



Annual Report **2024**

→ CUF, S.A.



www.cuf.pt

About the Report

In 2024, CUF presents its first Integrated Annual Report, a document that combines sustainability statements and financial statements, reinforcing transparency and accountability towards its stakeholders.

This integration reflects CUF's commitment to a holistic view of its activity, aligning economic performance with environmental, social and governance impacts.

The preparation of this Report follows the requirements established by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which introduce a new reporting paradigm, with greater rigour and comparability of the information disclosed. In addition, the Sustainability Statement complies with the provisions of Article 508-G of the Portuguese Commercial Companies Code, ensuring compliance with the Portuguese regulatory framework.

Scope and structure of the Integrated Annual Report

This Report covers the strategy, management and performance of CUF, SA, (hereinafter referred to as CUF), a reference company operating in the private healthcare sector in Portugal. CUF is headquartered at Avenida do Forte 3, Suécia III Building – Floor 2, in Carnaxide. The period covered by the Report corresponds to the financial year between 1 January and 31 December 2024.

To ensure easy access to information for all its stakeholders, CUF's Integrated Annual Report can be consulted on CUF's institutional website (www.cuf.pt), in the Presentations and Reports area.

The Sustainability Statement is an integral part of the Management Report and is organised into four groups of information:

→ General Information:

These include the basis for preparing the report, the governance principles adopted by CUF and the company's strategy and business model.

They also include the disclosure of the double materiality exercise, a requirement of ESRS 2, which ensures that CUF reports the impacts of its activity on the environment and society, as well as the risks and opportunities that these factors represent for its financial performance.

→ Environmental Information:

These present the disclosures required by Article 8 of Regulation (EU) 2020/852, better known as the Green Taxonomy Regulation, which seeks to guide investments towards sustainable activities.

They also include detailed information on climate change (ESRS E1), water management (ESRS E3) and the circular economy (ESRS E5), highlighting CUF's initiatives to minimise the environmental impact of its operations.

→ Social Information:

This section addresses fundamental issues for CUF's sustainability regarding human capital and relations with the various players in the value chain. It is organised into three dimensions: Own Labour (ESRS S1), Workers in the Value Chain (ESRS S2) and Consumers and End Users (ESRS S4).

→ Governance Information:

This component covers crucial issues of business conduct, with a focus on ethics, transparency and risk management.

It includes disclosures on corruption and bribery, relationship with suppliers and corporate governance practices, in compliance with the requirements of ESRS G1.

Financial Statements

CUF's Financial Statements were prepared in accordance with the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") and with the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and of the Standing Interpretations Committee ("SIC"), as adopted by the European Union.

All these standards and interpretations will be referred to generically as "IFRS".

The adoption of IFRS ensures greater quality and transparency in the financial information presented, making it more comprehensible to investors and other stakeholders, allowing for a more robust analysis of the company's financial position and performance.

Approval and disclosure

The Annual Report was approved by CUF's Board of Directors and authorised for issue on 4 April 2025.

With this integrated approach, CUF is reinforcing its position as an agent of transformation in the healthcare sector, promoting responsible and sustainable management that is in line with the challenges and opportunities of the future.





Message from the Chairman *of the Board of Directors*

Salvador de Mello

Chairman of the Board of Directors

80 Years of CUF: Growing with Excellence, Caring with Purpose

Much has changed since the CUF Infante Santo Hospital opened its doors on 10 June 1945. Comparing our first health unit - created to serve around eighty thousand employees and family members of the Companhia União Fabril - with the current national network of CUF health units, which in 2024 welcomed more than one million and three hundred thousand customers, reveals the true scale of the journey we have made.

CUF and the country have changed significantly in the past 80 years. Today, we are a leading healthcare group in Portugal. We provide specialised care in health units throughout the country. We are more accessible and serve more people. We are able to handle increasingly complex cases. Furthermore, we have developed innovative and benchmark models in the provision of healthcare service.

We respond to the needs of the country and the Portuguese citizens by investing in high-quality and locally accessible healthcare solutions, which stand out for their innovative nature and clinical differentiation.

The result is mainly due to the dedication, expertise and knowledge of generations of professionals who have worked at CUF.

More importantly, it is due to a firm commitment around a basic value that continues to guide all those who work at CUF: the Respect for the Dignity and Well-Being of Every Individual. This is the only way we can ensure the best conditions for clinical practice and providing nursing care at the service of patients.

Over these eight decades, we have grown founded on a culture of effort, innovation and commitment. We have built new healthcare units, invested in technology and strengthened clinical research and development. We launched social responsibility programmes and expanded our impact, while contributing to a healthier and more informed society.

It is those who entrust us with their health, as well as our people, who keep motivating us to be better every day.

It is those who entrust us with their health, as well as our people, who continue to inspire us to improve every day. Our aim is to continue to consolidate our network, increase our offer and reach more and more Portuguese citizens. We realise that our culture and values will continue to guide us in the promising path ahead.

With the same vitality as ever, we are better prepared than ever to respond to the challenges the future holds: for us, CUF, but also - and above all - for the country.

With determination, we are already anticipating the emerging needs of the population. We will do so by pursuing an approach that combines the evolution of medicine with CUF's social and environmental impact, reinforcing our commitment to innovation, to the individual's well-being and to building a better future for everyone.

Just as we have always undertaken, we promise to do everything possible - and sometimes the impossible - to ensure a prompt response at every moment of a patient's life and for all members of their family. All of this, with the same sense of commitment and community that led us to create our first health centre 80 years ago.



Message from the President *of the Executive Committee*

Rui Diniz

Chairman of the Executive Committee

CUF in 2024:

Significant impact on multiple dimensions

In 2024, CUF made a significant impact across various aspects of its activity. Its positive impact was reflected in the health of those we care for, in the sustainable consolidation of our network, in valuing our people, in supporting communities and in preserving the environment. This integrated development across various areas is deeply meaningful to us - and reflects our commitment to balanced and lasting creation of value.

In health, we strengthened our healthcare capacity and ensured closer and more efficient access to care. We carried out 3.3 million consultations, 12.3 million exams, 68,000 surgeries, 4,600 births and 464,000 emergency episodes. CUF Oncology stood out in the treatment of complex conditions, treating 8,800 cancer patients, with more than 30,000 radiotherapy sessions and 16,600 chemotherapy sessions. We remained committed to personalising care and incorporating the most up-to-date knowledge, fostering clinical practice based on scientific evidence.



Our people remain the cornerstone of CUF.

Simultaneously, we consolidated our network. We reached the Tâmega e Sousa region, in the north of the country, with a new hospital and four clinics. In Greater Lisbon, the integration of the miMed network added 12 proximity units to our portfolio. We also announced the construction of a new hospital in Braga, planned to open in 2027. Overall, we invested 113.3 million euros in equipment, technology, and infrastructure, enhancing our response capacity and the quality of care we deliver.

CUF's financial performance in 2024 was equally robust, reflecting a balance between consolidation, investment, and the appreciation of people. The consolidated operating income amounted to 891.2 million euros and EBIT totalled 92.2 million euros, culminating in a net profit of 43.4 million euros. We continuously created jobs, with 1,700 new hires throughout the year, thereby reinforcing a team that now numbers 16,800 professionals across the country. We also invested in the value of our people, with CUF setting an average increase of 8.1% for the total annual remuneration of its employees in 2024 and awarding an extraordinary bonus worth 11 million euros, in recognition of the vital role played by professionals in achieving these results.

Our people remain the cornerstone of CUF. In 2024, we encouraged their development and empowerment with more than 120,000 hours of training, focussed on technical, human and leadership development. We supported academic training by awarding scholarships to enter higher education and doctoral scholarships dedicated to clinical research. We also reinforced our internal support programmes through which more than 9,000 grants were awarded to our employees and their families, which represents a 15% increase compared to the previous year.

We have also been more present within communities. CUF donated more than 36,000 goods to social institutions, promoted 2,300 hours of volunteer work and carried out 379 hours of health literacy actions. Through a partnership with the Calouste Gulbenkian Foundation, we trained 100 professional carers. As part of the PRO_MOV programme, more than 100 people were retrained as medical assistants. These programmes reaffirm our commitment to inclusive development and to fostering a healthier, more self-reliant society.

We made environmental sustainability a priority. We have reduced our carbon footprint by 76% compared to 2022, through an ambitious decarbonisation project in the operating theatres. We reduced paper consumption by 3 million sheets and continued to renew our car fleet, where electric and hybrid vehicles now account for 44%. We implemented water reuse measures in the sterilisation processes for medical devices, saving 2,500 m³ of water through a project that received international recognition.

We have also raised the level of reporting of non-financial information, in complete alignment with the Corporate Sustainability Reporting Directive and the European Reporting Standards. This marks an essential step towards enhancing transparency, comparability, and stakeholder trust.

All this has only been possible through the efforts of our people. The expertise, dedication, and spirit of mission with which everyone, on a daily basis, contributes to the quality of care and to building an ever stronger and more relevant CUF. It is also the result of the combination between technology, talent, and a culture of shared responsibility.

It is on this solid foundation that we look to the future. A future built on ambition, purpose, and a firm commitment to creating value across all dimensions. We will carry on evolving with innovation, proximity, and excellence, constantly at the service of people's health and the common good.



CUF

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CUF Network

- CUF Arrifana de Sousa Hospital
- CUF Penafiel Clinic
- CUF Paredes Clinic
- CUF Lousada Clinic
- CUF Marco de Canaveses Clinic

- CUF Porto Hospital
- CUF Porto Institute
- CUF Trindade Hospital

- CUF S. João da Madeira Clinic

- CUF Viseu Hospital
- CUF Coimbra Hospital

- CUF Leiria Clinic

- CUF Santarém Hospital
- CUF Santarém Dental Medicine Clinic

- CUF Torres Vedras Hospital
- CUF Mafra Clinic

- CUF Sintra Hospital
- CUF Cascais Hospital
- S. Domingos de Rana Clinic
- Nova SBE Clinic
- CUF Belém Clinic
- CUF Tejo Hospital
- CUF Miraflores Clinic
- CUF Braamcamp Dental Medicine Clinic
- CUF Alvalade Clinic
- CUF Descobertas Hospital

- CUF Açores Hospital

- CUF Almada Clinic
- CUF Montijo Clinic
- CUF Barreiro Clinic

12 CUF Proximity Care Units in 2025

- HOSPITALS AND CLINICS
- DIGITAL CHANNELS
- DOMICILIARY SERVICES

Main indicators

Healthcare

3.3 million consultations

46 thousand Remote consultations	68 thousand Surgeries
464 thousand Emergency episodes	4.6 thousand Births
160 thousand Hospitalisations	12.3 M Exams

CUF hospitals and clinics

30 Hospitals and Clinics	78 Operating Theatres
811 Beds	890 Consultation rooms

Digital Channels

1.1 M Appointments Booked on the My CUF App	65 thousand Evaluations Started on the My CUF Symptom Evaluator
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Domiciliary Services

6.6 thousand Days spent in Home Hospitalisation	24.8 thousand Home Care visits
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People

16,839 people

1,526 New Hires	2,235 Internships
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120.3 thousand
Hours of training



93%

of people would choose CUF to work for again



68%

% of women in leadership positions in 2024


CUF Customers

1.3 M Customers

4.2 M Calls answered at the Contact Centre	1.1 M Profiles created in the My CUF App
7.6 M Front office customer service interactions at hospitals and clinics	2.7 M Uses in hospital and clinic kiosks

Main indicators

Environment



76%

reduction in CO₂ emissions from anaesthetic gases compared to 2022

3 M

Reduction of three million sheets of paper compared to 2023

44%

electric or hybrid fleet

Community

36.5 thousand
Goods donated to social entities

> 100

Trained professional caregivers from social institutions

> 100

People retrained under the PRO_MOV programme

2.3 thousand

Hours of corporate volunteering in the community

657 thousand €

Social investment

Financial Sustainability

890.9 M€

Operating Income

43.4 M€

Net Profit

112.6 M€

Total Investment

92.2 M€

EBIT (Earnings Before Interest and Taxes)

Innovation and Research

9.7 M€

Investment in innovation

133

Clinical Trials and Observational Studies

Preveris

Main indicators



3,228

Client companies

291

thousand
Employees of client
companies

196,601

Exams

17,672

Check Ups

Preveris, the result of the merger between SAGIES and AtlantiCare, is a market benchmark in the areas of prevention, health and well-being in companies, with a legacy of rigour and reliability in the provision of Occupational Health and Safety services.

Preveris' solutions contribute directly to the overall productivity rates and talent retention of its clients' employees, by preventing occupational illnesses and reducing accidents and absenteeism, thus ensuring the promotion of healthy working environments.

pre\eris

prevenção, saúde
e bem-estar nas empresas

CUF Highlights and Honours

Highlights



CUF supports the Azores after a fire at Divino Espírito Santo Hospital

To deal with the fire that affected Divino Espírito Santo Hospital (HDES) in Ponta Delgada, Azores, in May 2024, CUF, through CUF Açores Hospital, provided immediate support to the region's health institutions. Considering the damage to the HDES and the state of public calamity, CUF Açores Hospital made premises, services and teams available, ensuring an effective response at a time of great challenge for the region.



CUF network even closer to the population

CUF has strengthened its presence in the north of the country, in the Tâmega and Sousa region, with the acquisition of the Clínica Médica Arrifana de Sousa Group, with a hospital and four clinics in Penafiel, Paredes, Lousada and Marco de Canaveses. It also acquired the miMed network of clinics to create proximity care units in Greater Lisbon and announced a new hospital in Braga for 2027.



Even in complicated cases there are reasons to believe

With real stories of overcoming, the year's advertising campaign featured three documentaries celebrating hope in medicine and the experience of CUF's teams.

Mateus, João and Catarina faced complex clinical challenges, but found reasons to believe.



“1st International Conference on Young Women’s Breast Cancer and Health”

With a commitment to promoting early diagnosis of breast cancer and discussing treatments that ensure quality of life for young women, CUF joined forces with the Breast Cancer in Young Women Foundation and hosted the 1st International Conference on Young Women’s Breast Cancer and Health. Internationally renowned doctors, specialists and researchers gathered at CUF Tejo Hospital in Lisbon to discuss advances in the field.



Preveris: The new brand for prevention in health

Preveris is born from the merger of SAGIES and Atlanticare. With more than 50 years’ accumulated experience and CUF’s legacy of expertise, rigour and trust, this union represents the sum of that knowledge in a new brand at the service of prevention, health and well-being for Portuguese companies.



Bond Issue: A milestone in the commitment to sustainability

A milestone in the commitment to sustainability

The CUF SGPS S.A. sustainability bond issue, launched in 2024, was a success, reaching 93.5 million euros after strong demand from institutional and retail investors. This investment is supporting the expansion of the CUF network. In this context, Ethifinance revealed that CUF SGPS has a long-term investment grade rating of BBB- and also classified its sustainability performance as “Advanced”.

Honours



Trusted Brand of the Portuguese people

For the ninth year running, the Portuguese have recognised CUF as a "Trusted Brand" in the "Private Clinics and Hospitals" category, a choice that has been made since the category was created. This award is proof of the trust that Portuguese consumers place in CUF and highlights the commitment, dedication and professionalism of our entire team.



Leader in People Management

CUF is in the top 10 largest companies in Portugal, and is a leader in the healthcare sector, with the highest standard of organisational climate and therefore considered a benchmark in the area of People Management. These distinctions were awarded in the 8th edition of the Excellence Index, the largest study of organisational climate and human capital development in Portugal, in which 150 organisations took part.

At the same time, university students considered CUF to be the best company in the healthcare sector in Portugal to work for. The result was revealed at the "Merco Talento Universitário Portugal" event.



Reputable leader in the healthcare sector

For the third year running, CUF has topped the reputation ranking in the healthcare sector in Portugal, according to the "Merco Empresas Portugal 2024" study. In addition to standing out in the sector, the company is also in the top 20 of the most reputable organisations in the country. The Merco study is audited by KPMG and carries out a detailed assessment of Portuguese companies every year.



Winner of the European Private Hospitalisation Awards

We won four of the seven categories in the **European Private Hospitalisation Awards**, out of 53 private healthcare providers from nine countries who submitted 65 entries. We won in Categories "Empowering Patient Care Experience", "Best Integration of AI in Healthcare", "Health Tech Innovation of the Year" and "Outstanding Collaborative Initiatives in Healthcare".



"Best Health Project"

At the 9th Portugal Digital Awards, CUF received the "Best Health Project" award for the LEAD – Logistics Efficiency with Analytics Development project, an innovative solution that optimises logistics management in the healthcare sector. Developed in partnership with LTPlabs, the project made it possible to reduce nine million euros in inventory, improve supply chain efficiency and strengthen the analytical culture with intelligent dashboards and advanced algorithms.



Honour highlights impact of social responsibility in Oeiras

For its commitment to social responsibility, CUF was one of 20 companies honoured at the celebration of the 20th anniversary of the Oeiras Solidarity Programme. The award recognises the collaborative work carried out in the municipality, especially in empowering social economy entities and in promoting the circular economy through the donation of goods.



Sector leader in the Merco ESG ranking

In the Merco study "**The Most ESG-Responsible Companies**", CUF once again led the sector and was recognised as one of the 10 most sustainable companies in Portugal, occupying 8th place in the ranking that brings together the 100 companies in Portugal that best respond to environmental, social and governance factors.

This recognition reflects CUF's strong involvement with sustainable and responsible practices throughout the value chain.



Leader in Security

Winner of the 3rd edition of the **Security Awards in the “Electronic Security” category**, CUF was recognised for its commitment to protecting customers, professionals and visitors. The award honours the “CUF Security Model”, an innovative system based on five essential pillars, including face-to-face surveillance and advanced technology. The Security Awards are an initiative of Security Magazine.



Fator CUF honoured

The Portuguese Association for Corporate Communication (APCE) Grand Prize in the Internal Communication category was awarded to CUF for the Fator CUF project, developed with partner Audacia, which challenged employees to share their musical talent. This recognition highlights CUF’s commitment to valuing its people, promoting a culture of involvement, talent and innovation.



Water sustainability project awarded

Honoured at the International Hospital Federation Awards, CUF stood out among more than 500 entries from 37 countries with its innovative project “Hospital Sterilisation Centre – a new paradigm for water sustainability”. The project, which received an Honourable Mention, stood out for reducing water consumption in sterilisation processes by 15%, saving 145,000 litres per month – the equivalent of 100,000 1.5L bottles.

Values that guide our actions *and reinforce our excellence*

Respect for the dignity and well-being of every person

We believe in respect for dignity as a universal principle, including compassion and the ability to be with those who suffer, seeking the full well-being of the person at all times.

Human development

We put people's dignity at the heart of our decisions and contribute to the development of their capabilities, fostering autonomy and continuous learning.

Competence

We encourage a permanent attitude of doing more and better, through individual responsibility and teamwork, striving for excellence and consistency.

Innovation

We foster an entrepreneurial culture and an open and curious mindset, in the constant search for new solutions and value-creating opportunities.

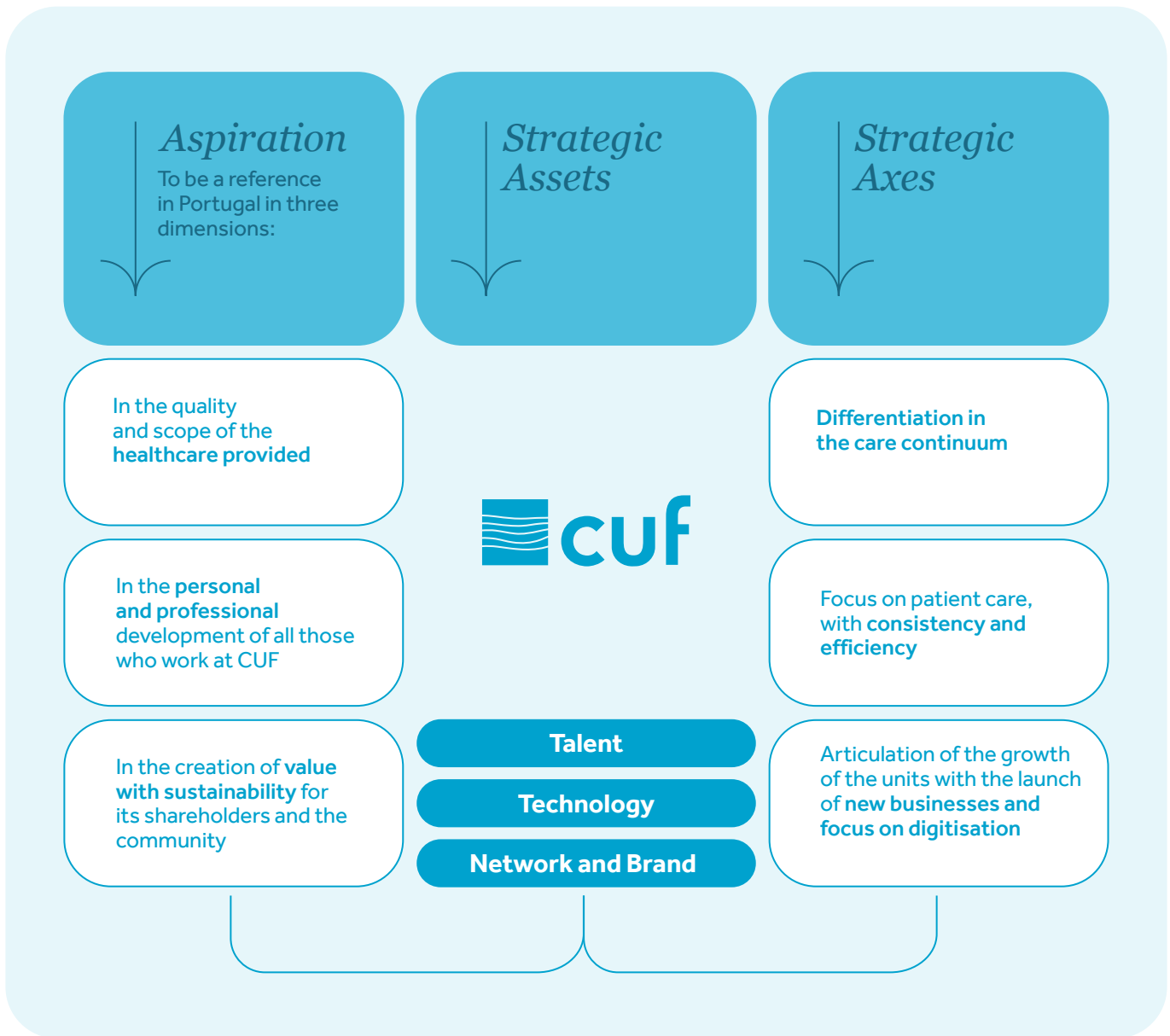
Integrity

We promote ethical and honest behaviour, creating relationships of trust and loyalty, treating everyone with fairness and truth.

