1/2.

9.5. KPI (Key Performance Indicator)

In 2023, we recorded the following eligibility and alignment results:

- KPI turnover: 100% non-eligible, since our main activity (food distribution) is not currently regulated under the Climate Delegated Act nor under the Environmental Delegated Act;
- KPI Capital Expenditure (CapEx): 5% eligible and aligned; 53% eligible and non-aligned; 42% non-eligible;
- KPI Operational Expenditure (OpEx): 100% not eligible (potentially eligible numerator amounts are considered non-material).

[214] See Chapter 4, "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Governance", section C. "Internal Organisation", subsection III – "Internal Control and Risk Management", item 50. "Individuals, Boards or Committees Responsible for Internal Audits and/or Implementation of the Internal Control Systems" to 55. "Core Details on the Internal Control and Risk Management Systems Implemented in the Company Regarding the Procedure for Reporting Financial Information".

According to Article 8 Delegated Act, undertakings are required to submit three tables, one for each of the KPIs, that is, Turnover, Capital Expenditure (CapEx) and Operational Expenditure (OpEx). This information is set out below:

9.5.1. Turnover

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11))	Climate Change Adaptation (12))	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category — enabling activity (19)	Category — transitional activity (20)
		€ Millions	%	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	0%	0%	0%	0%	0%	0%								**0%**		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
Of which Transitional		0	0%	0%													0%		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0**	**0%**	0%	0%	0%	0%	0%	0%								**0%**		
A. Turnover of Taxonomy eligible activities (A.1 + A.2)		**0**	**0%**	0%	0%	0%	0%	0%	0%								**0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities (B)		30,608	100%																
Total (A + B)		**30,608**	**100%**																

The denominator of this KPI is based on consolidated turnover (sales and services), as indicated in the consolidated financial statements under chapter 3 “Consolidated Financial Statements”. With regard to the numerator, no eligible activities were identified, since, and as previously indicated, food distribution is not, yet, included in the activities listed in the Taxonomy.

9.5.2. Capital Expenditure (CapEx)

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities	Code (a) (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5))	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category — enabling activity (19)	Category — transitional activity (20)
		€ Millions	%	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y/N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	28	2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Acquisition and ownership of buildings	CCM 7.7	45	3%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	9%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**73**	**5%**	5%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	**9%**		
Of which Enabling		28	2%	2%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which Transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	11	1%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Renovation of existing buildings	CCM 7.2 / CCA 7.2 / EC 3.2	218	15%	EL	EL	N/EL	N/EL	EL	N/EL								14%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 / CCA 7.3	1	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	529	37%	EL	EL	N/EL	N/EL	N/EL	N/EL								31%		
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**759**	**53%**	53%	0%	0%	0%	0%	0%								**46%**		
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		**832**	**58%**	58%	0%	0%	0%	0%	0%								**55%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy non-eligible activities (B)		592	42%																
Total (A + B)		**1,424**	**100%**																

According to Article 8 Delegated Act, the CapEx KPI is defined as eligible CapEx (numerator) divided by total CapEx (denominator). Total CapEx was calculated in accordance with the rules and principles applicable to the preparation of the consolidated financial statements, taking into account the increases in the gross value of tangible fixed assets, intangible assets, investment property (where applicable), biological assets (where applicable), and right-of-use, as presented in notes 8, 9 and 10 to the Consolidated Financial Statements (subchapter 3.1. “Consolidated Financial Statements”). The denominator corresponds to the sum of the “Increases” headings referred to in the notes indicated.

million €

	2023	2022
Increases in Tangible Fixed Assets (note 8.1)	1,111	887
Increases in Intangible Assets (note 9.1)	22	18
Increases in Right-of-Use (Note 10.1)	291	333
Total 2023 CapEx for EU Taxonomy purposes	**1,424**	**1,238**

With regard to right-of-use assets, we believe that the Delegated Act fails to deal with increases in the gross value of right-of-use assets as a result of contractual amendments or other adjustments to lease liabilities, in particular extension of the lease term.

Accordingly, new measurements of right-of-use assets resulting from contractual amendments or other adjustments to liabilities were not included in the denominator, as presented under the heading “Amendments to Right-of-Use Contracts” in the respective note (10.1).

Regarding the identification of eligible CapEx, our approach to the classification of economic activities was as follows:

- CapEx of assets or processes associated with eligible activities was not included, since our core activity is not provided for under the current Taxonomy, and no investments in internal activities were identified that qualify as such;
- CapEx related to CapEx plans, as currently defined in the Taxonomy, to expand aligned activities or that enable eligible activities to become Taxonomy-aligned were not included;
- includes CapEx of the purchase of goods and services from eligible economic activities that support our core business.

As a result of this approach, the activities indicated under subsection 9.3. “Eligibility Analysis” of this subchapter were classified as eligible. As regards these activities, we analysed the investments for which we were provided with the necessary information by suppliers to identify whether their economic activity is taxonomy-aligned, including compliance with the DNSH criteria and minimum safeguards, as well as what we were able to assess directly.

9.5.3. Operational Expenditure (OpEx)

Financial Year 2023	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)	Category — enabling activity (19)	Category — transitional activity (20)
		€ Millions	%	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y; N; N/EL (b) e (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	0%	0%	0%	0%	0%	0%								**0%**		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
Of which Transitional		0	0%	0%													0%		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0**	**0%**	0%	0%	0%	0%	0%	0%								**0%**		
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		**0**	**0%**	0%	0%	0%	0%	0%	0%								**0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities (B)		125	100%																
Total (A + B)		**125**	**100%**																

According to Article 8 Delegated Act, the OpEx KPI is defined as eligible and aligned OpEx (numerator) divided by total OpEx (denominator). Total OpEx for this purpose includes non-capitalised direct costs related to research and development, building renovation measures, short-term leases, maintenance and repairs, and any other direct expenditure related to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third parties to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. Operating costs related to the low-value lease of assets or contracts with variable lease payments are not included.

Also in accordance with the Delegated Act and considering the guidelines issued by the European Commission, an entity is exempt from calculating the OpEx KPI numerator where the denominator is considered non-material to the business model.

We are of the opinion that total OpEx, as shown in the table above, is not material to our activity, since it accounts only for 0.4% of total operational expenditure in 2023, given that we do not incur significant operational expenses for research and development under IAS 38, nor are the amounts incurred with asset maintenance and repair and short-term leases significant. As such, we have opted to avail ourselves of the foregoing exemption and not calculate the OpEx KPI numerator.

9.5.4. Nuclear energy and fossil gas related activities

Also with regard to nuclear energy and fossil gas related activities, the Group states that it did not carry out such activities in 2023, as shown in the table below (Complementary Delegated Act: Model 1 – Activities related to nuclear energy and fossil gas):

Line	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment or operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

9.6. Conclusions and outlook for 2024

To ensure compliance with Taxonomy reporting requirements, we will continue to monitor the publication of new delegated acts and the possible inclusion of new economic activities throughout 2024. Moreover, and to complement such monitoring, we will continue to gather the information necessary to strengthen the assessment of compliance with the technical criteria (“substantial contribution” and “do no significant harm”) for the eligible activities, engaging our suppliers in these efforts, who we rely on for such information. We will also continue to review the way in which information is classified and organised in the computer systems used by our Companies.

10. Tables of Indicators

This report was prepared in accordance with the Global Reporting Initiative (GRI) Standards. This section includes seven tables that aim to cross-reference the reported information with the main methodologies and information requests made by our stakeholders: GRI Standards (Table 1), Jerónimo Martins' performance indicators (Table 2), Task Force on Climate-related Financial Disclosures (Table 3), Sustainability Accounting Standards Board (Table 4), Indicators of the Regulation (EU) 2022/1288 (Table 5), Non-financial information disclosure template for companies issuing securities admitted to trading on a regulated market (Table 6), and the indicators according to the European Sustainability Reporting Standards (Table 7). Whenever possible a cross-reference is also made between these points, and the Sustainable Development Goals and the Principles of the United Nations Global Compact.

Table 1 – Indicators reporting according to the Global Reporting Initiative Standards.

GRI CONTENT INDEX: **Statement of use**: Jerónimo Martins has reported in accordance with the GRI Standards for the period between 1 January and 31 December 2023; **GRI 1 used**: GRI 1: Foundation 2021; **Applicable GRI Sector Standard(s)**: no GRI Sector Standards were used.

GRI Standard	Description	Evidence	Other Standards
GENERAL DISCLOSURES			
2-1	Organizational details.	Jerónimo Martins, SGPS, S.A. Rua Actor António Silva n. ° 7, 1649-033 Lisboa, Portugal. Refer to chapter 1 "The Jerónimo Martins Group".	---
2-2	Entities included in the organization's sustainability reporting.	See chapter 1 " The Jerónimo Martins Group ", chapter 3 "Financial Statements" and chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance".	---
2-3	Reporting period, frequency and contact point.	This Jerónimo Martins Group's Annual Report covers the activities carried out between 1 January and 31 December 2023. The Corporate Responsibility Report (included in the Annual Report) has an annual periodicity. Contact point: comunicacao@jeronimo-martins.com	---
2-4	Restatements of information.	• The 2022 HACCP performance value for distribution centers in Portugal was 93%, which corresponds to the average performance of distribution centers, central kitchens and internal canteens. Therefore, in the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 2. "Promoting good health through food", section 2.3. "Food quality and safety" and subsection 2.3.2. "Audits", where it is read "95%" it should be read "93%". This value is corrected and duly noted in the current report. The annual variation between 2022-2021 is, therefore, +1 p.p. and not +3 p.p., as reported in 2022. • The value corresponding to Level II withdrawals of Private Brands in Portugal, in 2021, was corrected due to the inclusion of non-food products withdrawal in that year. This indicator refers exclusively to food products, which is why, in the 2021 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 2. "Promoting good health through food", section 2.3. "Food quality and safety" and subsection 2.3.4. "Food recalls and withdrawals", where it is read. • "74" recalls, it should be read "68" recalls, impacting the total number of level II incidents ("237" and not "243"), the total number of incidents ("309" and not "315") and its variation from 2020 ("10%" and not "6%"). Thus, where it is read "In 2021, a total of 315 incidents were recorded and led to the removal of food products, a decrease of 6% compared to 2020", it should be read "In 2021, a total of 309 incidents were recorded and led to the removal of food products, a decrease of 10% compared to 2020". Likewise, in the 2022 Annual Report, these changes are reflected, considering annual comparisons. In addition, compared to 2022, in the perishables area in Poland, a level II withdrawal should be added – regarding the total level II withdrawals. Where it is read "261" withdrawals it should be read "262". Thus, in chapter 5 "Corporate responsibility in value creation", subchapter 2. "Promoting good health through food", section 2.3. "Food quality and safety" and subsection 2.3.4. "Food recalls and withdrawals", where it is read "In 2022, a total of 364 incidents that prompted the withdrawal of food products was recorded, 15.6% more than in 2021.", it should be read "In 2022, a total of 365 incidents that prompted the withdrawal of food products was recorded, 18.1% more than in 2021". These values have been corrected and dully noted in the current report. • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 4. "Sourcing responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1. "Selection and monitoring of suppliers", regarding "Food safety and quality audits of perishables and Private Brand suppliers", the number of audits on perishables in Poland has been revised due to the integration of ad-hoc audits and inspections. As such, where it is read "218" audits, it should be read "1,480" audits. For the sake of reporting consistency, this value has also been revised for 2021 - where it is read "299" it should be read "1,239" audits. Likewise, the 2022-2021 variation is "+20%" and not "-27%" as reported. The value for 2022 has been corrected and is dully noted in the current report.	---

GRI Standard	Description		Evidence	Other Standards
2-4	Restatements of information.	✔	• The values for social internships reported in the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 5. "Supporting surrounding communities", section 5.2. "Managing the policy on supporting surrounding communities", have been revised: where it is read "Throughout 2022, 417 employees in Portugal and Poland took part in professional on-the-job training programmes. Around 8.7 million hours of training were completed, an amount equivalent to more than 2.3 million euros" it should be read "Throughout 2022, 322 employees in Portugal and Poland took part in professional on-the-job training programmes. More than 95,000 hours of training were completed, an amount equivalent to more than 2.3 million euros". • In 2022 and 2021, the 2021-2023 commitment "In Poland, expand the food donations programme for local non-governmental organizations to 70% of stores", related to the pillar "Supporting surrounding communities", reported the number of stores that were donating to charities. However, this value was erroneously described as referring only to stores that had an established protocol with these institutions and not to those that had donation procedures, regardless of the existence of a protocol. Thus, in the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 7. "2021-2023 Commitments", in the "Supporting surrounding communities" area, where it reads "The number of stores with a protocol established with local institutions to deliver food totalled 2,551 at the end of 2022. This value represents 75% of the Company's stores", it should read "The number of stores with established procedures to donate food to local institutions totalled 2,551 at the end of 2022. This value represents 75% of the Company's stores". In the 2021 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 7. "2021-2023 Commitments", in the "Supporting surrounding communities" area, the final value calculated and described in subchapter 5. "Supporting surrounding communities" should be added to the progress report on the commitments. Where it reads "The number of stores with a protocol established with local institutions to deliver food totalled 3,000 at the end of 2021. This value represents 71% of the Company's stores and an 18% growth compared to 2020", it should read "The number of stores with established procedures to deliver food to local institutions totalled 2,297 at the end of 2021. This value represents 71% of the Company's stores and an 18% growth compared to 2020". • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 4. "Sourcing responsibly", section 4.3 "Promotion of more sustainable production practices", subsection 4.3.1. "Fighting deforestation", in the table referring to the main agricultural commodities at risk of deforestation in Private Brand and perishables, the total quantity (tonnes) of the commodities "Paper and timber" and "Beef" was revised as a result of opportunities for improvement detected in the previous year's verification process. So, for "Paper and timber", where it reads "178,110" it should read "190,663", where it reads "139,492" it should read "152,045" and where it reads "111,962" it should read "124,515". Regarding "Beef", where it reads "46,186" it should read "40,567", where it reads "10,862" it should read "11,831" and where it reads "35,236" it should read "26,648". The corrected values for 2022 are noted in the current report. • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 3. "Respecting the environment", section 3.3. "Fighting climate change", subsection 3.3.2. "Carbon footprint", some values in the carbon footprint table have been revised with the aim of improving alignment with the Greenhouse Gas Protocol methodology. Thus, in relation to the specific value (scopes 1 and 2), where it reads "0.0441" it should read "0.0342". Regarding the global carbon footprint (scopes 1 and 2) by GHG, where it reads "1,119,135" it should read "869,337". Regarding the carbon footprint (scope 1 - direct impacts), where it reads "222,921" it should read "227,719". Regarding carbon footprint (Scope 2 - indirect impacts), where it reads "896,214" it should read "227,719". Finally, in the carbon footprint (Scope 3 - other indirect impacts) where it reads "28,582,290" it should read "28,960,529". Consequently, several categories within these indicators have been affected. All the corrected values for 2022 are noted in the current report. • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 3. "Respecting the environment", section 3.3. "Fighting climate change", subsection 3.3.3. "Water and energy consumption management", some values in the table referring to water withdrawal have been revised due to an update of the calculations. Therefore, for the overall specific value, where it reads "0.245", it should read "0.232" and for the Specific Value (Agribusiness), where it reads "34.632", it should read "30.848". With regard to Water withdrawal by source, where it reads "6,220.0" it should read "5,881.1" as a result of correcting the withdrawal from municipal and private supply systems. As for water withdrawal by business unit, in JMA, "3,101.1" should read "2,762.3". All the corrected figures for 2022 are duly noted in the current report.	---

GRI Standard	Description		Evidence	Other Standards
2-4	Restatements of information.	✓	• In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 3. "Respecting the environment", section 3.3. "Fighting climate change", subsection 3.3.3. “Water and energy consumption management”, some values in the table referring to water withdrawal have been revised due to an update of the calculations. Thus, with regard to water consumption per business unit, where it reads "3,517.6", it should read "3,178.8", as a result of a correction to JMA's water consumption value. All the corrected figures for 2022 are duly noted in the current report. • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 3. "Respecting the environment", section 3.3. "Fighting climate change", subsection 3.3.3. “Water and energy consumption management”, some values in the table referring to energy consumption have been revised due to an update of the calculations. Thus, with regard to energy consumption by type, where it reads "7,490,850" it should read "7,529,609", as a result of changes to the electricity and fuel figures. In relation to renewable energy, where it says "2,857,075" it should read "3,378,293", due to changes in the electricity figure. Finally, in Biedronka's energy consumption, where it reads "4,359,429", it should read "4,391,749". All the corrected figures for 2022 are duly noted in the current report. • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 3. "Respecting the environment", section 3.4. "Promoting a circular economy", subsection 3.4.1. “Materials used and initiatives to reduce consumption”, some values in the table referring to the main materials used have been revised due to an update of the calculations. Thus, in relation to the specific value, where it reads "19.17", it should read "19.13". With regard to consumption per business unit, where it reads "486,684" it should read "485,490", with regard to Private Brand product packaging (by type), where it reads "456,885" it should read "454,508". With regard to other consumption, where it reads "16,957" it should read "18,140". Consequently, various categories within these indicators have been affected. All the corrected figures for 2022 are duly noted in the current report. • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 3. "Respecting the environment", section 3.4. "Promoting a circular economy", subsection 3.4.1. “Materials used and initiatives to reduce consumption”, some values in the table referring to the consumption of single-use plastics (SUP) have been revised due to an update of the calculations. Thus, with regard to the specific value, where it says "7.01", it should read "7.00". With regard to SUP consumption per business unit, where it reads "177,893" it should read "177,636". With regard to SUP consumption - Check-out bags - where it reads "9,726" it should read "9,735", and with regard to the consumption of other SUP, where it reads "363" it should read "97". For the incorporation of recycled plastic in SUP (tonnes) by business unit, where it reads "21,879" it should read "21,910" and with regard to the incorporation of recycled plastic in check-out bags and pallet wrapping film, where it reads "7,463" it should read "7,494". Finally, with regard to the use of virgin plastic in plastic packaging (tonnes) by business unit, where we read "148,599" we should read "155,727". With regard to the use of virgin plastic in check-out bags and wrapping film, where it reads "5,543", it should read "5,521". Consequently, several categories within these indicators have been affected. All the corrected figures for 2022 are duly noted in the current report. • In the 2022 Annual Report, in chapter 5 "Corporate responsibility in value creation", subchapter 3. "Respecting the environment", section 3.4. "Promoting a circular economy", subsecction 3.4.2. “Promoting the Sustainable Use of Materials” some values in the table referring to the reusable solutions for transporting customers’ shopping have been revised due to an update of the calculations. Thus, with regard to the material used in reusable plastic bags, where it reads "9,187", it should read "9,196". Consequently, several categories within these indicators have been affected. All the corrected figures for 2022 are duly noted in the current report.	---
2-5	External assurance.	✓	The information contained and marked in this table with “✓” has been verified by an external third party: Ernst & Young Audit & Associados – SROC, S.A. The verification process report can be consulted at the end of chapter 5 “Corporate Responsibility in Value Creation”.	---
2-6	Activities, value chain and other business relationships.	✓	Refer to chapter 1 "The Jerónimo Martins Group". Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapters 4. “Sourcing Responsibly”, and to chapter 3 "Financial Statements" and to channel "Responsibility", page "Our Responsibility Strategy" on the website www.jeronimomartins.com.	---

<table>
<tr><th>GRI Standard</th><th>Description</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td>2-7</td><td>Employees.</td><td>✔</td><td>
<table>
<tr><th></th><th></th><th colspan="6">Type of contract</th></tr>
<tr><th></th><th></th><th colspan="3">2023</th><th colspan="3">2022</th></tr>
<tr><th></th><th></th><th>Women</th><th>Men</th><th>Total</th><th>Women</th><th>Men</th><th>Total</th></tr>
<tr><td rowspan="2">Group</td><td>Permanent</td><td>72,788</td><td>25,178</td><td>97,966</td><td>69,811</td><td>24,215</td><td>94,026</td></tr>
<tr><td>Fixed-term</td><td>29,172</td><td>7,162</td><td>36,334</td><td>29,765</td><td>7,303</td><td>37,068</td></tr>
<tr><td rowspan="2">Portugal</td><td>Permanent</td><td>19,384</td><td>10,024</td><td>29,408</td><td>19,152</td><td>9,633</td><td>28,785</td></tr>
<tr><td>Fixed-term</td><td>3,513</td><td>2,802</td><td>6,315</td><td>3,409</td><td>2,671</td><td>6,080</td></tr>
<tr><td rowspan="2">Poland</td><td>Permanent</td><td>47,150</td><td>8,390</td><td>55,540</td><td>45,131</td><td>8,276</td><td>53,407</td></tr>
<tr><td>Fixed-term</td><td>25,189</td><td>4,124</td><td>29,313</td><td>25,947</td><td>4,400</td><td>30,347</td></tr>
<tr><td rowspan="2">Colombia</td><td>Permanent</td><td>6,254</td><td>6,764</td><td>13,018</td><td>5,528</td><td>6,306</td><td>11,834</td></tr>
<tr><td>Fixed-term</td><td>470</td><td>236</td><td>706</td><td>409</td><td>232</td><td>641</td></tr>
</table>
The SENA Internships in Colombia were considered in the "fixed-term" contract typology, corresponding to 682 and 510 internships in 2023 and 2022 respectively. In 2023 we offered greater contractual stability, with an increase of 1.2 p.p. in the weight of permanent contracts at Group level and of 1.7 p.p. specifically in Poland.
<table>
<tr><th></th><th></th><th colspan="6">Type of workload</th></tr>
<tr><th></th><th></th><th colspan="3">2023</th><th colspan="3">2022</th></tr>
<tr><th></th><th></th><th>Women</th><th>Men</th><th>Total</th><th>Women</th><th>Men</th><th>Total</th></tr>
<tr><td rowspan="2">Group</td><td>Full-time</td><td>84,578</td><td>29,476</td><td>114,054</td><td>82,473</td><td>28,848</td><td>111,321</td></tr>
<tr><td>Part-time</td><td>17,382</td><td>2,864</td><td>20,246</td><td>17,103</td><td>2,670</td><td>19,773</td></tr>
<tr><td rowspan="2">Portugal</td><td>Full-time</td><td>19,357</td><td>11,052</td><td>30,409</td><td>19,218</td><td>10,688</td><td>29,906</td></tr>
<tr><td>Part-time</td><td>3,540</td><td>1,774</td><td>5,314</td><td>3,343</td><td>1,616</td><td>4,959</td></tr>
<tr><td rowspan="2">Poland</td><td>Full-time</td><td>58,497</td><td>11,424</td><td>69,921</td><td>57,318</td><td>11,622</td><td>68,940</td></tr>
<tr><td>Part-time</td><td>13,842</td><td>1,090</td><td>14,932</td><td>13,760</td><td>1,054</td><td>14,814</td></tr>
<tr><td rowspan="2">Colombia</td><td>Full-time</td><td>6,724</td><td>7,000</td><td>13,724</td><td>5,937</td><td>6,538</td><td>12,475</td></tr>
<tr><td>Part-time</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
</table>
There are no employees in the Group without guaranteed working hours. In calculating this indicator, the total number of employees at the end of the period was taken into account.
</td><td>UNGC 6
SDG 8 & 10</td></tr>
<tr><td>2-8</td><td>Workers who are not employees.</td><td></td><td>
<table>
<tr><th></th><th>Workers who are not employees</th></tr>
<tr><th></th><th>2023</th></tr>
<tr><td>Group</td><td>17,106</td></tr>
<tr><td>Portugal</td><td>346</td></tr>
<tr><td>Poland</td><td>13,879</td></tr>
<tr><td>Colombia</td><td>2,881</td></tr>
</table>
At the end of the period, the total number of workers who are not employees registered in our internal systems was 17,106. In most cases, these workers are hired on a temporary basis through labour agencies to perform functions such as store operator and logistics. We continue to improve our systems to ensure that we report all workers who are not employees.
</td><td>UNGC 6
SDG 8</td></tr>
<tr><td>2-9</td><td>Governance structure and composition.</td><td>✔</td><td>Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”.</td><td>SDG 5 & 16</td></tr>
<tr><td>2-10</td><td>Nomination and selection of the highest governance body.</td><td>✔</td><td rowspan="2">Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section A "Shareholder Structure" and B “Corporate Bodies and Committees”.</td><td>SDG 5 & 16</td></tr>
<tr><td>2-11</td><td>Chair of the highest governance body.</td><td>✔</td><td>SDG 5 & 16</td></tr>
<tr><td>2-12</td><td>Role of the highest governance body in overseeing the management of impacts.</td><td>✔</td><td>Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section A "Shareholder Structure", B “Corporate Bodies and Committees” and C “Internal Organisation”. Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 1. “Corporate Responsibility: Overview of the Year”, subsection 1.2. “Stakeholders survey and double materiality assessment” and the channel “Responsibility”, page “Our Responsibility Strategy”, subpage “Defining our Priorities”, on the website www.jeronimomartins.com.</td><td>SDG 16</td></tr>
<tr><td>2-13</td><td>Delegation of responsibility for managing impacts.</td><td>✔</td><td>Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section A "Shareholder Structure", B “Corporate Bodies and Committees” and C “Internal Organisation”.</td><td>---</td></tr>
</table>

