

PROGRESS REPORT

UNEP-FI PRINCIPLES FOR SUSTAINABLE
INSURANCE

2024

A young girl with pigtails, wearing a red and black plaid shirt and blue jeans, is running through a field of tall, golden-brown grass. She is holding a large, translucent, umbrella-like object in her right hand and a ball of yarn in her left hand. The background shows rolling hills under a warm, golden light, suggesting a sunset or sunrise. The entire image is framed by a red border.

FIDELIDADE

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This report presents Fidelidade’s self-assessment regarding the implementation of the Principles for Sustainable Insurance (PSI). It provides an overview of how Fidelidade has been working to implement the Principles for Sustainable Insurance (PSI), demonstrating its ongoing commitment as a signatory.

PRINCIPLES FOR SUSTAINABLE INSURANCE

Fidelidade became a signatory to the Principles of Sustainable Insurance (UNEP-FI PSI) on 25 November 2020. The four main principles describe how corporate responsibility should be incorporated by insurers into their business. By signing the PSI, Fidelidade commits to addressing environmental, social and governance (ESG) issues in the way it conducts its business as an insurer and in its relationships with all stakeholders in the sector, including employees, clients, suppliers, and government bodies.

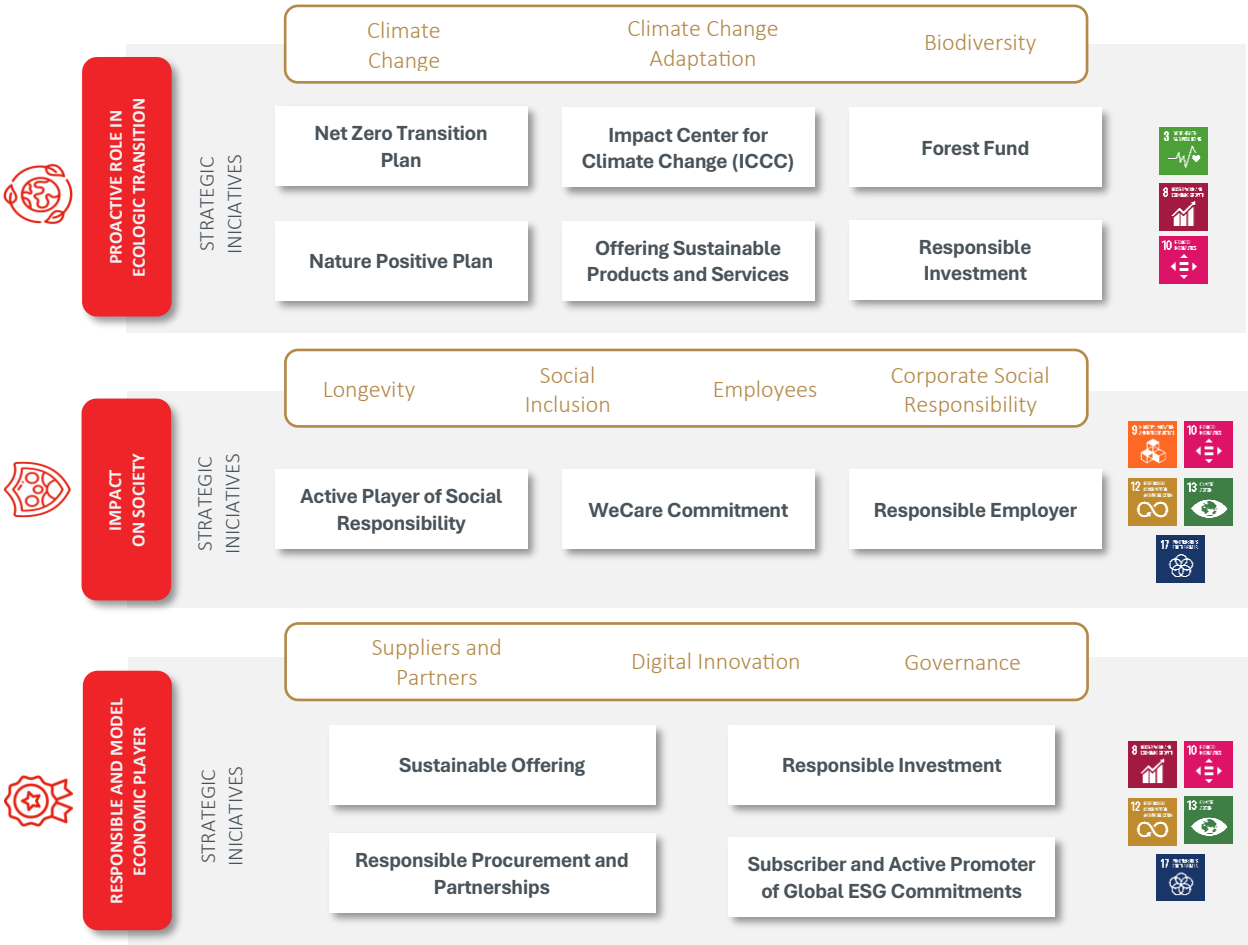
This report from Fidelidade seeks to report on the progress towards the four principles. Please see [Annual Report 2024](#) of Fidelidade Group for a more detailed overview of key figures and activities.