CUF promotes clinical excellence, innovation, proximity and commitment to health, guaranteeing humanised care, prevention and sustainability for a healthier future.

CUF Strategy

Combine talent, technology, the CUF network and brand to promote people's health and quality of life



Sustainability Policy



The commitment to sustainability is a core element in CUF's strategic development plan

On 25 September 2023, on the occasion of the first National Sustainability Day, CUF unveiled its Sustainability Policy, defining its 11 strategic commitments. Full compliance with these commitments seeks to consistently ensure that management practices have an impact on people and on the preservation of natural resources across the entire organisation.

11

Strategic commitments defined by CUF

Sustainable Development Goals (SDGs)

CUF has committed to aligning its strategy with the goals set by the United Nations 2030 Agenda in order to play an active role in achieving them



CORE SDGs



IMPACTED TARGETS
3.4, 3.8, 3.9

STRATEGIC SDGs



IMPACTED TARGETS
4.4, 8.2, 8.3, 8.5, 12.2, 12.5, 16.5, 16.10

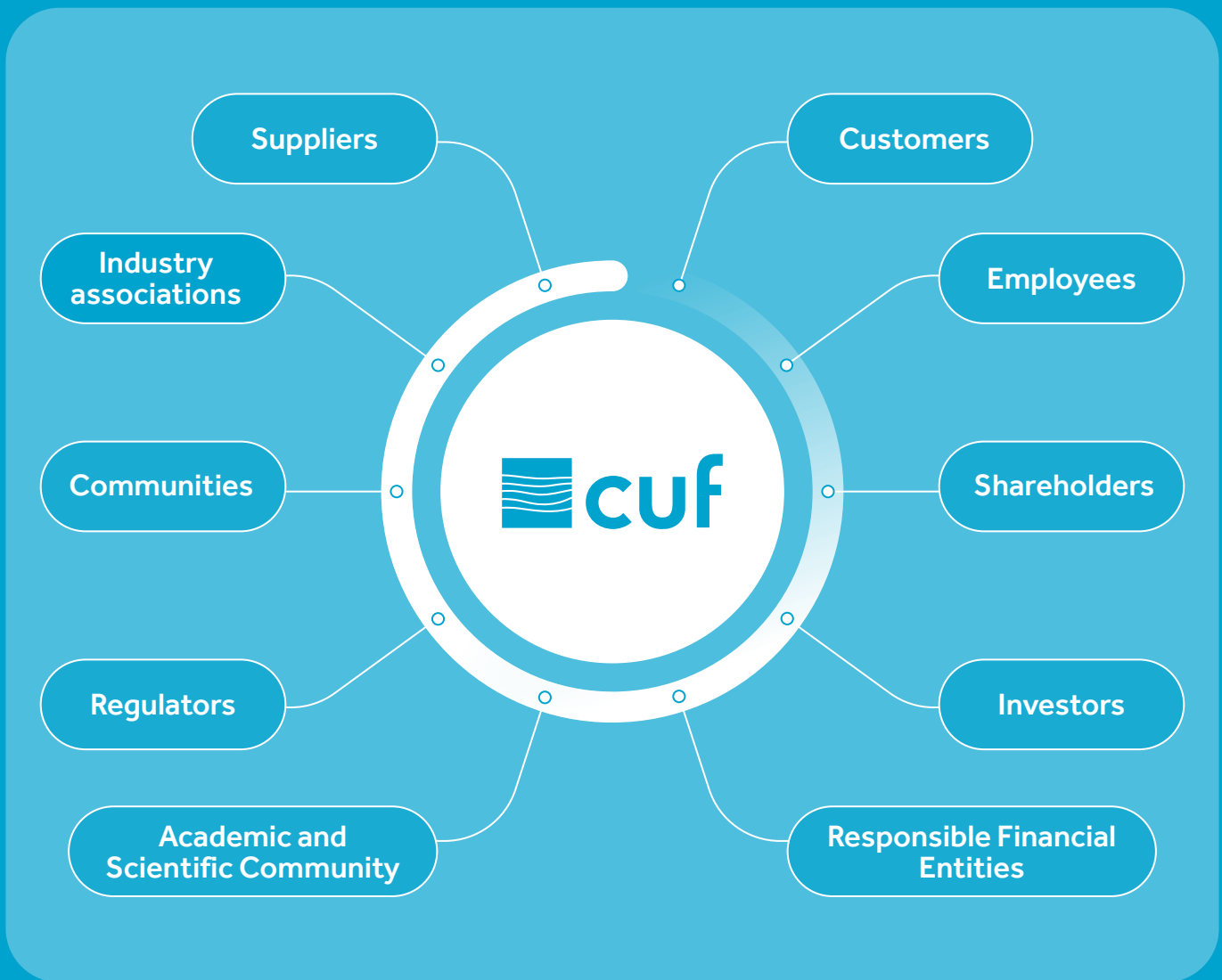
IMPACTED SDGs



IMPACTED TARGETS
5.1, 5.4, 5.5, 9.4, 9.5, 10.2, 10.4, 11.7, 13.1, 13.2, 13.3, 17.16, 17.17

Stakeholders

CUF establishes a constant and inclusive dialogue with its stakeholders,
seeking to respond to their needs and valuing their expectations





Governing Bodies

Board of Directors

Chairmain

Salvador Maria Guimarães José de Mello

Vice-Chairmen

João Pedro Stilwill Rocha e Melo

Ema Isabel Gouveia Martins Paulino Pires

Members

Rui Alexandre Pires Diniz

Inácio António da Ponte Metello de Almeida e Brito

Guilherme Barata Pereira Dias de Magalhães

Catarina Marques da Rocha Gouveia

Francisco Pedro Ramos Gonçalves Pereira

Paula Alexandra Pais de Brito Silva

Céline Dora Judith Abecassis-Moedas

Vera Margarida Alves Pires Coelho

Raúl Catarino Galamba de Oliveira

Diogo Miguel Parreira de Gouveia

Paulo José Marques Fernandes

Paulo Jorge Barradas de Oliveira Rebelo

Statutory Auditor

Full Member: Deloitte & Associados, SROC, S.A. representada por Pedro Miguel Argente de Freitas e Matos Gomes, ROC

Substitute:

João Carlos Henriques Gomes Ferreira

Supervisory Board

Chairmain

Manuel Ravara Caldeira Castel-Branco Cary

Members

José Luís Bonifácio Lopes

Miguel Reccanello Carneiro Pacheco

Alternate

Diogo Salema da Costa

Executive Committee

Chairmain

Rui Alexandre Pires Diniz

Members

Inácio António da Ponte Metello de Almeida e Brito
Guilherme Barata Pereira Dias de Magalhães
Catarina Marques da Rocha Gouveia
Francisco Pedro Ramos Gonçalves Pereira
Paula Alexandra Pais de Brito Silva

Remuneration Committee

Chairmain

Luís Miguel Cortes Martins

Members

Pedro Norton de Matos
Maria Luísa Amaral Cabral Reis Sobral
Pedro Maria Guimarães José de Mello
Paula Inês Moreira Dinis

General Meeting Board

Chairmain

João Vieira de Almeida

Secretary

Luís Miguel Reis Sobral

Company Secretary

Madalena Drummond Borges Barros Rodrigues
Duarte Mello



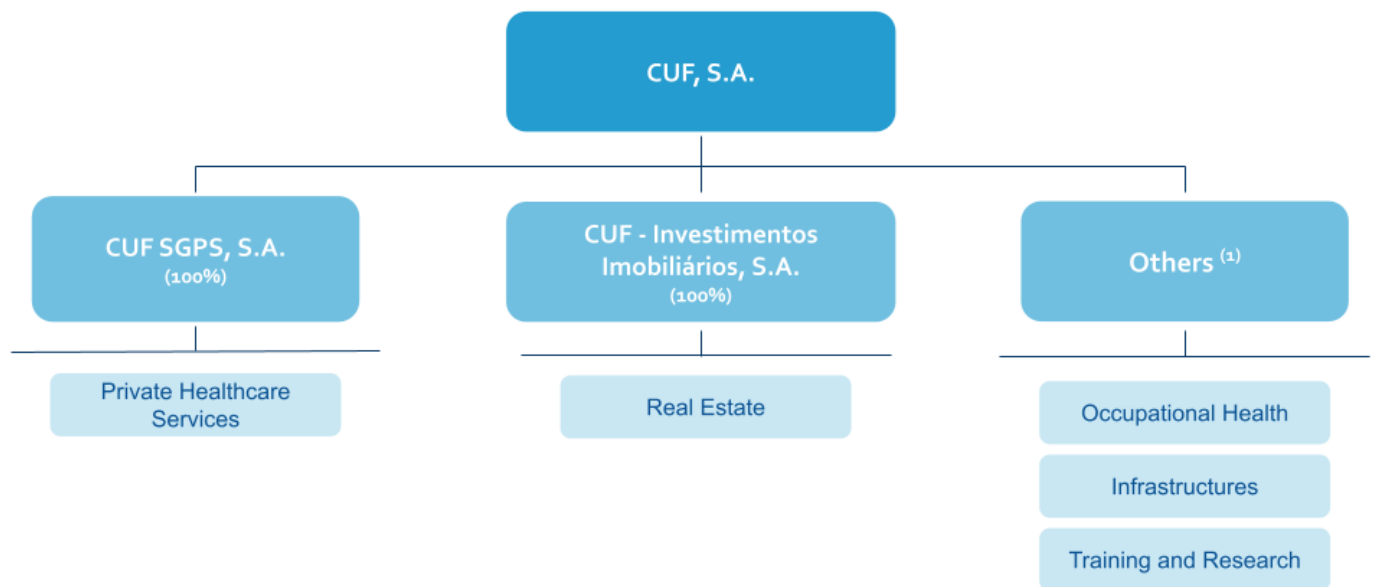
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1. Introduction

CUF, S.A. is a company whose main activity is the provision of healthcare. It also carries out a number of other activities, namely in the property and infrastructure sector, training and research and occupational health and safety.

The structure of the CUF Group is as follows:



(1) Detail in paragraph 6 of the notes to the consolidated financial statements

The subsidiary CUF, Sociedade Gestora de Participações Sociais, S.A., which issued in 2024 a Bond loan linked to sustainability, will publish its own Annual Report separately, details of which can be found on the CUF Group's website.

2. Activity

Analysing the CUF Group's operating and financial performance on 31 December 2024, the following highlights are listed:

- Total investment in equipment, technology and infrastructure in the CUF network in 2024 was around 113.3 million euros;
- The investment made in the employee salaries in 2024, with the increase in wages being 14.7%, which includes a very substantial appreciation of salaries, essentially at the lowest levels, and the application of resources within the scope of internal social responsibility, through support aimed at employees and their families;
- The investment made by CUF led to a positive evolution in healthcare indicators compared to the same period last year, with Consultations (+14.6%), Births (+7.0%) and Surgeries (+5.6%) standing out, representing CUF's commitment to increasing accessibility to healthcare;
- The Consolidated operating income amounted to 890.9 million euros, an increase of 17.9% compared to 2023;
- With regard to Financial results, there was a reduction of 5.1 million euros compared to the same period last year. This negative evolution is due to the 18.8% rise in financial costs, which resulted from CUF's new loans and the financial debt of Clínica Médica Arrifana de Sousa Group (CMAS), acquired at the beginning of the year;
- The CUF Group achieved a net profit attributable to equity holders of 43.4 million euros in 2024, 5.6 million euros more than in the same period last year;
- The ratio of Net financial debt to EBITDA (Operating income plus depreciation and amortisation and provisions, and impairment losses) decreased from 4.19x, at the end of 2023, to 3.56x, due to the increase in EBITDA. The Financial autonomy ratio increased slightly from 21.2% to 21.6% due to the proportionally higher increase in Equity compared to the increase in Assets;
- Pursuing its strategy of financial sustainability and of maintaining a solid capital structure to support its expansion plans and debt-maturity renewal, in June, CUF, Sociedade Gestora de Participações Sociais, S.A. launched a new sustainability-linked Bond totalling 60 million euros. The issue was subsequently reinforced in October, this time aimed at institutional investors, raising an additional 33.5 million euros. Of these, 10.3 million euros represented new money, while 23.2 million euros translated into an exchange of bonds previously issued by CUF, S.A., demonstrating the CUF group's focus on reducing refinancing risk in the face of market volatility;
- Ethifinance, the European rating agency specialising in finance and sustainable development, has given the CUF, Sociedade Gestora de Participações Sociais, S.A. Group a long-term rating of Investment Grade (BBB-), reflecting its recognition of CUF as a major player in Portugal and Europe, highlighting the "strong corporate profile of CUF, Sociedade Gestora de Participações Sociais, S.A., based on its leading competitive position and robust governance in a sector with favourable fundamentals";
- The improvement in CUF's consolidated operating results in 2024 can be explained by the generalised growth in its healthcare activity, which made it possible to increase operating income and dilute fixed costs, and, at the same time, by rigorous management of operating costs, particularly in terms of external supplies and services and central areas.

These financial results stem from a wide range of strategic initiatives, of which we would like to highlight:

- Increased technological investment in information systems, artificial intelligence, and clinical equipment, which benefit patients at the time of diagnosis and treatment, allowing for increasingly personalised and more precise medicine. Of particular note is the reinforcement of the commitment to robotic surgery with the acquisition of the “Hugo RAS” robot at CUF Descobertas, which joins CUF Tejo and CUF Porto in providing this equipment. Robotic surgery improves precision, increases safety and speeds up patient recovery through minimally invasive procedures. Also noteworthy is the reinforcement of Advanced and Cardiovascular Imaging at the CUF Descobertas and CUF Santarém hospitals, through innovative Computed Tomography (CT) equipment in the country, which, with advanced technology and Artificial Intelligence, increases the speed and precision of cardiac imaging, reducing radiation levels and the need for additional examination, while improving patient comfort.
- The continuous commitment to innovation and the focus on providing the best patient care earned the CUF brand international recognition at the European Private Hospital Awards, winning four of the seven categories in the competition. Also noteworthy was the “Best Health Project” award, obtained at the 9th Portugal Digital Awards, for the LEAD – Logistics Efficiency with Analytics Development project, an innovative solution that optimises logistics management in the health sector.
- The increased capacity of the CUF network, which at the beginning of 2024 strengthened its geographical presence in the north of the country with the acquisition of the CMAS Group (Clínica Médica Arrifana de Sousa). With over 40 years of experience in the provision of healthcare services, Clínica Médica Arrifana de Sousa owns the Arrifana de Sousa Hospital in Penafiel, and with six clinics is also present in the municipalities of Paredes, Lousada, Marco de Canaveses and Amarante. This acquisition allows CUF to consolidate the national dimension of its network and place itself increasingly at the service of the Portuguese.
- Work began on the replacement of the Mafra Clinic and the new Barreiro Clinic at Quinta da Lomba, and phase 2 of the construction of the CUF Leiria Hospital also began in the first half of the year.
- The launch, in June, of the Preveris brand, resulting from the merger of the Sagies and Atlanticare operations, seeking to become a national reference brand and to consolidate CUF as a leading operator in the occupational health sector, with distinctive competences in the market and the ability to provide high-quality services to its corporate clients.
- The announcement in September of the return to the Minho region with the construction of a new hospital in Braga. Scheduled for completion in 2027, this 45-million-euro investment will provide a comprehensive range of medical and surgical specialties and state-of-the-art medical equipment, with the capacity to treat 100,000 people a year, contributing to the socio-economic development of the region and reinforcing the integration of the CUF brand in the Braga community.
- The acquisition, in October, of the miMed clinics. miMED operates in the Greater Lisbon area, with a network of 12 neighbourhood clinics in Lisbon, Odivelas, Amadora, Oeiras, Sintra, Almada and Alverca.
- At the same time, CUF is attentive to the needs of the communities in which it operates and has supported, in particular, the population of São Miguel, in the Azores, in the context of the needs raised by the fire that broke out at Hospital do Divino Espírito Santo, in Ponta Delgada, in May 2024, having quickly responded to the calamity and mobilised the resources of the CUF Açores Hospital to receive patients transferred from the public hospital, living up to the values and mission of the CUF Group.

- CUF has also remained committed to sustainability and to creating value for society in the environmental and governance dimensions, achieving leadership of the sector in the Merco study “The most responsible ESG companies”. This recognition was achieved through investments made in its network in more efficient processes to guarantee its contribution to the common good, such as the decarbonisation project for operating theatres, with a view to reducing CO₂ emissions, or the “Hospital Sterilisation Centre” – a new paradigm for water sustainability” project, honoured at the “Hospital Federation Awards”, which was noted for reducing water consumption in sterilisation processes by 15% – the equivalent of 145,000 litres per month.

Operating Performance

Healthcare Indicators

(Thousands)	2024	2023	%
Consultations	3,291.0	2,871.8	14.6%
Emergencies	464.2	451.5	2.8%
Surgeries	68.1	64.5	5.6%
Days of hospitalisation	160.4	156.5	2.5%
Births	4.6	4.3	7.0%

(2) Note: Proximity Care Units operation excluded (miMed)

In the 2024 financial year, CUF maintained the sustained growth of its healthcare activity, with a positive evolution in the healthcare indicators compared to the same period of the previous year, which demonstrates the population’s confidence in the CUF network.

Of special note are Consultations and Births with increases of 14.6% and 7.0%, respectively, compared to 2023, followed by Surgeries (+5.6%), Emergency Services (+2.8%) and Hospitalisation days (+2.5%).

The indicators achieved in 2024, as well as the year-on-year evolution, demonstrate the growing relevance of the CUF network in the provision of healthcare to the Portuguese population.

Financial Performance

Consolidated Profit and Loss Statement

(Million euros)	2024	2023	24 vs 23 %
Operating Income	890.9	755.9	17.9%
Operating costs	(743.6)	(635.7)	17.0%
EBITDA	147.6	120.2	22.8%
EBITDA margin	16.6%	15.9%	+0.7 p.p.
Amortisations and provisions	(55.4)	(47.4)	16.9%
EBIT	92.2	72.8	26.6%
EBIT margin	10.3%	9.6%	+0.7 p.p.
Financial Results	(33.2)	(28.1)	-18.4%
EBT	59.0	44.8	31.7%
Income taxes	(15.2)	(5.0)	204.7%
Consolidated net profit for the financial year	43.8	39.8	10.0%
Net profit for the financial year for discontinued operations	(0.2)	(1.7)	-89.9%
Net profit for the financial year attributable to non-controlling interests	(0.2)	(0.3)	-17.4%
Net profit attributable to equity holders	43.4	37.8	14.7%

2024 Income Statement by Segment

The consolidated results for 2024 stem from the activity of the following segments:

2024 (Million euros)	Private Healthcare Services	Public Healthcare Services	Infrastructure	Occupational health	Others	Disposals	Consolidated
Operating income	862.6	0.0	33.2	20.9	49.7	(75.2)	890.9
EBIT	93.9	0.0	30.4	0.3	(16.8)	(15.7)	92.2
Net profit attributable to equity holders	51.6	(0.2)	10.7	0.4	(22.2)	3.0	43.4

In the 2024 financial year, CUF achieved consolidated operating income of 890.9 million euros, representing a year-on-year increase of 17.9%, thus reflecting a positive performance in the provision of healthcare services.

Consolidated EBIT was 92.2 million euros, a 26.6% year-on-year increase.

Financial results

(Million euros)	2024	2023	24 vs 23 %
Financial costs	(35.1)	(29.5)	18.8%
Financial income	1.8	1.2	54.9%
Profit and loss of associated companies	0.0	0.1	-65.7%
Profit and loss of investment activities	0.0	0.2	-100.0%
Financial Results	(33.2)	(28.1)	18.4%

Financial results for 2024 were negative by 33.2 million euros, a deterioration of 5.1 million euros compared to 2023. Of special note is the 18.8% increase in Financial costs, resulting from the increase in interest paid through CUF's new loans, as well as the financial debt of the Arrifana de Sousa Group companies, incorporated since January 2024.

Net profit

Net profit attributable to equity holders in 2024 totalled 43.4 million euros, a year-on-year increase of 5.6 million euros. Of note is the Infrastructure segment's contribution of approximately 24.6% to the net profit of the period.

The improvement in CUF's consolidated results in 2024 can be explained by the generalised growth in its healthcare activity, which has made it possible to increase operating income and dilute fixed costs, and at the same time by rigorous management of operating costs, namely regarding external supplies and services and central areas. In conjunction with this improvement in results, CUF increased its investment in clinical technology and information systems and in its Human Resources, with a significant increase in salaries.

Investment

The total Investment made in 2024 was 113.3 million euros (of which 73.6 million euros was fixed capital expenditure), including the acquisition value of the Arrifana de Sousa Hospital and clinics and of the miMed clinics.

Financial position

(Million euros)	2024	2023	Var.
Non-current assets	892.0	791.8	100.2
Goodwill	92.5	70.0	22.5
Intangible assets	44.3	34.2	10.1
Property, plant and equipment	627.0	572.0	55.0
Right-of-use assets	103.3	94.5	8.8
Financial investments	7.9	5.1	2.7
Other investments	1.0	3.0	-1.9
Deferred tax assets	12.7	13.0	-0.3
Other debtors	3.3	0.0	3.3
Current assets	253.4	203.4	50.0
Inventories	10.8	13.3	-2.5
Trade receivables and advances to suppliers	79.0	86.4	-7.5
Other financial assets	5.8	6.9	-1.0
Current tax assets	0.5	0.2	0.3
Government and other public entities Assets	7.1	6.4	0.7
Other debtors	6.4	5.2	1.2
Other assets	25.1	25.9	-0.8
Cash and bank deposits	118.8	59.0	59.8
Total Assets	1,145.4	995.2	150.2

On 31 December 2024, there was an increase in assets of 150.2 million euros compared to the end of 2023, reaching the amount of 1,145 million euros (+15.0%). Property, plant and equipment and Goodwill increased due to the acquisition of the Arrifana de Sousa Hospital and clinics and of the miMed clinics.

We would also highlight the strengthening of the Cash and bank deposits position. This reinforcement of liquidity is in line with CUF's growth strategy, helping to mitigate its execution risk.