GRI Standard	Description		Evidence	Other Standards
2-14	Role of the highest governance body in sustainability reporting.	✔	The approval of the Corporate Responsibility Report, included in the Annual Report, is a responsibility of the Shareholders' General Meeting.	---
2-15	Conflicts of interest.	✔	See channel "Responsibility", page "Corporate Responsibility Publications" to consult the Jerónimo Martins Code of Conduct and Code of Conduct for Suppliers on the website www.jeronimomartins.com. See channel "Investors", page "Corporate Governance", subpage "Specialised Committees" on the website www.jeronimomartins.com. The Anti-Corruption Policy and the Plan for the Prevention of Risks of Corruption and Related Infractions (a document that identifies and classifies the main and potential risks of the company in terms of corruption, considering the probability of occurrence and the impact of the identified risks, and lists the prevention and mitigation measures that the company adopted to minimize the probability of occurrence and the predictable impact, in compliance with its regulatory compliance program) published in 2022, and the annual report on the implementation of the plan for the prevention of corruption risks and related offences are both available for consultation on the “About Us” channel at www.jeronimomartins.com.	SDG 16
2-16	Communication of critical concerns.	✔	Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”.	---
2-17	Collective knowledge of the highest governance body.	✔	The Group carries out activities (e.g., internal and external training sessions, Sustainability Conference, internal newsletters and progress reports) that enable its management bodies to become more aware of sustainability topics. Additionally, in 2019 Sustainability Committees were created for all our Food Retail, Specialized Retail and Agribusiness Companies, with 10 meetings taking place in 2023. Refer to chapter 5 “Corporate Responsibility in Value Creation” and chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section B “Corporate Bodies and Committees”, subsection II “Management and Supervision (Board of Directors)”.	---
2-18	Evaluation of the performance of the highest governance body.	✔	Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section D “Remuneration”.	---
2-19	Remuneration policies.	✔	Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section D “Remuneration”.	---
2-20	Process to determine remuneration.	✔		SDG 16
2-21	Annual total compensation ratio.		The disclosure of this indicator is not applicable to the reality of Jerónimo Martins Group, considering: i) its presence in different countries with weaker currencies comparing with euro (resulting in an average remuneration according with Purchasing Power Parity that is lower in these countries than in Portugal); ii) the fact that brick-and-mortar food retail sector is labour-intensive, relying strongly on low-qualified workforce; iii) the fact that the indicator requires the comparison between realities that are not comparable and where there is no measure of justice (i.e. comparison of profiles of similar employees in terms of level of responsibility, expertise and strategic scope, among others).	---
2-22	Statement on sustainable development strategy.	✔	Refer to "Message from the Chairman".	---

<table>
<tr><th>GRI Standard</th><th>Description</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td>2-23</td><td>Policy commitments.</td><td>✔</td><td rowspan="4">See the corporate website www.jeronimomartins.com for the following policies that guide the conduct of the Jerónimo Martins Group and its Companies in performing their activities: Jerónimo Martins Code of Conduct, Anti-corruption Policy, Quality and Food Safety Policy, Nutritional Policy, Environmental Policy, Sustainable Sourcing Policy, Code of Conduct for Suppliers, and Supporting Surrounding Communities Policy. We also have a Plan for the Prevention of Risk of Corruption and Related Offenses (available at “Anti-corruption Policy“) and the Gender Equality Plan (available at “Ethical Principles“).
These policies are accompanied by internal guidelines and by commitments that support their materialisation, aiming to potentiate the positive impact of the Group and its Companies, and also to prevent and/or remedy the negative impacts on topics that are materially relevant for the business, people and the environment.
In the case of the Corporate Responsibility strategy, which includes the material issues referred to the Group's business by the stakeholders (available in chapter 5 “Corporate Responsibility in Value Creation”, subchapter 1. “Corporate Responsibility: Overview of the Year”, section 1.2. “Stakeholders survey and double materiality assessment”, and at “Defining Our Priorities“), each pillar of action has:
• objectives and commitments, for a specific time horizon, to be carried out internally or with partners in our supply chain, service providers or social organisations, and which may include training initiatives on legislation and corporate Codes and Policies, and investments;
• an annual progress report on these objectives (available on the corporate website at "Our Commitments and Progress” which allows us to assess and manage the activities that contribute to policy delivery and those that need adjustment.
As a way of responding to the expectations and concerns of stakeholders, there are mechanisms that facilitate the communication and resolution of potential negative impacts arising from our activity:
• the Ethics Committee, a specialised body for monitoring, with exemption and independence, the disclosure and compliance with the Code of Conduct and the Anti-Corruption Policy in Portugal, Poland and Colombia, thus managing risks effectively, in light of the Irregularity Communication Policy approved by the Company. This body discloses, and makes available, a digital platform to confidentially, and anonymously if desired, report infractions;
• the Ethics Units, autonomous reporting channels in Portugal which, alongside the Ethics Committee, are responsible for receiving and following up reports of any irregularities that violate European Union law, national law and the Code of Conduct;
• the Committee for Combating Mobbing, Discrimination and Sexual Harassment, formed whenever there is a complaint on this issue in Poland;
• the Committee for Labour Coexistence in Colombia, which investigates complaints related to working conditions or other labour problems;
• the Employee Assistance Service (SAC) for the reporting, clarification and resolution of labour issues, and for receiving and forwarding social requests. This channel guarantees confidentiality, independence and impartiality, ensuring the protection of employees against possible situations of retaliation, discrimination or reduction of their rights;
• the Customer Ombudsman Office, created in 2005 with the objective of preserving consumer confidence and satisfaction, mediates customer relations with the Companies, being independent and neutral. Each process sent is analysed and the necessary steps are taken, culminating in a non-binding opinion and recommendations for action to the Companies. For the three-year period 2022-2024, a new Group Customer Ombudsman was appointed. The resolution rate for the total number of contacts in 2023 was 99%, and the level of satisfaction with customer responses was "Neutral" or "Positive" in 88% of the cases. For more information on these and other indicators consult the "Responsibility" channel, page “Customer Ombudsman” in the corporate website.
• the Customer Services, in all geographies, aimed at consumers.
The reporting of complaints made by employees through the Ethics Committee, Ethics Centres, Local Committees and the Employee Service Department in the management of employment issues can be consulted in chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".
The actions we develop annually are described throughout chapter 5 "Corporate Responsibility in Value Creation" of this report, with emphasis on subchapter 9. "The European Union’s Taxonomy", section 9.4. "Alignment Analysis", subsection 9.4.2. "Minimum Safeguards", regarding due diligence on the prevention and potential remediation of human and labour rights risks, a material issue for the Group and stakeholders. The management of these issues and others relevant to the continuation of the business, including risk identification, is the responsibility of several Functional Divisions which, in turn, support the functioning of the Management Bodies - such as the Board of Directors, the Managing Director, the Shareholders' Meeting and the Audit Committee – and the Specialised Committees – such as the Executive Board, the Corporate Governance and Corporate Responsibility Committee, the Ethics Committee, the Internal Control Committee and the Remuneration Committee. Their responsibilities and functioning are described in chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance” and in the "Investor" channel, page "Corporate Governance” of the corporate website.</td><td rowspan="4">UNGC 10
SDG 16</td></tr>
<tr><td>2-24</td><td>Embedding policy commitments.</td><td>✔</td></tr>
<tr><td>2-25</td><td>Processes to remediate negative impacts.</td><td>✔</td></tr>
<tr><td>2-26</td><td>Mechanisms for seeking advice and raising concerns.</td><td>✔</td></tr>
</table>

GRI Standard	Description		Evidence	Other Standards
2-27	Compliance with laws and regulations		For information on this matter, refer to GRI 206-1, 307-1, 416-2, 417-2 and 417-3 indicators' disclosure. We are improving our reporting processes to meet socioeconomic compliance indicators.	---
2-28	Membership associations.	✔	See channel "About Us", page "Organisations to Which We Belong" and channel "Responsibility", page "Our Responsibility Strategy", subpage " Organisations to Which We Belong" on the website www.jeronimomartins.com.	---
2-29	Approach to stakeholder engagement.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholders survey and double materiality assessment". See channel "Responsibility", page "Our Responsibility Strategy", subpage "Stakeholder Engagement" on the website www.jeronimomartins.com.	---
2-30	Collective bargaining agreements.	✔	In Portugal, only a residual number of employees are not covered by collective bargaining agreements. In Poland and Colombia, where there are no collective regulatory instruments applicable to our companies, working conditions and the way the employment contract is executed are regulated by the respective legal systems (which regulate these issues internally) and by the internal, local and global policies in force in our Group. Our internal policies are aligned with international best labour practices, in particular with respect to the fundamental conventions of the International Labour Organisation. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Interventions Areas", subsection 6.3.11. "Act Ethically".	UNGC 3 SDG 8
MATERIAL ASPECTS				
3-1	Process to determine material topics.	✔	In 2023 we carried out a review of the material aspects to be considered in our Corporate Responsibility strategy and reporting, in line with the requirements of the Global Reporting Initiative (GRI), in its GRI Standards version, and with the principles of double materiality laid down by the European Union. In total, the study involved around 17,000 responses from nine different stakeholders in the three countries where we operate, as well as the Group's top management. As a result of this analysis, it was possible to identify 10 material topics available for further information in chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholders survey and double materiality assessment". See also chapter 1 "The Jerónimo Martins Group" and chapter 3 "Financial Statements".	---
3-2	List of material topics.	✔	A new stakeholder consultation process was started in 2023, in line with the principles of double materiality. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholders survey and double materiality assessment". Material topics for the Jerónimo Martins Group: product affordability, product safety and quality standards, sustainable & responsible criteria in the supply chain, food waste, product and services innovation, climate change, packaging redesign for sustainable resource use, compensation and benefits, employee learning and development, engagement and supporting local communities.	---
3-3	Management of material topics.	✔	Material topics for the Jerónimo Martins Group: i) product affordability, ii) product safety and quality standards, iii) sustainable & responsible criteria in the supply chain, iv) food waste, v) product and services innovation, vi) climate change, vii) packaging redesign for sustainable resource use, viii) compensation and benefits, ix) employee learning and development, and x) engagement and supporting local communities. For information on the management approach to topics i), ii), and v) see chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food", sections 2.2. "Quality and diversity" and 2.3 "Food safety and quality". For the management approach for topic iii) see chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", sections A "Shareholder Structure", B "Corporate Bodies and Committees", C "Internal Organisation" and section E "Related Party Transactions" and chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity" and subchapter 4. "Sourcing Responsibly", section 4.2 "Relationship with suppliers", subsection 4.2.1 "Selection and Monitoring of Suppliers". The management approach for topics iv) and vii) is disclosed in chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4 "Promoting a Circular Economy". For information on the management approach of topics vi) see chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting climate change", subsection 3.3.2 "Carbon Footprint". For the management approach to topics viii) and ix) see chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", section D "Remuneration" and chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsections 6.3.3. "Prepare for the Future", 6.3.4. "Empower the Individual Path" and 6.3.5. "Recognise with Fairness and Competitiveness". The management approach for topic x) is disclosed in chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities", sections 5.1. "Introduction" and 5.2. "Managing the Policy on Supporting Surrounding Communities".	---

<table>
<tr><th>GRI Standard</th><th>Description</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td colspan="5">ECONOMIC PERFORMANCE</td></tr>
<tr><td>201-1</td><td colspan="2">Direct economic value generated and distributed.</td><td>Refer to chapter 3 "Financial Statements" and indicator 203-1.</td><td>SDG 8 & 9</td></tr>
<tr><td>201-2</td><td>Financial implications and other risks and opportunities due to climate change.</td><td></td><td>Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section C “Internal Organisation”, subsection III – “Internal Control and Risk Management”, 53. “Details and Description of the Major Economic, Financial and Legal Risks to which the Company is Exposed in Pursuing Its Business Activity” and chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change”.</td><td>UNGC 7
SDG 13</td></tr>
<tr><td>201-3</td><td>Defined benefit plan obligations and other retirement plans.</td><td></td><td>Refer to chapter 3 "Financial Statements". Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section D “Remuneration”.</td><td>---</td></tr>
<tr><td>201-4</td><td colspan="2">Financial assistance received from government.</td><td>In Poland, the company received part of a European Union grant for research and development (applications were submitted until the end of 2023, but part of the funds will be received in 2024). The amount totalled to 172,045.80 EUR (779,986.84 PLN), of which 87,979.00 EUR (398,861.59 PLN) were received in 2023. It also received a tax benefit from robotisation of 18,051.88 EUR (81,840 PLN).
In Portugal, the benefits granted by official entities, as a tax credit, were aimed at offsetting investments made under the SIFIDE II programme - Tax Incentive System for Business Research & Development. This programme consists of a deduction from income tax of part of the amounts incurred in staff costs, operating costs, costs of contracting Innovation and Development (R&D) and costs of acquiring fixed assets to support R&D activity, which are certified by an external and independent entity. With reference to the 2022 tax year, in terms of SIFIDE II: at this level, and for the nine Companies of the Jerónimo Martins Group ("GJM") that submitted applications to SIFIDE II, with reference to the 2022 tax year (namely, JMR - Prestação de Serviços para a Distribuição, S.A., Jerónimo Martins Serviços, S.A., Seaculture Aquicultura, S.A., Terra Alegre Lacticínios, S.A., Best Farmer - Actividades Agro-Pecuárias, S.A., Jerónimo Martins Agro Alimentar, S.A., Jerónimo Martins, SGPS, S.A., Outro Chão Agricultura Biológica, Lda. and Recheio - Cash & Carry, S.A), the amount of potential tax credit requested was EUR 5,900,601.67. Specifically in the context of the applications from the Companies Outro Chão and Best Farmer, the respective decisions from the Agência Nacional de Inovação, S.A. were issued, which resulted in the tax credit requested in the application being granted in full, i.e. EUR 28,389.96 and EUR 95,629.79, respectively.
Total investment in R&D in the year 2022: In this particular context, and based on the amounts reported in the IPCTN22 - Survey of National Scientific and Technological Potential, by the GJM companies for which we assisted in completing the survey, the total amount reported in this regard totalled EUR 9,414,942.82.
In Colombia, there were no financial incentives (in the form of tax benefits/credits) granted by official entities to our operations.</td><td>---</td></tr>
<tr><td colspan="5">MARKET PRESENCE</td></tr>
<tr><td>202-1</td><td>Ratios of standard entry level wage by gender compared to local minimum wage.</td><td></td><td><table><tr><th></th><th colspan="2">Ratios of standard entry level wage compared to local minimum wage*</th></tr><tr><td></td><td>Women</td><td>Men</td></tr><tr><td>Portugal</td><td>101.3%</td><td>101.3%</td></tr><tr><td>Poland</td><td>100.0%</td><td>100.0%</td></tr><tr><td>Colombia</td><td>126.1%</td><td>126.1%</td></tr></table>*The lowest salaries of the Companies with the highest representation in each country are considered, that is, Pingo Doce (Portugal), Biedronka (Poland) and Ara (Colombia).

Regarding workers who are not employees, we do not have consolidated information to date that allows us to assess whether the type of functions performed are subject to minimum wage rules.
Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.5. “Recognise with Fairness and Competitiveness”.</td><td>UNGC 6
SDG 1, 5 & 8</td></tr>
</table>

<table>
<tr><th>GRI Standard</th><th>Description</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td>202-2</td><td>Proportion of senior management hired from the local community.</td><td>✓</td><td>
<table>
<tr><th></th><th>Proportion of senior management hired from the local community*</th></tr>
<tr><th></th><th>2023</th></tr>
<tr><td>Group</td><td>87.7%</td></tr>
<tr><td>Portugal</td><td>93.4%</td></tr>
<tr><td>Poland</td><td>77.4%</td></tr>
<tr><td>Colombia</td><td>76.7%</td></tr>
</table>
*The employees in senior positions come from the categories: "Members of Executive Committees" and "Senior and Middle Management".

To calculate this percentage, employees at the three highest functional levels in the organisation are considered. The hiring of people whose nationality is the same as the country where the employee works is considered local.</td><td>UNGC 6
SDG 8</td></tr>
<tr><td colspan="5">INDIRECT ECONOMIC IMPACTS</td></tr>
<tr><td>203-1</td><td>Infrastructure investments and services supported.</td><td>✓</td><td rowspan="2">Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4 “Sourcing Responsibly” and subchapter 5 “Supporting Surrounding Communities”, section 5.3. “Direct Support” and section 5.5. “Indirect Support”. See channel "Responsibility", page “Sourcing Responsibly” and "Supporting Surrounding Communities" on the website www.jeronimomartins.com.</td><td>SDG 5, 9 & 11</td></tr>
<tr><td>203-2</td><td>Significant indirect economic impacts.</td><td>✓</td><td>SDG 1, 3 & 8</td></tr>
<tr><td colspan="5">PROCUREMENT PRACTICES</td></tr>
<tr><td>204-1</td><td>Proportion of spending on local suppliers.</td><td>✓</td><td>Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1. “Selection and Monitoring of Suppliers”.</td><td>SDG 8</td></tr>
<tr><td colspan="5">ANTI-CORRUPTION</td></tr>
<tr><td>205-1</td><td colspan="2">Operations assessed for risks related to corruption.</td><td>Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section C "Internal Organisation" and section E “Related Party Transactions”.
In 2022, the Plan for the Prevention of Risks of Corruption and Related Infractions was published, a document that identifies and classifies the main and potential risks of the company in terms of corruption, considering the probability of occurrence and the impact of the identified risks, and lists the prevention and mitigation measures that the company adopted to minimize the probability of occurrence and the predictable impact, in compliance with its regulatory compliance program. The Implementation Report for this plan was published in 2023. The document can be consulted on the corporate website at www.jeronimomartins.com. In addition, in 2023 we approved the Integrity Due Diligence Procedure, as an autonomous internal document aimed at assessing risks related to corruption in the supply chain. Risk assessment in the supply chain is also assessed through social audits whose criteria include this issue. Information on audits carried out in 2023 can be consulted in chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1 “Selection and Monitoring of Suppliers”.</td><td>UNGC 10
SDG 16</td></tr>
<tr><td>205-2</td><td>Communication and training about anti-corruption policies and procedures.</td><td>✓</td><td>
<table>
<tr><th></th><th colspan="2">Communication about Anti-corruption Policy</th></tr>
<tr><th></th><th>Total</th><th>%</th></tr>
<tr><td>Group</td><td>12,787</td><td>9.5%</td></tr>
<tr><td>Portugal</td><td>5,668</td><td>15.9%</td></tr>
<tr><td>Poland</td><td>4,651</td><td>5.5%</td></tr>
<tr><td>Colombia</td><td>2,468</td><td>18.0%</td></tr>
</table>
There was a significant increase in the training provided on the Anti-Corruption Policy (+84.8% of training hours than in 2022), reaching 15,587 employees. However, there was a reduction in the number of employees who received communications on this issue, considering that in 2022, in Portugal, a special communication campaign had been implemented for all employees.
We continue to improve our systems to ensure that we report information by employee category. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas ", subsection 6.3.11. "Act Ethically".</td><td>UNGC 10
SDG 16</td></tr>
<tr><td colspan="5">ANTI-COMPETITIVE BEHAVIOR</td></tr>
<tr><td>206-1</td><td colspan="2">Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.</td><td>There were no recorded legal actions completed during the year relating to anti-competitive behaviour, violations of antitrust legislation and monopolistic practices in which the organization was identified as a participant. Additionally, see chapter 3 "Financial Statements", subchapter "Consolidated Financial Statements", 23. “Contingencies, contingent assets and contingent liabilities” for a description of major legal proceedings (amounted higher than 5 million euros) pending resolution, for which the Board of Directors, supported by the opinion of its lawyers and tax advisors, considers that there is enough ground for its appeal in court.</td><td>---</td></tr>
</table>