PRINCIPLE 1

We will embed in our decision-making environmental, social and governance issues relevant to our insurance business

FIDELIDADE GROUP’S STRATEGY

Fidelidade’s strategy is aligned with the Sustainable Development Goals (SDGs), aiming to create a positive impact on the planet and society, prioritising and focusing on the aspects identified in the double materiality analysis. Fidelidade assumes its proactive role in the ecological transition, its relevant role in the social dimension impacting society, and its role as a responsible and exemplary economic agent, implementing objective and impactful initiatives.



MORE INFORMATION

- [Fidelidade’s Integrated Management Report 2024](#) > 2.1.3 Sustainability Pillars, pp. 27-38

SUSTAINABILITY POLICIES

Fidelidade has a comprehensive set of policies that define its key commitments and guidelines across a wide range of sustainability topics, covering the Group's various activities among which the following stand out:

- Sustainability Policy
- Environment and Climate Policy
- Sustainable Investment Policy
- Sustainable Procurement Policy
- Diversity, Equity, Inclusion and Belonging Policy

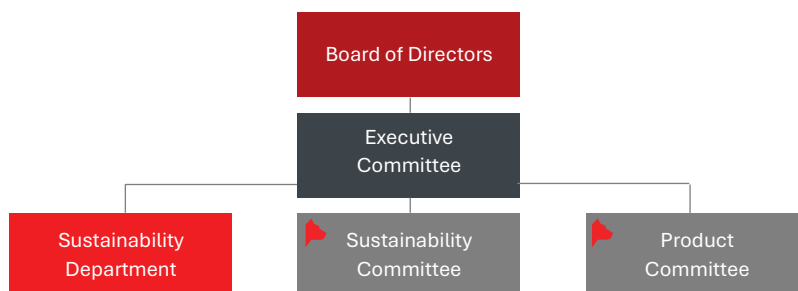


MORE INFORMATION

- Fidelidade's website > [Sustainability Reports & Policies](#)

GOVERNANCE MODEL

Fidelidade's sustainability governance model reflects the importance the Group places on this topic, ensuring the integrated identification, assessment and incorporation of sustainability impacts, risks and opportunities into decision-making processes.



- With the participation of Sustainability Department



MORE INFORMATION

- [Fidelidade's Integrated Management Report 2024](#) > 5.2.2. Sustainability Governance, pp. 171-172

RISK MANAGEMENT AND UNDERWRITING

To ensure organisational stability and the achievement of strategic objectives, Fidelidade applies a risk-management approach, grounded in informed decision-making. The Group is progressively strengthening the identification, assessment and mitigation of risks across its activities, integrating sustainability criteria to reduce negative impacts and enhance performance across ESG dimensions.

Fidelidade Group continues to incorporate the assessment of climate-related impacts, conducting both qualitative and quantitative analyses of material risks — ranging from

physical risks to transition risks, including reputational, legal and portfolio-related exposures.

MORE INFORMATION

- [Fidelidade's Integrated Management Report 2024](#) > 5.3 Risk Management, pp. 174-180

PRODUCT AND SERVICE DEVELOPMENT

Fidelidade is committed to progressively design and develop products and services that create positive ESG impact and support responsible customer behaviour. Through its Product Design and Approval Policy, the Group ensures that products are designed and marketed responsibly, with clear, complete and accessible information, including transparent disclosure of potential negative outcomes.

Fidelidade is progressively advancing the integration of sustainability into its underwriting processes, strengthening the organisation's ability to improve risk management and identify opportunities that support sustainable development. In line with the Sustainability Policy, the Group's Underwriting Policy requires a systematic reflection on the potential to incorporate sustainability considerations into all products, fostering the gradual development of solutions that increasingly align with ESG principles.

Aligned with ESG principles and the Sustainable Development Goals, Fidelidade will continue to embed sustainability across its innovation strategy, supporting solutions that reduce societal and environmental risks while empowering customers with greater understanding of insurance and ESG topics.

MORE INFORMATION

- [Fidelidade's Integrated Management Report 2024](#) > 4.2.1 Clients, pp. 64-65

CLAIMS MANAGEMENT

In alignment with Sustainable Development Goal 9, Fidelidade has prioritized the modernization of claims management by investing in innovative technological solutions. These initiatives have driven substantial improvements in core operational processes, particularly through automation, which has reduced errors and enhanced service quality and efficiency. This effort is also supported by the Group's global claims settlement policy, which includes a specific subsection regarding sustainability. Together, these measures reflect Fidelidade's broader strategy to foster sustainable innovation and resilient digital infrastructure within the insurance sector.

Honouring the WeCare essence, Fidelidade works to ensure the continuity of support for accident victims and their families, guided by the premise "so that life does not stop". While fulfilling all legal obligations, the Group has procedures that, in certain situations, enable support that goes beyond what is strictly required—namely in areas such as physical

rehabilitation and social, professional, and family reintegration for more severe cases. This approach reinforces Fidelidade's commitment to sustainable and responsible claims management across the markets in which it operates.