(Million euros)	2024	2023	Var.
Equity	247.8	210.5	37.2
Share equity	53.0	53.0	0.0
Reserves + retained earnings	150.4	118.4	32.0
Consolidated net profit	43.4	37.8	5.5
Non-controlling interests	1.0	1.3	-0.3
Liabilities			
Gross Financial Debt	644.3	562.3	82.0
Loans	540.4	470.2	70.2
Lease liabilities	104.0	92.1	11.8
Other Liabilities	253.3	222.4	30.9
Employee benefits	0.8	0.8	0.0
Provisions	14.4	9.7	4.8
Deferred tax liabilities	26.2	20.6	5.6
Derivative financial instruments	1.2	0.9	0.3
Trade payables and advances from clients	104.4	92.5	11.9
Current tax liabilities	7.0	8.5	-1.5
Government and other public entities	7.8	6.8	1.0
Other creditors	16.4	12.7	3.7
Other liabilities	75.1	69.9	5.2
Total Liabilities	897.6	784.7	112.9
Liabilities + Equity	1,145.4	995.2	150.2

Equity increased by 37.2 million euros during the year, totalling 247.8 million euros, reflecting CUF's financial performance.

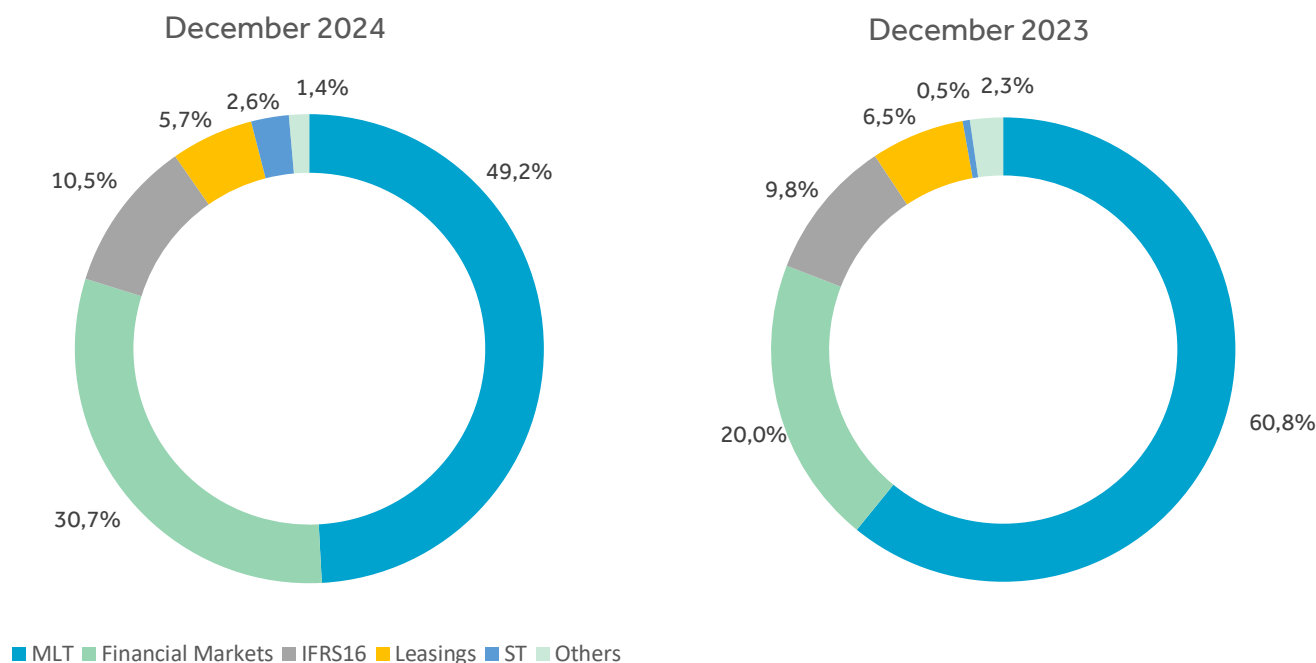
Gross financial debt totalled 644.3 million euros at the end of the year, having increased by 82.0 million euros compared to the end of 2023 due to CUF's new loans and the debt of the Arrifana de Sousa Group. With regard to total Other Liabilities, there was an increase of 30.9 million euros compared to December 2023, due to the increase in the balance of Trade payables and advances from clients, Deferred tax liabilities, and Other liabilities.

Profile of the Financial Debt

CUF Group has pursued a policy of financial sustainability and a sound capital structure to support its expansion strategy. In pursuing this policy, an active management of its debt profile has been carried out, both in diversifying financing sources and in reducing the refinancing risk and extending the average maturity of its debt.

It should also be noted that, in the context of this financial policy, CUF has sought to limit future financial risk through recourse to fixed-rate financing. CUF thus ended 2024 with around 48% of its loan amounts on a fixed rate.

In the following graphs, the detail of CUF Group's debt profile on 31 December 2024, compared to 31 December 2023, can be seen.



Financial Ratios

Amounts Not Audited – (Million Euros)	2024	2023
Financial Autonomy	21.6%	21.2%
Solvency	27.6%	26.8%
Net Financial Debt ¹ (million euros)	525.5	503.3
Net Financial Debt ¹ /EBITDA	3.56	4.19
EBITDA/Financial Costs	4.20	4.07

(3) 1 Considers Gross Financial Debt less Cash and Bank Deposits

With regard to financial ratios, we would highlight the increase in Financial Autonomy and Solvency compared to 2023, as a result of the proportionally greater increase in Equity compared to Assets and Liabilities.

Despite the 22.2-million-euro increase in Net financial debt, the ratio of Net financial debt to EBITDA fell from 4.19x to 3.56x, due to the improvement in EBITDA.

The positive change in EBITDA also made it possible to improve the EBITDA/Financial costs ratio, despite the rise in the latter, which went from 4.07x in 2023 to 4.20x at the end of 2024.

3. Management Model

The CUF Group, headed by CUF, S.A., as a market leader in the provision of healthcare, is committed to the guiding principles of sustainable development.

Respect for these principles is reflected in the imperative to ensure that, at all times, we create value and thereby satisfy our Customers, Employees, Shareholders and third parties with whom we collaborate in the course of their activity.

In this context, the CUF Group has developed an Integrated Management Model across all units, based on three strategic assets and three strategic axes:

Strategic Assets

- Talent
- CUF Network and Brand
- Technology

Strategic Axes

- Differentiation in the care continuum
- Coordination of the growth of hospitals and clinics with the launch of new businesses and digitalisation.
- Focus on patient care, with consistency and efficiency.

4. Risk Management

CUF is exposed to risks that can negatively impact its operating performance, financial performance and reputation, and therefore its market position.

In line with the vision, mission and strategic objectives, CUF's Risk Management is based on a structured and dynamic approach to risks and opportunities to which the company is exposed, in order to ensure its sustained growth. The organisational governance structure of the risk management follows guidelines from methodologies such as COSO (Committee of Sponsoring Organisations of the Treadway Commission), ISO (International organisation for Standardisation) 31000 standard, and the lines of defence model of the IIA (Institute of Internal Auditors).

Risk Management Governance Model

In order to establish an integrated and effective risk management structure, the governance model summarised below was adopted:

Executive Committee

Responsible for decision making and fostering the risk culture, and for ensuring the necessary and adequate resources to maintain the effectiveness of the risk management process, ensuring its sustainability.

Risk Auditing and Management Committee

Supports the Board of Directors in monitoring the risk management process, proposing improvements to the process and to the internal control mechanisms.

Business units / Corporate centre directorates (1st line of defence)

Responsible for identifying, analysing, mitigating and controlling the risks in their operational areas, in accordance with the risk management policy. Designated as "risk owners", they are also responsible for ensuring formal reporting, when necessary, to the Executive Committee.

Risk management (2nd line of defence)

Responsible for risk management policies and processes, in accordance with national/international regulations and applicable standards.

It promotes the adoption of the risk management model, namely by supporting risk owners, by monitoring compliance with the process and by supporting top management in monitoring the critical risks at any given time.

Internal Audit (3rd line of defence)

Performs independent evaluations of the internal control systems and monitors the effectiveness, efficiency and adequacy of the risk management process.

Prepares audit reports, shared with top management, on the risk management process in terms of validating ongoing mitigation measures.

The risk categories and how CUF is addressing them

Strategic risks

Strategic risks are the result of the company's strategic lines (vs. current operations) and the main macro factors in its environment, in which the Executive Committee has a key involvement. In practice, they translate into risks to the private healthcare sector, whether with regard to overall demand or profitability, and risks that affect CUF's competitiveness in that sector.

At CUF, the management of strategic risks is carried out centrally by the Strategic Planning Department, with close monitoring by the Executive Committee, and translates into the identification and permanent monitoring of risks and corresponding mitigation measures. These elements are integrated in the CUF Strategic and Business Plan, revised annually.

In 2024, another reflection was done on strategic risks based on two pillars: (i) a review of the main strategic risks, their respective mitigation measures, as well as potential additional measures to manage these risks; (ii) a sensitivity analysis of the results of the Business Plan, with the impacts of some of the most relevant and quantifiable risks, as well as cross effects of risks.

Clinical risks

Clinical risks are related to clinical safety and to the quality of care provided, including the quality of diagnoses, the review of mortality and morbidity, safety from infections and the quality of the clinical records.

The clinical risk management model is centralised in the Clinical Director, risk owner, and supported by a transversal axis ensured by the Medical Council, Medical-Surgical Specialty Committees, by the Universal Technical Commissions and by a local axis with the local coordination groups specifically in the areas of patient safety and infection control. The Quality and Safety Department is responsible for articulating the model, reporting it to the Risk Auditing and Management Committee, and ensuring the development of improvement cycles.

In 2024, we highlight the consolidation of the monitoring methodology by clinical journey, with a change in paradigm from "maximum focus" to "continuous focus". The goal was to ensure greater proximity to the operation and increase the ability to assess the effectiveness of the measures introduced.

Visibility of the patient's entire journey, from admission, through assessment, diagnosis, treatment, discharge and follow-up, ensured the ability to act on core processes and consequently on key pain points.

Technological risks

Technological risks are associated with information systems such as cybersecurity, disaster recovery, backup management, application development and acquisition, helpdesk, among others.

The management of these risks is ensured by dedicated teams in the Information Systems Department, ensuring redundancy of responsibilities, with the support of specialised third-party entities for specific services (e.g., NOC/Security Operations Centre (SOC) services, intrusion testing, cybersecurity assessments across the entire company, among others).

In 2024, we highlight the implementation of a CUF disaster recovery data processing centre, located in Évora, in redundancy with Lisbon. This implementation has a significant number of advantages, such as the geographical redundancy of applications and data, compliance with regulations and the promotion of a more resilient and highly available information system.

Operating risks

Operating risks are those inherent to the services provided/activities performed (e.g., infrastructure, people, processes), relating to efficiency, safeguarding and use of assets, operational needs and resource planning, regulations and standards applicable to its activity, among others.

Supervision of operating risks is carried out by the risk team under the responsibility of the Risk Management Department. To ensure the function of 2nd line of defence, this team supports the risk owners in identifying and updating the risks in their corresponding area, as well as its characteristics (causes, consequences, mitigation measures, contingency measures and indicators) and supports top management in monitoring the risks considered to be the most critical at each time.

In 2024, the model for monitoring critical risks was continued, centred on the presentation of each risk to the Executive Committee and, where applicable depending on the state of maturity of risk management, a formal mitigation plan.

A review of the corresponding dictionary was organised with the risk owners to ensure that it was complete and up to date. This exercise, which is scheduled to end in 2025, focused particularly on ESG – Environment, Social and Governance topics.

5. Challenges for 2025

CUF is firmly committed to developing and implementing the defined strategy for the 2021–2025 five-year period, which not only follows but also precedes the trends and demands of the population and, consequently, of the market, seeking to provide the highest standard of healthcare, innovation and excellence at all levels of activity.

6. Material events occurring after the end of the financial year

In November 2024, CUF signed an agreement with José de Mello Residências e Serviços and with the Ageas Portugal Group to acquire 100% of the share capital of Sociedade Portuguesa de Serviços de Apoio, Assistência a Idosos, S.A. (“SPSI”), an organisation that provides services and solutions to the senior population under the Domus Vida brand (residences located in Parede and Junqueira/Lisbon). The completion of this operation will represent another step along the path that CUF has been defining of providing Portuguese families with support at every stage of their health journey.

In March 2025, CUF, Sociedade Gestora de Participações Sociais, S.A. reached an agreement with the shareholders of Hospital Particular do Algarve, S.A. (the “HPA Saúde Group”) to acquire a 75% stake in that hospital group. Founded in 1996, the HPA Saúde Group is a leading operator in the Portuguese hospital scene. Consisting of five hospitals and 17 clinics in Alentejo, Algarve and the Autonomous Region of Madeira, the HPA Health Group has high-quality installed capacity, a comprehensive offer and differentiated clinical teams, based on technical rigour and technological innovation. For CUF, this is a very significant step in its national growth strategy, providing access to differentiated, high-quality healthcare in all geographies. The conclusion of the process to acquire this stake, which will be reinforced over a four-year period, depends on the fulfilment of all the conditions set out in the agreement (including preceding conditions), as well as its prior notification to the Portuguese Competition Authority and the non-opposition of this entity.

7. Other Legal Provisions

During the financial year ended on 31 December 2024, the Company did not acquire or dispose of shares, nor did it conduct any business with members of the Board of Directors. Additionally, the Company does not have any branch.

8. Proposal for the Appropriation of Results

The Board of Directors proposes that the net profit of the separate accounts of CUF, S.A., ascertained in the 2024 financial year, amounting to 17,810,991.38 euros, be applied as follows:

- Dividend payment – 17,810,991.38 euros

Carnaxide, 4 April 2025

Salvador Maria Guimarães José de Mello

João Pedro Stilwell Rocha e Melo

Ema Isabel Gouveia Martins Paulino Pires

Rui Alexandre Pires Diniz

Inácio António da Ponte Metello de Almeida e Brito

Guilherme Barata Pereira Dias de Magalhães

Catarina Marques da Rocha Gouveia

Francisco Pedro Ramos Gonçalves Pereira

Paula Alexandra Pais de Brito Silva

Vera Margarida Alves Pires Coelho

Céline Dora Judith Abecassis-Moedas

Raúl Catarino Galamba de Oliveira

Diogo Miguel Parreira de Gouveia

Paulo José Marques Fernandes

Paulo Jorge Barradas de Oliveira Rebelo

Sustainability Statement

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3.1. General Information

3.1.1. ESRS 2 – General disclosures

3.1.1.1. Bases of Preparation

General basis for the preparation of the sustainability statement and disclosures in specific circumstances

[ESRS 2 BP-1](#) | [ESRS 2 BP-2](#)

This sustainability statement has been drawn up on a consolidated basis, differing from the scope of consolidation of the financial statements in that information relating to the miMed Clinics is excluded due to the date of their acquisition (October 2024). The CUF Group's sustainability performance encompasses the Group's subsidiary companies that are exempt from individual sustainability reports. CUF discloses the list of companies included in its consolidation perimeter in the Financial Statements and in the New Appendices to this report.

Value Chain

CUF's Sustainability Declaration covers its own operation as well as its direct upstream and downstream value chain. This process includes inputs obtained by listening to relevant stakeholders, including industry associations, customers, suppliers, partners and surrounding communities. CUF has established policies and actions aimed at both suppliers and customers, reinforcing its commitment to sustainable practices throughout its sphere of activity.

Time horizons

For reporting purposes, CUF considers the following time horizons:

- Short term – up to one year (reporting period in the Financial Statements).
- Medium term – 1 to 5 years.
- Long term – more than 5 years.

Estimates and Uncertainties

The accounting policies were applied consistently throughout the reporting year. The principles adopted and the calculation criteria used for each of the numerical data points are detailed alongside the respective disclosures and are presented throughout the respective sections.

For some disclosures, namely those related to the value chain, CUF uses assumptions and estimates that present a certain degree of uncertainty. These estimates are based on previous reporting experience and use available information that is considered reasonable in light of existing facts and circumstances. The underlying assumptions are monitored and reviewed in each reporting

period. It should be noted that calculating the scope 3 emissions of the corporate carbon footprint is especially complex, due to the need to collect information from the value chain and the difficulties in obtaining detailed data from the various players.

Whenever the metrics include data estimated using indirect sources from the upstream and/or downstream value chain, such as average sector data or other approximate values, CUF identifies this information with them.

The estimates, assumptions and judgements used are in line with the financial data in the financial statements and are therefore considered significant and relevant to the Consolidated Sustainability Statement. CUF will continue to invest in improving data collection processes, especially with regard to direct information and operational data, including data related to the value chain.

Changes to Information preparation

Regarding the 2024 report, the main changes in the preparation and presentation of sustainability information are related to the organisational scope of some targets, which has been extended to include all hospital units. In this way, the metrics relating to waste have been reformulated due to an improved calculation methodology.

Use of phase-in provisions

For the first year of reporting, some phase-in provisions applicable to all entities under ESRS were used, namely with regard to disclosures about the expected financial effects of material risks and opportunities under disclosure requirements SBM-3, E1-9, E3-5, E5-6.

With regard to voluntary data points, all those for which information was already available or for which it was possible to collect in a timely manner, CUF chose to include the information in the statement. The rest were omitted in this first year of reporting.

Omissions

CUF has not used the option of omitting specific elements of information relating to intellectual property, know-how, or the results of innovation in this sustainability statement. In addition, the exemption from disclosure of imminent facts or matters in the course of negotiation, as provided for in Article 29-A(3) of Directive 2013/34/EU, was not applied.

3.1.1.2. Governance

The role of the administrative, management and supervisory bodies ESRS 2 GOV-1

CUF's governance structure is made up of administrative, management and supervisory bodies responsible for the strategic definition, monitoring and supervision of impacts, risks and opportunities, including matters related to sustainability.

Make-Up and Powers of The Governing and Supervisory Bodies

Make-up of the governing bodies on 31 December 2023

Board of Directors

 <p>Salvador Maria Guimarães José de Mello Non-Executive Chairman Year of appointment: 2001 Nationality: Portuguese Age: 58 Areas of expertise: Leadership, Strategy, People and Talent Management.</p>	 <p>João Pedro Stihwell Rocha e Melo Non-Executive Vice-Chairman Year of appointment: 2021 Nationality: Portuguese Age: 51 Areas of expertise: Strategy, People and Talent Management, Innovation, ESG.</p>	 <p>Ema Isabel Gouveia Martins Paulino Pires Non-Executive Vice-Chairwoman Year of appointment: 2022 Nationality: Portuguese Age: 47 Areas of expertise: Pharmaceutical Sciences, Management, Strategy.</p>	 <p>Rui Alexandre Pires Diniz Executive Member President of the Executive Commission Year of appointment: 2010 Nationality: Portuguese Age: 50 Areas of expertise: Economics, ESG, Management, Strategy, People and Talent Management.</p>	 <p>Inácio António da Ponte Metello de Almeida e Brito Executive Member Year of appointment: 2013 Nationality: Portuguese Age: 53 Areas of expertise: Economics, Healthcare Management, Strategy, Compliance.</p>
 <p>Guilherme Barata Pereira Dias de Magalhães Executive Member Year of appointment: 2013 Nationality: Portuguese Age: 61 Areas of expertise: Finance, Corporate Governance, Real Estate, Strategy, Compliance.</p>	 <p>Catarina Marques da Rocha Gouveia Executive Member Year of appointment: 2019 Nationality: Portuguese Age: 49 Areas of expertise: Marketing, Strategy, Healthcare Management, Research, Digital.</p>	 <p>Francisco Pedro Ramos Gonçalves Pereira Executive Member Year of appointment: 2021 Nationality: Portuguese Age: 50 Areas of expertise: Strategy, Innovation, Transformation, Risk Management.</p>	 <p>Paula Alexandra Pais de Brito Silva Executive Member Year of appointment: 2022 Nationality: Portuguese Age: 58 Areas of expertise: Sociology, Marketing, Strategy, Digital, Innovation, Healthcare Management.</p>	 <p>Vera Margarida Alves Pires Coelho Non-Executive Member / Independent Member Year of appointment: 2016 Nationality: Portuguese Age: 60 Areas of expertise: Management, Compliance, Real Estate.</p>
 <p>Céline Dora Judith Abecassis-Moedas Non-Executive Member / Independent Member Year of appointment: 2016 Nationality: French Age: 52 Areas of expertise: Innovation, ESG, People and Talent Management, Strategy.</p>	 <p>Raúl Catarino Galamba de Oliveira Non-Executive Member Year of appointment: 2017 Nationality: Portuguese Age: 59 Areas of expertise: Management, Compliance, Strategy, ESG and Corporate Governance.</p>	 <p>Diogo Miguel Parreira de Gouveia Non-Executive Member Year of appointment: 2022 Nationality: Portuguese Age: 47 Areas of expertise: Pharmaceutical Sciences, Management, Marketing, Innovation.</p>	 <p>Paulo José Marques Fernandes Non-Executive Member Year of appointment: 2022 Nationality: Portuguese Age: 40 Areas of expertise: Pharmaceutical Sciences, Management.</p>	 <p>Paulo Jorge Barradas de Oliveira Rebelo Non-Executive Member Year of appointment: 2022 Nationality: Portuguese Age: 58 Areas of expertise: Pharmaceutical Sciences, Management.</p>

The Board of Directors is made up of six executive members and nine non-executive members, as well as two independent members (13.3% of the members), ensuring a balance between operational management and independent supervision. As for gender representation, there is a diversity index of 0.33, which corresponds to 33.3% female and 66.6% male. The members of the Board of Directors have professional experience in sectors relevant to CUF's activity, ensuring a comprehensive and informed view when making strategic decisions. There is no employee representation on the company's administrative, management or supervisory bodies.

The functioning of the Board of Directors and of the Executive Committee is regulated in addition to the Law, the Articles of Association, the Code of Ethics and the CUF Code of Conduct. The supervision of CUF is under the purview of a Supervisory Board and of an Audit Firm.

Body

Competencies

Board of Directors

It is incumbent upon the Board of Directors to define the strategy, the major policies and the social, economic and financial planning of CUF, ensuring their application in its subsidiary companies. To that effect, it is responsible, namely, to decide on:

- The acquisition of real estate and movable goods, including equity interests, as well as to sell or encumber such property by any acts or contracts, even if they serve to establish real guarantees.
- The approval of the budget, preparation of the balance sheet and financial statements of the financial year and preparation of reports on CUF's activities and economic situation, as well as the proposal for distribution of profits, to be submitted to the General Meeting.
- The amicable or judicial settlement of questions regarding rights and interests of CUF.
- Appointing people who do not belong to the governing bodies, to be the officers responsible for top-level executive management of all of CUF's technical and administrative services, and establishing representatives for any other purposes.
- The contracting of internal or external financing that CUF needs to fulfil its corporate purpose.
- Decision on the issuance of bonds and/or other securities.
- Preparation and approval of all regulations that detail the exercise of social rights, as well as those that concern practical aspects of the operation of the Board of Directors or of other bodies, such as regulations concerning the exercise of the right of information, vote by mail and the use of long-distance communication for participation in meetings, including the exercise of the right to vote.