GRI Standard	Description		Evidence	Other Standards
MATERIALS				
301-1	Materials used by weight or volume.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.4. “Promoting a Circular Economy”.	UNGC 7 & 8 SDG 8 & 12
301-2	Recycled input materials used.	✓		UNGC 7 & 8 SDG 8 & 12
301-3	Reclaimed products and their packaging materials.		This aspect is not material. Nevertheless, the Group promotes the collection of customer waste in its stores for recovery. Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3 “Respecting the Environment”, section 3.4. “Promoting a Circular Economy”.	UNGC 8 SDG 8 & 12
ENERGY				
302-1	Energy consumption within the organization.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3 “Respecting the Environment”, section 3.3. “Fighting Climate Change", subsection 3.3.3. “Water and Energy Consumption Management”.	UNGC 7, 8 & 9 SDG 7, 8, 12 e 13
302-2	Energy consumption outside of the organization.		This indicator is disclosed as CO_2e, concerning the calculation of the Group's carbon footprint - scope 3 emissions for all categories according to the methodology of the GHG Protocol – Corporate Value Chain. Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change”, subsection 3.3.2. “Carbon Footprint”.	UNGC 7 & 8 SDG 7, 8, 12 & 13
302-3	Energy intensity.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change", subsection 3.3.3. “Water and Energy Consumption Management”.	UNGC 8 SDG 7, 8, 12 & 13
302-4	Reduction of energy consumption.	✓		UNGC 8 & 9 SDG 7, 8, 12 & 13
302-5	Reductions in energy requirements of products and services.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change", subsection 3.3.3. “Water and Energy Consumption Management”.	UNGC 8 & 9 SDG 7, 8, 12 & 13
WATER				
303-1 (2018)	Interactions with water as a shared resource.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3 “Respecting the Environment”, section 3.3. “Fighting Climate Change" subsection 3.3.3. “Water and Energy Consumption Management”.	UNGC 7 & 8 SDG 6, 12
303-2 (2018)	Management of water discharge-related impacts.	✓		UNGC 8 SDG 6
303-3 (2018)	Water withdrawal.	✓		UNGC 8 SDG 6 & 12
303-4 (2018)	Water discharge.	✓		UNGC 8 SDG 6
303-5 (2018)	Water consumption.	✓		UNGC 7 & 8 SDG 6
BIODIVERSITY				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		The Jerónimo Martins Group infrastructures comply with legal requirements concerning environmental matters and are mostly built within the urban network. Particularly regarding agribusiness, the Group owns some properties close to the National Ecological Network, collaborating with governmental entities to ensure its conservation.	UNGC 8 SDG 6, 14 & 15
304-2	Significant impacts of activities, products, and services on biodiversity.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.2. “Preserving Biodiversity" and subchapter 4. “Sourcing Responsibly”, section 4.3. “Promoting More Sustainable Production Practices”.	UNGC 8 SDG 6, 14 & 15

GRI Standard	Description		Evidence	Other Standards
304-3	Habitats protected or restored.	✔	Non-applicable to the Group's activities in 2023. Nevertheless, the Group collaborates with a number of habitat and ecosystem conservation initiatives such as the Green Heart of Cork (ANP | WWF), the clean Tatra mountains and clean Baltic beaches campaigns (Czysta Polska), Salamandra – Polish Society for Nature Conservation, ECOs-Locais (LPN), bees protection (Fundabejaz) and SOS Polinizadores (Quercus). In addition, the "Forest Açor mountain range" project – brings together the Jerónimo Martins Group, the Arganil City Council, common landowners' associations and the Escola Superior Agrária de Coimbra – is an initiative launched in 2020 that aims to preserve and enhance the landscape devastated by forest fires in this region, covering an area of 2,500 hectares. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2. "Preserving Biodiversity" and subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting of More Sustainable Production Practices".	UNGC 8 SDG 6, 14 & 15
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2. "Preserving Biodiversity" and subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting of More Sustainable Production Practices", subsection 4.3.4. "Sustainable Fishing".	UNGC 8 SDG 6, 14 & 15
EMISSIONS				
305-1	Direct (Scope 1) GHG emissions.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.2. "Carbon Footprint".	UNGC 7 & 8 SDG 3, 12, 13, 14 & 15
305-2	Energy indirect (Scope 2) GHG emissions.	✔		UNGC 7 & 8 SDG 3, 12, 13, 14 & 15
305-3	Other indirect (Scope 3) GHG emissions.	✔		UNGC 7 & 8 SDG 3, 12, 13, 14 & 15
305-4	GHG emissions intensity.	✔		UNGC 8 SDG 13, 14 & 15
305-5	Reduction of GHG emissions.	✔		UNGC 8 & 9 SDG 13, 14 & 15
305-6	Emissions of ozone-depleting substances (ODS).	✔	This aspect is not material. However, in 2023, an emission of 0.68 kg of CFC-11 eq., associated to the use of hydrochlorofluorocarbons, was verified in air conditioning equipment in Colombia, which is part of the fixed assets of the acquired stores. These represent <0.1% of the total of this type of equipment used in the Group's Companies.	UNGC 7 & 8 SDG 3 & 12
305-7	Nitrogen oxides (NO_x), sulphur oxides (SO_x), and other significant air emissions.	✔	The quantities are emitted by the combustion of fossil fuels (use of fuel on site to operate equipment, emergency and heating generators and the light vehicle fleet): • NO_x = 210.1 tonnes (+50.4% compared to 2022, considering value updating); • SO_x = 42.5 tonnes (-43.1% compared to 2022, considering value updating).	UNGC 7 & 8 SDG 3, 12, 14 & 15
WASTE				
306-1 (2020)	Waste generation and significant waste-related impacts.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change" and 3.4. "Promoting a Circular Economy".	UNGC 8 SDG 3, 6, 11 & 12
306-2 (2020)	Management of significant waste-related impacts.	✔		
306-3 (2020)	Waste generated.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", sections 3.3. "Fighting Climate Change" and 3.4. "Promoting a Circular Economy", and subsection 3.4.4. "Waste Management".	UNGC 8 SDG 3, 6, 11, 12, 14 & 15
306-4 (2020)	Waste diverted from disposal.	✔		
306-5 (2020)	Waste directed to disposal.	✔		

GRI Standard	Description	Evidence	Other Standards
ENVIRONMENTAL COMPLIANCE			
307-1	Non-compliance with environmental laws and regulations	There were no fines of significant nature*. *A monetary amount equal to or greater than approximately 45,000.00 euros is considered a significant fine.	UNGC 8 SDG 16
SUPPLIER ENVIRONMENTAL ASSESSMENT			
308-1	New suppliers that were screened using environmental criteria. ✔	In 2023, the Group approved 120 new suppliers 100% of which were screened using environmental criteria. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with Suppliers" and subsection 4.2.1. "Selection and Monitoring of Suppliers".	UNGC 8
308-2	Negative environmental impacts in the supply chain and actions taken.	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2. "Preserving Biodiversity" and subchapter 4. "Sourcing Responsibly", 4.2. "Relationship with Suppliers" and subsection 4.2.1 "Selection and Monitoring of Suppliers".	UNGC 8
EMPLOYMENT			
401-1	New employee hires and employee turnover. ✔	See below	UNGC 6 SDG 5, 8 & 10

New employee hires

	New employee hires							
	Age					Gender		Total
	≤24	25-34	35-44	45-54	≥55	Women	Men	
Group	**15,856**	**14,729**	**9,081**	**3,620**	**735**	**29,987**	**14,034**	**44,021**
Portugal	6,754	3,925	2,265	1,148	316	7,826	6,582	**14,408**
Poland	6,680	6,709	5,720	2,430	417	18,185	3,771	**21,956**
Colombia	2,422	4,095	1,096	42	2	3,976	3,681	**7,657**

	Rate of new employee hires*							
	Age					Gender		Total
	≤24	25-34	35-44	45-54	≥55	Women	Men	
Group	**93.6%**	**35.2%**	**21.3%**	**14.4%**	**9.3%**	**29.4%**	**43.4%**	**32.8%**
Portugal	116.2%	42.0%	24.3%	15.0%	8.7%	34.2%	51.3%	**40.3%**
Poland	76.2%	27.6%	18.9%	14.1%	9.8%	25.1%	30.1%	**25.9%**
Colombia	102.8%	50.0%	36.9%	20.5%	18.2%	59.1%	52.6%	**55.8%**

* Rate of new employee hires (per segment) = total number of new employee hires during the year/total number of employees at the end of the period.

Employee turnover

	Termination of labour contracts							
	Age					Gender		Total
	≤24	25-34	35-44	45-54	≥55	Women	Men	
Group	**12,553**	**13,993**	**9,085**	**3,862**	**1,195**	**27,506**	**13,182**	**40,688**
Portugal	5,767	3,903	2,204	1,146	506	7,463	6,063	**13,526**
Poland	5,100	6,509	5,825	2,650	687	16,849	3,922	**20,771**
Colombia	1,686	3,581	1,056	66	2	3,194	3,197	**6,391**

	Rate of employee turnover*							
	Age					Gender		Total
	≤24	25-34	35-44	45-54	≥55	Women	Men	
Group	**74.1%**	**33.5%**	**21.3%**	**15.4%**	**15.1%**	**27.0%**	**40.8%**	**30.3%**
Portugal	99.3%	41.8%	23.7%	15.0%	14.0%	32.6%	47.3%	**37.9%**
Poland	58.2%	26.8%	19.2%	15.4%	16.1%	23.3%	31.3%	**24.5%**
Colombia	71.6%	43.8%	35.6%	32.2%	18.2%	47.5%	45.7%	**46.6%**

* Rate of employee turnover (per segment) = total number of employees leaving during the year/total number of employees at the end of the period.

The turnover rate has stabilised compared to previous years, with a reduction of 0.5 p.p. globally (30.8% in 2022), 1.5 p.p. in Portugal and 1.3 p.p. in Poland, offset by an increase of 5.8 p.p. in Colombia, where turnover is higher.
We analysed two types of turnover: non-voluntary and voluntary (from the employee's point of view). The former is essentially the result of the seasonality to which the business is subject, forcing companies to adjust their workforce at times like Christmas, Easter or summer, as well as a desirable adjustment related to underperformance.
On the other hand, there are various reasons why employees may leave our Group voluntarily, which may be related to the opportunity for a new position or the need to move for professional or personal reasons.
Voluntary terminations are the main contributors to the turnover rate, especially among employees aged 24 and under. In order to understand the reasons for turnover and act preventively to mitigate it, we conduct exit interviews. In addition, this indicator is monitored by the Risk Committee.

<table>
<tr><th>GRI Standard</th><th>Description</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td>401-2</td><td>Benefits provided to full-time employees that are not provided to temporary or part-time employees.</td><td>✔</td><td>Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.5. “Recognise with Fairness and Competitiveness”.</td><td>UNGC 6
SDG 3, 5 & 8</td></tr>
<tr><td>401-3</td><td>Parental leave.</td><td>✔</td><td>
<table>
<tr><th></th><th colspan="3">Parental leave</th></tr>
<tr><th></th><th colspan="2">Gender</th><th rowspan="2">Total</th></tr>
<tr><th></th><th>Women</th><th>Men</th></tr>
<tr><td>Employees entitled to parental leave</td><td>101,960</td><td>32,340</td><td>134,300</td></tr>
<tr><td>Employees who took parental leave</td><td>5,179</td><td>1,155</td><td>6,334</td></tr>
<tr><td>Employees who returned from parental leave</td><td>2,864</td><td>1,046</td><td>3,910</td></tr>
<tr><td>Employees who returned from parental leave and remained in the Group 12 months after their return</td><td>2,477</td><td>844</td><td>3,321</td></tr>
<tr><td>Return to work rate (i)</td><td>55.3%</td><td>90.6%</td><td>61.7%</td></tr>
<tr><td>Rate of employees still on parental leave (ii)</td><td>30.9%</td><td>8.3%</td><td>26.8%</td></tr>
<tr><td>Retention rate (iii)</td><td>86.9%</td><td>77.9%</td><td>84.4%</td></tr>
</table>
(i) The return to work rate corresponds to the percentage of employees who returned from parental leave based on the number of employees who took parental leave in the period.
(ii) The rate of employees still on parental leave corresponds to the percentage of employees who have not yet returned from leave based on the number of employees who took parental leave in the period.
(iii) The retention rate corresponds to the percentage of employees who returned from parental leave in 2022 and are still working in the Group 12 months later.</td><td>UNGC 6
SDG 5 & 8</td></tr>
<tr><td colspan="5">LABOUR/MANAGEMENT RELATIONS</td></tr>
<tr><td>402-1</td><td>Minimum notice periods regarding operational changes.</td><td>✔</td><td>The Jerónimo Martins Group follows the notice periods established by the law in what regards operational changes. All collective labour agreements which exist and are applied in Portugal have clauses regarding termination (cessation by the will of one of the parties) and the revision process, with rules stipulating, depending on the case, deadlines and procedures for each situation. In any case, this topic is covered by the Portuguese Labour Code, which regulates these realities.</td><td>UNGC 3
SDG 8</td></tr>
<tr><td colspan="5">OCCUPATIONAL HEALTH AND SAFETY</td></tr>
<tr><td>403-1 (2018)</td><td>Occupational health and safety management system.</td><td>✔</td><td rowspan="6">Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas", subsections 6.3.7. “Protect through the Best Work Conditions” and 6.3.8. “Integrate Work and Personal Context”.</td><td>SDG 8</td></tr>
<tr><td>403-2 (2018)</td><td>Hazard identification, risk assessment, and incident investigation.</td><td>✔</td><td>SDG 8</td></tr>
<tr><td>403-3 (2018)</td><td>Occupational health services.</td><td>✔</td><td>SDG 8</td></tr>
<tr><td>403-4 (2018)</td><td>Worker participation, consultation and communication on occupational health and safety.</td><td>✔</td><td>SDG 8 & 16</td></tr>
<tr><td>403-5 (2018)</td><td>Worker training on occupational health and safety.</td><td>✔</td><td>SDG 8</td></tr>
<tr><td>403-6 (2018)</td><td>Promotion of worker health.</td><td>✔</td><td>SDG 3</td></tr>
</table>

<table>
<tr><th>GRI Standard</th><th>Description</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td>403-7 (2018)</td><td colspan="2">Prevention and mitigation of occupational health and safety impacts directly linked to commercial relations.</td><td>We are guided by our Sustainable Sourcing Policy, which explains, among other things, the need to establish commercial relationships with organisations whose activities respect the rights of man, children and/or workers, taking due diligence to learn about the reality of suppliers in order to detect early signs of possible abuses or non-compliance with the Supplier Code of Conduct. This latter document is included in commercial contracts, so that our partners also defend the labour rights of their own workers, namely in matters of health and safety conditions, non-discrimination, compliance with working hours, and the prohibition of any form of forced labour – including that involving the application of corporal punishment, harassment or bullying practices, or any form of physical or moral coercion – and the use of child labour, as defined by the International Labour Organisation. Both documents are published at www.jeronimomartins.com.
One example of the application of these criteria is the procurement processes for products with a global scope (two or more geographies) - Global Sourcing - which anticipate social and labour aspects in their specifications. Quality and food safety audits also take labour aspects into account in supplier selection and monitoring processes. In addition, the social audits carried out on the Companies' suppliers use evaluation criteria that include health and safety at work, preparation for emergencies, contract terms, working hours, and compliance with laws and regulations. For more information see chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with Suppliers", subsection 4.2.1. “Selection and Monitoring of Suppliers".
See, also, the diligences implemented by the Group with its supply chain for the defence of human and labour rights in subchapter 9. "The European Union’s Taxonomy", section 9.4. "Alignment Analysis", subsection 9.4.2. "Minimum Safeguards".</td><td>SDG 8 & 16</td></tr>
<tr><td>403-8 (2018)</td><td>Workers covered by an occupational health and safety management system.</td><td>✔</td><td>
<table>
<tr><th></th><th colspan="2">Health and safety management system coverage – Biedronka and Terra Alegre</th></tr>
<tr><th></th><th>Total</th><th>%</th></tr>
<tr><td>Employees and workers who are not employees covered by the system</td><td>96,896</td><td>100%</td></tr>
<tr><td>Employees and workers who are not employees covered by the system that was audited internally</td><td>94,896</td><td>100%</td></tr>
<tr><td>Employees and workers who are not employees covered by the system that has been audited or certified by an external entity</td><td>42,933</td><td>45.2%</td></tr>
</table>
The information presented refers to the health and safety management system implemented at Biedronka (ISO 45001:2018) and Terra Alegre (ISO 45001:2019). This includes 81,142 employees (81,004 at Biedronka and 138 at Terra Alegre) and 13,754 non-employee workers (13,739 at Biedronka and 15 at Terra Alegre).
As a rule, all employees are covered by the system. The external audit only includes a sample of the total number of employees and workers who are not employees, and in 2023 it covered 18.3% more people than in 2022 (27% that year). Workers who are not employees are also covered by the occupational health and safety systems of their respective countries according to local legislation.</td><td>SDG 8</td></tr>
</table>

GRI Standard	Description	Evidence	Other Standards
403-9 (2018)	Work-related injuries.		SDG 3, 8 & 16

	Work-related injuries – employees		
	Gender		Total
	Women	Men	
Fatalities	0	0	0
High-consequence work-related injuries*	24	10	34
Recordable work-related injuries	3,361	1,567	4,928
Total hours worked	154,088,917	57,486,758	211,575,674
Rate of accidents with serious consequences	0.16	0.17	0.16
Rate of reportable accidents	21.81	27.26	23.29

*Accidents with serious consequences are considered to be those resulting in an employee absence of more than 180 days. As for the data reported in the 2022 Annual Report on accidents with serious consequences (30 accidents in the Group), since absences of more than 180 days can only be calculated as of 30 June 2023, these should be corrected. There were a further 51 accidents that resulted in employees being absent for more than 180 days (14 in Portugal and 37 in Poland), which extended into 2023. So, in total, there were 81 accidents with serious consequences in 2022.

In 2022, there were about five thousand work-related injuries throughout the Group, 34 of which were of high consequence, corresponding to an increase of 10.9% and 13.3% respectively, compared to the previous year. The gender difference is due to the greater number of women in the workforce. Even so, the rate of accidents with serious consequences and the rate of reportable accidents increased less than the absolute number of accidents - 7.0 per cent and 4.8 per cent respectively, as the total number of hours worked was also higher (by 5.9 per cent compared to 2022).
Most accidents:

- in Portugal led to trauma and contusions;
- in Poland resulted in fractures or contusions of limbs, cuts and musculoskeletal overload;
- in Colombia they led to contusions, strains and sprains, minor superficial burns and musculoskeletal overload.

Most accidents are related to falls, physical exertion, inappropriate handling of equipment, risky behaviour, debris-strewn or wet floors and the handling of cutting tools. The main hazards and causes of accidents are mostly determined by analysing accidents that have occurred and, in order to mitigate them, we continually implement training and awareness programmes focused on the most common hazards (for example, handling equipment and moving loads in the store/distribution centre, for operations and good road practices, for employees in central structures). The hazards identified are also being gradually eliminated with the remodelling and opening of new stores.

	Work-related injuries – workers who are not employees
	Total
Fatalities	0
Accidents with serious consequences*	6
Accidents subject to mandatory reporting	245

*Accidents with serious consequences are considered to be those resulting in an employee absence of more than 180 days.

In 2023, the Group recorded accidents to non-employee workers in the three main geographies, totalling 251 accidents, whose main causes and associated dangers are similar to those recorded for employees. We continue to improve our information systems to ensure that we report all the information requested by the indicator.
See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas ", subsection 6.3.7. "Protecting with the Best Working Conditions".

GRI Standard	Description		Evidence	Other Standards
403-10 (2018)	Work-related ill health.	✔	(see below)	SDG 3, 8 & 16

	Work-related ill health*		
	Gender		Total
	Women	Men	
Fatalities	0	0	0
Recordable work-related ill health*	90	15	105

* During 2023, 77 additional cases of occupational diseases were confirmed in Portugal (71 women and 6 men) compared to the previous year, compared to the 294 cases reported in the 2022 Annual Report. So, in total, 371 cases of occupational diseases were recorded in 2022.

In 2023, 105 occupational diseases were recorded, which corresponds to an extraordinary decrease of 64.3% compared to 2022, the year in which cases of occupational diseases from previous years were regularised and confirmed, as a result of less activity by the entities responsible during the pandemic. The gender difference is due to the greater number of women in the labour force.
The main occupational illnesses recorded were tendonitis (inflammation of the tendons), epicondylitis (inflammation of the elbow), periarthritis (inflammation of the shoulder), paralysis, carpal tunnel syndrome, intervertebral disc disorder, rotator cuff disease, among other chronic diseases of the musculoskeletal system.
The main causes of occupational diseases lie in repeated movements and overloads on tendon sheaths, combined with a high pace of work with varied and manual loads. To mitigate these dangers, the companies have improved their machinery and equipment, altered and maintained their workplace infrastructure, increased awareness and specific HST training in identifying dangers and risks related to the activities carried out in the workplace, as well as making progress in organising tasks and adjusting working hours.

	Work-related ill health – non-employee workers
	Total
Fatalities	0
Recordable work-related ill health	45

In 2023, the Group recorded 45 cases of occupational illness among non-employee workers in Portugal and Poland, whose main causes and associated dangers are similar to those recorded for employees. We continue to improve our information systems to ensure that we report all the information requested by the indicator.

See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas ", subsection 6.3.7. "Protecting with the Best Working Conditions".

TRAINING AND EDUCATION

GRI Standard	Description		Evidence	Other Standards
404-1	Average hours of training per year per employee.	✔	(see below)	UNGC 6 SDG 4, 5, 8 & 10

	Average hours of training		
	Gender		Total
	Women	Men	
Group	**54**	**59**	**55**
Members of Executive Committees	22	15	17
Top and Middle Managers	29	31	30
Store, DC and Office Employees	54	61	56

The average number of training hours for men is slightly higher than for women because some jobs in the category "Store, DC and Office Employees", such as in the butchery or logistics section, require a greater number of hours of training due to their specific nature and are currently occupied by more men.
The category "Store, DC and Office Employees" is also the one with the most hours of training, which is partly justified by the fact that it is the category with the highest turnover, requiring greater need for training in their recruitment and also in compulsory subjects such as health and safety at work.
Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.3. “Prepare for the future”.

<table>
<tr><th>GRI Standard</th><th>Description</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td>404-2</td><td>Programs for upgrading employee skills and transition assistance programs.</td><td>✔</td><td>Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas", subsection 6.3.3. “Prepare for the future”.</td><td>SDG 8</td></tr>
<tr><td>404-3</td><td>Percentage of employees receiving regular performance and career development reviews.</td><td>✔</td><td>
<table>
<tr><th></th><th colspan="3">Employees receiving regular performance*</th></tr>
<tr><th></th><th colspan="2">Gender</th><th rowspan="2">Total</th></tr>
<tr><th></th><th>Women</th><th>Men</th></tr>
<tr><td>Group</td><td>99.9%</td><td>99.9%</td><td>99.9%</td></tr>
<tr><td>Members of Executive Committees</td><td>100.0%</td><td>100.0%</td><td>100.0%</td></tr>
<tr><td>Top and Middle Managers</td><td>100.0%</td><td>100.0%</td><td>100.0%</td></tr>
<tr><td>Store, DC and Office Employees</td><td>99.9%</td><td>99.9%</td><td>99.9%</td></tr>
</table>
* Only employees eligible for performance evaluation were considered, in accordance with the performance appraisal policies in force at the Corporate level and in each of the Companies. In 2023, in Colombia, employees in stores, distribution centres and offices were not considered eligible for this analysis, due to the non-application of the process.

Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas", subsection 6.3.4. “Empower the Individual Path”.</td><td>UNGC 6
SDG 5, 8 & 10</td></tr>
<tr><td colspan="5">DIVERSITY AND EQUAL OPPORTUNITY</td></tr>
<tr><td>405-1</td><td>Diversity of governance bodies and employees.</td><td>✔</td><td>Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, subchapter 6. “Being a Benchmark Employer”, section 6.2. “Our People”. Additionally, refer to chapter 1 “The Jerónimo Martins Group”, subchapter 1. “Profile and Structure”, section 1.3. “Statutory Bodies and Structure”, subsection 1.3.1. “Statutory Bodies”, and chapter 4 “Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance”, section B “Corporate Bodies and Committees”, subsection II “Management and Supervision (Board of Directors)”, 17. “Composition of the Board of Directors, With Details of the Articles of Association’s Minimum and Maximum Number of Members, Duration of Term of Office, Number of Effective Members, Date When First Appointed and End of the Term of Office of Each Member”.</td><td>UNGC 6
SDG 5 & 8</td></tr>
<tr><td>405-2</td><td>Ratio of basic salary and remuneration of women to men.</td><td>✔</td><td>To report the salary ratio between genders, segmentation by geographical areas where we operate was considered.
Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas", subsection 6.3.2. “Live Diversity”.</td><td>UNGC 6
SDG 5, 8 & 10</td></tr>
<tr><td colspan="5">NON-DISCRIMINATION</td></tr>
<tr><td>406-1</td><td colspan="2">Incidents of discrimination and corrective actions taken</td><td>There were no confirmed incidents of discrimination in the Jerónimo Martins Group. For information on the regulations used internally, namely the Code of Conduct, and the resolution mechanisms, which include the Ethics Committee, Ethics Divisions, among others, see chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.11. “Act Ethically”.</td><td>UNGC 6
SDG 5 & 8</td></tr>
<tr><td colspan="5">FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</td></tr>
<tr><td>407-1</td><td colspan="2">Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.</td><td>Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with Suppliers”, subsection 4.2.1. “Selection and Monitoring of Suppliers" and subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.11. “Act Ethically”.</td><td>UNGC 3
SDG 8</td></tr>
<tr><td colspan="5">CHILD LABOUR</td></tr>
<tr><td>408-1</td><td colspan="2">Operations and suppliers at significant risk for incidents of child labour.</td><td>Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1. “Selection and Monitoring of Suppliers" and subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.11. “Act Ethically”.</td><td>UNGC 5
SDG 8 & 16</td></tr>
<tr><td colspan="5">FORCED OR COMPULSORY LABOUR</td></tr>
<tr><td>409-1</td><td colspan="2">Operations and suppliers at significant risk for incidents of forced or compulsory labour.</td><td>Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1. “Selection and Monitoring of Suppliers" and subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.11. “Act Ethically”.</td><td>UNGC 4
SDG 8</td></tr>
<tr><td colspan="5">SECURITY PRACTICES</td></tr>
<tr><td>410-1</td><td colspan="2">Security personnel trained in human rights policies or procedures.</td><td>We continue to improve our systems to ensure that we report the information requested by the indicator.</td><td>UNGC 1
SDG 16</td></tr>
</table>

GRI Standard	Description		Evidence	Other Standards
LOCAL COMMUNITIES				
413-1	Operations with local community engagement, impact assessments, and development programs.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 5. “Supporting Surrounding Communities”, section 5.2. "Managing the Policy on Supporting Surrounding Communities".	UNGC 1 SDG 1 & 2
SUPPLIER SOCIAL ASSESSMENT				
414-1	New suppliers that were screened using social criteria.	✓	In 2023, the Group audited 412 new Private Brand and perishable suppliers, being 98% evaluated concerning labour practices (e.g., existence and/or use of appropriate clothing, hand washing equipment, conduct and personal hygiene rules, existence and conditions of social areas, locker rooms and sanitary facilities for employees and the control of training administration appropriate to the exercise of the function). Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1. “Selection and monitoring of suppliers".	UNGC 2 SDG 5, 8 & 16
414-2	Negative social impacts in the supply chain and actions taken.	✓	In 2023, of the 2,596 (+5% than in 2022) Private Brand and perishables suppliers*, 1,786 (69%, 16% more compared to 2022) were subject to labour impact assessment. Non-conformities associated to work practices with negative impacts were not identified (e.g.: inexistence and/or misuse of adequate clothing, hand-washing equipment, non-compliance with rules of conduct and personal hygiene, among others). Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1. “Selection and Monitoring of Suppliers". *The same supplier may have more than one location. In these cases, each location is treated independently and accounted for as such. Thus, even if a production unit is disapproved, and it is suspended/rejected to supply the Group until corrective actions are implemented, the supplier can maintain supply in case of a positive evaluation in the remaining production units.	UNGC 2 SDG 5, 8 & 16
PUBLIC POLICY				
415-1	Political contributions.	✓	The companies of the Jerónimo Martins Group do not support any political parties or their representatives, nor do they contribute financially to groups that support party interests. See channel "Responsibility", page "Corporate Responsibility Publications" to read the Code of Conduct on the website www.jeronimomartins.com.	UNGC 10 SDG 16
CUSTOMER HEALTH AND SAFETY				
416-1	Assessment of the health and safety impacts of product and service categories.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 2. “Promoting Good Health through Food” and subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1. “Selection and Monitoring of Suppliers".	---
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services.	✓	Number of cases of withdrawing products from sale, can be consulted at chapter 5 “Corporate Responsibility in Value Creation”, subchapter 2. “Promoting Good Health through Food”.	SDG 16
		In the legal scope, the following were registered: • In Poland, 87 confirmed incidents of non-compliance, which resulted in a warning from the authorities; In Colombia, 4 confirmed incidents of non-compliance that resulted in fine or penalty, and 25 confirmed incidents of non-compliance that results in a warning from authorities.		SDG 16
MARKETING AND LABELING				
417-1	Requirements for product and service information and labelling.	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 2. “Promoting Good Health through Food”, section 2.2. “Quality and Diversity" and subchapter 4. “Sourcing Responsibly”, section 4.3. “Promoting More Sustainable Production Practices”.		SDG 12
417-2	Incidents of non-compliance concerning product and service information and labelling.	In the legal scope, the following were registered: • In Poland, 15 confirmed incidents of non-compliance, that resulted in a warning from the authorities. • In Colombia, one confirmed incidents of non-compliance that resulted in fine or penalty.		SDG 16
417-3	Incidents of non-compliance concerning marketing communications.	There were no incidents of non-compliance with regard to marketing communications that resulted in fines or penalties, or warning from authorities. Additionally, there were no non-conformities relates to voluntary codes to which the Companies adhred.		SDG 16

The table of indicators above follows the methodology of the Global Reporting Initiative (GRI) Standards. Unless otherwise stated, indicators are reported in accordance with the 2021 version of the GRI Standards.

Table 2 – Reporting of Jerónimo Martins' performance indicators.

Description of Jerónimo Martins Indicator		Evidence	Other standards
Number of Nutri-Score labelled references in Portugal and in Poland.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food", section 2.2. "Quality and Diversity" and subchapter 7. "2021-2023 Commitments".	SDG 3 & 12
Number of vegan, lactose-free and gluten-free Private Brand products/references in Portugal, Poland and Colombia.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter2. "Promoting Good Health through Food", section 2.2. "Quality and Diversity" and subchapter 7. "2021-2023 Commitments".	SDG 3, 10 & 12
Ensure that products targeted for children have a higher nutritional profile than the benchmark (or best in class), according to the country of operation. In Colombia, ensure that products targeted for children have a higher nutritional profile than this benchmark until 2025.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments".	SDG 2, 3, 10 & 12
Number of Private Brand products in Portugal and Poland containing, in their direct ingredients, artificial dyes, versus total number of food products.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments".	SDG 3 & 12
Number of Private Brand products in Portugal and Poland containing, in their direct ingredients, artificial flavour enhancers, versus total number of products.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments".	SDG 3 & 12
In Portugal and in Poland, to position the Companies as healthy ageing promoters, through democratising the access to Private Brand food products that meet internationally recognised nutritional and dietary needs for the 50+ age groups.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food", section 2.2. "Quality and Diversity" and subchapter 7. "2021-2023 Commitments".	SDG 3, 10 & 12
Guarantee the absence of glucose and fructose syrup in Private Brand products in Poland until the end of 2021.	✓	Although defined until 2021, its non-compliance in 2021 led to its maintenance in 2022 and subsequent years until compliance. 84% (+12 p.p. versus 2021) of the total Private Brands references in Poland are glucose-fructose free. Bakery and Pastry with Biedronka's Private Brands label: 100%.	SDG 3 & 12
Ensuring the absence of annatto coloring in all Private Brand cheese products in Biedronka until the end of 2021.	✓	100% of the considered references were free of the annatto dye.	SDG 3 & 12
Symbology in Private Brand alcoholic beverages in Portugal and Poland: responsibility when driving, warning for pregnant women and caloric index	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food", section 2.2. "Quality and Diversity".	SDG 3 & 12
Increase the number of locations with environmental certification to at least 60% of the total distribution centres and industrial units (fresh dough factory, central kitchens, soup factory and Terra Alegre dairy factory) by 2023.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments".	UNGC 8 SDG 7, 12 & 13
10% reduction in energy consumption (per thousand euros of sales) by 2023 compared to 2017.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3 "Respecting the Environment", section 3.3. "Fighting Climate Change" and subchapter 7. "2021-2023 Commitments".	UNGC 7 SDG 7, 12 & 13
Reduction in the volume of water collected in Distribution activities by 10% until 2023 (in megaliters per million euros of sales), compared to 2017.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3 "Respecting the Environment", section 3.3. "Fighting Climate Change" and subchapter 7. "2021-2023 Commitments".	UNGC 7 SDG 7, 12, 13 & 14
Reduce carbon emissions resulting from transporting goods to stores by 5% (in tonnes of CO_2e per thousand pallets transported), by 2023, compared to 2020.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change" and subchapter 7. "2021-2023 Commitments".	UNGC 7 SDG 7, 12 & 13

Description of Jerónimo Martins Indicator		Evidence	Other standards
Percentage of non-renewable energy consumed and produced	✓	Regarding the energy consumed by the operations of the operations of the Jerónimo Martins Group Companies, 55% comes from non-renewable sources. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.3. "Water and Energy Consumption Management".	UNGC 7,8 & 9 SDG 7, 8, 12 & 13
Support at least one nature conservation project in each of the countries where we have operations and disclose its results annually.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity" and subchapter 7. "2021-2023 Commitments".	UNGC 8 SDG 14, 15 & 17
Calculation of ecodesign projects savings in material and environmental benefits.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter 7. "2021-2023 Commitments".	SDG 12 & 13
Ensure that at least 12% of the packaging in Private Brand products are included in the ecodesign project by 2023, comparing to the 2020 assortment.	✓		SDG 12 & 13
Calculation of the amount of plastic in Private Brand packaging and other single-use plastics.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter 7. "2021-2023 Commitments".	SDG 12 & 13
Increase the content of recycled plastic to 10% of the total amount of plastic packaging under our responsibility (Private Brand, service packaging, check-out bags and pallet wrapping film) by 2023.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter 7. "2021-2023 Commitments".	SDG 12 & 13
Reduce by 5% by 2023, the specific consumption of plastic (measured in tonnes of plastic packaging per million euros of turnover), compared to 2018.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter7. "2021-2023 Commitments".	SDG 12 & 13
Reduce total virgin plastic in Private Brand packaging, service packaging, pallet wrapping film and carrier bags by 15%, compared to 2018.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy".	SDG 12 & 13
Percentage of problematic components to be eliminated (e.g., PVC, EPS and XPS) from Private Brand plastic packaging.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy".	SDG 12 & 13
Percentage of private label and perishable packaging that is 100% recyclable or reusable	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy".	SDG 12 & 13
Ensure an annual waste recovery rate of at least 85% of the volume of waste generated by 2023.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter 7. "2021-2023 Commitments".	SDG 12 & 13
Food waste generated in Group operations (kg/t of product sold).	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter 7. "2021-2023 Commitments".	UNGC 7 SDG 2, 12 & 13
Limit food waste generated to 16.1kg per tonne of product sold by 2023.	✓		
Guarantee that at least 80% of the Jerónimo Martins Group's purchases of food products are sourced from local suppliers.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices" and subchapter 7. "2021-2023 Commitments".	UNGC 8 SDG 12 & 13
Increase sales of Private Brand and/or perishable products and packaging with sustainability certification to at least 7% of the total sales of these product categories by 2023.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.5. "Certified Products" and subchapter 7. ""2021-2023 Commitments".	UNGC 8 SDG 12 & 13
Carry out environmental audits to at least 20% of Private Brand and perishables suppliers, with a purchase volume greater than 1.1 million euros in the 2021-2023 period.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2.1. "Selection and Monitoring of Suppliers" and subchapter 7. "2021-2023 Commitments".	UNGC 8 SDG 12, 13 & 15
Carry out at least 40 environmental audits every year on service providers.	✓		UNGC 8 SDG 12, 13 & 15

Description of Jerónimo Martins Indicator		Evidence	Other standards
Calculation of the consumption of deforestation commodities (palm oil, soy, beef and paper/timber) in Private Brand products and perishables.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.1. "Fighting Deforestation" and subchapter 7. "2021-2023 Commitments".	UNGC 7, 8 & 9 SDG 12, 13 & 15
For palm oil, and until 2023, continue to ensure 100% RSPO certification in Portugal and Poland. In Colombia, ensure compliance with the "Acuerdo de Voluntades para la Deforestación Cero en la Cadena de Palma en Colombia" (Voluntary Agreement for Zero Deforestation in the Colombian Palm Oil Chain) from the Colombian government.	✓		
For soy, and until 2023 reduce by 50% soy from unknown origins to 16% of total direct and indirect soy. Reduce soy from countries with risk of deforestation to 25% and/or ensure they are sustainably sourced (e.g., RTRS or ProTerra certified or other multi-stakeholder schemes that promote the preservation of ecosystems in the main production areas of this ingredient).	✓		
For paper/timber, and until 2023, ensure to achieve sustainable certification (e.g., FSC® or PEFC) in 80% of virgin fibres used in products and in 70% of virgin fibres used in our packaging, in cooperation with our suppliers.	✓		
For beef, and until 2023, reduce unknown origins to 2.5% of total beef purchases. If sourcing from Brazil, engage with suppliers to ensure the adoption of deforestation policies and actions.	✓		
Percentage of cage-free Private Brand fresh eggs.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.3. "Practices to Promote Animal Welfare".	SDG 12
Percentage of eggs used as ingredients in Private Brand products from cage-free.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.3. "Practices to Promote Animal Welfare".	SDG 12
Compliance to the Group's Sustainable Fishing Strategy.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.4. "Sustainable Fishing".	SDG 12 & 14
Ensure the annual application of the Sustainable Agriculture Handbook in at least 70 new farms in Portugal and Poland, ensuring a minimum average sustainability index of 3.7 points (on a scale from 1 to 5, in which 5 is the maximum score) for farms with at least two assessments in the 2021-2023 period.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.2. "Promoting Sustainable Agricultural Practices".	UNGC 7,8 & 9 SDG 12, 13, 14 & 15
Monitoring and disclosure of at least 70% (in value) of the social impacts resulting from the annual support offered by all Group Companies, according to the Business for Societal Impact (B4SI) model.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities", section 5.2. "Managing the Policy on Supporting Surrounding Communities" and subchapter 7. "2021-2023 Commitments". See channel "Responsibility", page "Supporting Surrounding Communities" on the website www.jeronimomartins.com.	SDG 2, 3, 4, 10 & 17
In Poland, expand the food donations programme for local non-governmental organisations to 70% of stores.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities", section 5.3. "Direct Support" and subchapter 7. "2021-2023 Commitments".	SDG 1, 2, 10 & 17

Description of Jerónimo Martins Indicator		Evidence	Other standards
Strengthen the involvement in social projects targeted to children, youngsters and elderly people from vulnerable environments in all countries where we have operations, focusing on aspects of health and healthy eating, aiming to directly impact one million people until 2023.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities".	SDG 1, 2 & 3
Employee training on Hygiene and Food Safety.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food", section 2.3. "Food Safety and Quality".	SDG 3 & 12
On-the-job internships.	✓	In 2023, we held 651 internships in a real work context.	SDG 8, 10 & 17
Young talent programmes.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Live diversity".	SDG 8 & 10
Promoted employees.	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.4. "Strengthening the Individual Path".	SDG 8 & 10
Internal mobility.	✓		---
Employees covered by training. Investment in training.	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.3. "Preparing for the future".	SDG 8 & 10
Internal Social Responsibility measures. Investment in Internal Social Responsibility measures.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.9. "Support Employees and their Families".	SDG 1, 2, 3, 4, 8, 10 & 17
Human Resources policies.	✓	The Human Resources policies in force foster a culture of alignment between geographies, compliance with laws and regulations, justice and meritocracy, and sustainability in value creation, throughout the entire life cycle of the employee. In 2023, there were a total of 92 global and local policies aimed at employees. Global policies include: recruitment and selection, on-boarding, knowledge management, performance management, base salary, variable pay, among others. In terms of local policies, we highlight the following: Portugal - domestic violence intervention; human resources administration and payroll, among others; Poland - performance management, employee services, and trade union policy, among others; Colombia – on-boarding policy, performance management and recruitment and selection, among others. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	UNGC 6 SDG 5, 8 & 10
Training in Human and Labour Rights policies and practices.	✓	The Group has developed training courses on this subject in the context of the Code of Conduct and the labour legislation applicable. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers" and subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	UNGC 1 & 2
Employee nationalities.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. "Our People".	---
Active generations.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. "Our People".	---
12-month employee retention.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. "Our People".	---
Average seniority of employees.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. "Our People".	---
Differentiation between the national minimum wage and the minimum monthly income.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.5. "Recognise with Fairness and Competitiveness".	SDG 1 & 8
Investment in seniority bonuses.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.5. "Recognise with Fairness and Competitiveness".	SDG 1 & 8

Description of Jerónimo Martins Indicator		Evidence	Other standards
Number of hours of occupational health and safety training.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.7. "Protecting with the Best Working Conditions".	SDG 3
Number of employees trained in Health and Safety at Work.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.7. "Protecting with the Best Working Conditions".	SDG 3
Management positions held by women.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Live Diversity".	SDG 5 & 10
Entry-level positions held by women.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Live Diversity".	SDG 5 & 10
Revenue-generating positions held by women.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Live Diversity".	SDG 5 & 10
Promotions obtained by women.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Live Diversity".	SDG 5 & 10
% Women in engineering and research and development (R&D) positions	✔	46.2%. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Live Diversity".	SDG 5 & 10
% Women in information technologies (IT) positions	✔	26.7%. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Live Diversity".	SDG 5 & 10
Number of people with disabilities.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.10. "Promote Inclusion".	SDG 10 & 17
Resolution mechanisms.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	---
Operations that have been subject to human rights reviews or impact assessments.		Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	UNGC 1
Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.		The contracts signed with new suppliers imply knowledge and adherence to the Jerónimo Martins Group's Code of Conduct for Suppliers Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with Suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers".	UNGC 1 & 2

Table 3 – Indicator reporting according to the Task Force on Climate-related Financial Disclosures (TCFD).

TCFD indicator	Description		Evidence
GOVERNANCE			
a)	Describe the Board's oversight of climate-related risks and opportunities.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.1. "Managing climate-related risks and opportunities". 2023 CDP Climate: Question C1.1b.
b)	Describe management's role in assessing and managing climate-related risks and opportunities.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.1. "Managing climate-related risks and opportunities". 2023 CDP Climate: Question C1.2.
STRATEGY			
a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.1. "Managing climate-related risks and opportunities". 2023 CDP Climate: Question C2.1, 2.1a, 2.3, 2.3a, 2.4, 2.4a
b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses strategy and financial planning.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.1. "Managing climate-related risks and opportunities". 2023 CDP Climate: Question C2.2, 2.3, 2.3a, 2.4, 2.4a, 3.1, 3.2a, 3.3, 3.4.
c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.1. "Managing climate-related risks and opportunities". 2023 CDP Climate: Question C3.2, 3.2a.

TCFD indicator	Description		Evidence
RISK MANAGEMENT			
a)	Describe the organisation's processes for identifying and assessing climate-related risks.	✓	Refer to chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organization and Corporate Governance", section C "Internal Organisation", subsection III – "Internal Control and Risk Management", 53. "Details and Description of the Major Economic, Financial and Legal Risks to which the Company is Exposed in Pursuing Its Business Activity" and chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change". [2023 CDP Climate: Question C2.1, 2.1a, 2.2, 2.2a.]
b)	Describe the organisation's processes for managing climate-related risks.	✓	
c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	✓	
METRICS AND TARGETS			
a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.1. "Managing climate-related risks and opportunities". [2023 CDP Climate: Question C4.2, 4.2b.]
b)	Disclose scope 1, scope 2, and, if appropriate, scope 3 GHG emissions, and the related risks.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.1. "Managing climate-related risks and opportunities" and subsection 3.3.2. "Carbon Footprint". [2023 CDP Climate: Sections C4, C5, C6 and C7.]
c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change" and subchapter 7. "2021-2023 Commitments". [2023 CDP Climate: Section C4.]

Table 4 – Reporting indicators according to the Sustainability Accounting Standards Board (SASB).