When settling property claims, there are (salvaged) assets that may still have value and for which it is a priority to find a suitable destination. The 'Salvados' project aims to create a solid network that promotes the circular economy, sustainable consumption and the valorisation of resources, transforming items considered 'worthless' into new opportunities for use or trading, with a positive economic and social impact. A pilot project with the start-up "The Loop" allowed procedures to be tested and optimised, namely the collection and sorting of items based on their condition and potential for reuse. This process has already made it possible to identify items with resale or donation value and to recycle several materials.

SALES AND MARKETING

Fidelidade's approach to product marketing and communication is anchored in principles that promote clarity, consistency, and transparency. These practices reflect a commitment to delivering value, building trust, and fostering meaningful engagement with its audiences. In line with this, the company ensures that product-related communications are clear, complete, and transparent, include disclosure of potential negative consequences when relevant, and are appropriately targeted based on the product's complexity, risk profile, and sustainability considerations.

MORE INFORMATION

- Fidelidade's website > Responsible Marketing

INVESTMENT MANAGEMENT

Fidelidade believes that adopting a sustainable investment approach foremost facilitates a better understanding of risks and opportunities of underlying investment portfolios, but at the same time strengthens the overall profile of ESG practice of Fidelidade Group itself. It is, therefore, of paramount importance to incorporate the ESG factors into the conventional investment process alongside with traditional financial analysis factors.

As a responsible investor, Fidelidade seeks to integrate ESG factors into its investment processes. This approach allows for a better understanding of the risks and opportunities associated with investment portfolios, while strengthening the Group's overall sustainability profile.

In line with its Sustainable Investment Policy and Net Zero Transition Plan, Fidelidade has set a goal of achieving net zero in its investment portfolio by 2050. In addition, in 2024 Fidelidade issued its first green bond, which amount is allocated to sustainable assets that contribute to a carbon-neutral economy.

MORE INFORMATION

- Fidelidade's website > Responsible Investment

PRINCIPLE 2

We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions

CLIENTS AND SUPPLIERS

The Fidelidade Group's engagement strategy is built on continuous and constructive dialogue with customers, suppliers, and other stakeholders across the value chain. As a partner committed to protection and trust, the Group seeks to raise awareness of ESG-related risks and the importance of adequate insurance coverage.

In addition to developing innovative products that respond to emerging needs, Fidelidade provides clients with relevant information, helping them understand the impacts associated with their decisions.

Supply chain management seeks to follow responsible practices. ESG considerations are progressively integrated into tendering and supplier selection processes, reinforcing the Group's commitment to sustainable procurement. Through instruments such as the Sustainable Procurement Policy and the Supplier Code of Conduct, Fidelidade sets its expectations on ESG performance. Fidelidade also influences the adoption of more sustainable behaviours and privileges those who uphold best practices.

MORE INFORMATION

- [Fidelidade's Integrated Management Report 2024](#) > 4.2.1 Clients, pp. 64-65 & 4.2.4 Suppliers and partners, pp. 100-101
- Fidelidade website > [Responsible Procurement & Partner](#)

INSURERS, REINSURERS AND INTERMEDIARIES

Fidelidade Group actively engages in initiatives that promote sustainability and responsible business practices across the insurance sector. The Group collaborates with national and international organizations to create a positive societal impact, supporting the integration of ESG issues into professional education and ethical standards. Fidelidade is a signatory of key global sustainability commitments, including UNEP-FI, PRI, PSI, UN Global Compact, and NZAOA, and works to promote the adoption of these principles throughout the industry. These actions demonstrate the Group's proactive approach to embedding ESG considerations in both its operations and the broader insurance ecosystem.

MORE INFORMATION

- [Fidelidade's Integrated Management Report 2024](#) > 2.1.3.2. Involvement with initiatives and entities, p. 39
- Fidelidade website > [Sustainability Reports & Commitments](#)

PRINCIPLE 3

We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues

Fidelidade subscribes various commitments and is a member of several initiatives. The main commitments and initiatives to which the Group subscribes or which it is a part of are the following:

- UN Principles for Sustainable Insurance;
- UN Principles for Responsible Investment;
- Forum for Insurance Transition to Net-Zero;
- Net-Zero Asset Owner Alliance;
- UN Global Compact.

The Group reports annually on the commitments and initiatives to which it is a member in its Annual Report.

MORE INFORMATION

- [Fidelidade's Integrated Management Report 2024](#) > 2.1.3.2. Involvement with initiatives and entities, p. 39
- Fidelidade website > [Sustainability Reports & Commitments](#)

PRINCIPLE 4

We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles

Fidelidade discloses its progress in implementing the Principles through its annually published Progress Report. In addition, the company issues its Annual Report, prepared in line with European Union requirements, namely the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards.

MORE INFORMATION

- [Fidelidade's Integrated Management Report 2024](#)