Executive Committee

The Executive Committee takes on a set of responsibilities, delegated by the Board of Directors, where the following stand out:

Carrying out the day-to-day management of the Company, with the ability to deliberate on all matters concerning the performance of the Company's activity, following its corporate purpose, the resolutions made by the Board of Directors and by the General Meeting that are under their purview, within the limits of this delegation.

Preparing and submitting to the Board of Directors for approval the Company's Consolidated Business Plan and Consolidated Annual Budget for the relevant year, as well as proposing any subsequent amendments to these documents.

Preparing and submitting to the Board of Directors, for approval, the main policies of the Company and its Subsidiary Companies, namely, the remuneration policy applicable to all employees who are not members of the governing bodies, the personnel management policy and the commercial and pricing policy.

Coordinating and monitoring the day-to-day management of Subsidiaries, issuing binding instructions in the case of Subsidiaries whose share capital is wholly owned by the Company.

For the purposes of the provisions of the preceding paragraph, in compliance with the Consolidated Business Plan and/or the Consolidated Annual Budget, the Executive Committee may decide on the following matters:

- (i) Defining the affiliates' economic planning and financial strategy, namely:
 - opening and/or expansion of establishments;

Body

Competencies

development of new activities, such as new medical specialties, or significant alteration/reorganisation of existing activities;

signing of commercial agreements, conventions with insurance companies and scientific and academic subsystems and protocols;

choice of holders of top management positions, namely production, clinical and nursing management;

monitoring and supervision of relevant projects through a Steering Committee.

ii) Approving any Business Plan, in accordance with the Consolidated Business Plan and with the Consolidated Annual Budget, and any amendments and updates thereto;

iii) Approving the annual budget and any updates to it, in accordance with the Consolidated Business Plan and with the Consolidated Annual Budget;

iv) Executing relevant contracts, namely labour or services contracts, assumption of responsibilities, acquisitions or sales of any assets, including stakes in other companies, regardless of their value, that are provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget or, if not, that represent an amount equivalent or inferior, on an individual basis, to €2,500,000.00 (two million five hundred thousand euros);

v) Approving any financing, loans and/or any financial liabilities, regardless of their amount, that are provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget or, if not provided for, that represent an amount equivalent or inferior, on an individual basis, to €7,000,000.00 (seven million euros).

- Entering into the acts and contracts inherent to the Company's activity that are not expressly indicated in subsequent sub-paragraphs g), k), l), e), q), r) and s), provided that their value does not exceed the equivalent to €2,500,000.00 (two million five hundred thousand euros), and all those resulting from the Consolidated Business Plan, from the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value;
- Contracting financing, bank loans or similar operations and/or any financial liabilities, as long as the corresponding amount does not exceed the equivalent to €7,000,000.00 (seven million euros), and all those resulting from the Consolidated Business Plan, from the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value.
- Conducting banking transactions, such as open and operate any credit or debit bank accounts, withdraw and endorse cheques and withdraw, accept and endorse letters, promissory notes and other debt securities.
- Making receipts and payments on behalf of the company, grant discharge and issue the required accounting documents.
- Signing employment or service contracts with the Company's staff, exercising disciplinary powers and, if necessary, promoting the dismissal of any employee, as well as hiring employees or specialised experts, whenever this proves necessary.
- Carrying out investments or divestments, including the acquisition or disposal of shareholdings in other companies, provided that their value does not exceed €2,500,000.00 (two million five hundred thousand euros), and all those resulting from the Consolidated Business Plan, from the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value.

Body

Competencies

- Carrying out the operations necessary for the issue of any securities convertible into shares, including convertible bonds, the issue of share options and the issue of shares by the Subsidiaries, provided that this is determined by the Board of Directors and/or provided for in the Consolidated Business Plan and/or the Consolidated Annual Budget.
- Carrying out the necessary transactions to acquire, sell, redeem or encumber own shares or to acquire or sell majority stakes in Subsidiary companies, as long as they are determined by the Board of Directors and/or are included in the Consolidated Business Plan and/or in the Consolidated Annual Budget.
- Carrying out the necessary operations to establish, modify or terminate public-private partnerships as long as they are determined by the Board of Directors and/or are included in the Consolidated Business Plan and/or in the Consolidated Annual Budget.
- Terminating or assigning activities under the terms of the Consolidated Business Plan and/or of a resolution of the Board of Directors.
- Assuming third party obligations provided they are previously approved by resolution of the Board of Directors.
- Entering into any transaction or contractual relationship to be signed between, on the one hand, the Company or its Subsidiaries and, on the other hand, a Related Party or an individual who does not qualify as Independent, provided that it is provided for in the Consolidated Business Plan and/or the Consolidated Annual Budget or has been previously approved by the Board of Directors or does not refer to the provision of healthcare outside the conditions currently adopted by the Company or its Subsidiaries.
- Renewing contracts or signing new contracts with customers and/or suppliers.
- Entering into any type of insurance contracts inherent to the exercise of the Company's activity as provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget.
- Entering into leases and selling, encumbering or acquiring real estate for the Company valued at or below €2,500,000.00 (two million five hundred thousand euros) and all those resulting from the Consolidated Business Plan or the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value.
- Carrying out provision of all movable property and equipment essential for the exercise of the Company's activity.
- Proposing the company's organigram to the Board of Directors and keep it informed on the subsequent adjustments that prove to be necessary.
- Establishing proxies to represent the company in the execution of specific acts through issuing the appropriate instrument for that purpose.
- Appointing legal representatives to represent the Company in any disputes to which it is a party, granting them the powers to confess, withdraw and settle.
- Representing the Company in court and in arbitration as well as appointing arbitrators in any litigation in which it may be involved.
- Proposing to the Board of Directors the members of the governing bodies of companies in which the Company has shareholdings, in whose management bodies all or part of the members of the Company's Executive Committee should participate.

Body	Competencies
Supervisory Board	<p>The Supervisory Board is responsible for:</p> <ul style="list-style-type: none"> ○ Supervising the management of CUF and monitoring compliance with the rules governing its operation. ○ Participating in the meetings of CUF's Board of Directors where financial statements for the financial year are evaluated. ○ Requesting the Chairman of the Board of Directors to convene the Board of Directors to evaluate facts which it considers relevant to the supervision of CUF's management. ○ Verifying the correctness of the accounting information and the accuracy of accounting documents, and evaluating the accounting policies and the underlying valuation criteria. ○ Annually preparing the report of its activity and give an opinion on the management report and accounts submitted by the Board of Directors. ○ Monitoring the effectiveness of the risk management system, the system of internal control and internal audit system. ○ Supervising the process of preparation and disclosure of the financial information. ○ Supervising the auditing of accounting documents. ○ Supervising the independence of the statutory auditor.
Statutory Auditor	<p>In accordance with the Law and the Articles of Incorporation, it is the job of the statutory auditor to examine the accounts of CUF, namely:</p> <ul style="list-style-type: none"> ○ Verifying the good standing of the books, accounting records and documents that support them. ○ Verifying the extent of cash and stocks of any types of goods or values. ○ Verifying the accuracy of the accounting documents. ○ Verifying that the accounting policies and valuation criteria adopted by the CUF Group lead to a correct assessment of assets and results.
Remuneration Committee	<p>The Remuneration Committee is responsible for the definition of the remuneration policy of the members of the statutory bodies, to be approved by the General Meeting, as well as the setting of the remunerations of the members of the statutory bodies.</p>
Company Secretary	<p>The Company Secretary is responsible for advising the Governing Bodies, in accordance with the competences established in the Law, the Articles of Association and the Regulations of the Board of Directors, acting in such a way that the performance of the administrative and management bodies complies with the applicable legislation, the Articles of Association and the internal regulations.</p>

The Board of Directors and the Executive Committee are assisted by the corporate and shared-services departments and by a set of advisory bodies in their corresponding fields of expertise. As part of CUF's governance model, these advisory bodies ensure the effective implementation of transversal standards, the integration of processes and the sharing of good practices. They are made up of multidisciplinary teams responsible for promoting, monitoring and following up on projects and initiatives in core areas of business ethics such as human rights, the environment and governance. This way, the principles underlying business ethics and legal

compliance are duly contemplated throughout the company, through a culture of integrity that ensures the defence of the legitimate interests of all those who have dealings with the company.

Advisory body	Competencies
<p>Code of Conduct Monitoring Committee</p>	<p>The Code of Conduct Monitoring Committee is responsible for:</p> <ul style="list-style-type: none"> ○ Promoting the dissemination, application and compliance with the Code of Conduct, defining communication plans and channels for this purpose. ○ Monitoring the implementation of the Code of Conduct, creating an appropriate internal control system for this purpose. ○ Preparing implementation policies for the matters covered by the Code of Conduct. ○ Promoting and establishing training actions for all employees on matters related to the Code of Conduct and the policies deriving from it. ○ Proposing changes to the Code of Conduct to the Board of Directors, whenever it is deemed appropriate, for the purposes of updating and improving it. ○ Monitoring and clarifying doubts about the application of the Code of Conduct and respective policies and validating, in duly justified cases, situations of exception to its application. ○ Receiving, managing and appreciating communications sent to e-mail address codigodeconduta@cuf.pt. ○ Receiving and processing complaints sent to e-mail address codigodeconduta@cuf.pt. ○ Reporting periodically on their activity to CUF's Executive Committee and to the entities to which reporting is due under the law or the governance model adopted.
<p>Risk Auditing and Management Committee</p>	<p>The Risk Auditing and Management Committee has, essentially, the following competencies:</p> <ul style="list-style-type: none"> ○ Evaluating and monitoring the risk management system and the internal control system. ○ Evaluating and issuing an opinion on the annual audit plan. ○ Proposing improvement measures to the risk management and internal control systems. ○ Proposing the Risk Management Policy and issue any opinions that may be required. ○ Issuing all opinions requested by the governing bodies from the point of view of risk management. ○ Issuing an opinion on the Company's transactions with Parties, Related Parties or individuals who do not qualify as Independent. ○ Monitoring the financial management.
<p>Innovation and Sustainability Committee</p>	<p>Regarding Innovation:</p> <ul style="list-style-type: none"> ○ Evaluating and proposing priority areas of development in Innovation. ○ Evaluating and proposing key performance indicators (KPIs) in Innovation relevant to CUF, based on domestic and/or international benchmarks. ○ Monitoring and reporting to the Board of Directors and to the Executive Committee on the performance of the indicators mentioned in the previous sub-paragraph. ○ Ensuring progress in the development of innovation projects originating in the multiple innovation platforms (Grow, I9+ RDI). ○ Developing and proposing a programme to identify outside ideas (from other markets, industries, countries, etc.) for implementation in each strategic axis.

Advisory body	Competencies
	<p>Regarding Sustainability:</p> <ul style="list-style-type: none"> ○ Reviewing the Sustainability Policy and ensuring the development of good sustainability practices in the organisation; ○ Defining, together with the respective corporate areas, the relevant sustainability indicators for CUF, based on domestic and/or international benchmarks, as well as those related to public commitments assumed by CUF; ○ Monitoring and reporting to the Board of Directors and to the Executive Committee on the performance of the indicators mentioned in the previous sub-paragraph; ○ Presenting proposals for sustainability commitments, objectives and targets in line with the good practices of the domestic or international business sector, namely in terms of social responsibility, human rights and the environment; ○ Monitoring the alignment of CUF's strategic plan towards the achievement of sustainability commitments and sustainable value creation. ○ Suggesting the execution of audits and evaluations in the area of Sustainability, with the possibility of tracking them when justified, as well as requesting proposals for intervention in the event of non-conformities detected during the audits and/or evaluations.
<p>Medical Council</p>	<p>Advises the Board on clinical issues and continuous improvement of the services provided to all customers of CUF, with the following main tasks:</p> <ul style="list-style-type: none"> ○ Advising on the definition of CUF's clinical development strategy. ○ Proposing the launch and follow-up of clinical projects common to CUF's units. ○ Fostering the development of clinical protocols applicable across all of CUF's units. ○ Assisting the development of clinical innovation projects which simultaneously ensure clinical differentiation and increased efficiency. ○ Assisting in the definition of recruitment criteria and evaluation of medical professionals, for application across all of CUF's units.
<p>Nursing Council</p>	<p>Advises the Board on issues concerning nursing within the clinical activity of CUF, with the main responsibilities of:</p> <ul style="list-style-type: none"> ○ Defining the strategy of talent development and performance standards in Nursing; ○ Consolidating the culture of best practices based on evidence; ○ Developing innovative projects that promote technical differentiation, improving the efficiency of the care delivery processes and their levels of service; ○ Developing clinical quality and patient safety, based on the principle of continuous improvement; ○ Monitoring the activity of CUF Academic Centre.
<p>Customer Ombudsperson</p>	<p>The Customer Ombudsperson will carry out his/her functions with independence and impartiality, being responsible for:</p> <ul style="list-style-type: none"> ○ Receiving and analysing customer complaints directly related to the activities carried out by CUF units. ○ Mediating disputes and potential conflicts between customers and CUF's units. ○ Submitting to the Executive Committee proposals for the resolution of conflicts or complaints from customers.

Advisory body	Competencies
	<ul style="list-style-type: none"> ○ Drafting and presenting recommendations for improvement of patient care to the Executive Committee. ○ Issuing opinions on matters related to the services provided to customers, when requested by the Executive Committee or by the Board of Directors.
CUF Licensing Compliance Committee	<p>The CUF Licensing Compliance Committee is responsible for:</p> <ul style="list-style-type: none"> ○ Ensuring compliance with a set of consulting and support skills with the purpose of driving the creation of value for CUF. ○ Contributing to the pursuit of the operating and strategic goals related to the remodelling and creation of CUF Units, as well as to the management of compliance criteria related to the renovation of their operating licenses, through a regulatory and objective approach which enables it to evaluate and improve the effectiveness and efficiency of the units' remodelling and construction process, of the internal control processes and of the risk management with the Portuguese Health Regulatory Authority. ○ Adopting the guidelines related to the licensing process of healthcare providers. These guidelines include the regulatory requirements of the Portuguese Health Regulatory Authority and of Direção Geral de Saúde (Portuguese Health Authority), as well as other adopted practices that contribute to the excellence of clinical quality in healthcare provision, always complying with CUF's policies and procedures that are relevant in this context.

The advisory bodies mentioned above report to the Executive Committee and to the Board of Directors through regular meetings, in which the bodies and directors of the involved areas participate. The Executive Committee and/or Board of Directors analyse the results, discussing their strategic and operational implications and make the relevant decisions.

Sustainability is transversal to the whole of CUF and, in terms of the governance model, is taken on in the first instance by the Chief Executive Officer. The development of the strategy, its transversal implementation and the progress made in all units and departments are overseen by the Innovation and Sustainability Committee and also by the Code of Conduct Monitoring Committee, both of which have representatives from the Board of Directors. These committees support the decision-making of the Executive Committee and ensure the promotion of sustainability issues, as well as guaranteeing the monitoring of the sustainability indicators and performance of the entire company, in its social, economic and environmental pillars. The Corporate Citizenship Department, which reports directly to the Chief Executive Officer, is responsible for defining and developing CUF's sustainability strategy, acting in a collaborative and transversal manner with all departments and units.

Information provided and sustainability issues addressed by the company's administrative, management and supervisory bodies

ESRS 2 GOV-2

The double materiality assessment process, aimed at identifying material impacts, risks and opportunities for CUF, was conducted with the active involvement of the different management bodies and approved by the Executive Committee. This process also included an exercise to align the impacts, risks and opportunities with CUF's strategy.

The Risk Management Department is responsible for monitoring the risks identified in the company's risk dictionary, which includes a description of the material risks and the respective mitigation measures, with the goal of reducing their likelihood of occurrence and/or impact (financial, environmental and social). Risks are classified on the basis of probability and impact scales and, during the reporting period, the risks with the highest levels are presented at periodic meetings with the Executive Committee for detailed analysis and a decision on possible corrective actions.

The Corporate Citizenship Department is responsible for aggregating sustainability issues throughout the company, coordinating with the various departments to implement the necessary plans to ensure compliance with the defined metrics. This department discusses material impacts, risks and opportunities, as well as the results and effectiveness of the policies and actions adopted to mitigate them, reporting to the Executive Committee, Board of Directors, Innovation and Sustainability Committee, Risk Auditing and Management Committee and Code of Conduct Monitoring Committee on all situations and their results at regular meetings of these bodies.

Integration of sustainability performance into incentive schemes

ESRS 2 GOV-3

There has been a sustainability criterion in CUF's overall performance assessment since 2022, which has a weighting of 7.5% with an impact on variable remuneration (annual bonus) and is applicable to all employees of the organization, including member of management bodies. In 2024, the Executive Committee approved a new global objective, specifically the reduction in paper consumption measured by a ratio per visit to CUF units, without the measurement of greenhouse gases (GHG).

Statement on the duty of care in matters of sustainability

ESRS 2 GOV-4

CUF defends human rights both in the sphere of its employees and in its relations with the outside world, also promoting due diligence across the board in its strategy and business model. The Code of Conduct (a guide for internal and external relations), available on the CUF website, also emphasises the importance of scrupulous compliance with the law and respect for human rights, environmental standards, the fight against corruption and other relevant matters related to sustainability in its social component, namely the Organisation for Economic Co-operation and Development (OECD) guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established in the fundamental conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Essential elements of the duty of care	Items of the sustainability statement
Integrating the duty of care into governance, strategy and the business model	CUF's commitment to human rights is an integral part of its Code of Conduct, Code for Service Providers, Suppliers and Partners, Policy on the Rights and Duties of Patients and Family Members, Policy on the Prevention and Management of Harassment Situations in the Workplace and its Sustainability Policy, among other organisationally relevant documents.
Interacting with affected stakeholders at all essential stages of the duty of care	CUF maintains a continuous dialogue with the stakeholders potentially affected by its activity, including employees, workers in the value chain and customers. More information on the dialogue with stakeholders can be found in SBM-2 throughout the Sustainability Statement.
Identifying and assessing the negative impacts	The impacts, risks and opportunities were identified and assessed as part of the double materiality analysis, presented in detail in IRO-1 .
Taking measures to respond to these negative impacts	CUF has adopted a set of policies, actions and targets detailed throughout the Sustainability Statement.
Monitoring the effectiveness of these efforts and communicating	CUF monitors the effectiveness of its efforts by analysing the results of the actions implemented, monitoring targets and metrics and collecting feedback from stakeholders, present throughout the Sustainability Statement.

Risk management and internal controls for sustainability reporting

ESRS 2 GOV-5

CUF has been reporting sustainability information since 2016, having developed a robust process for collecting and reviewing information. However, with the preparation of the first ESRS-aligned report, adaptations were necessary to ensure compliance with the new requirements. The main risks identified in this process are related to the completeness and accuracy of the data reported, having been developed several documents to gather information for different corporate areas, to mitigate these risks.

The risk management process is supported by a transversal and systematic methodology which, starting from the identification of CUF's objectives and those of each department/service/business segment, identifies all types of events, internal or external, which may influence their realisation, as well as those responsible for managing them. This is followed by an analysis of each event, identifying the causes, consequences and ongoing mitigation measures that could help mitigate the risk. Once identified, the risks are assessed by assigning levels of "probability of occurrence" and "impact", according to the scales in effect. Depending on the level of risk (obtained by combining probability and impact), the strategy to be adopted for dealing with it is identified (eliminate, transfer, mitigate or accept the risk).

Monitoring is carried out on an ongoing basis, namely by sharing and analysing risk indicators, with the frequency being dictated by the level of risk.

Each year, depending on the expected evolution of the context (national and international), internal developments and the level of residual risk, the risks that will be monitored more closely by the Executive Committee are identified and the mitigation strategies developed.

The conclusions arising from the risk management process, related to the sustainability statement, go through various levels of review, namely: reviews by directors of corporate areas and by the Executive Committee and, ultimately, review by the Board of Directors, which is responsible for validating and supervising the effectiveness of internal controls.

3.1.1.3. Strategy

Market position, strategy, business model(s) and value chain

ESRS 2 SBM-1

CUF operates in the provision of Healthcare and Occupational Health and Safety at the national level, in an integrated and comprehensive manner, and has a dedicated clinical staff and multidisciplinary teams that are committed to the quality of the healthcare services provided, namely:

- Specialty consultations
- Dental Medicine
- Exams
- Adult Permanent Care
- Paediatric Permanent Care
- Remote Consultation
- Day remote consultation
- Surgeries
- Hospitalisation
- Home Hospitalisation
- Maternity Care
- Intermediate Care
- Intensive Care
- Palliative Care
- Home Care
- Vaccination
- Nursing Care

Hospitals and Clinics

Present in various parts of the country, CUF offers differentiated healthcare, driven by the knowledge and experience of an excellent clinical team. It has 30 hospitals and clinics with 50 medical and surgical specialties and 7,862 salaried employees, whose geographical dispersion can be found in Chapter S1. A map of the CUF network is available on page 9.

Domiciliary Services

CUF provides home clinical support and accompanies customers in the comfort of their own homes, with an experienced team, through home care and home hospitalisation.