SASB indicator	Description		Evidence	Other Standards
FB-FR-110a.1	Fleet fuel consumed, percentage renewable.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change".	UNGC 7 & 8 GRI 302-1 GRI 302-2 SDG 7, 8, 12 & 13
FB-FR-110b.1	Gross global scope 1 emissions from refrigerants.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change".	UNGC 7 & 8 GRI 305-1 SDG 3, 12, 13, 14 & 15
FB-FR-110b.2	Percentage of refrigerants consumed with zero ozone depleting potential.	✓	More than 99.9% of the refrigerant gas emissions have no ozone depletion potential. In 2023 it was verified the emission of 0.68kg of CFC-11 eq., associated with the use of hydrochlorofluorocarbons in air conditioning equipment in Colombia that are part of the fixed assets of acquired stores. These represent <0.1% of the total of this type of equipment used in the Group's Companies.	UNGC 7 & 8 GRI 305-6 SDG 3 & 12
FB-FR-130a.1	(1) Energy consumed, (2) percentage grid electricity, (3) percentage renewable.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change".	UNGC 7, 8 & 9 GRI 302-1 GRI 302-2 SDG 7, 8, 12 & 13
FB-FR-150a.1	Amount of food waste generated, percentage diverted from the waste stream.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter 7. "2021-2023 Commitments".	SDG 2, 12 & 13
FB-FR-230a.2	Description of approach to identifying and addressing data security risks.	✓	Refer to chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section B "Corporate Bodies and Committees", subsection II "Management and Supervision (Board of Directors)", 21. "Organisational Charts Concerning the Allocation of Powers Between the Various Corporate Boards, Committees and/or Departments Within the Company, Including Information on Delegating Powers, Particularly as Regards the Delegation of the Company's Daily Management", section C "Internal Organisation", subsection III "Internal Control and Risk Management", 53. "Details and Description of the Major Economic, Financial and Legal Risks to which the Company is Exposed in Pursuing Its Business Activity".	---

SASB indicator	Description	Evidence	Other Standards
FB-FR-250a.2	Number of recalls.	For the number of food product recalls and withdrawals, breakdown per Private Brand and perishables, see chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. “Promoting Good Health through Food”, section 2.3. "Food Quality and Safety", subsection 2.3.4 "Food Recalls and Withdrawals".	SDG 3 & 12 GRI 416-2
	Number of units recalled and percentage of units recalled that are Private Brand products.		
FB-FR-260a.2	Description of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers.	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 2. “Promoting Good Health through Food”, section 2.2. “Quality and Diversity”.	SDG 3 & 12 GRI 416-1
FB-FR-310a.2	Percentage of active workforce covered under collective bargaining agreements.	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 6. “Being a Benchmark Employer”, section 6.3. “Our Intervention Areas”, subsection 6.3.11. “Act Ethically”.	UNGC 3 GRI 2-30 SDG 8
FB-FR-430a.1	Revenue from products third-party certified to environmental or social sustainability sourcing standards.	Increase sales of Private Brand and Perishable products and/or packaging with sustainability certification to at least 7% of the total sales of these product categories by 2023. In 2023, sales of Private Brand products and/or packaging and perishables with sustainability certification represented 13.4%. Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.3. “Promoting More Sustainable Production Practices”, subsection 4.3.5. “Certified Products” and subchapter 7. “2021-2023 Commitments”.	SDG 12
FB-FR-430a.2	Percentage of revenue from eggs originated from a cage-free environment.	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.3. “Promoting More Sustainable Production Practices”.	SDG 12 & 15
	Percentage of revenue from pork produced without the use of gestation crates.	Not applicable.	Not applicable.
FB-FR-430a.3	Description of strategy to manage environmental and social risks within the supply chain, including animal welfare.	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 4. “Sourcing Responsibly”, section 4.2. “Relationship with suppliers”, subsection 4.2.1. “Selection and Monitoring of Suppliers” and section 4.3. “Promoting More Sustainable Production Practices”, subsection 4.3.3. “Practices to Promote Animal Welfare” and subchapter 7. “2021-2023 Commitments”.	UNGC 7 GRI 3-3 SDG 12 & 15
FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging.	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.4. “Promoting a Circular Economy " and subchapter 7. “2021-2023 Commitments”.	UNGC 7 & 8 GRI 3-3 GRI 301-1 SDG 8 & 12
FB-FR-000.A	Number of (1) retail locations and (2) distribution centers.	(1) This information is regularly disclosed in the Group's result releases in the corporate website, under the "Investors" area, page Market Releases. (2) Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 7. “2021-2023 Commitments”.	---
FB-FR-000.B	Total area of (1) retail space and (2) distribution centers.	(1)This information is regularly disclosed in the Group's result releases in the corporate website, under the "Investors" area, page Market Releases.	---
FB-FR-000.C	Number of vehicles in commercial fleet.	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change”, subsection 3.3.4. “Reduction of Environmental Impacts from Logistics processes”.	---

Table 5 – Regulatory Technical Standards for the disclosure of sustainability information (SFDR-RTS).

SFDR-RTS indicators	Description		Evidence	Other Standards
Principal	Scope 1 GHG emissions.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change”.	UNGC 7 & 8 GRI 305-1 SDG 3, 12, 13, 14 & 15
Principal	Scope 2 GHG emissions.	✓		UNGC 7 & 8 GRI 305-2 SDG 3, 12, 13, 14 & 15
Principal	Scope 3 GHG emissions.	✓		UNGC 7 & 8 GRI 305-3 SDG 3, 12, 13, 14 & 15
Principal	Total GHG emissions.	✓		UNGC 8 & 9 GRI 305-4 GRI 305-5 SDG 13, 14 & 15
Principal	Share of non-renewable energy consumption and production.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change”.	UNGC 7, 8 & 9 GRI 302-1 SDG 7, 8, 12 & 13
Principal	Energy consumption intensity per high impact climate sector.	✓		
Principal	Activities negatively affecting biodiversity-sensitive areas.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.2. “Preserving Biodiversity” and subchapter 4. “Sourcing Responsibly”, section 4.3. “Promoting More Sustainable Production Practices”.	UNGC 8 GRI 304-1 GRI 304-2 GRI 304-3 GRI 304-4 SDG 6, 14 & 15
Principal	Hazardous waste and radioactive waste ratio.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.4. “Promoting a Circular Economy”, subsection 3.4.4. “Waste Management”.	UNGC 8 GRI 306-2 SDG 3, 6, 11 & 12
Principal	Unadjusted gender pay gap.	✓	We calculate the salary difference between women and men among the employees of the Jerónimo Martins Group, based on comparable realities. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. “Our Intervention Areas", subsection 6.3.2. “Live Diversity”.	UNGC 6 GRI 405-2 SDG 5, 8 & 10
Principal	Board gender diversity.		Refer to chapter 4 "Corporate Governance", Part I – “Information on Shareholder Structure, Organisation and Corporate Governance", section B “Corporate Bodies and Committees”, subsection II “Management and Supervision (Board of Directors)”.	UNGC 6 GRI 405-1 SDG 5 & 8
Additional	Emissions of air pollutants.	✓	Quantities are released from the combustion of fossil fuels (on-site fuel use for equipment operation, emergency generators and heating, as well as light vehicle fleet): • NO_X = 210.1 tonnes (+50.4% compared to 2022, considering an update of the figures); SO_X = 42.5 tonnes (+43.1% compared to 2022, considering an update of the figures).	UNGC 7 e 8 SDG 3, 12, 14 & 15
Additional	Emissions of ozone-depleting substances.	✓	This aspect is not material. However, in 2023, we recorded an emission of 0.68kg of CFC-11 eq., associated to the use of hydrochlorofluorocarbons in air conditioning equipment in Colombia, which is part of the fixed assets of the acquired stores. These represent <0.1% of the total of this type of equipment used in the Group’s Companies.	UNGC 7 & 8 GRI 305-6 SDG 3, 12, 14 e 15
Additional	Carbon emission reduction initiatives.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change”.	UNGC 7, 8 & 9 GRI 305-5 SDG 13, 14 & 15
Additional	Breakdown of energy consumption by type of non-renewable sources of energy.	✓	Of the energy used by the operations of the Jerónimo Martins Group's Companies, 62% comes from non-renewable sources. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. “Fighting Climate Change", subsection 3.3.3. “Water and Energy Consumption Management”.	UNGC 7, 8 & 9 SDG 7, 8, 12 & 13
Additional	Water usage and recycling.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change", subsection 3.3.3. “Water and Energy Consumption Management”.	UNGC 7, 8 & 9 GRI 303-3 GRI 303-4 GRI 303-5 SDG 6 & 12
Additional	Water management policies.	✓	Refer to chapter 5 “Corporate Responsibility in Value Creation”, subchapter 3. “Respecting the Environment”, section 3.3. “Fighting Climate Change", subsection 3.3.3. “Water and Energy Consumption Management”.	UNGC 7 & 8 GRI 303-1 GRI 303-2 SDG 6 & 12

SFDR-RTS indicators	Description		Evidence	Other Standards
Additional	Exposure to areas of high water stress.	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.3. "Water and Energy Consumption Management".	UNGC 7 & 8 SDG 6 & 12
Additional	Sustainable oceans/seas practices.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy" and subchapter 4 "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.4. "Sustainable Fishing".	UNGC 7 & 9
Additional	Non-recycled waste ratio.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4. "Promoting a Circular Economy", subsection 3.4.4. "Waste Management".	UNGC 8 GRI 306-2 SDG 3, 6, 11 & 12
Additional	Natural species and protected areas.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2. "Preserving Biodiversity" and subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices".	UNGC 8 SDG 6, 14 & 15
Additional	Deforestation.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting More Sustainable Production Practices", subsection 4.3.1. "Fighting Deforestation" and subchapter 7. "2021-2023 Commitments".	UNGC 7
Additional	Workplace accident prevention policy.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.7. "Protect through the Best Work Conditions" and subsection 6.3.11. "Act Ethically".	UNGC 1 & 2 GRI 403-1 SDG 8
Additional	Rate of accidents.	✓	In 2023, around five thousand work-related injuries were recorded throughout the Group, 34 of which were of high consequence, corresponding to an increase of 4.8% and 7.0% in the respective index, compared to the previous year. As a result, the rate of reportable accidents stood at 23.29 and the rate of accidents with serious consequences at 0.16. The vast majority of the accidents are related to physical effort, inappropriate handling of equipment, risky behaviour, waste or wet floors and handling of cutting tools. Most accidents: • in Portugal led to trauma and contusions; • in Poland resulted in fractures or contusions of limbs, cuts and musculoskeletal overload; • in Colombia led to contusions, strains and sprains, light superficial burns and musculoskeletal overload. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.7. "Protect through the Best Work Conditions".	GRI 403-8 GRI 403-9 GRI 412-1 SDG 3, 8 & 16
Additional	Number of days lost to injuries, accidents, fatalities or illness.		Although we do not report these indicators, information on occupational health and safety practices can be found in chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.7. "Protect through the Best Work Conditions". See also chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments" and subchapter 8. "2024-2026 commitments".	SDG 3, 8 e 16 GRI 403-8 GRI 403-9
Additional	Supplier Code of Conduct.	✓	See channel "Responsibility", page "Corporate Responsibility Publications" to consult the Code of Conduct and Code of Conduct for Suppliers on the website www.jeronimomartins.com	UNGC 2 & 10 SDG 3, 8 & 16 GRI 2-15 GRI 2-23 GRI 2-26 GRI 412-3
Additional	Grievance/complaints handling mechanism related to employee matters.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	UNGC 2, 3, 4, 5, 6 & 10
Additional	Whistleblower protection.	✓	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically". Ethics Committee website (ethicscommittee.jeronimomartins.com, in four languages) and the Code of Conduct of Jerónimo Martins available in the "Responsibility" channel, page Corporate Responsibility Publications", on the website www.jeronimomartins.com .	UNGC 2, 3, 4, 5, 6 & 10

SFDR-RTS indicators	Description		Evidence	Other Standards
Additional	Incidents of discrimination.		There have been no confirmed incidents of discrimination within Jerónimo Martins Group. Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	UNGC 6 SDG 5 & 10 GRI 406-1
Additional	Excessive CEO pay ratio.		Refer to chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section D "Remuneration", subsection IV – "Remuneration Disclosure".	
Additional	Human rights policy.	✔	Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically". See channel "Responsibility", page "Corporate Responsibility Publications" to consult the Code of Conduct Jerónimo Martins and Code of Conduct for Suppliers on the website www.jeronimomartins.com	UNGC 1 & 2
Additional	Due diligence process to identify, prevent and address adverse human rights impacts.		Refer to chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section C "Internal Organisation", subsection III "Internal Control and Risk Management". For specific actions in this field see chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically" and subchapter 9. "The European Union's Taxonomy", section 9.4. "Alignment Analysis", subsection 9.4.2. "Minimum Safeguards".	UNGC 1 & 2 GRI 407-1 GRI 408-1 GRI 409-1 GRI 410-1 GRI 412-1 GRI 412-2 GRI 412-3 GRI 414-1 GRI 414-2 SDG 5, 8 & 16
Additional	Processes and measures to prevent trafficking in human beings.	✔	See Jerónimo Martins Code of Conduct, Supplier Code of Conduct and Sustainable Sourcing Policy in the "Responsibility" channel, "Corporate Responsibility Publications" page, on the website www.jeronimomartins.com.	UNGC 1 & 2
Additional	Operations and suppliers at significant risk of incidents of child labour.		Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers" and subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	UNGC 1, 2 & 5 GRI 408-1 GRI 410-1 GRI 412-1 GRI 412-2 GRI 412-3 GRI 414-1 GRI 414-2 SDG 8 & 16
Additional	Operations and suppliers at significant risk of incidents of forced or compulsory labour.		Refer to chapter 5 "Corporate Responsibility in Value Creation", subchapter 4 "Sourcing Responsibly", section 4.2. "Relationship with suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers" and subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically".	UNGC 1-4 e 6 GRI 409-1 GRI 414-1 GRI 414-2 SDG 8 e 16
Additional	Anti-corruption and anti-bribery policies.	✔	Consult the Anti-Corruption Policy, the Plan for the Prevention of Risks of Corruption and Related Infractions and the Annual Report on the implementation of this plan in the "About Us" channel at www.jeronimomartins.com. Also see the Jerónimo Martins Code of Conduct and the Code of Conduct for Suppliers in the "Responsibility" channel, "Corporate Responsibility Publications" page at www.jeronimomartins.com. In addition, the Integrity Due Diligence Procedure, to be applied to third parties, was approved in 2023 as an autonomous internal procedure.	UNGC 10 GRI 205-1 GRI 205-2

Table 6 – Report template for disclosure of non-financial information by companies issuing securities admitted to trading on a regulated market.

CMVM indicator		Evidences
PART 1 – INFORMATION ON ADOPTED POLICIES		
A. Introduction	1. Description of the Company's general policy regarding sustainability issues, indicating any changes to previously approved policy.	See chapter 4 "Corporate Governance" Part I "Information on Shareholder Structure, Organisation and Corporate Governance", section A "Shareholder Structure", B "Corporate Bodies and Commitees" and C "Internal Organisation". For a summary of the Group's sustainability policies and actions undertaken in 2023, see chapter 5 "Corporate Responsibility in Value Creation" and subchapters 1. "Corporate Responsibility: Overview of the Year" to 6. "Being a Benchmark Employer". See also the "Responsibility" channel, dedicated pages for each pillar of action or the "Corporate Responsibility Publications" page for the full Group policies in force on our website: www.jeronimomartins.com.
	2. Description of non-financial information reporting methodology and reasons for its adoption, including any changes in relation to previous years and reasons, therefore.	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", and subchapter 10. "Tables of Indicators".
B. Corporate and Business Model	1. General description of the Company's/Group's business model and form of organisation, stating the main business areas and markets of operation (if possible, using organisational charts, graphs or functional diagrams).	See chapter 2 "Management Report – Creating Value and Growth" and chapter 4 "Corporate Governance".
C. Main Risk Factors	1. Identification of the main risks associated to the matters under report and arising from the Company's activities, products, services or business relations, including, where applicable and possible, supply and subcontracting chains.	Refer to chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section C "Internal Organisation".
	2. Indication of how the Company identifies and manages these risks.	
	3. Explanation of the functional division, including governing bodies, commissions, committees, or departments responsible for risk identification and management/monitoring.	
	4. Express indication of any new and former risks identified by the Company regarding previous years.	
	5. Indication and brief description of the main opportunities identified by the Company regarding the matters in the report. Reference can be made to other parts or annexes of the Management Report or other disclosed document that identify business risks, allowing unrestricted analysis by investors and other stakeholders.	
D. Implemented Policies	Description of policies: i. environmental, ii. social and tax, iii. employees, gender equality, and non-discrimination, iv. human rights and v. anti-corruption and anti-bribery, including due diligence policies, and implementation outcomes, including related non-financial key performance indicators and year-over-year comparison.	See channel "Responsibility", dedicated pages for each pillar of action or page "Corporate Responsibility Publications" on www.jeronimomartins.com website to consult the Environmental Policy, Sustainable Sourcing Policy, Quality and Food Safety Policy, Nutrition Policy, Jerónimo Martins Code of Conduct, Code of Conduct for Suppliers, and Support Policy for Surrounding Communities. The Anti-Corruption Policy was approved in 2019 and the Plan for the Prevention of Risk of Corruption and Related Infractions (a document that identifies and classifies the main and potential risks of the company in terms of corruption, considering the probability of occurrence and the impact of the identified risks, and lists the prevention and mitigation measures that the company has adopted to minimize the probability of occurrence and the predictable impact in compliance with its regulatory compliance program) published in 2022, and the Annual Implementation Report for this plan in 2023, all available for consultation on the "About Us" channel at www.jeronimomartins.com. In addition, the Integrity Due Diligence Procedure, to be applied to third parties, was approved in 2023 as an autonomous internal procedure.

CMVM indicator		Evidences
		See "Investors" channel, "Corporate Governance" page, "Specialized Committees" subpage on the website www.jeronimomartins.com to consult specialized committees with responsibilities in these areas. See chapter 5 "Corporate Responsibility in Value Creation".
i. Environmental Policies	1. Description of the Company's strategic objectives and key actions to achieve those.	See chapter 5 "Corporate Responsibility in Value Creation" subchapter 3 "Respecting the Environment", 4. "Sourcing Responsibly" and 7. "2021-2023 Commitments": i. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.3. "Water and Energy Consumption Management" and subchapter 7. "2021-2023 Commitments". ii. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change" and subchapter 7. "2021-2023 Commitments". iii. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", section 3.4. "Promoting a Circular Economy", subsection 3.4.4. "Waste Management" and subchapter 7. "2021-2023 Commitments". iv. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", subchapter 3.2. "Preserving Biodiversity", subchapter: 4. "Sourcing Responsibly", subsection 4.3. "Promoting Sustainable Production Practices" and 7. "2021-2023 Commitments".
	2. Description of the established key performance indicators.	
	3. Indication, on a year-over-year basis, of the degree to which these objectives were achieved, by reference to at least: i. Sustainable use of resources; ii. Pollution and climate change; iii. Circular economy and waste management; iv. Biodiversity potection.	
ii. Social and Tax Policies	1. Description of the Company's strategic objectives and key actions to achieve those.	See chapter 2 "Management Report – Creating Value and Growth", 3 " Financial Statements" and 4 "Corporate Governance". See chapter 5 "Corporate Responsibility in Value Creation", subchapters 2. "Promoting Good Health through Food", 4. " Sourcing Responsibly", 5. "Supporting Surrounding Communities", 6. "Being a Benchmark Employer", 7. "2021-2023 Commitments" and 8. "2024-2026 commitments".
	2. Description of the established key performance indicators.	
	3. Indication, on a year-over-year basis, of the degree to which these objectives were achieved, by reference to at least: i. Company's commitment to the community; ii. Subcontracting and suppliers; iii. Consumers; iv. Responsible investment; v. Stakeholders; vi. Tax information.	i. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities" and subchapter 6. "Being a Benchmark Employer". ii. See Sustainable Sourcing Policy and Code of Conduct for Suppliers at www.jeronimomartins.com and chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly". iii. See Chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food". iv. See chapter 3 "Financial Statements" and chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Tables of indicators", Table 1 - "Reporting indicators under the Global Reporting Initiative Standards", GRI indicators 201-1, 201-2, 203-1, 203-2, 204-1. v. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2 "Stakeholders survey and double materiality assessment". vi. See Chapter 3 "Financial Statements" and Chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Tables of indicators", Table 1 - "Reporting indicators under the Global Reporting Initiative Standards", GRI indicator 201-4.

CMVM indicator		Evidences
iii. Employees and gender equality and non-discrimination	1. Description of the Company's strategic objectives and key actions to achieve those.	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", subchapter 7. "2021-2023 Commitments" and subchapter 8. "2024-2026 commitments". See also the Gender Equality Plan 2022-2023 and 2023-2024, and the Climate Transition Plan, available on the website www.jeronimomartins.com.
	2. Description of the established key performance indicators.	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", subchapter 7. "2021-2023 Commitments" and subchapter 8. "2024-2026 commitments".
	3. Indication, on a year-over-year basis, of the degree to which these objectives were achieved, by reference to at least: i. Employment; ii. Work organisation; iii. Health and safety; iv. Social relations; v. Training; vi. Equality.	i. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. "Our People". ii. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. "Our People", and section 6.3. "Our Intervention Areas", subsection 6.3.8. "Integrate Work and Personal Context". iii. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.7. "Protect through the Best Work Conditions" and subsection 6.3.8. "Integrate Work and Personal Context". iv. See Chapter 5. "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Act Ethically". v. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.3. "Prepare for the Future". vi. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", subchapter 6.3.2. "Live Diversity" and 6.3.11. "Act Ethically".
iv. Human rights	1. Description of the Company's strategic objectives and key actions to achieve those.	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food", subchapter 4. "Sourcing Responsibly", subchapter 6. "Being a Benchmark Employer", subchapter 7. "2021-2023 Commitments" subchapter 8. "2024-2026 commitments", subchapter 9. "The European Union's Taxonomy" and subchapter 10. "Tables of Indicators".
	2. Description of the established key performance indicators.	
	3. Indication, on a year-over-year basis, of the degree to which these objectives were achieved, by reference to at least: i. Due diligence procedures; ii. Measures to prevent the risk; Lawsuits.	