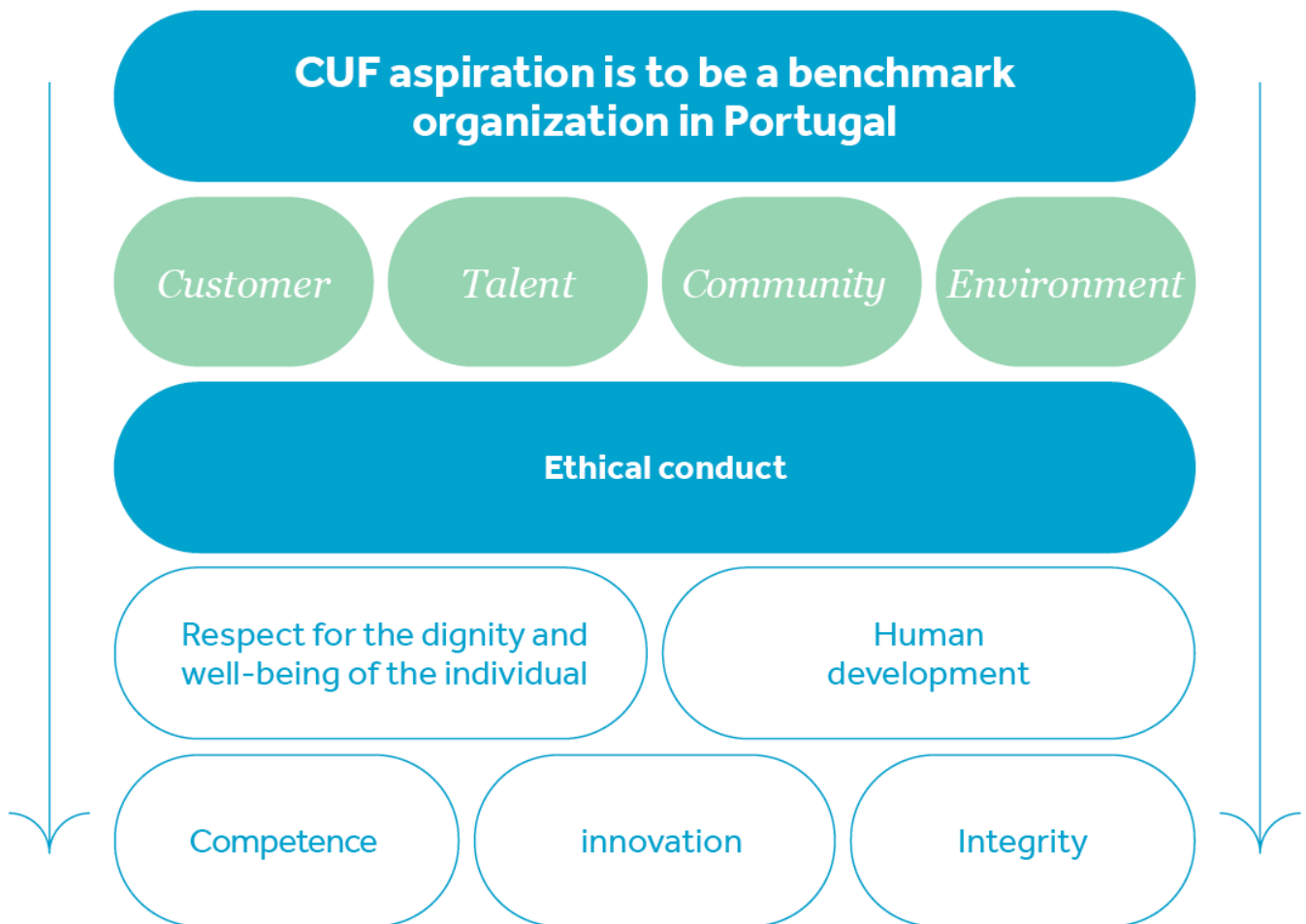
Digital Channels

Anywhere in the country, or even abroad, it is possible to access CUF's services through its digital channels, offering convenience and flexibility to those who need care: Teleconsultation, Day Remote Consultation, My CUF Symptom Evaluator and App.

Sustainability in Strategy

CUF remains strongly committed to creating value, in a sustainable way, and to positively impacting society

We believe that the development of our activity, centred on the diagnosis, treatment and accompaniment of people throughout their lives, implies acting responsibly and sustainably.





Sustainability is a core element *in CUF's business strategy*

By integrating sustainability into its strategy and business practices, CUF endeavours to generate a positive impact on the communities in which it operates, in line with sustainability criteria in its social, environmental and governance dimensions, in order to ensure its contribution to the common good.

CUF's strategy on sustainability issues encompasses several essential elements that reflect its commitment to a more sustainable future. Along with future challenges, critical solutions and projects to be implemented, the main topics covered are:

- **Decarbonisation:** CUF is committed to reducing its carbon emissions as part of its commitment to decarbonisation, and the main challenges in this regard include the transition to renewable energy sources and the reduction of indirect emissions in the value chain.
- **Reducing the Ecological Footprint:** reducing the ecological footprint is a priority for CUF, aiming to minimise the impact of the company's operations on the environment through effective waste management, conservation of natural resources and minimisation of pollution. The solutions to these challenges include adopting circular economy practices, recycling and reusing materials and improving resource efficiency.
- **Inclusive Service:** CUF recognises the importance of inclusive service that takes into account the diversity and inclusion of all customers, the main challenges being to ensure accessibility for all stakeholders and to combat inequalities. Critical solutions in this case include training employees in inclusive practices and promoting a culture of diversity.
- **Digitalisation:** digitalisation is seen as a key enabler for achieving the company's sustainability objectives. Future challenges include integrating digital technologies into business processes and protecting customer data.

Sustainability Policy

Aware that management practices have a significant impact on people, their well-being, health and development, as well as on the preservation of natural resources, CUF is committed to making efforts to fulfil its 11 commitments.

Commitments	Performance indicators	2022	2023	2024	Status
Ethical conduct	Environmental				
	Energy intensity	267 kWh/m ² 87 kWh/k€	278 kWh/m ² 97 kWh/k€	261 kWh/m ² 87 kWh/k€	●
	Greenhouse gas emissions intensity	Scope 1+2: 79.43 kgCO ₂ e/m ²	Scope 1+2: 62.01 kgCO ₂ e/m ² 21.97 kgCO ₂ e/k€ 3.37 kgCO ₂ e/visit	Scope 1+2: 47.28 kgCO ₂ e/m ² 18.14 kgCO ₂ e/k€ 3.20 kgCO ₂ e/visit	●
	Water abstraction	432.45 m ³ /M€	370.52 m ³ /M€	335.10 m ³ /M€	●
	Employees trained in waste separation	Training Launch	43% - Training of dangerous waste 53% - Training of non-dangerous waste	48% - Training of dangerous waste 74% - Training of non-dangerous waste	●
Responsible economic growth	Electric or hybrid fleet	4%	20%	44%	●
	Social				
Employee well-being	Number of employees	6,481	7,069	7,862	●
	Number of service providers	6,876	8,183	8,977	●
	Employee turnover	24%	20%	14%	●
Employees as Sustainability Ambassadors	Accidents at work (per 1,000,000 hours)	3.2	31.90	34.74	●
	Employee Training hours	83,880	97,385	120,257	●
Culture of quality, safety and clinical excellence					

Caption ● indicator in the desirable direction ● indicator without significant change ● indicator moving in the opposite direction

Sustainability Policy

Commitments	Performance indicators	2022	2023	2024	Status
To be a benchmark in environmental sustainability	Employees who received performance evaluations	78.66%	84.40%	80.49%	
	Number of internal social responsibility support	6,035	,808	8,994	
Partnerships with organizations that share the same CUF values	Net Promoter Score Customer	56.8%	62.60%	63.1%	
	Social investment in communities	328,084 €	614,461 €	657,372 €	
Contributing to the sustainable development of communities	Hours of free health training for the community	90	134	369	
	Hours of corporate volunteering	2,875	2,315 (7,746 With WYD*)	2,340	
ESG risk management	Governance				
	Employees trained in the code of conduct and internal policies	57%	66%	74%	
Ethical and transparent communication	Proportion of expenses with local suppliers	94.37%	93.99%	96.94%	
	Suppliers assessed on ESG criteria	n/a	n/a	100% with turnover => to 10K€	
Involving partners in the sustainability journey	Women in management positions	67%	66%	68%	
	Number of clinical trials	165	109	133	
	Compliance with international patient safety targets	91%	93%	95%	

*World Youth Day

Caption indicator in the desirable direction indicator without significant change indicator moving in the opposite direction

Sustainable Development Goals (SDGs)

CUF has committed itself to aligning its strategy with the goals set by the United Nations 2030 Agenda in order to play an active role in their realisation.

The CSRD standards, which guide this CUF sustainability report, and the SDGs have in common the objective of promoting sustainable development in order to guarantee a healthy and inclusive future for all. Thus, it is considered that this exercise also contributes directly to the fulfilment of the SDGs, namely in the assessment of CUF’s environmental and social impacts and in the identification of practices that allow performance to be improved, both of which are reported with greater transparency and detail.

Due to the nature of its activity, CUF directly impacts SDG 3 (Good Health and Well-Being), which is its core SDG, having four strategic SDGs (4, 8, 12 and 16) and six impacted SDGs (5, 9, 10, 11, 13 and 17).



CUF Inspira Programme

Aware of the role it plays in the country, CUF created the CUF Inspira Programme in 2018, in a public affirmation of its social, environmental and economic commitment.

The CUF Inspira Programme encompasses four axes:



INTERNAL SOCIAL RESPONSIBILITY

Building an individualized relationship with each employee, through initiatives that **respect and value their personal and family life.**



SOCIAL IMPACTS ON THE COMMUNITY

Creating partnerships and positive impacts in communities, which contribute to the social development and well-being of the local population.



ENVIRONMENTAL RESPONSIBILITY

Combining the service of excellent healthcare with an **environmentally responsible attitude**

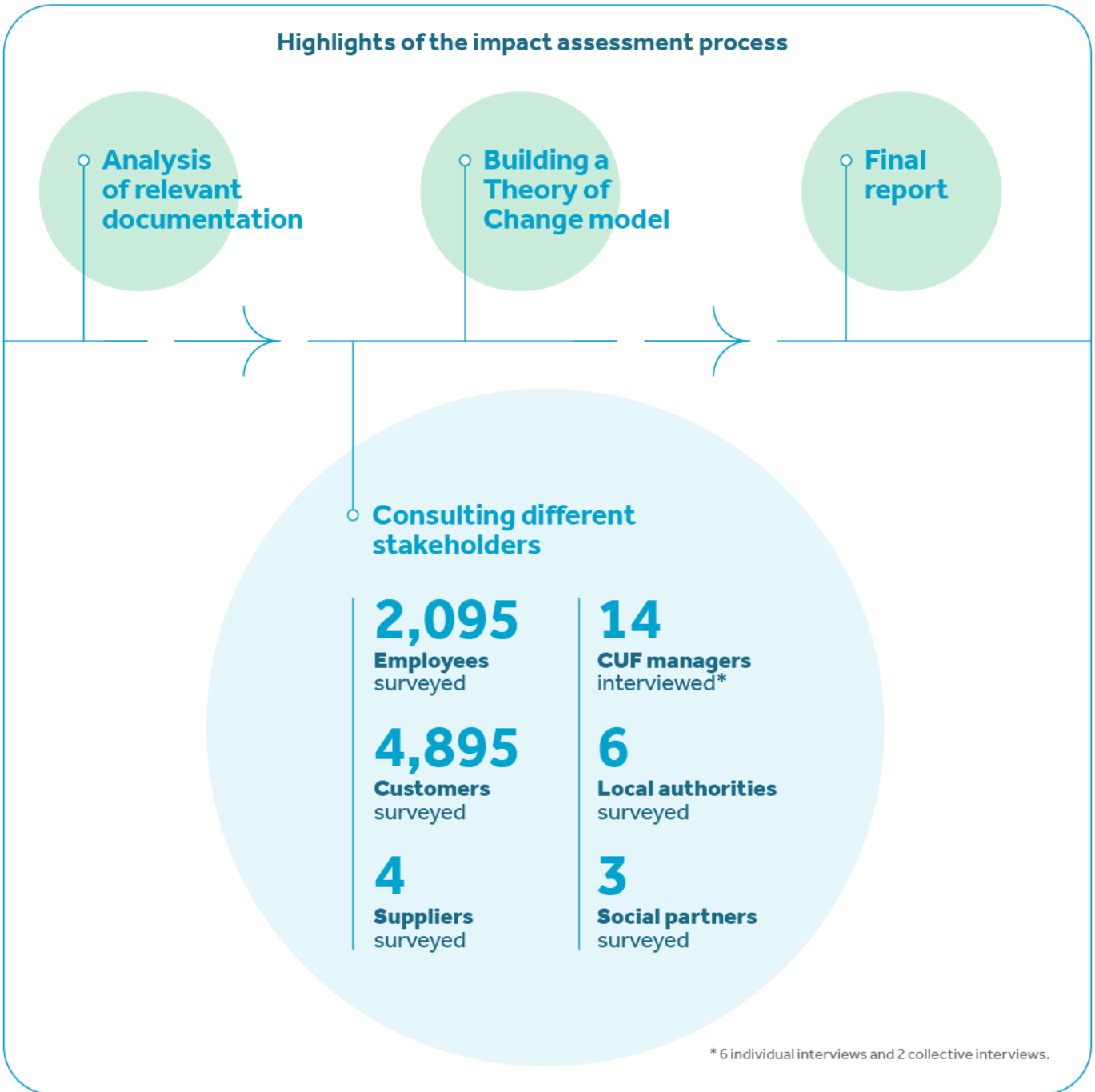


ETHICAL CONDUCT AND HUMAN RIGHTS

The principles underlying business ethics, respect for human rights and legal compliance are reflected in the company's practices and in the **CUF Code of Conduct and respective policies.**

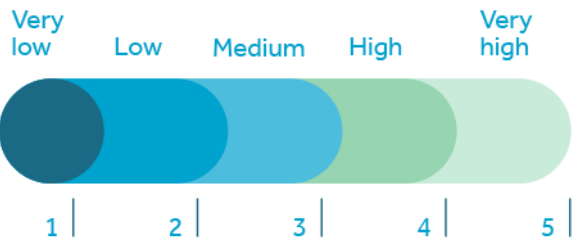
CUF Inspira Programme (Impact Assessment)

Process of collecting information



Global and individual axis evaluation

The 5th axis of impact is the CUF brand.
 Recognition of the CUF Inspira Program with added value for the CUF brand.



Rating: high



Rating: high



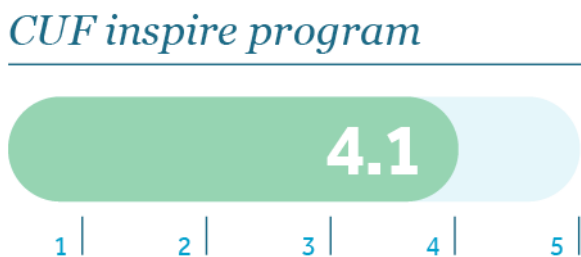
Rating: medium



Rating: high



Rating: very high



Global rating: high

Participations and Commitments

The success of our strategy depends heavily on the creation of solid partnerships, both nationally and internationally. At CUF, collaboration is encouraged, so that the impact of the activities carried out is amplified through the sharing of knowledge and experience. [This approach contributes directly to sustainable development, in line with the United Nations' SDG 17.

Participations and Commitments



Aliança para a Saúde Mental no Local de Trabalho



NOVA SBE - Inclusive Community Form



BCSD Portugal



Observatório ODS nas Empresas Portuguesas



Compromisso Capital Verde Europeia 2020



Pacto de Mobilidade para a cidade de Lisboa



Conselho Português para a Saúde e Ambiente



Pacto do Porto para o clima



Global Green and Healthy Hospitals



UN Global Compact Portugal



Grace - Empresas Responsáveis (CUF VP)

Stakeholders' interests and perspectives

ESRS 2 SBM-2

Value Chain

CUF recognises that the sustainability of the healthcare sector depends not only on its direct operations, but also on the way its value chain is managed. In working with a vast network of partners, suppliers and service providers, CUF ensures that the principles of social, environmental and ethical responsibility are incorporated into all its activities.

From the careful selection of suppliers to the development of innovative and efficient practices, we promote a collaborative and transparent approach, ensuring compliance with the highest standards of quality and sustainability.

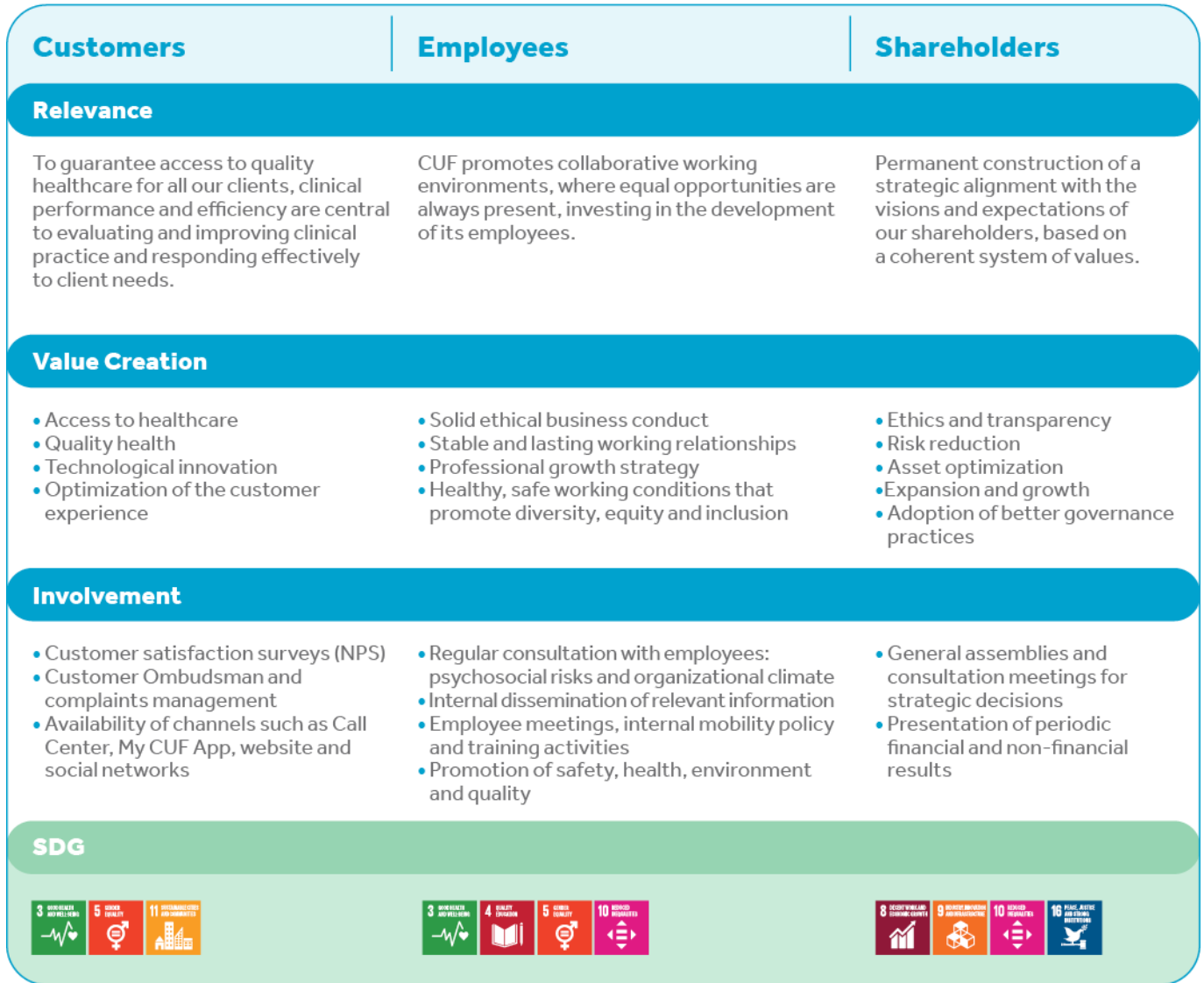
Our actions are based on trust, the creation of shared value and the mitigation of environmental impacts, contributing to a more responsible and resilient health ecosystem.

The sustainable transformation of the healthcare sector requires a collective commitment. For this reason, CUF encourages the adoption of good practices throughout the supply chain, aligning itself with partners who share the company's values and who also recognise sustainability as an essential pillar of their strategy.

Recognising the importance of understanding and valuing the expectations and needs of all stakeholders, CUF maintains an open, transparent dialogue and active, ongoing involvement. Each stakeholder represents a vital part of the health ecosystem and the relevance, the involvement profile and the contribution to value creation have been identified for each one. By understanding the role of each stakeholder, CUF directs its efforts towards strengthening relationships, maximising collaborations and meeting expectations more effectively.

CUF conducts consultations with stakeholders to gather needs and opinions related to professional and personal development prospects, remuneration and talent, with the ultimate goal of contributing to the definition of the company's strategy and business model.