CMVM indicator		Evidences
v. Fight against corruption and bribery attempts	1. Corruption prevention	Refer to chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section C. "Internal Organisation" and section E "Related Party Transactions". In addition, please refer to the "Responsibility" area, "Corporate Responsibility Publications" page to check the Jerónimo Martins Code of Conduct and the Code of Conduct for Suppliers, as well as the Anti-corruption Policy and the Prevention Plan of Risks of Corruption and Related Infractions, both of which are available for consultation in the "About Us" area at www.jeronimomartins.com. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "The European Union's Taxonomy, section 9.4. "Alignment Analysis", subsection 9.4.2. "Minimum Safeguards" and subchapter 10. "Tables of Indicators", GRI indicators 2-15, 205-1 and 205-2. The Integrity Due Diligence Procedure, to be applied to third parties, was also approved in 2023 as an autonomous internal procedure.
	2. Prevention of money laundering.	
	3. Codes of ethics	
	4. Management of conflicts of interest	Refer to chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section B "Corporate Bodies and Committees", subsection II "Management and Supervision (Board of Directors)", 29. "Description of the Powers of Each of The Committees Established and a Summary of Activities Undertaken in Exercising Said Powers"; subsection III "Supervision - (Audit Committee)" and 30. "Details of the Supervisory Board (Audit Committee) Representing the Model Adopted"; section C – "Internal Organisation", subsection II – "Reporting of Irregularities", 49. "Reporting Means and Policy on the Reporting of Irregularities in the Company"; section D "Remuneration, subsection III - Remuneration Structure", 69. "Description of the Remuneration Policy of the Board of Directors and Supervisory Boards"; section E "Related Party Transactions", subsection I "Control Mechanisms and Procedures", 91. "A Description of the Procedures and Criteria Applicable to the Supervisory Body When Same Provides Preliminary Assessment of the Business Deals to be Carried Out Between the Company and the Holders of Qualifying Holdings or Entity-Relationships With the Former as Envisaged in Art. 20 of The Securities Code". Additionally refer to Part II "Corporate Governance Assessment", 2. "Analysis of Compliance with the Corporate Governance Code Implemented, table of recommendations", II.4. "Conflicts of interest" and II.5. Transactions with related parties. See chapter 5 "Corporate Responsibility in Value Creation", section 8.4. "Alignment Analysis", subchapter 9. "The European Union's Taxonomy", section 9.4 "Alignment Analysis", subsection 9.4.2. "Minimum Safeguards", and subchapter 10. "Tables of Indicators", GRI indicators 2-15, 205-1 and 205-2. Additionally, consult the Anti-Corruption Policy, the Plan for the Prevention of Risks of Corruption and Related Infractions (a document that identifies and classifies the company's main and potential risks in terms of corruption, considering the likelihood of occurrence and the impact of the risks identified, and lists the prevention and mitigation measures that the company has adopted to minimise the likelihood of occurrence and the foreseeable impact, in compliance with its regulatory compliance programme) published in 2022, as well as the Annual Implementation Report of the aforementioned plan, published in 2023, all documents available for consultation on the "About Us" channel at www.jeronimomartins.com.

CMVM indicator	Evidences
PART 2 - INFORMATION ON STANDARDS/FOLLOWED GUIDELINES	
1. Identification of the standards/guidelines followed for reporting non-financial information.	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. " Tables of indicators".
2. Identification of the scope and methodology for calculating indicators.	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. " Tables of indicators".
3. Reasons for lack of application of a policy.	Not applicable.
4. Other information.	See chapter 3 "Financial Statements" and chapter 5 "Corporate Responsibility in Value Creation".

Table 7 – Reporting indicators according to the European Sustainability Reporting Standards (ESRS).

7.1. – Correspondence between ESRS topics and material topics resulting from the double materiality matrix

	ESRS Topic	Disclosure Requirements	Material Topic
Environment	E1 – Climate Change	GOV-3 SBM-3 IRO-1 E1-1 to E1-9	• Climate change
	E5 – Resource Use and Circular Economy	IRO-1 E5-1 to E5-6	• Food waste • Packaging redesign for sustainable resource use
Social	S1 – Own workforce	SBM-2 and SBM-3 S1-1 to S1-8 S1-10 S1-13 S1-16	• Compensation and benefits • Employee learning and development
	S3 – Affected communities	SBM-2 and SBM-3 S3-1 to S3-5	• Engagement and supporting local communities
	S4 – Consumers and end-users	SBM-2 and SBM-3 S4-1 to S4-5	• Product affordability • Product safety and quality standards • Product and services innovation
Governance	G1 – Business conduct	GOV-1 IRO-1 G1-1 to G1-2 G1-6	• Sustainable & responsible criteria in the supply chain • Compensation and benefits

7.2. – ESRS Indicators

ESRS Topic	Aspect	Disclosure requirement	Evidence	Other Standards
ESRS 2 - General disclosures	Basis for preparation	ESRS 2 BP-1 - General basis for preparation of sustainability statements	See chapter 1 "The Jerónimo Martins Group", chapter 3 "Financial Statements" and chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance". In 2023, we carried out a review of the material aspects to be considered within the scope of our Corporate Responsibility strategy and reporting, in line with the requirements of the Global Reporting Initiative (GRI), in its GRI Standards version, and with the principles of double materiality laid down by the European Union. In total, the study involved more than 16,600 responses from nine different audiences in the three countries where we operate, as well as the Group's top management. As a result of this analysis, it was possible to identify 10 material topics available for consultation in chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholders survey and double materiality assessment". See also chapter 1 "The Jerónimo Martins Group" and chapter 3 "Financial Statements".	GRI 2-2 GRI 3-1

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS 2 - General disclosures	Basis for preparation	ESRS 2 BP-2 - Disclosures in relation to specific circumstances	✓	This report uses the time horizons defined in ESRS1. Where applicable, note is made of the use of metrics and estimates in preparing the calculation of certain indicators, as well as the source of the information used. For information on changes to sustainability data presented in previous periods see GRI 2-4, table 1 in this subchapter. For information on sustainability required by other legislation or based on sustainability standards and frameworks, see tables 1 to 6 in this subchapter and chapter 5 "Corporate Responsibility in Value Creation", subchapter 9 "European Union Taxonomy". The material topics and respective disclosure requirements are identified in Table 7.1. - " Correspondence between ESRS topics and material topics resulting from the double materiality matrix " of this subchapter, and the respective answers are referenced in this table.	GRI 2-4 GRI 2-22 GRI 3-2 GRI 3-3
	Governance	ESRS 2 GOV-1 - The role of the administrative, management and supervisory bodies	✓	See chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", sections A "Shareholder Structure", B "Governing Bodies and Committees" and C "Internal Organisation". See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year" and channel "Responsibility", page "Our Responsibility Strategy", subpage "Defining Our Priorities" on the website www.jeronimomartins.com.	GRI 2-9 GRI 2-12 GRI 2-13 GRI 2-14 GRI 2-17 GRI 405-1
		ESRS 2 GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	✓	See chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", sections A "Shareholder Structure", B "Governing Bodies and Committees" and C "Internal Organisation". See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", and the "Responsibility" channel, page "Our Responsibility Strategy", subpage "Defining Our Priorities" on the website www.jeronimomartins.com.	GRI 2-12 GRI 2-13 GRI 2-16 GRI 2-24
		ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	✓	See chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", section D "Remuneration".	GRI 2-19 GRI 2-20
		ESRS 2 GOV-4 - Statement on due diligence	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "European Union Taxonomy", section 9.4. "Alignment Analysis", subsection 9.4.2. "Minimum Safeguards". We also use an independent external verification process of limited reliability to ensure that both the reporting is consistent with the methodologies referred to and the reported figures are marked with the following symbol: ✓	
		ESRS 2 GOV-5 - Risk management and internal controls over sustainability reporting	✓	The General Shareholders' Meeting is responsible for approving the Corporate Responsibility Report included in the Annual Report. In addition, the sustainability information is reported in accordance with the Global Reporting Initiative, the Task Force on Climate-related Financial Disclosures, the Sustainability Accounting Standards Board and the European Sustainability Reporting Standards. The information presented relates to our activities from 1 January 2023 to 31 December 2023 and, whenever possible and for comparative purposes, data is provided for the previous equivalent period. Explicit reference is made to the methodologies used, including where estimates or proxies are used. The Group also has information management systems for collecting and storing data used in sustainability reporting (e.g., water consumption, Private Brand ingredient lists, supplier audits). This information is collected on a quarterly and semi-annual basis (depending on the type of indicators) serving as support tools for monitoring sustainability reporting, as well as identifying opportunities for improvement. We will continue to strengthen our internal procedures over sustainability reporting.	GRI 2-14

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS 2 - General disclosures	Strategy	ESRS 2 SBM-1 – Strategy, business model and value chain	✓	See chapter 5 "Corporate Responsibility in Value Creation", and the "Responsibility" channel, page "Our Responsibility Strategy", subpage "Defining Our Priorities" on the website www.jeronimomartins.com. See also GRI indicators 2-6, 2-7, 3-3- in Table 1 - "Indicators reporting according to the Global Reporting Initiative Standards." of this subchapter, as well as subchapter 8. "2024-2026 commitments" in this chapter.	GRI 2-6 GRI 2-7 GRI 2-22 GRI 3-3 GRI 201-1
		ESRS 2 SBM 2 – Interests and views of stakeholders	✓	S See chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", sections A "Shareholder Structure", B "Governing Bodies and Committees" and C "Internal Organisation". See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholders survey and double materiality assessment" and "Responsibility" channel, page "Our Responsibility Strategy", subpage "Defining Our Priorities" on the website www.jeronimomartins.com.	GRI 2-12 GRI 2-29
ESRS E1 - Climate change	Governance	ESRS 2 GOV-3* - Integration of sustainability-related performance in incentive schemes	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change".	GRI 2-19
	Strategy	E1-1* - Transition plan for climate change mitigation	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change. See Climate Transition Plan on the "Corporate Responsibility Publications" page on the website www.jeronimomartins.com	-
		ESRS 2 SBM-3* - Material impacts, risks and opportunities and their interaction with strategy and business model	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change". See also 2023 CDP Climate: Question C2 and Climate trasition plan.	
	Impact, risk and opportunity management	ESRS 2 IRO-1* - Description of the processes to identify and assess material climate-related impacts, risks and opportunities	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change". See also 2023 CDP Climate: Question C4 and Climate trasition plan.	-
		E1-2* - Policies related to climate change mitigation and adaptation	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change". See also 2023 CDP Climate: Question C4 and Climate trasition plan.	GRI 3-3
		E1-3* - Actions and resources in relation to climate change policies	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change".	GRI 3-3 GRI 305-5
	Metrics and targets	E1-4* - Targets related to climate change mitigation and adaptation	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change" and subchapter 7. "2021-2023 Commitments" and subchapter 8. "2024-2026 commitments", in the action pillar "Respecting the Environment".	GRI 3-3 GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-5

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS E1 - Climate change	Metrics and targets	E1-5* - Energy consumption and mix	✔		GRI 302-1 GRI 302-3

Intensity indicators	2023	2022	Δ 2023/2022
Total energy consumption (MWh)	2,223,932,671	2,090,461,893	+6.4%
Net revenue from activities in high climate impact sectors (million euros)	30,602	25,393	+20.5%
Total consumption (MWh/million euros of net revenue	72,672	82,324	-11.7%

Intensity indicators	2023	2022	Δ 2023/2022
Total energy consumption (MWh)	2,223,932,671	2,090,461,893	+6.4%
Net revenue from activities in high climate impact sectors (million euros)	30,602	25,393	+20.5%
Total consumption (MWh/million euros of net revenue	72,672	82,324	-11.7%

Of the Group's activities considered to have a high climate impact, retail accounts for 98.5% of energy consumption and the agriculture and fishing (Section A, NACE rev.2) and industry (Section C, NACE rev.2) account for 0.5%. It was not considered the energy consumption of Jeronymo for not belonging to a high climate impact sector (section I, NACE rev2).

Energy consumption	2023	2022	Δ '23/'22
Fuel consumption from coal and coal products (MWh)	0	0	-
Fuel consumption from crude oil and petroleum products (MWh)	16,634	12, 234	+36-0%
Fuel consumption from natural gas (MWh)	154, 251	125, 400	+23.0%
Fuel consumption from other fossil sources (MWh)	194,718	168,220	+15.8%
Consumption of purchased or acquired electricity and heat from fossil sources (MWh)	860,466	845,887	+1.7%
Total fossil energy consumption (MWh)	1,226,068	1,151,741	+6.5%
Share of fossil sources in total energy consumption (%)	**55.16%**	**55.12%**	**+0.1%**
Consumption from nuclear sources (MWh)	534	1.152	-53.7%
Share of consumption from nuclear sources in total energy consumption (%)	0.024%	0.055%	-0.03 p.p.
Fuel consumption for renewable sources, including biomass (MWh)	0*	0*	-
Consumption of purchased or acquired electricity and heat from renewable sources (MWh)	997,866	938,722	+6.3%
Total renewable energy consumption (MWh)	997,866	938,722	+6.3%
Share of renewable sources in total energy consumption (%)	44.84%	44.88%	-0.04 p.p.

*Since it was not possible to determine the percentage of renewable fuels due to the lack of public data, the worst-case scenario is assumed, i.e. 0% of fuels consumed from renewable sources.

The Group does not have any non-renewable energy generation centres, and the only non-renewable energy is generated occasionally by emergency generators.

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS E1 - Climate change	Metrics and targets	E1-6* - Gross Scopes 1, 2, 3 and Total GHG emissions		See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change", subsection 3.3.2 "Carbon Footprint".	GRI 201-1 GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4

Carbon footprint (t CO_2e)	2023	2022	Δ '23/'22
Carbon footprint (scope 1 – direct impacts)	**240,466**	***227,719**	**+5.6%**
Leakage of refrigerant gases	104,976	*111,669	-6.0%
CO_2 usage	29,166	25,755	+13.2%
Fuel consumption	65,459	52,858	+23.8%
Light vehicle fleet	21,788	*18,977	+14.8%
Emissions from agriculture and livestock farming	19,077	*18,460	+3.3%
Biogenic emissions from biomass combustion or biodegradation	0	0	-
Carbon footprint (scope 2 – indirect impacts)	**688,438**	***641,618**	**+7.3%**
Electricity consumption (location-based)	755,226	*753,496	+0.2%
Electricity consumption (market-based)	674,051	*622,080	+8.4%
Heating (location-based)	14,387	19,538	26.4%
Biogenic emissions from biomass combustion or biodegradation	0	0	-
Net revenue (million euros)	**30,608**	**25,385**	**+20,6%**

* Values corrected to improve alignment with the Greenhouse Gas Protocol methodology.
Note 1: Scope 1 GHG emissions are not included under the European Unions Emissions Trading System.
Note 2: Emissions from JMA's agricultural and livestock activities include enteric emissions from cattle and sheep, the use of chemical fertilizers, and manure management.

Carbon footprint (t CO_2e)	2023	2022	Δ 2023/2022
Carbon footprint (scope 3 – other indirect impacts)	**32,593,713**	***28,960,529**	**+12.5%**
C1. Purchased products and services	28,051,367	24,694,613	+13.6%
C2. Capital goods	627,556	*511,612	+22.7%
C3. Fuel and energy related activities	307,489	309,982	-0.8%
C4. Upstream transport and distribution	256,781	*261,510	-1.8%
C5. Waste produced in operations	57,091	49,268	+15.9%
C6. Work travel	4,841	3,359	+44.1%
C7. Commuting	20,813	20,392	+2.1%
C8. Assets rented upstream	-	-	-
C9. Downstream transport and distribution	-	*-	-
C10. Transformation of products sold	799	780	+2.4%
C11. Use of products sold	1,798,879	1,822,447	-1.3%
C12. End-of-life treatment of products sold	1,458,531	1,276,387	+14.3%
C13. Assets rented downstream	-	-	-
C14. Franchises	-	-	-
C15. Investments	9,566	*10,179	-6.0%
Biogenic emissions from biomass combustion or biodegradation	0	0	-
Net revenue (million euros)	**30,608**	**25,385**	**+20,6%**

* Values corrected to improve alignment with the Greenhouse Gas Protocol methodology.
Note: Franchises, under C14., include franchising and similar models.

Scope 3 emissions, based on primary data, represent 13.1% of total scope 3 emissions in 2023.

Share of contractual arrangements in scope 2 GHG emissions	2023	2022	Δ 2023/2022
Guarantees of Origin	2.6%	30.1%	-0.5 p.p.
Power purchase agreements	4.7%	0.6%	4.0 p.p.
Carbon credits	0%	0%	-

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS E1 - Climate change	Metrics and targets	E1-7* - GHG removals and GHG mitigation projects financed through carbon credits	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change", subsection 3.3.2 "Carbon Footprint". **Note:** The Group Companies have not acquired carbon credits to offset their scope 1, 2 or 3 emissions, nor have they implemented removal or storage projects in their operations or value chain.	GRI 305
		E1-8* - Internal carbon pricing	✔	The use of an internal carbon price aims to promote the reduction of emissions related to fuel consumption, both in own operations (scope 1 emissions) and in the supply chain (scope 3 emissions), through energy efficiency and other low-carbon measures. Examples include: i) investing in fuel-efficient passenger vehicles for our own fleet; ii) integrating the fuel efficiency of freight vehicles as a criterion for selecting outsourced transport of goods between our distribution centres and more than 5,700 shops in Portugal, Poland and Colombia; iii) replacing fuel with natural gas. In addition to assessing the impact on fuel costs and emissions reductions, the use of the internal carbon price makes it possible to anticipate the impact of carbon tax legislation on the Group, both in direct operations and in outsourced activities, where fuel prices have an indirect impact on the Companies' costs. We apply a shadow price as an internal carbon price which is updated annually in line with the carbon tax updates in Portugal and Colombia. This is calculated on the basis of a weighted average of the price of carbon taxes in Portugal (€41.11/tCO_2) and Colombia (€5.00/tCO_2) in the reporting year. As the carbon tax in force in Poland is still very low (0.07 €/tCO_2), it is not taken into account in our internal carbon price. The value of the internal carbon price in 2023 was 19.55 €/tCO_2. Scope 1 GHG emissions associated with fuel consumption were covered by the internal carbon price, 87,247 tCO_2e (36% of scope 1 GHG emissions) and scope 3 emissions associated with fuel and energy activities (22,471 tCO_2e) and upstream transportation and distribution (248,772 tCO_2e), corresponding to 1% of total scope 3 emissions.	
		E1-9* - Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment". The assessment of the risks and opportunities associated with climate change, where adaptation measures were not considered, led to the conclusion that there are no assets with physical material risk (acute or chronic), in the short-, medium- and long-term time horizons. In our own operations, the main risks identified are associated with the climate transition to a low-carbon economy, particularly in the use of natural refrigerants or gases with low global warming potential in our refrigeration systems. Even so, the transition risks identified are not material for the Group, and our investment plan includes the installation of refrigeration systems that use this type of cooling gas, as well as the installation of renewable production systems for self-consumption or the acquisition of renewable energy to power our operations in Portugal and Poland. With the mitigation measures implemented in 2022, in particular the investments in renewable energy and the use of natural or low global warming potential refrigerant gases, savings of 55 million euros per year are expected. With the adaptation measures implemented in 2022, in particular the investments in water efficiency, savings of 113,000 euros per year are expected. In our supply chain, the main risks identified are associated with the impact of extreme weather events (e.g., water shortages) on primary production. As for opportunities at this stage of the value chain, we have identified increased productivity in some origins or the choice of species that are more resilient, for example, to extreme heat. We are improving the quantification of the financial impact of risks and opportunities in primary production, collaborating with suppliers to identify mitigation and adaptation measures.	GRI 201-2

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS E2 - Pollution	Impact, risk and opportunity management	ESRS 2 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment".	GRI 3-3
		E2-1 – Policies related to pollution		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment". See the "Responsibility" channel, pages dedicated to each pillar of action or the "Corporate Responsibility Publications" page on the website www.jeronimomartins.com to consult the Environmental Policy, Sustainable Sourcing Policy.	-
		E2-2 – Actions and resources related to pollution		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment".	GRI 3-3
	Metrics and targets	E2-3 – Targets related to pollution	✓	This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments" and 8. "2024-2026 commitments", in the action pillar "Respecting the Environment".	GRI 3-3 GRI 303-2
		E2-4 – Pollution of air, water and soil	✓	This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2. Preserving Biodiversity and 3.3. Fighting Climate Change.	GRI 2-27 GRI 305-7
		E2-5 – Substances of concern and substances of very high concern	✓	This topic has not been identified as a material topic. In any case, i it is reported information in chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment".	-
		E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities	✓	This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4.2 "Materials consumed and reduction initiatives". See also 2023 CDP Water: Question W10.	-
ESRS E3 – Water and marine resources	Impact, risk and opportunity management	ESRS 2 IRO 1 - Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment".	GRI 303-1
		E3-1 – Policies related to water and marine resources		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment".	-
		E3-2 – Actions and resources related to water and marine resources		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment".	GRI 3-3 GRI 303-1
	Metrics and targets	E3-3 – Targets related to water and marine resources	✓	This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment".	GRI 3-3 GRI 303-1
		E3-4 – Water consumption	✓	This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3. "Fighting Climate Change", subsection 3.3.3. "Managing Water and Energy Consumption". Total water consumption: 6,500,463 m^3. Total water consumption in areas of high-water stress: 1,623,323 m^3. Total water recycled: 2,386 m^3. Total water stored: 0 m^3. Water intensity: 212 m^3/ million EUR turnover.	GRI 303-3 GRI 303-4 GRI 303-5

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS E3 – Water and marine resources	Metrics and targets	E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	✔	This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change", subsection 3.3.1 "Managing Risks and Opportunities Associated with Climate Change" and subsection 3.3.3 "Managing Water and Energy Consumption". See also 2023 CDP Water: Question W10.	
ESRS E4 – Biodiversity and ecosystems	Strategy	E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity".	GRI 3-3
		ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity".	GRI 304-1
	Impact, risk and opportunity management	ESRS 2 IRO-1- Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity".	GRI 304-1
		E4-2 – Policies related to biodiversity and ecosystems		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.1 Introduction.	-
		E4-3 – Actions and resources related to biodiversity and ecosystems		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity".	GRI 3-3 GRI 304-3
	Metrics and targets	E4-4 – Targets related to biodiversity and ecosystems		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments" and subchapter 8. "2024-2026 Commitments".	GRI 3-3
		E4-5 – Impact metrics related to biodiversity and ecosystems change		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity".	GRI 304-1 GRI 304-2 GRI 304-4
		E4-6 – Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities		This topic was not identified as material, nonetheless it is partially reported. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.2 "Preserving Biodiversity".	-
ESRS E5 - Resource use and circular economy	Impact, risk and opportunity management	ESRS 2 IRO-1* – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4 "Promoting a Circular Economy", subsection 3.4.1 "Managing risks and opportunities associated with the circular economy". See also 2023 CDP Water: Question W10. See also chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section C "Internal Organisation", subsection III – "Internal Control and Risk Management", 53. "Details and Description of the Major Economic, Financial and Legal Risks to which the Company is Exposed in Pursuing Its Business Activity".	GRI 3-3 GRI 306-1
		E5-1* - Policies related to resource use and circular economy	✔	See the "Responsibility" channel, the pages dedicated to each pillar of activity or the "Corporate Responsibility Publications" page on the website www.jeronimomartins.com for the Environmental Policy, the Sustainable Sourcing Policy, and the Code of Conduct for Suppliers. See also 2023 CDP Water: Question W10. See also chapter 4 "Corporate Governance", Part I – "Information on Shareholder Structure, Organisation and Corporate Governance", section C "Internal Organisation", subsection III – "Internal Control and Risk Management", 53. "Details and Description of the Major Economic, Financial and Legal Risks to which the Company is Exposed in Pursuing Its Business Activity".	