Value Chain



Value Chain

Investors	Responsible financial entities	Regulators
Relevance		
<p>Ethical, regular and transparent engagement with investors has made it possible to create relationships of trust, with a focus on reconciling expectations and creating value.</p>	<p>The conclusion of stable agreements and the scale of their scope has the direct positive impact of increasing access to excellent healthcare.</p>	<p>CUF is governed by compliance with regulatory requirements, valuing cooperation with the State and regulatory bodies, with a view to guaranteeing the fundamental rights and quality of the Portuguese Health System.</p>
Value Creation		
<ul style="list-style-type: none"> Ethical, transparent and regular communication of financial and non-financial information Consistent credit risk profile Compliance with agreed payment terms 	<ul style="list-style-type: none"> Access to private healthcare Quality healthcare Clinical innovation 	<ul style="list-style-type: none"> Culture of responsibility and transparency; Corporate compliance
Involvement		
<ul style="list-style-type: none"> Presentation of financial and non-financial results Disclosure of periodic reports Other communications 	<ul style="list-style-type: none"> Negotiation meetings Sharing best practices, clinical innovation and anticipating market trends Institutional representation of CUF in various forums 	<ul style="list-style-type: none"> Licensing processes Sending mandatory legal information Monitoring inspections, surveys and inspections Responding to notifications and requests for information
SDG		

Value Chain

Suppliers	Industry associations	Communities	Academic and Scientific Community
Relevance			
<p>We manage our supplier portfolio carefully, establishing clear relationships and sustainable collaborations based on CUF's ethics and values.</p>	<p>We promote a culture of active collaboration that ensures representation and support for health professionals, together with strategic intervention and influence in the sector.</p>	<p>CUF recognizes the diversity of society and the role of companies in creating economic, social and cultural value. Therefore, its strategy aims to positively impact the communities where it operates</p>	<p>Clinical research and training are strategic priorities for driving advances in medicine. We value collective intelligence and want to be an active part of the knowledge generated with the scientific community.</p>
Value Creation			
<ul style="list-style-type: none"> • Sharing values and good practices • Supply chain risk management, with the inclusion of ESG criteria 	<ul style="list-style-type: none"> • Strategic intervention and influence that contributes to the development of the sector • Sharing good practices 	<ul style="list-style-type: none"> • Promoting human rights, social cohesion and inclusion • Empowerment of local communities • Social investment 	<ul style="list-style-type: none"> • Generating and disseminating new knowledge • Training and retraining • R&D partnerships and investments
Involvement			
<ul style="list-style-type: none"> • Contractual construction in line with the Supplier Relations Code • Actions to raise awareness of ESG issues • Supplier management process 	<ul style="list-style-type: none"> • Collaboration in the exercise of disciplinary powers reserved for professional bodies • Sectoral negotiations with participatory influence and preponderance • Preparation of negotiating proposals with trade unions • Hosting medical internships • Procedures for obtaining recognition of training suitability 	<ul style="list-style-type: none"> • Participation in Local Social Action Councils • Partnerships with social organizations • Participation in sustainability events and business associations 	<ul style="list-style-type: none"> • Simulation courses and medical congresses • Development of clinical trials and innovative therapies • Promotion of medical internships • Partnerships with academic bodies • Awarding research grants
SDG			

Material impacts, risks and opportunities and their interaction with the strategy and the business model(s)

ESRS 2 SBM-3

	IRO	Location in the value chain
Climate change		
Adapting to climate change, Mitigating climate change		
Extreme climatic events that require an additional effort from infrastructure regarding energy efficiency		Own Operations and the Entire Value Chain
Energy		
Investment in more efficient equipment and self-consumption solutions that enable medium-term savings		Own Operations and the Entire Value Chain
Water		
Water Consumption		
Water shortages and the possible higher cost of purchasing water from the network.		Own Operations and Upstream Value Chain
Circular Economy		
Outflows of resources related to products and services		
Waste reduction and hazardous waste management		Own Operations and Downstream Value Chain
Waste		
Waste reduction and hazardous waste management that allow for lower costs and fewer GHG emissions into the atmosphere.		Own Operations and Downstream Value Chain
Own labour		
Work conditions		
Job security		
Ensuring the well-being, health and safety of employees		Own Operations
Working hours		
Continuous activity 24 hours a day, 7 days a week in hospital units, which increases the demands on employees.		Own Operations
Adequate wages; Social dialogue; Freedom of association, the existence of works councils and workers' rights to information, consultation and participation; Collective bargaining, including the rate of workers covered by collective agreements; Work-life balance		
Attracting, developing and retaining talent		Own Operations
Health and safety		
Employee well-being, health and safety, which will make it possible to better attract human resources		Own Operations
Research and innovation		
Advanced training awarded to employees through doctoral scholarships and grants for the publication of scientific articles.		Own Operations and the Entire Value Chain

		IRO	Location in the value chain
Equal treatment and opportunities for all			
Gender equality and equal pay for work of equal value, Training and skills development and Diversity			
Attracting, developing and retaining talent		Own Operations and Downstream Value Chain	
Employment and inclusion of people with disabilities			
More diverse teams lead to diversity of thought, added value in teams and, consequently, a higher quality of service.		Own Operations and Downstream Value Chain	
Measures against violence and harassment in the workplace			
Non-compliance with human rights and potential costs of proceedings or fines		Own Operations and Downstream Value Chain	
Other labour-related rights			
Child labour, Forced labour and Privacy			
Non-compliance with human rights and potential costs of proceedings or fines		Own Operations and Upstream Value Chain	
Workers in the Value Chain			
Work conditions			
Freedom of association, the existence of works councils and workers' rights to information, consultation and participation, Collective bargaining, including the rate of workers covered by collective agreements			
Attracting, developing and retaining talent		Own Operations and Upstream Value Chain	
Health and safety			
Employee well-being, health and safety, which will make it possible to better attract human resources		Own Operations and Upstream Value Chain	
Equal treatment and opportunities for all			
Gender equality and equal pay for work of equal value; Diversity			
Attracting, developing and retaining talent		Own Operations and Upstream Value Chain	
Employment and inclusion of people with disabilities, Measures against violence and harassment in the workplace			
Non-compliance with human rights and potential costs of proceedings or fines		Own Operations and Upstream Value Chain	
Other labour-related rights			
Child labour, Forced labour			
Non-compliance with human rights and potential costs of proceedings or fines		Own Operations and Upstream Value Chain	
Consumers and End Users			
Impacts related to information for consumers and/or end users			
Privacy, Freedom of expression			
Confidentiality of user information preserved		Own Operations and Downstream Value Chain	
Access to (quality) information			
Recognition from stakeholders for the provision of excellent healthcare		Own Operations and Downstream Value Chain	
Digital Transformation			
Greater process efficiency, which allows for a faster and better quality response for the customer		Own Operations and Upstream Value Chain	

	IRO	Location in the value chain
Personal safety of consumers and/or end users		
Health and safety, Personal safety and Child protection		
Recognition from stakeholders for the provision of excellent healthcare		Own Operations and Downstream Value Chain
Social inclusion of consumers and/or end users		
Non-discrimination		
Equity of access		Own Operations and Downstream Value Chain
Responsible business practices		
Potential costs of proceedings or fines		Own Operations and Downstream Value Chain
Entity Specific		
Community Involvement		Own Operations and Downstream Value Chain
Business Conduct		
Corporate culture		
Interacting with all stakeholders in accordance with our standards of business ethics.		Own Operations and the Entire Value Chain
Whistleblower protection		
Non-compliance with human rights and potential costs of proceedings or fines		Own Operations and Downstream Value Chain
Political context and interest group representation activities		
Risk of instability in the regulation of the sector.		Own Operations
Supplier relationship management, including payment practices		
Good relations with the supply chain.		Own Operations and the Entire Value Chain
Prevention and detection, including training		
Employee well-being, health and safety, which will make it possible to better attract human resources		Own Operations and Upstream Value Chain
Incidents		
Fines and reputational damage.		Own Operations and the Entire Value Chain

Caption: Positive impact Negative impact Risk Opportunity

3.1.1.4. Management of Impacts, Risks and Opportunities

Description of the processes for identifying and assessing material impacts, risks and opportunities

ESRS 2 IRO-1

CUF carried out its double materiality analysis (DMA) exercise in 2022, in line with the draft version of the ESRS (European Sustainability Reporting Standards) published in November 2022.

This assessment considered both the impacts of CUF's business on society and the environment (impact materiality) and how these topics affect CUF in the form of business risks and opportunities (financial materiality).

The assessment followed a predefined methodology for impact materiality and financial materiality, which is described in more detail in the following sections.

Scope of Double Materiality Analysis

The impacts, risks and opportunities on CUF's own operations were identified taking into account the various areas of activity and locations where CUF operates. Double Materiality has also incorporated the upstream and downstream value chain.

The double materiality assessment was initiated by combining the list of topics and subtopics, which included issues specific to the CUF context. An outside-in perspective was also considered, through consultation with various relevant stakeholders in the value chain. For all the topics identified, a four-stage process was followed:

1) input from internal subject matter experts; 2) engagement with external stakeholders; 3) calibration by internal leaders, including discussion by senior management; and 4) review and approval by the Executive Committee.

CUF's double materiality matrix includes two axes, which result from the results of each of the sustainability topic assessments:

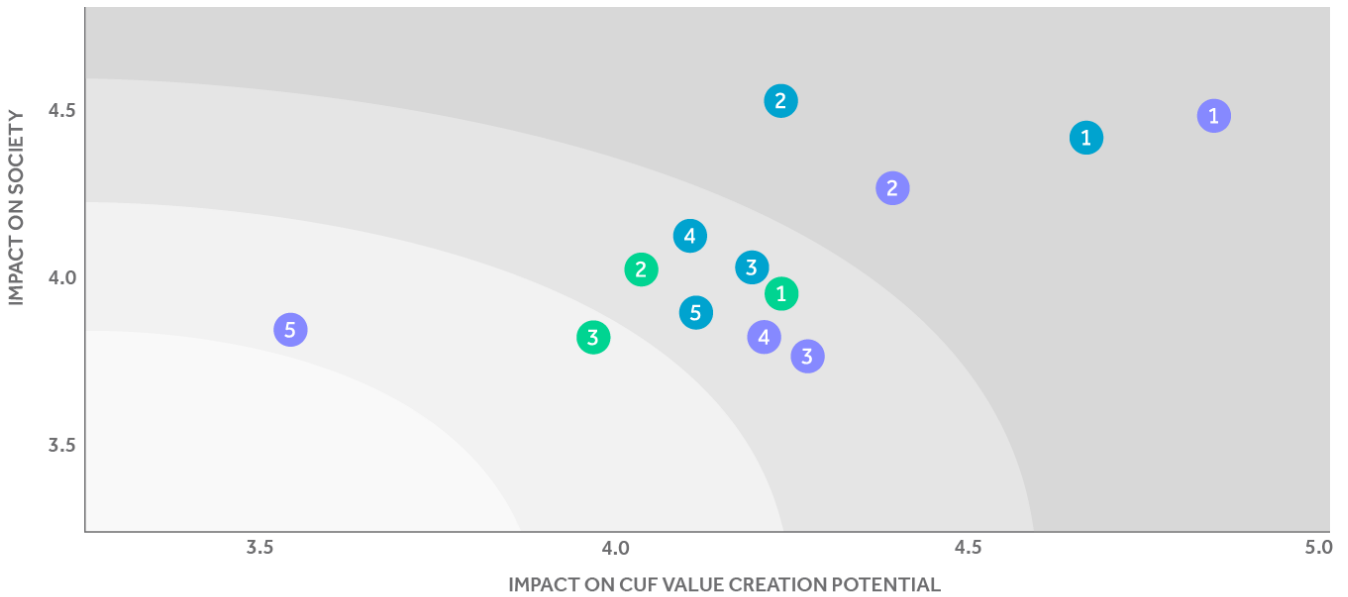
- **Materiality of the impact:** identification of material topics when the company is associated with real or potential impacts on people or the environment in the short, medium, or long term. This includes the impacts directly caused by the company, as well as those it has or may have on its entire value chain.
- **Financial materiality:** different from the definition of materiality used in financial reports, it refers to the identification of material topics that trigger financial effects on the company, i.e., that generate or may generate risks or opportunities that influence future cash-flows and therefore the value of CUF in the short, medium or long term.

The results of the impact assessment and financial materiality were consolidated in a matrix to enable an overview of CUF's impacts, risks and opportunities, where clinical excellence, safety, customer privacy and confidentiality of information are of great importance.

The results obtained in the double materiality assessment reflect CUF's sustainability strategy and business model.

In the course of systematising the 2024 activity in this Report, in line with the CSRD, it was found that Risk Management and Financial Sustainability, previously classified as material topics, should be considered cross-cutting strategic axes, with a different framework. In this sense, the CUF matrix now includes 13 material topics:

Double Materiality Matrix



ENVIRONMENTAL

- 1 Sustainable use of natural resources
- 2 Waste reduction and hazardous waste management
- 3 Climate change

SOCIAL

- 1 Clinical excellence and patient safety
- 2 Human rights
- 3 Attracting, developing and retaining talent
- 4 Employee well-being, health and safety
- 5 Community involvement

GOVERNANCE or ECONOMIC

- 1 Patient privacy and confidentiality of information
- 2 Research and Innovation
- 3 Ethics and Transparency
- 4 Digital transformation
- 5 Responsible supply chain

Value Chain Considerations

CUF’s value chain has been grouped into three categories: upstream value chain, own operations and downstream value chain. For each category, the main business activities, geographies and stakeholders involved were determined.

The grouping of activities served as a basis for identifying potential impacts, risks and opportunities and provided guidance on potential critical points or stakeholders that should be involved in the Double Materiality process.

Stakeholder Involvement:

It is CUF’s practice to consult stakeholders as part of the development of its materiality analyses. In this sense, the starting point for mapping the stakeholders to be included in this consultation were the stakeholders considered in previous financial years. In addition, it was ensured that:

- The most relevant stakeholders would be involved in the consultation process;
- The consultation would include diverse perspectives from different stakeholder groups.

The following stakeholders were then identified and grouped into two categories: affected stakeholders and users of the sustainability statement:

Stakeholders Affected:

- Customers;
- Employees;
- Suppliers;
- Academic and Scientific Community;
- Communities (Local Authorities and Social Economy Organizations).

Users of the sustainability statement:

- Shareholders;
- Investors;
- Responsible Financial Entities;
- Regulators;
- Industry associations.

CUF formally invited its stakeholders to take part in the consultation process by answering an anonymous online questionnaire. The questionnaire was sent to external stakeholders and senior managers at CUF, based on the topics identified in the benchmark analysis.

Impact Materiality – Methodology

In the questionnaire sent to stakeholders, they were asked to assess the significance of the negative and positive, actual or potential impacts resulting from CUF’s activities in relation to the different potentially material topics resulting from the sectoral and market benchmark analyses. The following scale was used:

1. Irrelevant contribution: The company does not contribute significantly to the impacts of the topic;
2. Insignificant contribution: The company contributes little to the impacts of the topic;
3. Relevant contribution: The company makes a significant contribution to the impacts of the topic;
4. Very relevant contribution: The company makes a very significant contribution to the impacts of the topic;
5. An extremely important contribution: The company makes an extremely significant contribution to the impacts of the topic.

Financial Materiality – Methodology

In the case of financial materiality, the classification was carried out through focus groups with Financial Management and First Lines, considering CUF’s value creation potential, taking into account the elements of financial performance, image and reputation, and ability to achieve strategic objectives, using the following scale:

- Affecting in an irrelevant way: the risks/opportunities associated with the topic do not affect the company's value creation potential.
- Affecting with little relevance: the risks/opportunities associated with the topic have little effect on the company's potential to create value.
- Affecting in a relevant way: The risks/opportunities associated with the topic significantly affect the company's value creation potential.
- Affecting in a very relevant way: the risks/opportunities associated with the topic affect the company's value creation potential very significantly.
- Affecting in an extremely relevant way: the risks/opportunities associated with the topic affect the company's value creation potential in an extremely significant way.

The score of impacts, risks and opportunities, calculated from 0 to 5, was compared to a quantitative threshold of ≥ 3.53 and ≥ 3.83 respectively, to determine which topics would be material to report according to the ESRS. The choice of boundaries is in line with CUF's overall strategy and fits in with the decision-making approach throughout the company.

Decision-making process

The Double Materiality analysis was reviewed and approved by the Executive Committee.

Climate-related impacts, risks and opportunities (ESRS 2 IRO-1: E1 and E3)

The particular case of identifying risks and opportunities related to climate change was based on the exercise carried out in 2023, in light of the Task Force on Climate-related Financial Disclosures (TCFD), which identified physical and transition risks and opportunities in the short, medium and long term, and assessed how CUF's assets and business activities may be exposed and sensitive to climate-related risks. This exercise resulted in the identification of four risks and four opportunities, namely:

Risks	Opportunities
Extreme Weather Events	Investment in Renewable Energy Sources
Water Scarcity	Research and innovation
Carbon Price	Investment in more Efficient Equipment
Legal Non-Compliance	Green Financing

No business assets and activities have been identified in this analysis that are incompatible with a transition to a climate-neutral economy or that require significant efforts to be compatible with such a transition.

During 2025, CUF will analyse and create climate scenarios to deepen this exercise, which will make it possible to anticipate adverse situations, in order to eliminate, minimise, or mitigate the main risks identified in the short, medium and long term.

Impacts, Risks and Opportunities Related to the Use of Resources and to the Circular Economy (ESRS 2 IRO-1: E5)

CUF identifies and evaluates the activities that cause or could cause significant impacts on waste production. Specifically, hazardous hospital waste (Groups III and IV) arising from clinical activities carried out in the units is assessed and monitored to avoid any contamination inside or outside the units. This waste is disposed of by certified entities that comply with all applicable standards and legislation. In order to minimise risks, the company implements a process flow that covers waste inputs, activities and outputs. This system makes it possible to optimise waste management throughout the value chain, ensuring safety and environmental compliance.

The identification of impacts, risks and opportunities related to the use of resources and to the circular economy was part of the Double Materiality Assessment. Specialists responsible within CUF for topics related to the use of resources and to the circular economy have identified and assessed impacts, risks and opportunities. These experts have access to internal data that takes into account the use of resources and the circular economy. In addition, senior management positions reviewed the impacts, risks and opportunities related to resources and the circular economy, identified and assessed in terms of completeness and consistency with CUF's short-, medium- and long-term strategies and ambitions on the use of resources and the circular economy.

CUF carried out consultations with various stakeholders, including affected communities in order to identify potentially material IROs on various topics including use of resources and circular economy.

Impacts, Risks and Opportunities Related to the Business Conduct (ESRS 2 IRO-1: G1)

The risk management process is supported by a transversal and systematic methodology which, starting from the identification of the company's objectives and those of each department/service/business segment, identifies all types of events, internal or external, which could influence their materialisation, as well as those responsible for managing them. This is followed by an analysis of each event, identifying the causes, consequences and ongoing mitigation measures that could help mitigate the risk.

Once identified, the risks are assessed by assigning levels of "probability of occurrence" and "impact", according to the scales in effect. Depending on the level of risk (obtained by combining probability and impact), the strategy to be adopted for dealing with it is identified (eliminate, transfer, mitigate or accept the risk). Monitoring is carried out on an ongoing basis, namely by sharing and analysing risk indicators, with the frequency being dictated by the level of risk.

Each year, depending on the expected evolution of the context (national and international), internal developments and the level of residual risk, the risks that will be monitored more closely by the Executive Committee are identified. The risks identified in this topic of Business Conduct do not present a level of risk that justifies their inclusion in this approach.

As part of the corruption topic, specific work was carried out to survey and systematise the processes that involve interaction/relationship with third parties, whether public or private, as well as the areas considered relevant in terms of corruption, namely identifying, analysing and classifying the risks that could expose CUF to acts of corruption and related infractions and carrying out an analysis of the design and implementation of existing internal control procedures, with a view to identifying any opportunities for improvement. This work was carried out on the basis of an analysis of documentation and interviews with various managers from the departments that make up CUF's corporate centre and business segments. The result of the work was incorporated into the Plan for the Prevention of Risks of Corruption and Related Infractions, as provided for in the General Regime for the Prevention of Corruption, and made available on CUF's intranet and website.

Identifying the impacts, risks and opportunities related to business conduct was part of the Double Materiality Assessment. Experts with specific information and expertise on business conduct evaluated these topics on the basis of underlying evaluation criteria (listed above). As most of these IROs are quantitative, there is no need for additional analyses or tools to quantify specific requirements. Furthermore, due to the impacts, risks and opportunities of business conduct that originate or are based on CUF's own operations with effects on the value chain, the general Double Materiality process was sufficient for the assessment of the business conduct.

Disclosure requirements for ESRS covered by the company's sustainability statement

ESRS 2 IRO-2

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ESRS 2 – General Disclosures	41
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GOV-2 – Information provided and sustainability issues addressed by the company's administrative, management and supervisory bodies	50
GOV-3 – Integration of sustainability performance into incentive schemes	51
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SBM-1 – Strategy, business model and value chain	53
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ESRS 2 GOV-3 – Integrating sustainability performance into incentive schemes	51
E1-1 – Transition plan for climate change mitigation	85
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ESRS 2 IRO-1 – Description of the processes for identifying and assessing material impacts, risks and opportunities related to the use of resources and the circular economy	70
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S1-4 – Taking action on material impacts on own labour and approaches to mitigate material risks and look for material opportunities related to own labour, as well as the effectiveness of these measures	123
S1-5 – Targets related to managing negative material impacts, promoting positive impacts and managing material risks and opportunities	129
S1-6 – Characteristics of the company’s salaried employees	131
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S1-16 – Remuneration metrics (pay gap and total remuneration)	136
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Disclosure requirements met	Page
S4-4 – Taking action on significant impacts on consumers and end users, as well as approaches to managing material risks and pursuing material opportunities related to consumers and end users, and the effectiveness of these actions	147
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The following discloses all the disclosure requirements and respective data points arising from the Delegated Regulation (EU) 2020/1816, with an indication of the page where they are disclosed throughout the Sustainability Statement. All the data points that were considered to be non-material as a result of the double materiality analysis carried out by CUF, or that were not answered due to the use of phase-ins detailed in the Basis of Preparation section, have been identified in grey.

Disclosure requirement and corresponding data point	Financial Services Sustainability Disclosure Regulation Reference	Reference of Pillar 3	Regulation Reference indices of Reference	Regulation Reference Indices	Page
ESRS 2 GOV-1 — Gender diversity on boards of directors, paragraph 21(d)	Indicator No. 13 of table 1 of appendix 1		Commission Delegated Regulation (EU) 2020/1816 (5), Appendix II		43
ESRS 2 GOV-1 Percentage of members of the board of directors who are independent, paragraph 21(e)			Appendix II to Delegated Regulation (EU) 2020/1816		43
ESRS 2 GOV-4 Statement on duty of care, paragraph 30	Indicator No. 10 of table 3 of appendix 1				51
ESRS 2 SBM-1 Participation in activities related to fossil fuels, paragraph 40(d)(i)	Indicator No. 4 of table paragraph 1 of Appendix I	Article 449-A of Regulation (EU) 575/2013; Table 1 of Commission Implementing Regulation (EU) 2022/2453 (6): Qualitative information on environmental risk and table 2: Qualitative	Appendix II to Delegated Regulation (EU) 2020/1816		53



Disclosure requirement and corresponding data point	Financial Services Sustainability Disclosure Regulation Reference	Reference of Pillar 3	Regulation Reference indices of Reference	Regulation Reference Reference Indices	Page
		information on social risk			
ESRS 2 SBM-1 Participation in activities related to the production of chemical products, paragraph 40(d)(ii)	Indicator No. 9 of table 2 of appendix 1		Appendix II to Delegated Regulation (EU) 2020/1816		53
ESRS 2 SBM-1 Participation in activities related to controversial weapons Article 40(d)(iii)	Indicator No. 14 of table 1 of appendix 1		Delegated Regulation (EU) 2020/1818(7), Article 12(1) of Delegated Regulation (EU) 2020/1816, Appendix II		53
ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco, paragraph 40(d)(iv)			Article 12(1) of Delegated Regulation (EU) 2020/1818 and Appendix II to Delegated Regulation (EU) 2020/1816		53
ESRS E1-1 Transition plan to achieve climate neutrality by 2050, paragraph 14				Article 2(1) of Regulation (EU) 2021/1119	
ESRS E1-1 Companies excluded from the benchmarks aligned with the Paris Agreement, paragraph 16(g)		Article 449-A Regulation (EU) 575/2013; Model 1 of Commission Implementing Regulation (EU) 2022/2453: Banking portfolio – Climate change transition risk: Credit quality of exposures by sector, issues and residual maturity	Article 12(1)(d)–(g) and Article 12(2) of Delegated Regulation (EU) 2020/1818		
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator No. 4 of table 2 of appendix 1	Article 449-A Regulation (EU) 575/2013; Model 3 of Commission Implementing Regulation (EU) 2022/2453: Banking portfolio – Climate change transition risk: alignment of metrics	Article 6 of Delegated Regulation (EU) 2020/1818		89
ESRS E1-5 Fossil energy consumption broken down by source (only sectors with a major climate impact), paragraph 38	Appendix I, table 1, indicator No. 5 and appendix I, table 2, indicator No. 5				90
ESRS E1-5 – Energy consumption and energy	Indicator No. 5 of table 1 of appendix 1				90



Disclosure requirement and corresponding data point	Financial Services Sustainability Disclosure Regulation Reference	Reference of Pillar 3	Regulation Reference indices of Reference	Regulation Reference Reference Indices	Page
matrix, paragraph 37					
ESRS E1-5 Energy intensity associated with activities in sectors with a high climate impact, paragraphs 10 to 43	Indicator No. 6 of table 1 of appendix 1				90
ESRS E1-6 Scope 1, 2 and 3 gross emissions and total GHG emissions, paragraph 44	Appendix I, table 1, indicators Nos. 1 and 2	Article 449-A; Regulation (EU) 575/2013; Model 1 of Commission Implementing Regulation (EU) 2022/2453: Banking portfolio – Climate change transition risk: Credit quality of exposures by sector, issues and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)		91
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Sustainability Statement

Environmental Information

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Indicators

236 kWh/m²
Energy intensity

329.0 m³/M€
Water consumption

47.28 tCO₂e/m²
Intensity of gas emissions

44%
Electric or hybrid fleet

3.2. Environmental Information

3.2.1. E1 – Climate Change

Increasingly aware of the challenges posed by climate change, CUF is actively committed to reducing its environmental footprint by promoting sustainable and efficient practices. To this end, the company adopts climate mitigation and adaptation measures that not only minimise the impacts of its activity, but also encourage its partners to adopt more responsible joint solutions. By optimising resource consumption, energy efficiency and the transition to a low-carbon model, CUF is strengthening its role in building a more sustainable and resilient future.