<table>
<tr><th>ESRS Topic</th><th>Aspect</th><th>Disclosure requirement</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td rowspan="5">ESRS E5 - Resource use and circular economy</td><td>Impact, risk and opportunity management</td><td>E5-2* - Actions and resources related to resource use and circular economy</td><td>✓</td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4 "Promoting a Circular Economy", subsection 3.4.1 "Managing risks and opportunities associated with the circular economy".</td><td>GRI 3-3
GRI 306-2</td></tr>
<tr><td rowspan="4">Metrics and targets</td><td>E5-3* - Targets related to resource use and circular economy</td><td>✓</td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. “2021-2023 Commitments” and subchapter 8. "Commitments 2024-2026" in action pillar “Respecting the environment”.</td><td>GRI 3-3</td></tr>
<tr><td>E5-4* - Resource inflows</td><td>✓</td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4 "Promoting a Circular Economy", subsection 3.4.1 "Materials Consumed and Reduction Initiatives" and 3.4.2 “Promoting the Sustainable Consumption of Materials”.

Total weight of materials: 520,096 t.
Percentage of biological materials certified: 19% (paper certified (e.g., FSC®).
Total weight of recycled components: 220,311 t.
Percentage of recycled components: 43.7%.</td><td>GRI 301-1
GRI 301-2
GRI 306-1</td></tr>
<tr><td>E5-5* - Resource outflows</td><td>✓</td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4 "Promoting a Circular Economy", 3.4.4. “Waste Management”.

Total amount of hazardous and non-hazardous waste by type of destination.
<table>
<tr><th>2023</th><th>Hazardous waste (tonnes)</th><th>Non-hazardous waste (tonnes)</th><th>Total (tonnes)</th></tr>
<tr><td>Preparation for reuse</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>Recycling</td><td>337</td><td>443,152</td><td>443,489</td></tr>
<tr><td>Other recovery operations</td><td>9</td><td>63,261</td><td>63,270</td></tr>
<tr><td>Incineration</td><td>4</td><td>396</td><td>399</td></tr>
<tr><td>Landfill</td><td>5</td><td>80,109</td><td>80,113</td></tr>
<tr><td>Other disposal operations</td><td>40</td><td>5,752</td><td>5,792</td></tr>
<tr><td>Total</td><td>395</td><td>592,669</td><td>593,064</td></tr>
</table>
Total amount of non-recycled waste: 86,304 t.
Percentage of non-recycled waste: 14.6%.

The Jerónimo Martins Group does not produce radioactive waste.</td><td>GRI 306-2
GRI 306-3
GRI 306-4
GRI 306-5</td></tr>
<tr><td>E5-6* - Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities</td><td>✓</td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.4 "Promoting a Circular Economy", subsection 3.4.1 "Managing risks and opportunities associated with the circular economy". The Group will take due diligence to fulfil the requirements of this indicator within the phase-in period stipulated.</td><td></td></tr>
<tr><td>ESRS S1- Own workforce</td><td>Strategy</td><td>ESRS 2 SBM-2* – Interests and views of stakeholders</td><td>✓</td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1 "Corporate Responsibility: Overview of the Year", which describes the topics considered material by a group of stakeholders, who were consulted through surveys in the course of 2023, including the Group's employees. The exercise described determined a set of topics identified by employees as relevant, such as compensation and benefits, and employee training and development, and the Group has implemented, as a way of meeting their expectations, a publicly accessible policy (Code of Conduct, which describes the commitment to training, development and recognition), concrete actions that materialize this same policy and measure the impacts (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer"), objectives aimed at employees and reporting on their progress (see chapter 5 "Corporate Responsibility in Value Creation", subchapters 7. “2021-2023 Commitments” and 8. “2024-2026 commitments”) and specific indicators (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Tables of Indicators").</td><td></td></tr>
</table>

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S1- Own workforce	Strategy	ESRS 2 SBM-2* – Interests and views of stakeholders	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1 "Corporate Responsibility: Overview of the Year", which describes the topics considered material by a group of stakeholders, who were consulted through surveys in the course of 2023, including the Group's employees. The exercise described determined a set of topics identified by employees as relevant, such as compensation and benefits, and employee training and development, and the Group has implemented, as a way of meeting their expectations, a publicly accessible policy (Code of Conduct, which describes the commitment to training, development and recognition), concrete actions that materialize this same policy and measure the impacts (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer"), objectives aimed at employees and reporting on their progress (see chapter 5 "Corporate Responsibility in Value Creation", subchapters 7. "2021-2023 Commitments" and 8. "2024-2026 commitments") and specific indicators (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Tables of Indicators").	
		ESRS 2 SBM-3* – Material impacts, risks and opportunities and their interaction with strategy and business model	✔	Based on the responses obtained in this auscultation exercise and the consequent definition of double materiality, the list of risks, impacts and opportunities for assessing potential material topics was defined and correlated with the European Sustainability Reporting Standards. The analysis focused on the different stages of the Group's value chain and for the following time horizons: short, medium and long term. The impacts were also assessed as positive or negative and as current or potential. Risks and opportunities were classified according to their magnitude and probability of occurrence. This exercise was based on the Group's risk management system, and the Group's management was also involved. In this regard, the Group is guided by a Code of Conduct, available on the corporate website, which seeks to meet the expectations identified in this exercise by employees and reports its strategy and annual activities in chapter 5 "Corporate Responsibility in Value Creation", subchapters 6. "Being a Reference Employer", 7. "2021-2023 Commitments", 8. "2024-2026 commitments" and 10. "Tables of Indicators". The risk management mechanisms are described in chapter 4. "Corporate Governance", Part I - "Information on Shareholder Structure, Organization and Corporate Governance", section C "Internal Organization", subsection III - "Internal Control and Risk Management", 53. "Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Course of Business". In addition, chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "European Union Taxonomy" contains section 9.4.2 "Minimum Safeguards" where the Group's positions on dimensions that may affect employees and on risk management can be consulted. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 408-1 GRI 409-1
	Impacts, risks and opportunities management	S1-1* – Policies related to own workforce	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Acting Ethically", and Jerónimo Martins Code of Conduct on the "Responsibility" channel, "Corporate Responsibility Publications" page, on the website www.jeronimomartins.com.	GRI 3-3 GRI 2-23 GRI 2-25 GRI 2-29 GRI 403-1 GRI 403-3 GRI 404-2

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S1- Own workforce	Impacts, risks and opportunities management	S1-2* – Processes for engaging with own workers and workers' representatives about impacts	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1 "Corporate Responsibility: Overview of the Year", and subchapter 6. "Being a Benchmark Employer", section 6.3. " Our Intervention Areas ", subsection 6.3.11. "Acting Ethically". As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-12 GRI 2-29 GRI 2-30
		S1-3* – Processes to remediate negative impacts and channels for own workers to raise concerns	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas ", subsection 6.3.11. "Acting Ethically". As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-25
		S1-4* – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", subchapter 6. "Being a Benchmark Employer" and subchapter 7."2021-2023 Commitments" and subchapter 8. "2024-2026 commitments". See also the Gender Equality Plan 2023-2024, available on the website www.jeronimomartins.com As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-24 GRI 203-2
	Metrics and targets	S1-5* – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments" and subchapter 8."2024-2026 commitments". As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3
		S1-6* – Characteristics of the undertaking's employees	✓	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. "Our People" and subchapter 10 "Table of Indicators".	GRI 2-7 GRI 2-8 GRI 401-1 GRI 405-1
		S1-7* — Characteristics of non-employee workers in the undertaking's own workforce	✓	The Group has both employees and non-employees in its work force. Indicators for the latter include: the total number of employees registered in our internal systems, the number of employees covered by an occupational health and safety management system, the number of occupational accidents among these employees, and the number of employees with occupational diseases. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 10 "Table of Indicators". The Group will take due diligence to fulfil the requirements of this indicator within the phase-in period stipulated.	GRI 2-8 GRI 202-1 GRI 403-8 GRI 403-9 GRI 403-10
		S1-8* – Collective bargaining coverage and social dialogue	✓	In Portugal, only a residual number of employees are not covered by a collective labour agreement. In Poland and Colombia, where there are no collective bargaining instruments applicable to our companies, working conditions and the way in which the employment contract is executed are regulated by the respective legal systems (which regulate all these issues internally) and by the internal, local and global policies in force within our Group. Our internal policies are fully aligned with the best international labour practices, in particular with regard to the fundamental conventions of the International Labour Organisation. See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas ", subsection 6.3.11. "Acting Ethically". The Group will take due diligence to fulfil the requirements of this indicator within the phase-in period stipulated.	GRI 2-30

<table>
<tr><th>ESRS Topic</th><th>Aspect</th><th>Disclosure requirement</th><th></th><th>Evidence</th><th>Other Standards</th></tr>
<tr><td rowspan="6">ESRS S1- Own workforce</td><td rowspan="6">Metrics and targets</td><td>S1-9 — Diversity metrics</td><td></td><td>This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.2. “Our People” and subsection 6.2.2 "Live Diversity".
<table>
<tr><th colspan="5">Age groups</th></tr>
<tr><th><25</th><th>25-34</th><th>35-44</th><th>45-54</th><th>>55</th></tr>
<tr><td>16,936</td><td>41,827</td><td>42,553</td><td>25,087</td><td>7,897</td></tr>
<tr><td>12.6%</td><td>31.1%</td><td>31.7%</td><td>18.7%</td><td>5.9%</td></tr>
</table>
<table>
<tr><th rowspan="2"></th><th colspan="2">Genders</th><th rowspan="2">Total</th></tr>
<tr><th>Women</th><th>Men</th></tr>
<tr><td rowspan="2">Groups</td><td>101,960</td><td>32,340</td><td rowspan="2">134,300</td></tr>
<tr><td>75.9%</td><td>24.1%</td></tr>
<tr><td rowspan="2">Members of executive committees</td><td>20</td><td>51</td><td rowspan="2">71</td></tr>
<tr><td>28.2%</td><td>71.8%</td></tr>
<tr><td rowspan="2">Top and middle managers</td><td>1,727</td><td>1,584</td><td rowspan="2">3,311</td></tr>
<tr><td>52.2%</td><td>47.8%</td></tr>
<tr><td rowspan="2">Store, distribution centre and office employees</td><td>100,213</td><td>30,705</td><td rowspan="2">130,918</td></tr>
<tr><td>76.5%</td><td>23.5%</td></tr>
</table>
The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.</td><td>GRI 405-1</td></tr>
<tr><td>S1-10* - Adequate wages</td><td></td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3 "Our Intervention Areas", subsection 6.3.5 "Recognising with Fairness and Competitiveness".</td><td>GRI 202-1</td></tr>
<tr><td>S1-11 – Social protection</td><td></td><td>This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Acting Ethically" and subchapter 10. "Table of Indicators".
All of the Group's employees in the three main geographies in which we operate (Portugal, Poland and Colombia) are covered by social protection, through public schemes against loss of income due to illness, unemployment from the moment the employee works for the company, accident at work, acquired disability, parental leave and retirement, except in the particular case of Colombia, where there is no legal minimum for the taking of parental leave by fathers (men) covered by public social protection schemes.</td><td>GRI 401-2</td></tr>
<tr><td>S1-12 – Persons with disabilities</td><td></td><td>This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.10. "Promoting Inclusion".
In 2023, the Group had 1,693 people with disabilities, which represents 1.3% of the total workforce globally. Specifically in Portugal, this proportion is 2.4%.</td><td>GRI 405-1</td></tr>
<tr><td>S1-13* – Training and skills development metrics</td><td></td><td>See chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Table of Indicators" and subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.4. "Empower the Individual Path" and subsection 6.3.2. "Prepare for the Future".</td><td>GRI 404-1
GRI 404-3</td></tr>
<tr><td>S1-14 – Health and safety metrics</td><td></td><td>This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Table of Indicators" and subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.7. "Protect through the Best Work Conditions".</td><td>GRI 403-8
GRI 403-9
GRI 403-10</td></tr>
</table>

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S1- Own workforce	Metrics and targets	S1-15 – Work-life balance metrics	✓	This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.8. "Integrate Work and Personal Contexts" and subchapter 10. "Table of Indicators". Group will take due diligence to fulfil the requirements of this indicator within the phase-in period stipulated.	GRI 401-3 GRI 403-6
		S1-16* – Compensation metrics (pay gap and total compensation)		See chapter 5 "Corporate Responsibility in Value Creation", subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.2. "Living Diversity" and 6.3.5. "1.3.5. Recognise with Fairness and Competitiveness". See chapter 1 "The Jerónimo Martins Group", chapter 3 "Financial Statements" and chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance". With regard to the ratio between the highest individual remuneration and the median remuneration of its salaried employees, it is considered that the disclosure of the indicator is not applicable to the reality of the Jerónimo Martins Group, considering: i) its presence in different countries with weaker currencies than the euro (resulting in a lower average remuneration according to Purchasing Power Parity in these countries than in Portugal); ii) the fact that traditional food retail is labour-intensive and heavily dependent on low-skilled labour; iii) the fact that the indicator requires comparison between realities that are not comparable and where there is no measure of fairness (i. e. comparison of similar employee profiles in terms of level of responsibility, specialisation and strategic context, among others.	GRI 2-21 GRI 405-2
		S1-17 – Incidents, complaints and severe human rights impact	✓	This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 10 "Table of Indicators" and subchapter 6. "Being a Benchmark Employer", section 6.3. "Our Intervention Areas", subsection 6.3.11. "Acting Ethically".	GRI 3-3 GRI 2-25 GRI 2-27 GRI 406-1
ESRS S2 – Workers in the value chain	Strategy	ESRS 2 SBM-2- Interests and views of stakeholders	✓	This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 1 "Corporate Responsibility: Overview of the Year", which describes the topics considered material by a group of stakeholders, consulted through surveys during 2023, including the Group's suppliers and business partners. The exercise described determined sustainable & responsible criteria in the supply chain as a topic identified by this public as relevant, and the Group has implemented a policy and code of conduct, both of which are publicly accessible (Sustainable Sourcing Policy and Code of Conduct for Suppliers, as a way of meeting their expectations which describe the commitment to, among other things, the defence of human and labour rights), concrete actions that materialise these guidelines and measure their impact (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly"), objectives for suppliers and the reporting of their progress (see chapter 5 "Corporate Responsibility in Value Creation", subchapters 7. “2021-2023 Commitments” and 8. “2024-2026 commitments") and specific indicators (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Tables of Indicators").	

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S2 – Workers in the value chain	Strategy	ESRS 2 SBM-3- Material impacts, risks and opportunities and their interaction with strategy and business model	✔	This topic was not identified as a material topic (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 1 "Corporate Responsibility: Overview of the Year"). Nonetheless, based on the responses obtained in this consultation exercise and the consequent definition of double materiality, the list of risks, impacts and opportunities for assessing potential material topics was defined and the respective correlation with the European Sustainability Reporting Standards was made. The analysis focused on the different stages of the Group's value chain and for the following time horizons: short, medium and long term. Impacts were also assessed as positive or negative and as current or potential. Risks and opportunities were categorised according to their magnitude and likelihood of occurrence. This exercise was carried out based on the Group's risk management system, and the Group's management was also involved. In this regard, the Group is guided by a Sustainable Sourcing Policy and a Code of Conduct for Suppliers, available on the corporate website, seeking to meet the expectations identified in this exercise by suppliers and business partners, and reports on its strategy and annual activities throughout chapter 5 "Corporate Responsibility in Value Creation", subchapters 4. "Sourcing Responsibly", 7. "2021-2023 Commitments", 8. "2024-2026 commitments" and 10. "Tables of Indicators". The risk management mechanisms are described in chapter 4. "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", section C "Internal Organisation", subsection III - "Internal Control and Risk Management", 53. "Details and Description of the Major Economic, Financial and Legal Risks to which the Company is Exposed in Pursuing Its Business Activity". In addition, chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "European Union Taxonomy" contains section 9.4.2 "Minimum Safeguards" where the Group's positions on dimensions that may, among other things, affect workers in the value chain, and on risk management can be consulted. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions, and processes to fully respond to these demands. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 408-1
	Impact, risk and opportunity management	S2-1 – Policies related to value chain workers	✔	This topic was not identified as a material topic. Nonetheless, we provide information on our actions in the corporate website www.jeronimomartins.com (containing the following policies that guide the conduct of the Jerónimo Martins Group and its Companies in the development of their activities: Jerónimo Martins Code of Conduct, Sustainable Sourcing Policy, and the Code of Conduct for Suppliers) and in chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with Suppliers", subsection 4.2.1. "Selection and Monitoring of Suppliers". In addition, chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "European Union Taxonomy" contains section 9.4.2 "Minimum Safeguards" which are aligned with the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established in the eight fundamental conventions identified in the International Labour Organisation Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Regarding the consultation exercise and materiality analysis, see chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholder consultation and double materiality analysis", as well as the "Responsibility" channel, "Our Responsibility Strategy" page, "Stakeholder Engagement" subpage on the www.jeronimomartins.com website.	GRI 3-3 GRI 2-23 GRI 2-24 GRI 2-25 GRI 2-29

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S2 – Workers in the value chain	Impact, risk and opportunity management	S2-2 – Processes for engaging with value chain workers about impacts	✔	This topic was not identified as a material topic. Nonetheless, we provide information on our actions in chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholders survey and double materiality assessment". See the "Responsibility" channel, "Our Responsibility Strategy" page, "Stakeholder Engagement" subpage on the www.jeronimomartins.com website. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-12 GRI 2-29
		S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	✔	This topic was not identified as a material topic. Nonetheless, and as a way of responding to the expectations and concerns of stakeholders, including suppliers and business partners, that employ workers in the value chain, there are mechanisms in place to facilitate the communication and resolution of potential negative impacts arising from our activity: - the Ethics Committee, a specialised body that monitors, impartially and independently, the dissemination of and compliance with the Code of Conduct and Anti-Corruption Policy in Portugal, Poland and Colombia, thus managing risks effectively, in the light of the Whistleblowing Policy approved by the Company. This body publicises and provides a digital platform for confidentially, and anonymously if desired, reporting infractions. - the Ethics Offices, autonomous reporting channels in Portugal which, alongside the Ethics Committee, are responsible for receiving and following up on reports of any irregularities that violate European Union law, national law and the Code of Conduct. In addition, the Group's social audits of suppliers, carried out since 2019, include a phase of interviews with employees, when they can raise their concerns freely and confidentially. Information on the audits carried out in 2023 can be found in chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2 "Relationship with Suppliers", subsection 4.2.1 "Selection and Monitoring of Suppliers". Also in this context, and in the case of primary producers where applicable, we use criteria that are inspired by the work carried out by the Sustainable Supply Chain Initiative of the Consumer Goods Forum, of which we are a member, and which include the protection of local and indigenous populations, namely through the following criteria: i) that suppliers demonstrate due access to the use of land and access to water, and in the event of any transfer of land ownership this has been preceded by consultation and free, prior and informed consent, and that in the event of any conflict over land ownership or access to water, the supplier demonstrates evidence that the necessary parties have been involved to resolve it; ii) that the supplier avoids, remedies or mitigates negative impacts that may result from its activities in protected areas and areas with high conservation value within or outside the boundaries of its production, which affect the survival of local or indigenous populations; and iii) that the supplier takes appropriate measures to maintain the quality and accessibility of surface or groundwater for local and/or indigenous populations. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-25 GRI 2-29

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S2 – Workers in the value chain	Impact, risk and opportunity management	S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	✔	This topic was not identified as a material topic. Nonetheless, we are guided by our Sustainable Sourcing Policy, which explains, among other things, the need to enter into commercial relationships with organisations whose activities respect human, children's and/or workers' rights. To this end, we do our due diligence to get to know the reality of our suppliers, in order to detect early signs of possible abuses or non-compliance with the Code of Conduct for Suppliers. The latter document is included in commercial contracts, so that our partners also defend the labour rights of their own workers, namely in terms of health and safety conditions, non-discrimination, compliance with working hours, and the prohibition of any form of forced labour - including corporal punishment, harassment or bullying or any form of physical or moral coercion - and the use of child labour, as defined by the International Labour Organisation. Both documents are published at www.jeronimomartins.com. In addition, the social audits carried out on the Companies' suppliers use assessment criteria that include health and safety at work, emergency preparedness, contract terms, working hours and compliance with laws and regulations. For more information see chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2 "Relationship with Suppliers", subsection 4.2.1 "Selection and Monitoring of Suppliers". See also the steps taken by the Group in its supply chain to defend human and labour rights in subchapter 9. "European Union Taxonomy", section 9.4. "Alignment Analysis", subsection 9.4.2. "Minimum Safeguards". As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-24 GRI 2-25 GRI 203-2 GRI 204-1
	Metrics and targets	S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments" and subchapter 8. "2024-2026 commitments". As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these requirements. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3
ESRS S3 - Affected communities	Strategy	ESRS 2 SBM-2* – Interests and views of stakeholders	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1 "Corporate Responsibility: Overview of the Year", which describes the topics considered material by a group of stakeholders, consulted through surveys during the year 2023, including non-governmental organisations whose mission is social, environmental, cultural or of another nature in society and communities surrounding the Group's shops, distribution centres and other infrastructures, which are potentially affected - positively or negatively - and the consultation process that took place during the year. By "affected communities" we mean those that could be directly affected by the activities of our operations. The exercise described determined a set of topics for the mentioned communities, such as the involvement and support of local communities, with the Group having implemented, as a way of responding to their expectations, a publicly accessible policy (Policy for Supporting Surrounding Communities), concrete actions that materialise this same policy and measurement of the social impacts created/potentiated (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities" and on the Supporting Surrounding Communities page), objectives aimed at communities and reporting on their progress (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 7. "2021-2023 Commitments").	