Material impacts, risks and opportunities and their interaction with the strategy and business model

E1-SBM-3

CUF identifies the following risks and opportunities in the context of climate change:

	IRO	Location in the value chain	Strategy
Climate change			
Adapting to climate change, Mitigating climate change			
Extreme climatic events that require an additional effort from infrastructures regarding energy efficiency		Own Operations and the Entire Value Chain	Bearing in mind that a stoppage in its activity would be critical to the health and safety of its customers, CUF endeavours to establish mitigation measures against extreme weather events in the design and maintenance of its buildings.
Energy			
Investment in more efficient equipment and self-consumption solutions that enable medium-term savings		Own Operations and the Entire Value Chain	As part of the decarbonisation of its operations, CUF has invested in energy production solutions for self-consumption, as well as more efficient equipment to help mitigate climate change and reduce operating costs.

Caption: Positive impact Negative impact Risk Opportunity

Resilience to climate change is assessed using the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), as mentioned in the General Information chapter. This exercise, complementary to the dual materiality analysis, resulted in four risks related to how CUF's assets and activities can be exposed and are sensitive to climate-related events:

Type of Risk	Risk Characterisation
Acute physical risk – Extreme weather event	The occurrence of extreme weather events with greater severity and frequency can directly impact CUF’s structures, causing damage to them and leading to the forced interruption of activity or to a reduction in operational capacity.
Chronical physical risk – Water shortage	Water is fundamental to the normal operation of hospitals and clinics, and is an essential resource for the operation of healthcare services. The interruption in the water supply jeopardises not only CUF’s direct operations, but could also put pressure on a number of other companies in its value chain that are dependent on the availability of water to produce vital goods for the normal running of CUF’s hospitals and clinics.
Technological transition risk – Carbon price	Although CUF is not directly covered by the European Emissions Trading Scheme (EU ETS), its activity is conditioned by the price of carbon in the purchase of energy or products and services from sectors that are, such as the production of gases like oxygen. The continued increase in the price of emission licences and the acceleration of the reduction in the maximum limit of licences in circulation, foreseen in the revision of the EU ETS, will lead to higher operating costs in CUF’s value chain, and consequently in the company itself. In addition, the emission licence regime (EU ETS 2) that will be applied to fuels used for combustion in the buildings and transport sectors will also have an impact on CUF’s operating costs.
Risk of transition from current and emerging regulations – Legal non-compliance	Taxonomy is one of the central pillars of the European Union’s strategy to promote carbon neutrality in the business sphere, and failure to align economic activities with the stipulated environmental objectives could prevent access to important lines of public funding. The delegated act specifies that non-financial companies are obliged to report the percentage of their turnover, CapEx and OpEx associated with economic activities aligned with the EU Taxonomy. Companies not aligned with the Taxonomy will be limited in their access to credit, since financial institutions themselves have to report their exposure to companies. On the other hand, the CSRD Directive will imply greater sustainability reporting obligations, which in turn will culminate in greater scrutiny of the companies’ ESG performance.

CUF will carry out an analysis of resilience to climate change through climate scenarios that will be developed in 2025.

Policies related to climate change mitigation and adaptation

E1-2

Sustainability Policy

In implementing its strategy, CUF seeks to create value in the communities in which it operates, in alignment with sustainability criteria, in its social, environmental and governance dimensions.

As part of its governance model, CUF has been integrating sustainability topics and objectives into the way it manages strategic priorities and also into the formulation of management policies and procedures. The approach to sustainability has as its main guide the Double Materiality analysis and the linking of material topics to the assets and axes of Strategy 21–25.

Sustainability is transversal to the whole of CUF and, in terms of the governance model, is taken on in the first instance by the Chief Executive Officer. The development of the strategy, its transversal implementation, and the progress made in all units and departments are overseen by the Innovation and Sustainability Committee and also by the Code of Conduct Monitoring Committee, both of which have representatives from the Board of Directors. The Corporate Citizenship Department, which reports directly to the Chief Executive Officer, is responsible for defining and developing CUF’s sustainability strategy, acting in a collaborative and transversal manner with all departments and units.

To materialise its strategic priorities, CUF developed and published its **Sustainability Policy** in September 2023 and made it available to its stakeholders by publishing it on the CUF website. This public affirmation is consolidated in the company’s identification of 11 ESG commitments in the environmental, social and governance spheres, whose progress is assessed annually in an integrated approach. As a result of this initiative, the development of various projects has begun which will enable progress to be made in the realisation of targets and indicators, seeking to achieve a relevant performance in the sustainability agenda.

In the area of climate change adaptation and mitigation, the following commitments can be highlighted:

- Active contribution to the reduction of its ecological footprint by seeking solutions to efficiently manage natural resources, combining best care practices with an environmentally responsible attitude;
- Identification and management of climate risks, maintaining high standards of quality and safety;
- Establishment of contracts or partnerships only with entities that share CUF's principles and ethical values, demanding compliance with a set of environmental, social and governance criteria and, if necessary, making efforts to train the company's partners in their sustainability journey;
- Contribution to the sustainable development of the communities where CUF operates, activating internal resources that strengthen the well-being of the people who live and work there, with the least possible environmental impact, and promoting the local economy.

Fleet Management Policy

The **CUF Fleet Management Policy** contains a commitment to sustainability, made available to stakeholders via the CUF intranet, as well as being sent individually to each employee who uses the fleet. This policy was drawn up by the People Management Department and the Means and Assets Department, with final approval by the Executive Committee. Within the scope of climate change adaptation and mitigation, the following commitments can be highlighted as part of the fleet management policy:

- Minimising environmental impact by choosing more efficient vehicles makes and models.
- Ensuring and optimising the electrical infrastructures installed by CUF, for employees and clients.

Quality, Environment and Safety Policy

Respect for the guiding principles of sustainable development is reflected in the imperative to ensure that value is created at all times and that the various stakeholders with whom it collaborates in the course of its business are satisfied. With regard to energy efficiency, CUF has developed an integrated management model, which defines:

- The identification of environmental aspects resulting from the provision of healthcare, enabling the impacts to be assessed and actions to be prioritised with a view to minimising and controlling them.
- The promotion of sustainable use of natural resources including energy and water, pollution prevention and reduction, reuse and recycling of waste generated.

The CUF **Quality, Environment and Safety Policy** also includes an environmental commitment and was developed by the Quality and Safety Department in accordance with the international standard ISO 9001, and is available on the intranet for all employees.

The policies mentioned in this section apply to the companies fully owned, directly or indirectly, by CUF, S.A..

Actions and resources related to climate change policies

E1-3

CUF has been developing a comprehensive set of actions to mitigate climate change, structured into three main strategic areas: **Energy Efficiency and Use of Renewable Energy**, **Electrification and Sustainable Fleet Management** and **Replacement of Technologies and Infrastructures to Reduce Emissions**. These initiatives reflect the company's commitment to reducing its carbon footprint, promoting a more efficient use of resources and encouraging sustainable practices in all its operations.

Within the scope of **Energy Efficiency and Use of Renewable Energies**, CUF has invested in the installation of photovoltaic self-consumption production units, and new units are expected to be implemented in various hospitals and clinics by 2025. This measure

will enable an estimated reduction of 1.44 GWh in electricity consumption from the public grid per year, and its implementation is linked to the signing of a power purchase agreement (PPA). In addition, an energy and water management platform (SGE) will be implemented, with an associated investment of €32,227, included under the Property, plant and equipment in progress item (CapEx) in the Financial Statements on Note 19, to monitor and reduce electricity and gas consumption. In addition, the optimisation of the building automation and control system (BACS) will take place between 2025 and 2026, significantly reducing energy consumption in several units.

Regarding **Electrification and Sustainable Fleet Management**, CUF has prioritised the transition to electric vehicles and plug-in hybrids. Since 2024, cars in the Renault Clio or equivalent segment have been exclusively electric, reflecting the company's commitment to smoother mobility and lower carbon emissions. In 2024, the company implemented several measures, such as acquiring a platform to manage the electric vehicles in its fleet and carrying out eco-efficient training for employees. In the same year, CUF also began a study into the total electrification of its courier vehicles, the feasibility of which depends on the evolution of the range of the vehicles available on the market. New investments in the charging infrastructure are planned for 2025, including the reinforcement of chargers in corporate units and centres, as well as the assessment of the installation of ultra-fast chargers in strategic locations. In addition, CUF plans to launch an alternative mobility pilot project, which includes options such as bicycles, scooters and taxis, promoting sustainable transport solutions.

The **Replacement of Technologies and Infrastructures to Reduce Emissions** has been another priority area, with the modernisation of infrastructure and the replacement of technologies to reduce natural gas consumption and associated emissions. Among the initiatives already underway is the replacement of natural gas boilers with renewable technologies such as heat pumps. This process began at the CUF Almada Clinic in 2024 and will be expanded to the CUF Viseu and CUF Coimbra hospitals in 2025, with a total planned investment of €180,000. Another important initiative was the separation of the domestic hot water (DHW) and air conditioning (HVAC) systems, initially implemented at the CUF Sintra Hospital in 2024 and which will be expanded to other units by 2030, representing an estimated total investment of two million euros. This measure will significantly reduce energy consumption by optimising the temperature of the HVAC circuit. To complement these actions, the installation of an inertia tank is planned at the CUF Porto Hospital in 2025, with an investment of €30,000, making it possible to reduce energy losses and minimise the risk of legionella bacteria developing.

In addition to these initiatives, the **annual monitoring of the Carbon Footprint** is an essential pillar of CUF's commitment to sustainability. The company has worked internally and together with its suppliers to collect and make available data on its emissions, enabling a continuous assessment of environmental impacts. This process has been fundamental for identifying opportunities for improvement and implementing projects that contribute to reducing CUF's ecological footprint, and collaboration and involvement with the value chain is essential for this sustainability journey.

CUF's decarbonisation strategy is under development, and concrete measures are already underway, such as the electrification of the fleet or the discontinuation, from 2022, of desflurane, a highly polluting anaesthetic gas. Awareness-raising among internal teams and the promotion of international best practices have been key to reducing the use of halogenated gases in surgical practice, resulting in a significant reduction in associated emissions. In addition, CUF is developing a **Climate Change Transition Plan**, scheduled for 2025, which will reinforce the decarbonisation strategy and promote additional measures to reduce greenhouse gas (GHG) emissions.

Although CUF has implemented the initiatives mentioned above and annually monitors its carbon footprint, it hasn't yet determined the reduction of carbon emissions that result of each initiative.

CUF's strategic commitment to sustainability has enabled it to achieve concrete results, with direct impacts on emissions, reflected in reduced energy consumption, fleet optimisation and the progressive elimination of environmentally harmful technologies and substances. CUF will continue to strengthen these initiatives, ensuring increasingly sustainable management in line with its long-term environmental objectives.

Targets related to climate change mitigation and adaptation

E1-4

Energy consumption in hospitals and clinics is essential for the operation of medical equipment, air conditioning and lighting, but it also represents one of the biggest operating costs. This is why CUF is committed to implementing energy consumption reduction targets that will not only contribute to environmental preservation, but will also guarantee more economical and responsible resource management.

Energy efficiency

	Unit	Base year	Base value	Goal	Target year
Energy intensity in Electricity	kWh/k€	2024	52.84	-5.6%	2025
Energy intensity in Natural Gas		2024	21.18	-18.1%	2025

*Energy intensity is the ratio between energy consumption in kWh and CUF's turnover in thousand euros (€k).

These targets are annual and apply to CUF's own operations and are transversal to all units. The targets are based on increasing production and implementing improvement measures. There are no intermediate targets set, nor have there been any changes in 2024 to the value and year of the target, the calculation or data collection methodology, the assumptions, sources or limitations. No stakeholders were involved in setting the target.

Regarding the progress of these targets in 2023 and 2024, there has been a reduction in the energy intensity of the main consumptions. Comparing only existing units since 2023, the intensity of electricity and natural gas consumption has decreased by 9.04% and 15.95% respectively, reflecting CUF's efforts to optimise energy efficiency and sustainable resource management.

Vehicle fleet

CUF has implemented initiatives to reduce CO₂ emissions from employee travel, contributing to the company's decarbonisation process. The CUF fleet is related to one of the two KPIs in **CUF's Sustainability-Linked Financing Framework**, which sets out the company's goal of having 40% electric or hybrid cars in its fleet by 2028.

This target applies to CUF's operations nationwide, with a focus on new acquisitions, whether by allocation or replacement of vehicles. The measure covers the entire employee fleet, with the exception of courier vehicles, whose transition to electric models will depend on the availability of options on the market with greater range. Service vehicles are all already electric.

A significant effort has been made to achieve the goal of electrifying the CUF fleet by 2024, in line with the national strategy for sustainable mobility. Since 2023, the Portuguese Government has provided for an exemption from value added tax (VAT) for companies with vehicle fleets made up of electric, hybrid and compressed natural gas (CNG) vehicles, which reinforces the consistency of this measure with current public policies.

The implementation and monitoring of the adopted measures and targets promote continuous improvement and are directly aligned with CUF's commitments, as reflected in its Sustainability Policy, with an emphasis on reducing the ecological footprint. In this context, there is strategic convergence with the **United Nations' Sustainable Development Goals (SDGs)**, in particular **SDG 13 – Climate Action**, which seeks to combat climate change and its impacts, and **SDG 9 – Industry, Innovation and Infrastructure**, which encourages the modernisation and adoption of sustainable practices in industrial infrastructures and processes.



Energy consumption and energy mix

E1-5

	Total (MWh)	Percentage (%)
Natural gas energy consumption	18,866	
Consumption of fuel from crude oil and petroleum products	5,233	
Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources	31,791	
Total energy consumed from fossil sources	55,889	69.12%
Total energy consumed from nuclear sources	4,011	4.96%
Self-generated non-fuel renewable energy consumption	121	
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources	20,836	
Total energy consumed from renewable sources	20,956	25.92%
Total energy consumption	80,856	

In 2024, CUF produced photovoltaic energy on the premises of the CUF Tejo Hospital.

	Energy produced (MWh)
Non-renewable sources	0
Renewable sources	0.12
Total	0.12

Measurement Policies

Energy consumption from **non-renewable sources** includes all fossil fuels used, including natural gas, enthalpy, **petrol and diesel** from vehicles, as well as consumption of **purchased electricity associated with** fossil sources.

The energy consumption of natural gas was calculated by the energy supplier based on the lower calorific value (LCV). Enthalpy, which involves the use of hot and chilled water in the HVAC and domestic hot water circuits, is used exclusively at CUF Descobertas Hospital, CUF Alvalade Clinic and CUF Contact Centre.

Energy consumption from renewable sources includes all renewable fuels such as electricity and heat purchased and consumed from renewable sources. Energy consumption is based on meter readings and/or invoices.

CUF doesn't operate in any sector with a high climate impact and therefore does not report information specifically on this energy intensity.

Scope 1, 2, 3 gross GHG emissions and total GHG emissions

E1-6

	2024
Scope 1 GHG emissions	
Scope 1 gross GHG emissions (tCO ₂ eq)	5,758
Percentage of scope 1 GHG emissions from regulated emissions trading systems (%)	0%
Scope 2 GHG emissions	
Scope 2 location-based gross GHG emissions (tCO ₂ eq)	10,462
Scope 2 market-based gross GHG emissions (tCO ₂ eq)	6,281
Scope 1 + Scope 2 GHG emissions	
Scope 1 + Scope 2 location-based GHG emissions (tCO ₂ eq)	16,220
Scope 1 + Scope 2 market-based GHG emissions (tCO ₂ eq)	12,039
Significant Scope 3 GHG emissions	
Total gross indirect GHG emissions (scope 3) (tCO ₂ eq)	180,060
Category 1: Goods and services purchased	137,279
Category 2: Capital goods	9,406.2
Category 3: Fuel and energy activities (not included in scope 1 or scope 2)	3,715.5
Category 4: Upstream transport and distribution	5.722
Category 5: Waste generated in operations	3.425
Category 6: Business travel	929,7
Category 7: Employee travel	19,146
Category 9: Downstream transport	0.1
Category 11: Use of products sold	346.7
Category 15: Investments	87.5
Total GHG emissions	
Total location-based GHG emissions (tCO ₂ eq)	196,280
Total market-based GHG emissions (tCO ₂ eq)	192,099
GHG emissions intensity (tCO₂eq/M€)	
Total location-based GHG emissions intensity (tCO ₂ eq/M€)	220.32
Total market-based GHG emissions intensity (tCO ₂ eq/M€)	215.63
Calculated data following	
Primary data	22.10%
Financial data	77.90%
2024	
Biogenic GHG emissions	
Scope 1 biogenic GHG emissions (tCO ₂ eq)	74
Scope 2 biogenic GHG emissions (tCO ₂ eq)	-
Scope 3 biogenic GHG emissions (tCO ₂ eq)	1,447

Measurement Policies

Scope 1 and 2 emissions

In the Portuguese electricity emission factor, APA 2024, used to calculate scope 2 location-based emissions, it is not possible to segregate gross and biogenic emissions. As far as market-based values are concerned, the emission factors used come from the information provided by the electricity suppliers in the units and from the supplier of the charging stations for electric or plug-in hybrid vehicles.

Currently, CUF has 0.3% of its scope 2 emissions associated with a PPA in place on the photovoltaic panels at CUF Tejo Hospital, with the installation of more photovoltaic solar panels at other facilities also associated with PPA planned for 2025.

Scope 3 emissions

CUF has adopted a structured approach to quantifying Scope 3 Greenhouse Gas (GHG) emissions, considering specific methodologies for each category. With regard to purchases of goods and services (C1), generic emission factors were used, grouping together similar purchases, while capital goods (C2) were calculated on the basis of available data. For energy-related activities (C3), only actual energy consumption data was used. In upstream transport and distribution (C4), a proxy of 10% of the purchase value of the goods was applied and, in the services of the main supplier, real data was used. Waste generated in operations (C5) was reported using the Integrated Waste Registration Models.

Business trips (C6) were calculated taking into account the mode of travel and the kilometres travelled, and employees' commutes (C7) were estimated using internal questionnaires. In downstream transport and distribution (C9), data on donations of goods was taken into account, although with little material impact. In 2024, the category 11 (Utilisation of Products Sold) was integrated, based on real data on inhalers used in CUF units, in line with international trends in the healthcare sector. Investment (C15) included data on José de Mello Residências' carbon footprint and the consumption of Gamma Knife and GreenMolis equipment.

The adopted methodology seeks to ensure transparent reporting in line with the best practices in the sector, enabling a continuous and accurate assessment of CUF's environmental impact. In cases where financial emission factors have been used, more real and concrete data will be sought from the most relevant suppliers in the coming years, with the goal of improving the accuracy of the information and ensuring an even more rigorous approach to environmental sustainability.

Category 1 is quite relevant for the purchase of goods and services, demonstrating the importance of liaising and constantly engaging with the value chain in order to continually seek opportunities for improvement and collaboratively travel this sustainability journey. In addition, employees' home-work commute is also key to CUF continuing to develop reduction measures that contribute to the company's decarbonisation in a global way.

Categories 10: Transformation of products sold, 12: End-of-life treatment of products sold, 13: Downstream leased assets and 14: Franchises are not applicable to CUF, as it is a service company to which these situations do not apply.

Emission Factors

Based on the approaches defined by the Intergovernmental Panel on Climate Change (IPCC) and the GHG Protocol (GHGP), emissions are calculated by applying emission factors (EF), generally using the following simplified formula:

- $\text{GHG Emissions} = \text{Activity Data} \times \text{Emission Factor}$

CUF's corporate inventory was calculated using a set of emission factors: GHGP, IPCC, DEFRA (UK Department of the Environment), NIR2024 (National Emissions Inventory), Sustainability Reports and ADEME (French Environment and Energy Management Agency).

Emissions Intensity

GHG emissions intensity was calculated using total GHG emissions (scope 1 + scope 2 + scope 3) per million euros in net revenue, defined as the total net sales generated by CUF, included under Operating Income in the Consolidated Financial Statements (Note 9).

Biogenic emissions

The biogenic emissions considered in scope 1 are associated with the incorporation of biodiesel and bioethanol into the fleet. In the case of scope 3, they are associated with the transport of goods, transport associated with analyses, shuttles, commuting and business travel.

3.2.2. E3 – Water

As part of the Double Materiality analysis, the following water-related impacts, risks and opportunities were identified:

	IRO	Location in the value chain	Strategy
Water			
Water consumption			
Water shortages and the possible higher cost of purchasing water from the network		Own Operations and the Upstream Value Chain	CUF, aware of the importance of water for the continuity of its operations, has established plans to reduce water consumption in order to mitigate the risk of shortages.

Caption: Positive impact Negative impact Risk Opportunity

Water-related policies

E3-1

Responsible water management is paramount for CUF, given its extensive use in hospital processes. In addition, water quality is crucial, since its safe and sustainable use directly impacts community safety. In order to mitigate the risks associated with health and the environment, CUF adopts policies that promote the reduction of consumption, the treatment of effluents and compliance with environmental regulations.