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S3-Affected communities	Strategy	ESRS 2 SBM-3* Material impacts, risks and opportunities and their interaction with strategy and business model	✔	Based on the responses obtained in this consultation exercise and the consequent definition of double materiality, the list of risks, impacts and opportunities for assessing potential material topics was defined and the respective correlation with the European Sustainability Reporting Standards was made. The analysis focused on the different stages of the Group's value chain and for the following time horizons: short, medium and long term. Impacts were also assessed as positive or negative and as current or potential. Risks and opportunities were categorised according to their magnitude and likelihood of occurrence. This exercise was carried out based on the Group's risk management system, and the Group's management was also involved. In this regard, the Group is guided by a Support for Surrounding Communities Policy, available on the corporate website, which seeks to meet the expectations identified in this exercise, and reports on its strategy and annual activities throughout chapter 5 "Corporate Responsibility in Value Creation", subchapters 5. "Supporting Surrounding Communities", 7. "2021-2023 Commitments", 8. "2024-2026 commitments" and 10. "Tables of Indicators". The risk management mechanisms are described in chapter 4. "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", section C "Internal Organisation", subsection III - "Internal Control and Risk Management", 53. "Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Course of Business". In addition, chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "European Union Taxonomy" contains section 9.4.2 "Minimum Safeguards" where the Group's positions on dimensions that may affect the communities already described and on risk management can be consulted. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 413-2
	Impact, risk and opportunity management	S3-1* – Policies related to affected communities	✔	See the Support for Surrounding Communities Policy (which contains clauses on the defence of human rights such as the fight against hunger and malnutrition and social exclusion) available on the corporate website, and whose application in concrete actions, which include mitigation of impacts and assumed commitments, can also be consulted in chapter 5 "Corporate Responsibility in Value Creation", subchapters 5. "Supporting Surrounding Communities", 7. "2021-2023 Commitments", 8. "2024-2026 commitments" and 10. "Tables of Indicators".	GRI 3-3 GRI 2-23 GRI 2-25 GRI 2-29
		S3-2* — Processes for engaging with affected communities about impacts	✔	As a way of engaging in dialogue and simultaneously responding to the expectations and concerns of stakeholders, including communities, there are mechanisms in place to facilitate the communication and resolution of potential negative impacts arising from our activity: - the Ethics Committee, a specialised body that monitors, impartially and independently, the disclosure of and compliance with the Code of Conduct and the Anti-Corruption Policy in Portugal, Poland and Colombia, thus managing risks effectively, in light of the Whistleblowing Policy approved by the Company. This body publicises and provides a digital platform for confidentially, and anonymously if desired, reporting infractions; - the Ethics Centres, autonomous reporting channels in Portugal which, alongside the Ethics Committee, are responsible for receiving and following up on reports of any irregularities that violate European Union law, national law and the Code of Conduct.	GRI 3-3 GRI 2-12 GRI 2-29

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S3- Affected communities	Impact, risk and opportunity management	S3-2* — Processes for engaging with affected communities about impacts	✓	In addition, the Group's companies try to identify the impact they have on the communities surrounding their infrastructures, using the criteria of the Business for Societal Impact (B4SI) methodology. On the basis of these criteria, and through questionnaires sent to the local organisations we support each year, we measure whether and how the desired social changes occur among the people and the benefits for the entities that materialise our support. The process of analysing the impact on the surrounding communities is the responsibility of the Jerónimo Martins Group's Corporate Communication and Responsibility department and is supported by the Companies. In addition, in terms of corporate support, monitoring visits are made to institutions with a co-operation agreement with the Group, in which the quality of the infrastructure and the service provided is checked. The report on the main community support indicators can be found in chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities", section 5.2 "Management of the Policy for Supporting Surrounding Communities", and on the corporate website, on the "Supporting Surrounding Communities" page, and is verified by an external and independent organisation. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	
		S3-3* — Processes to remediate negative impacts and channels for affected communities to raise concerns	✓	We also respect the rights of indigenous peoples, namely by complying with legal provisions in countries where their rights are specified and enshrined in order to protect their culture, language and traditions. The management of these issues and others relevant to the pursuit of the business, including the identification of risks, is the responsibility of various Functional Divisions which, in turn, support the functioning of the Management Bodies - such as the Board of Directors, Managing Director, General Meeting and Audit Committee - and Specialised Committees - such as the Executive Board, Corporate Governance and Corporate Responsibility Committee, Ethics Committee, Internal Control Committee and Remuneration Committee. Their powers and operation are described in chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", and in the "Investor" channel, "Corporate Governance" page on the corporate website at www.jeronimomartins.com. See also chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "European Union Taxonomy" which contains section 9.4.2 "Minimum Safeguards" which summarises the processes implemented for the remediation of potential negative impacts on affected communities and the channels available for communication and remediation. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-25

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S3-Affected communities	Impact, risk and opportunity management	S3-4* — Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	✓	The measure on the material impacts already described in the indicators ESRS 2 SBM-2* and ESRS 2 SBM-3*, regarding communities are described exhaustively throughout chapter 5 "Corporate Responsibility in Value Creation", subchapters 5. "Supporting surrounding communities", subchapters 7. "2021-2023 Commitments", 8. "2024-2026 commitments" and 10. "Tables of Indicators". The risk management mechanisms are described in chapter 4. "Corporate Governance", Part I – "Information on Shareholder Structure, Organization and Corporate Governance", section C "Internal Organization", subsection III – "Internal Control and Risk Management", 53. "Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Exercise of its Activity". Additionally, chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. "European Union Taxonomy" contains section 9.4.2 "Minimum Safeguards" where the Group's positions can be consulted regarding dimensions of interest to communities already described on risk management in affected communities and approaches to managing material risks and seeking material opportunities related to affected communities, as well as the effectiveness of these actions. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-24 GRI 2-25 GRI 203-2 GRI 413-1
	Metrics and targets	S3-5* – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	✓	The processes of involving communities in defining targets, monitoring their progress and identifying opportunities are carried out through the daily support provided by the Companies to thousands of organisations in society whose aim is to promote social inclusion by fighting hunger and malnutrition, among others, stakeholder consultation exercises (such as the one we carried out in 2023, described above) and the measurement of social impacts among the beneficiaries of the organisations supported through the Business for Societal Impact methodology (the main indicators of which are described in chapter 5 "Corporate Responsibility in Value Creation", subchapter 5. "Supporting Surrounding Communities", section 5.2. "Managing the Policy on Supporting Surrounding Communities", and on the corporate website, on the "Supporting Surrounding Communities" page, and are verified by an external and independent organisation). The goals relating to the management of material impacts identified by interested parties and described in the previous indicators can be found in chapter 5 "Corporate Responsibility in Value Creation", in subchapters 7. "2021-2023 Commitments" (with progress there described and on the corporate website) and 8. "2024-2026 commitments". The risk management mechanisms are described in chapter 4. "Corporate Governance", Part I – "Information on Shareholder Structure, Organization and Corporate Governance", section C "Internal Organization", subsection III – "Internal Control and Risk Management", 53. "Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Exercise of its Activity."	GRI 3-3

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S4 - Consumers and end-users	Strategy	ESRS 2 SBM-2* – Interesses e pontos de vista das partes interessadas	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", which describes the topics considered material by a group of interested parties, consulted through surveys during the year 2023, among which consumers, from all geographies where we operate, who are potentially affected – positively or negatively –, and the consultation process that took place during the year. By "consumers" we mean those who may be directly affected positively or negatively by the activities of our operations. The exercise described determined a set of topics for this audience, such as affordable products, product quality and safety standards, product and service innovation, and the Group has implemented public access policies covering internal management responsibility and that of its business partners as a way of meeting their expectations (Product Quality and Safety Policy, Nutritional Policy, Code of Conduct, Sustainable Sourcing Policy and Code of Conduct for Suppliers) and internal guidelines (Private Brand and Perishable Products Development Guidelines), concrete actions that materialise the policies and guidelines, and measurement of impacts created/enhanced (see chapter 5 "Corporate Responsibility in Value Creation", subchapters 2. "Promoting Good Health through Food", 4. "Sourcing Responsibly" and, in the context of programmes aimed at involving, supporting and raising awareness among consumers with a view to promoting healthy and sustainable food, subchapter 5. "Supporting Surrounding Communities"), in the objectives aimed at consumers (see chapter 5 "Corporate Responsibility in Value Creation", subchapters 7. "2021-2023 Commitments" and 8. "2024-2026 commitments") and also specific indicators (see chapter 5 "Corporate Responsibility in Value Creation", subchapter 10. "Tables of Indicators").	
		ESRS 2 SBM-3* – Impactos, riscos e oportunidades materiais e a sua interação com a estratégia e o modelo de negócios	✔	Based on the answers obtained, a list of risks, impacts and opportunities was defined to assess potential material topics and the respective correlation was made with the European Sustainability Reporting Standards. The analysis focused on the different stages of the Group's value chain and for the following time horizons: short, medium and long term. The impacts were also assessed as positive or negative and as current or potential. Risks and opportunities were classified according to their magnitude and probability of occurrence. This exercise was based on the Group's risk management system, and the Group's management was also involved. This exercise determined a set of topics relevant to this audience, such as affordable products, product quality and safety standards, and product and service innovation. The Group is guided by a Code of Conduct, a Code of Conduct for Suppliers, a Product Quality and Safety Policy, a Nutrition Policy and a Sustainable Sourcing Policy, all publicly accessible on the corporate website, which respond to the expectations identified in this exercise and reports on its strategy and annual activities throughout chapter 5 "Corporate Responsibility in Value Creation", subchapters 2. "Promoting Good Health through Food", 4. "Sourcing Responsibly" and 10. "Tables of Indicators". In addition, subchapters 7. "2021-2023 Commitments" and 8. "2024-2026 commitments" allow the Group to manage consumer concerns, including those with specific concerns or needs. The risk management mechanisms are described in chapter 4. "Corporate Governance", Part I - "Information on Shareholder Structure, Organization and Corporate Governance", section C "Internal Organization", subsection III - "Internal Control and Risk Management", 53. "Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Course of Business". As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to respond fully to these demands. The Group will take due diligence to comply with the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S4 - Consumers and end-users	Impact, risk and opportunity management	S4-1* – Policies related to consumers and end-users	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 2. "Promoting Good Health through Food". See the following policies of the Jerónimo Martins Group and its Companies aimed at our consumers and products on the corporate website www.jeronimomartins.com: Jerónimo Martins Code of Conduct (which contains clauses on the defense of human, labor and consumer rights), Product Quality and Safety Policy (which contains the principles and practices associated with the defense of public health), Nutritional Policy (which establishes priorities in the development of products with healthier nutritional profiles that benefit consumers, including those with specific concerns or needs), Sustainable Sourcing Policy (which contains clauses about defending the quality and safety of products sold), and Code of Conduct for Suppliers (with clauses about production processes and product quality and safety). No changes were made to the above policies in 2023.	GRI 2-23 GRI 2-25 GRI 2-29
		S4-2* – Processes for engaging with consumers and end-users about impacts	✔	See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", subchapter 2. "Promoting Good Health through Food" and subchapter 4. "Sourcing Responsibly". As a way of responding to the expectations and concerns of interested parties, there are mechanisms that facilitate the communication and resolution of potential negative impacts arising from our activity: • the Ethics Committee, a specialized body for monitoring, with impartiality and independence, the disclosure and compliance with the Code of Conduct and the Anti-Corruption Policy in Portugal, Poland and Colombia, thus managing risks effectively, in light of the Ethics Policy Communication of Irregularities approved by the Company. This body publicizes and provides a digital platform to, confidentially, and anonymously if desired, report infractions; • the Ethics Centres, autonomous reporting channels existing in Portugal which, together with the Ethics Committee, are responsible for ensuring the reception and follow-up of reports of any irregularities that violate European Union law, national law and the Code of Conduct; • the Customer Ombudsman's Office, created in 2005 with the aim of preserving consumer trust and satisfaction, mediates the relationship between customers and Companies, being independent and neutral, and its competencies and autonomous functioning in relation to customer service services. Each process sent is analyzed and the necessary steps taken, culminating in a non-binding opinion and recommendations for action to the Companies. For the three-year period 2022-2024, a new Group Customer Ombudsman was appointed. The resolution rate for total contacts in 2023 was 99%, with the level of satisfaction of customer responses being "Neutral" or "Positive" in 88% of cases. For more information on these and other indicators, consult the "Responsibility" channel, "Customer Ombudsman" page on the corporate website; • Customer Support Services, in all geographies, aimed at consumers. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-12 GRI 2-29

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS S4 - Consumers and end-users	Impact, risk and opportunity management	S4-3* – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	✔	The management of these issues and others relevant to the pursuit of the business, including the identification of risks, is the responsibility of various Functional Departments which, in turn, support the functioning of the Management Bodies - such as the Board of Directors, Managing Director, General Meeting and Audit Committee - and the Specialized Committees - such as the Executive Board, Corporate Governance and Corporate Responsibility Committee, Ethics Committee, Internal Control Committee and Remuneration Committee. Their powers and operation are described in Chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organization and Corporate Governance", and in the "Investor" channel, "Corporate Governance" page on the corporate website at www.jeronimomartins.com As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to fulfil the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-25
		S4-4* — Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end users, and effectiveness of those actions	✔	The measures on the material impacts already described in the indicators ESRS 2 SBM-2* and ESRS 2 SBM-3*, regarding consumers are described exhaustively throughout chapter 5 "Corporate Responsibility in Value Creation", subchapters 2. “Promoting Good Health through Food”, 4. “Sourcing Responsibly”, and 10. “Tables of Indicators”. Additionally, subchapters 7. “2021-2023 Commitments” and 8. “2024-2026 commitments” allow the Group to manage the concerns of these publics. The risk management mechanisms are described in chapter 4. “Corporate Governance”, Part I – “Information on Shareholder Structure, Organization and Corporate Governance”, section C “Internal Organization”, subsection III – “Internal Control and Risk Management”, 53. “Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Exercise of its Activity”. Additionally, chapter 5 "Corporate Responsibility in Value Creation", subchapter 9. “European Union Taxonomy” contains section 9.4.2 “Minimum Safeguards” where the Group's positions can be consulted regarding dimensions of interest to publics already described, such as human and labor rights in own operations and supply chains and risk management in affected communities and approaches to managing material risks and seeking material opportunities related to affected communities, as well as the effectiveness of these actions. As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to comply with the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3 GRI 2-24 GRI 2-25 GRI 203-2
	Metrics and targets	S4-5* – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	✔	The goals relating to the management of material impacts identified by interested parties and described in the previous indicators can be found in chapter 5 "Corporate Responsibility in Value Creation", in subchapters 7. “2021-2023 Commitments” (with progress there described and on the corporate website) and 8. “2024-2026 commitments”. The risk management mechanisms are described in chapter 4. “Corporate Governance”, Part I – “Information on Shareholder Structure, Organization and Corporate Governance”, section C “Internal Organization”, subsection III – “Internal Control and Risk Management”, 53. “Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Exercise of its Activity.” As this is a new reporting requirement, the Group has not yet implemented all the policies, actions and processes to fully respond to these demands. The Group will take due diligence to comply with the requirements of this indicator, as far as possible, by the next reporting period.	GRI 3-3

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS G1-Business Conduct	Governance	ESRS 2 GOV-1* – The role of the administrative, supervisory and management bodies	✔	See chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", sections A "Shareholder Structure", B "Governing Bodies and Committees" and C "Internal Organisation". See chapter 5 "Corporate Responsibility in Value Creation", subchapter 1. "Corporate Responsibility: Overview of the Year", section 1.2. "Stakeholders survey and double materiality assessment" and "Responsibility" channel, page "Our Responsibility Strategy", subpage "Defining Our Priorities" on the website www.jeronimomartins.com.	GRI 2-9 GRI 2-12
	Impact, risk and opportunity management	ESRS 2 IRO-1* – Description of the processes to identify and assess material impacts, risks and opportunities	✔	See chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance" and reporting indicators GRI 2-23 to GRI 2-26.	GRI 2-23 GRI 2-24 GRI 2-25 GRI 2-26
		G1-1* – Corporate culture and Business conduct policies and corporate culture	✔	***Business conduct policies and corporate culture*** See the corporate website www.jeronimomartins.com for the following policies that guide the conduct of the Jerónimo Martins Group and its Companies in carrying out their activities: Jerónimo Martins Code of Conduct, Anti-Corruption Policy, Food Quality and Safety Policy, Nutritional Policy, Environmental Policy, Sustainable Sourcing Policy, Code of Conduct for Suppliers, and Support Policy for Surrounding Communities. We also have a Plan for the Prevention of Corruption and Related Offences (available under "Anti-Corruption Policy") and a Gender Equality Plan. See also indicators GRI 2-16, GRI 2-23 to 2-26, GRI 3-3, GRI 205-1 and GRI 205-2. ***Animal welfare policies*** See chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance" and chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.3. "Promoting more sustainable production practices", subsection 4.3.3. "Practices to promote animal welfare".	GRI 2-16 GRI 2-23 GRI 2-24 GRI 2-26 GRI 3-3 GRI 205-1 GRI 205-2
		G1-2* – Management of relationships with suppliers	✔	The way in which the Group Companies relate to their suppliers is described in chapter 4. "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", section B "Governing Bodies and Committees", Subsection II - "Management and Supervision (Board of Directors)", "21. Organisational Charts Relating to the Distribution of Powers Among the Company's Various Governing Bodies, Committees and/or Departments, Including Information on the Delegation of Powers, Particularly with Regard to the Delegation of the Company's Day-to-day Management", description of the "Commercial/Global Sourcing" Functional Department and in chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2 "Relationship with Suppliers". See also indicators GRI 204-1, GRI 308-1 and GRI 414-1. With regard to supplier payment policies, the Jerónimo Martins Group Companies comply with the requirements defined in the national legislation of the countries in which they have operations and also have specific programmes for smaller suppliers, as mentioned in chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with Suppliers", subsection 4.2.3. "Local Supplier Engagement". Additional information on risk and opportunity management is described in chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", section C "Internal Organisation", subsection III - "Internal Control and Risk Management", 53. "Identification and Description of the Main Types of Risks (Economic, Financial and Legal) to which the Company is Exposed in the Course of Business" and chapter 5 "Corporate Responsibility in Value Creation", subchapter 3. "Respecting the Environment", section 3.3 "Fighting Climate Change". See also GRI indicator 3-3.	GRI 3-3 GRI 204-1 GRI 308-1 GRI 414-1

ESRS Topic	Aspect	Disclosure requirement		Evidence	Other Standards
ESRS G1- Business Conduct	Impact, risk and opportunity management	G1-3 – Prevention and detection of corruption and briber	✓	This topic was not identified as material, nonetheless it is partially reported. See chapter 4 "Corporate Governance", Part I - "Information on Shareholder Structure, Organisation and Corporate Governance", sections A "Shareholder Structure", B "Governing Bodies and Committees", C "Internal Organisation" and section E "Related Party Transactions". See also indicators GRI 2-13, GRI 2-26, GRI 3-3, GRI 205-1 and GRI 205-2.	GRI 2-13 GRI 2-26 GRI 3-3 GRI 205-1 GRI 205-2
	Metrics and targets	G1-4 – Confirmed incidents of corruption or bribery	✓	This topic was not identified as material, nonetheless it is partially reported. For information on these matters, see the reports on GRI indicators 206-1, 307-1, 416-2, 417-2 and 417-3. We are improving our reporting processes in order to respond to socio-economic compliance indicators. See the Anti-Corruption Policy, the Plan for the Prevention of Risks of Corruption and Related Offences (a document that identifies and classifies the company's main and potential risks in terms of corruption, considering the likelihood of occurrence and the impact of the risks identified, and lists the prevention and mitigation measures that the company has adopted to minimise the likelihood of occurrence and the foreseeable impact, in compliance with its regulatory compliance programme) published in 2022, and the Annual Implementation Report for this plan, published in 2023, documents available for consultation on the "About Us" channel at www.jeronimomartins.com.	GRI 2-27 GRI 3-3
		G1-5 – Political influence and lobbying activities	✓	This topic was not identified as material. Nonetheless, Jerónimo Martins Group companies do not support political parties or their representatives, nor do they contribute financially to groups that may support party interests. See the "Responsibility" channel, "Corporate Responsibility Publications" page to consult the Code of Conduct on the website www.jeronimomartins.com.	GRI 2-9 GRI 3-3 GRI 415-1
		G1-6* – Payment practices	✓	The Companies of the Jerónimo Martins Group comply with the requirements defined in the national legislation of the countries in which they have operations and also have specific programmes for smaller suppliers, as mentioned in chapter 5 "Corporate Responsibility in Value Creation", subchapter 4. "Sourcing Responsibly", section 4.2. "Relationship with Suppliers", subsection. 4.2.3. "Local Supplier Engagement". We are also improving the reporting processes in order to respond to these indicators in an aggregated manner for the Group's Companies. In addition, see chapter 3 "Financial Statements", subchapter "Consolidated Financial Statements", 23. "Contingencies, contingent assets and contingent liabilities" for a description of the most significant litigation cases (worth more than five million euros) which were pending resolution and for which the Board of Directors, supported by the opinion of its lawyers and tax advisors, believes there are sufficient grounds to contest them in court.	

The "*" in the table: "7 - Reporting of indicators according to the European Sustainability Reporting Standards (ESRS)" refers to material requirements.

Table caption:

✓ Indicator verified by an independent external third party.

The expression “UNGC X” refers to the Principles of the UN Global Compact.
The expression “SDG X” refers to the United Nations Sustainable Development Goals.

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Independent Limited Assurance Report

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(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails)

Independent Limited Assurance Report

To the Board of Directors of
Jerónimo Martins, S.G.P.S., S.A.

Scope

We have been engaged by Jerónimo Martins, S.G.P.S., S.A. ("Jerónimo Martins") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on the disclosures identified in the subchapter "10. Tables of Indicators" of the chapter "5. Corporate Responsibility in Value Creation", as "indicator verified by an independent external third party", which include the sustainability information included in the Annual Report 2023 (the "Sustainability Information"), for the year ended 31 December 2023.

Criteria applied

Jerónimo Martins prepared the Sustainability Information in accordance with the sustainability reporting standards of the Global Reporting Initiative - GRI Standards, guidelines of the Sustainability Accounting Standards Boards (SASB), recommendations of the Task Force on Climate-Related Disclosures, technical standards of Regulation (EU) 2022/1288, internal guidelines considered for reporting performance indicators, and disclosure requirements of the European Sustainability Reporting Standards (ESRS) of the Delegated Regulation (EU) 2023/2772 (together the "Criteria").

Responsibilities of the Management

Jerónimo Martins' management is responsible for selecting the Criteria, and for preparing the Sustainability Information in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining an appropriate internal control system, maintaining adequate records and making estimates that are relevant to the preparation of the Sustainability Information, such that it is free from material misstatement, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to examine the Sustainability Information prepared by Jerónimo Martins and to issue a limited assurance report based on the evidence obtained.

Our engagement was conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information - ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*). These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Sustainability Information is prepared in accordance with the Criteria.

Procedures performed in a limited assurance engagement vary in nature and timing from, 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. In these circumstances, our independent review procedures comprised the following:

- Inquiries to management with the objective to understand the business context and the sustainability reporting process;
- Conducting interviews with personnel responsible for preparing the information in order to understand the processes for collecting, collating, reporting and validating of the Sustainability Information for the reporting period;

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Jerónimo Martins, S.G.P.S., S.A.
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31 December 2023

- Conducting analytical review procedures to support the reasonableness of the data;
- Execution, on a sample basis, of tests to the calculations carried out, as well as tests to prove the quantitative and qualitative information included in the report;
- Verification of the conformity of the Sustainability Information with the results of our work and with the Criteria applied.

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

Quality and Independence

EY also applies International Standard on Quality Management ISQM 1, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the *Ordem dos Revisores Oficiais de Contas*' Code of ethics and of the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentially and professional behavior.

Conclusion

Based on our work and evidence obtained, nothing has come to our attention that cause us to believe that the Sustainability Information, for the year ended 31 December 2023, has not been prepared, in all material respects, in accordance with the Criteria.

Lisbon, 12 March 2024

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(signed)

Manuel Ladeiro de Carvalho Coelho da Mota - ROC nº 1410
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