CUF's Sustainability Policy includes, among its main commitments, the "search for solutions that enable the efficient management of natural resources", covering the use and supply of water in the company's own operations, through the promotion of sustainable water consumption (more information on this policy in chapter E1-2). CUF currently operates in several areas of high water stress, which are also covered by the Sustainability Policy.

In addition to the Sustainability Policy, CUF implements Water Safety Plans adapted to the specific needs of each unit, with the goal of ensuring water quality and avoiding waste, following the applicable Portuguese legislation on water, wastewater and legionella bacteria. These plans, drawn up by the Hospitality Management and Maintenance Department, without the involvement of stakeholders, are made available internally via CUF's document management tool and approved by CUF hospitals management.

The manager is responsible for ensuring the provision of healthcare and coordinating the areas that support the operation. At a strategic level, the CEO ensures the implantation of a single operator model, promoting alignment, standardisation, operational control and risk management in all units.

The policy and plan mentioned in this section apply to companies wholly owned, directly or indirectly, by CUF, S.A.. The Sustainability Policy and the Water Safety Plans also apply to entities that provide services at CUF facilities and infrastructures. The company also promotes the application of the principles of those policies among other participants in the value chain, namely suppliers and partners.

The Executive Committee is responsible for approving the policies and their successive revisions. Monitoring and implementation of the policies differs according to their scope, and these specificities are indicated in the text of the respective policies.

Water-related actions and resources

E3-2

CUF mostly uses water purchased from the water and sewage utilities where it has its facilities, and some units also use rainwater harvesting. Water is used for human consumption, food preparation, cleaning of the premises and watering green spaces, among other purposes.

Recognising the importance of water as an essential and scarce resource, CUF implemented several improvements in 2024 to optimise its management. These include:

- **Implementation of an Energy and Water Management Platform (SGE)**, to ensure water quality and prevent/correct any excessive consumption.

For 2025, CUF plans to deepen this initiative, as previously mentioned in chapter E1, expecting as a result a reduction of 1.7% in the use of water resources through better monitoring.

This action applies across the board to all the company's units, including those located in areas of high water stress, and has an estimated investment of around 11,000 euros.

This measure is in line with the commitments made in the [Sustainability Policy](#) and in the [Water Safety Plans](#), thus promoting a more efficient use of natural resources.

Water-related targets

E3-3

CUF's units are not water-intensive when compared to other industries. However, CUF is endeavouring to reduce its water consumption and go beyond what is legally required.

Goal	Base Year – 2024	2025 Target
Reduction in the intensity of water consumption*	32.90 m ³ /M€	-5.3%

*Water consumption intensity is the ratio between water consumption in m³ and CUF's turnover in million euros (M€).

This target reflects CUF's commitment to reducing its ecological footprint, which is set out in the [Sustainability Policy](#) and the various [Water Safety Plans](#). It is also aligned with Sustainable Development Goal (SDG) 12 – Responsible Consumption and Production, specifically with target 12.2 of achieving sustainable management and efficient use of natural resources, respectively.



The target applies to all CUF units, including those located in regions of high water stress. Its progress is monitored every six months, enabling the company to assess whether the annual objectives are being met. In 2024, CUF managed to achieve the annual target planned in 2023, recording a 9.69% reduction in water consumption intensity.

No scientific scenarios or predictive models were adopted, and the target was set by the Engineering and Maintenance Department on the basis of historical data and opportunities identified for greater water efficiency. So far, there have been no changes to the target value, application period, calculation methodology, data sources or other assumptions.

Although this target was not based on conclusive scientific evidence, it reinforces the company's commitment to reducing its water footprint. This target was set internally, without consulting external stakeholders. Performance is monitored regularly to ensure that the objectives set are met and, so far, results remain in line with the plan.

Water Consumption

E3-4

CUF uses water in various processes essential to its operation, including sanitisation, sterilisation and customer care, ensuring high standards of quality and safety.

	2024
Water consumption (m ³)	29,308
Water collection (m ³)	293,080
Water discharge (m ³)	263,772
Water consumption in water risk areas, including areas of high water stress (m ³)	20,809
Recycled and reused water (m ³)	2,500
Water storage (m ³)	0
Water intensity (m ³ /M€)	32.9

Measurement Policies

CUF uses estimates to quantify water consumption, since it does not have water discharge meters, as is the case in private homes. Thus, the volume of water consumed is calculated based on extrapolations from the data provided by its largest supplier, which accounts for 50% of CUF's supply. This supplier estimates that **90% of the water supplied returns to the system**, while **10% corresponds to actual consumption**. Based on this methodology, the same estimate was applied to the rest of CUF's consumption, enabling an approximation of the real use of water in its facilities, despite the lack of direct discharge measurements. The metrics above weren't validated by an external entity.

Total water consumption in water risk areas concerns water consumption at facilities located in regions of **high and extremely high** water risk. These facilities were identified based on the **methodology of Aqueduct tool Water Risk Atlas 4.0 from the World Resources Institute (WRI)**.

From March 2023 to December 2024, CUF managed to reuse 4,279 m³ of water from osmosis rejects. Since it is not possible to account for reuse for 2024 alone directly, and considering the real increase in activity at the CUF Sterilisation Centre (CEC) in 2024, which was 5% compared to 2023, it is reasonable to estimate that the volume of water reused from osmosis in 2024 was approximately 2,500 m³, which corresponds to around 7.5% of the total consumed in that period. In 2025, CUF will install more meters, with the goal of adjusting the mix of water in the network in order to achieve the levels of reuse envisaged in the initial project, between 10% and 15%.

Water intensity was calculated using total water consumption (as described above) per million euros in net revenue, defined as the total net sales generated by CUF.

3.2.3. E5 – Use of Resources and Circular Economy

As part of the Double Materiality analysis, the following water-related impacts, risks and opportunities were identified, related to resources and circular economy:

	IRO	Location in the value chain	Strategy
Resources use and Circular Economy			
Resource outputs related to products and services			
Waste reduction and hazardous waste management		Own Operations and Downstream Value Chain	CUF endeavours to reduce the amount of waste produced and to promote the proper and efficient management of waste that cannot be avoided.
Waste			
Reducing waste and managing hazardous waste, allowing for lower costs and fewer GHG emissions into the atmosphere		Own Operations and Downstream Value Chain	CUF recognises that the waste it produces has a negative impact on the environment. It therefore implements, on the hand, circular economy measures for the materials in which this is possible and, on the other, circular economy measures for the materials in which this is possible.

Caption: Positive impact Negative impact Risk Opportunity

Policies related to resource utilisation and the circular economy

E5-1

Waste management is all about collecting, transporting internally, storing, monitoring, transporting externally, treating, recovering and disposing of the various types of waste safely, avoiding environmental risks and damage to the health (of customers, employees and suppliers) and the reputation of the CUF brand.

CUF adopts policies and practices for managing the impacts, risks and opportunities related to waste production and has promoted awareness of the global increase in waste recovery in its network.

This commitment is reflected in its internal policies, namely the **Sustainability Policy** and the **Quality, Environment and Safety Policy**. Although these policies do not directly address the transition from the use of virgin resources or the sustainable sourcing and use of renewable resources, they do reflect the commitment to “finding solutions that allow natural resources to be managed efficiently” (as stated in the Sustainability Policy) and the objective of “reducing, reusing and recycling the waste produced” (addressed in the Quality, Environment and Safety Policy). More detailed information on these two policies can be found in chapter E1-2.

CUF identifies and evaluates the activities that cause or could cause significant impacts on waste production. Specifically, hazardous hospital waste (groups III and IV) arising from the clinical activities carried out in the units is assessed and monitored to avoid any contamination inside or outside the units. This waste is disposed of by certified entities, complying with all applicable standards and legislation. In order to minimise risks, the company implements a process flow that covers waste inputs, activities and outputs. This system makes it possible to optimise waste management throughout the value chain, guaranteeing safety and environmental compliance.

In this context, CUF has a **Waste Management Programme**, applied to its own operations, developed internally by various areas and aligned with the legislation in force, applicable standards and recommendations and the opinions of the Programme for the

Prevention and Control of Infections and Antimicrobial Resistance. It is made available to stakeholders via CUF's document management platform and has the following objectives:

- Establishing a strategy to minimise the environmental impact of the waste produced at CUF units, reducing its production and recovery;
- Establishing processes and procedures for managing, sorting, depositing, storing and transporting waste within CUF units;
- Identifying and classifying all types of waste originating from the activity and produced within CUF units, by producing source and services involved;
- Identifying all the processes and legal procedures to be followed for the correct packaging, transport, treatment and reporting of waste produced at CUF units;
- Establishing contractualisation and supervision requirements for companies responsible for the collection, external transport, treatment and final destination of waste.

Through this programme, issues such as preparation for reuse, recycling and disposal are addressed, and processes for the reuse and recovery (recycling) of undifferentiated waste are implemented in the units whenever possible.

Both the policies and the Waste Management Programme directly cover CUF employees, partners and suppliers in the area of waste. At CUF, responsibility for implementing these policies and the Waste Management Programme is assigned to the highest level of the areas involved: the Hospitality Management and the Engineering and Maintenance areas.

Actions and resources related to resource utilisation and the circular economy

E5-2

CUF aims to be increasingly more responsible with regard to hazardous and non-hazardous waste management. In an effort to reduce production and promote the correct treatment of this waste, the company has implemented circular economy projects, most notably:

- **BioSystem Project:** in 2023, CUF began implementing a system for managing the use of containers, which will enable a reduction in their number, as well as in the number of collections and the waste associated with logistics packaging. The implementation of this system should be completed by 2025, with the results to be determined by the end of the year. To date, the project has been implemented in all hospitals, with the exception of CUF Sintra Hospital and CUF Açores Hospital, as these units still have residual production.
- **Reuse of aluminium anaesthetic bottles:** waste sorted and collected from the units and delivered for recovery. This project began in 2022 at national level. In 2024, it was implemented in two new units, CUF Descobertas Hospital and CUF Almada Clinic, and is now present in seven units. This action resulted in the recovery of the equivalent of 50 kg of waste in 2024.
- **Non-woven Fabric (TNT) Project:** started in 2022, the TNT project consists of recycling fabric from the packaging of surgical boxes, as part of the Second Chance pilot project, with partners ENTRAJUDA and SecondChance. CUF hospitals donate the necessary products to social economy entities, such as blankets and bed covers for homeless people and elderly people in Residential Structures for the Elderly. In 2024, this project already involves six units: CUF Tejo Hospital, CUF Descobertas Hospital, CUF Sintra Hospital, CUF Santarém Hospital, CUF Viseu Hospital and CUF Almada Clinic, resulting in the delivery of 3,850 kg of material.
- **Nãm Project:** reusing coffee grounds from vending machines at CUF units and Corporate Centres for organic fertiliser used in mushroom production, developed in partnership with the coffee supplier, for the production of organic fertiliser used in mushrooms cultivation.

Still in the exploratory phase, the **Project for the reuse of plastics from group III waste** should be implemented in the medium term and will cover all CUF hospitals nationwide. This project, in partnership with two waste management companies, will enable a percentage of PVC waste to be diverted from landfill to recycling, also helping to reduce CUF's environmental footprint.

As part of the strategy to optimise hospital waste management, the possibility of **implementing a local system for treating Group III waste**, based on shredding by rotating blades and microwave heat treatment, is being analysed at CUF Açores Hospital. If the project goes ahead, it could significantly reduce the indirect emissions associated with the road and sea transport of this waste, which is currently sent to Terceira Island for reprocessing and landfill. This system transforms hazardous waste into solid urban waste, allowing it to be safely disposed of and potentially used as fuel in industrial furnaces, if they exist in São Miguel.

All these actions are related to the application of circular business practices and contribute to CUF's commitments reflected in the **Sustainability Policy** and the **Waste Management Programme**, in particular to "establish a strategy to minimise the environmental impact of the waste produced at CUF units, reducing its production and recovery".

Targets related to resource utilisation and the circular economy

E5-3

CUF does not yet have targets relating to resource utilisation and the circular economy. However, it monitors the effectiveness of its policies and actions regarding this issue through local monitoring at each unit, by counting and recording quantities (of containers, bottles and non-woven fabric).

Resource outflows

E5-5

Waste characterisation is a fundamental process for understanding the profile of waste, enabling the implementation of more efficient strategies for its management, reduction and reuse. Furthermore, this analysis contributes to compliance with environmental legislation, as well as to the definition of sustainable practices aimed at minimising negative impacts on the environment and optimising resources within CUF.

Hospital waste is CUF's main waste stream, which is broken down into:

- Non-Hazardous Hospital Waste (includes Groups I and II):
 - Group I (Municipal Waste) – Example: waste from general services such as offices, meeting rooms, lounges, toilets, changing rooms, etc.
 - Group II (Non-Hazardous Hospital Waste) – Example: orthopaedic material: splints, plasters and plaster bandages that are not contaminated and have no traces of blood, nappies and nappy covers that are not contaminated and have no traces of blood, empty packaging for medicines (vials, blisters, etc.), products for clinical or common use with the exception of those included in Group III and IV.
- Hazardous Hospital Waste (includes Groups III and IV)
 - Group III (Biohazardous Hospital Waste) – Example: all contaminated waste from infectious or suspected infectious patients' rooms or wards, haemodialysis units, operating theatres, treatment rooms, autopsy and pathological anatomy rooms.
 - Group IV (Specific Risk Hospital Waste) – Example: identifiable anatomical parts (amputations), fetuses and placentas, instead of cutting and piercing materials, discarded chemicals and drugs, cytostatics and all the material used in their handling and administration.



Of all the waste produced by CUF, and according to the codes on the European Waste List (EWL), the most relevant classifications are as follows:

- 18 01 03 – Waste whose collection and disposal is subject to special requirements in order to prevent infection (Group III).
- 18 01 01 – Sharp and piercing objects (Group IV).
- 18 01 03 – Waste whose collection and disposal is subject to special requirements in order to prevent infection (Group IV).
- 18 01 07 – Chemical products other than those mentioned in 18 01 06 (Group IV).
- 18 01 08 – Cytotoxic and cytostatic medicines (Group IV).
- 18 01 09 – Medicines other than those mentioned in 18 01 08 – narcotic drugs (Group IV).
- 18 01 09 – Medicines other than those mentioned in 18 01 08 (Group IV).
- 07 06 03 – Organic halogenated solvents, washing liquids and mother liquors.
- 07 06 04 – Non-halogenated solutions or solvents.

CUF has established internal processes to collect and monitor waste-related data. Since 2021, the data collected has been processed in each unit and compared with each other to identify best practices and implement them across the board.

In 2024, CUF generated the following quantities of waste:

	Hazardous (t)	Non-hazardous (t)	Total Waste
Intended for recovery:	-	330	330
Preparation for reuse	-	-	-
Recycling	-	330	330
Others	-	-	-
Destined for disposal:	958.3	1,177.3	2,181.6
Incineration	94	-	94
Landfill	864.3	1,177.3	2,087.9
Others	-	-	-
TOTAL	958.3	1,507.3	2,511.9

Note: Waste from Corporate Centres and Contact Centres, which are located in business parks and whose management does not allow the waste generated to be segregated, was excluded from these calculations.

Of all the waste produced by CUF in 2024, around 2,815.6 tonnes will not be recycled (which corresponds to 87% of the total).

Measurement Policies

Some of CUF's units use radioactive materials for prostate brachytherapy and Nuclear Medicine. The radioactive waste generated is stored for four years in suitable containers on sites duly licenced for the purpose, until it decays (no longer shows radiation) and can be disposed of as ordinary waste duly classified according to the type of waste (sharp, biologically contaminated, among others). In this sense, the radioactive waste produced is not sent outside the CUF facilities with radiation, but is accounted for in the quantities of total waste.

The quantity of hazardous waste is obtained by recording the weighing of collected containers. In the units where non-hazardous waste is collected by local councils, the quantities are estimated taking into account the containers and collection periods.

3.2.4. EU Green Taxonomy

Scope

The transition to a low-carbon, resilient and resource-efficient economy is a global imperative to safeguard the future of the planet and the prosperity of future generations. In this context of change, companies play a crucial role as active facilitators of this transition, which is intended to be fair and inclusive.

The Taxonomy Regulation of the European Union (EU) establishes a classification system for sustainable economic activities, which seeks to redirect capital flows to projects and activities considered sustainable, contributing to the achievement of the objectives of the European Green Deal. The EU Taxonomy identifies a set of objective classification criteria that define what constitutes sustainable activities, promoting transparency in the disclosure of sustainability information and reducing greenwashing.

In the disclosure of the EU Taxonomy, provided for in Regulation (EU) 2020/852 of 22 June 2020, the economic activities are only considered sustainable if they comply with the following elements:

1. Contribute to one or more of the following objectives:

- Mitigation of climate change (MCC);
- Adaptation to climate change (ACC);
- Sustainable use and protection of water and marine resources (WMR);
- Transition to the circular economy (CE);
- Pollution prevention and control (PPC);
- Protection and restoration of biodiversity and ecosystems (BIO).

2. Comply with the technical evaluation criteria for one or more objectives;

3. Not cause significant harm to any of the other environmental objectives (“Do No Significant Harm – DNSH”);

4. Comply with the minimum safeguards;

The eligibility and alignment report for CUF’s EU Taxonomy is based on the European Taxonomy Regulation (EU) 2020/852 of the European Parliament, on the Council Regulation of 18 June 2020, and on the following Delegated Regulations that complement it:

- Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021.
- Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021.
- Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022.
- Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023.
- Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023.

Under Article 10 of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, CUF has to report the key performance indicators (KPIs) – Turnover (VN), CapEx and OpEx – including any information accompanying the terms of Annexes I and II of the aforementioned Regulation, from 1 January 2023.

In accordance with the EU Taxonomy Regulation, in the reporting period between 1 January and 31 December 2024, CUF is required to disclose eligibility and alignment for all environmental objectives.

At the date of the report, CUF's main activity, "provision of healthcare in services in hospitals and clinics", is not on the Taxonomy's list of activities. The activities designated as eligible, in this disclosure, are activities supporting CUF's operations, which may contribute to the EU's carbon-neutrality goals, and are not necessarily representative of its core activities.

Minimum Safeguards

Article 18 of the EU Taxonomy clarifies the Minimum Safeguards requirements, and organisations must implement procedures to ensure alignment with:

- The Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Companies;
- The United Nations Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.
- The Universal Declaration of Human Rights.

The Final Report On Minimum Safeguards, published by the European Commission's Sustainable Finance Platform in October 2022, identifies four main topics for which compliance with minimum safeguards must be assessed: Human Rights, Corruption, Taxation and Fair Competition. For these four topics, companies must design and apply appropriate procedures for the identification, prevention, mitigation and ongoing remediation of relevant actual and potential negative impacts throughout their value chain.

Human Rights

CUF is aligned with the concerns and objectives that have been outlined in the European context regarding ethics and human rights, namely compliance with proposed legislation. Under its Internal Codes and Policies, CUF complies with the guidelines/conventions set out in Article 18 of the EU Taxonomy. As a basic procedure for its actions towards its internal and external stakeholders, CUF, in its Code of Conduct, takes on the duty of fulfilling and enforcing fundamental rights, in accordance with the main national and international laws.

CUF's commitment to Human Rights is an integral part not only of its Code of Conduct, but also of its Code for Service Providers, Suppliers and Partners, Patient and Family Rights and Duties Policy, Policy for the Prevention and Management of Workplace Harassment and Sustainability Policy, among other organisationally relevant documents. Additionally, the CUF Code of Conduct refers to the Code of Ethics, which implies that all professionals know and respect the Declaration of Human Rights (UN, 1950), the Convention for the Safeguarding of Human Rights and Fundamental Freedoms and the Convention for the Protection of Human Rights and Human Dignity.

A commitment is made to establishing relationships only with suppliers and partners who maintain high standards of behaviour and share the same ethical principles and values, as set out in the Code for Service Providers, Suppliers and Partners. Since 2021, new contracts signed by CUF have included a contractual clause, which includes topics such as labour practices and human rights, anti-corruption, conflicts of interest, fair competition and environmental protection, among other relevant issues. In 2024, CUF carried out an assessment focused on ESG criteria on a group of suppliers. In addition, in 2024 it organised awareness-raising sessions for its suppliers on the new sustainability requirements, particularly in the area of human rights, and organised training on sustainability for a number of partner organisations.

To monitor the ongoing implementation of these procedures, CUF has set up the CUF Code of Conduct Monitoring Committee, a multidisciplinary and consultative committee with the goal of promoting and actively contributing to guaranteeing CUF's ethical standards. With representation from the Board of Directors, it supports the decision-making of the Executive Committee and ensures the strategic definition and promotion of ethical conduct issues, and ensures the monitoring of compliance indicators throughout the company.

The Chairman of CUF's Board of Directors was one of the Portuguese CEOs who signed the CEO Guide on Human Rights, a manual to promote greater involvement by company managers in improving the living conditions of employees and communities, launched by the Business Council for Sustainable Development Portugal (BCSD). CUF has been a member of the United Nations Global Compact since 2023.

In order to establish an organisational climate that guarantees dignity and fairness among all employees, CUF does not tolerate discrimination of any kind, whether on the grounds of race or ethnic origin, ability or disability, gender, sexual orientation, family situation, age, nationality, territory of origin, religion, party or trade union association.

CUF reiterates its commitment to strengthening its human rights due diligence in order to comply with the criteria set out in the EU Taxonomy.

Corruption, Taxation and Fair Competition

With regard to Corruption, Taxation and Fair Competition, the **Code of Conduct** and **CUF's Anti-Corruption Policy** bind employees to comply with all national and international rules on combating corruption, tax fraud, money laundering and other financial crimes.

CUF actively promotes the fight against the practice of acts of corruption, and has been systematically strengthening internal mechanisms for the Prevention of Corruption. At CUF, there are Internal Policies that reinforce the guidelines set out in the Code of Conduct, namely, the Conflict and Interest Management Policy, the **Offers Policy** and the **Sponsorship Award Policy**, in addition to the above-mentioned Anti-Corruption Policy. These are accessible to all employees and are compulsory training subjects for all professional categories, such as CUF's Code of Conduct. Additionally, training performance indicators on issues related to corruption and bribery are regularly monitored.

CUF's **Risk Management Policy** follows the guidelines of the Committee of Sponsoring Organisations of the Treadway Commission (COSO) of the International Organisation for Standardisation (ISO) 31000 "Risk Management" and the model of the three lines of defence of the Institute of Internal Audit (IIA), in order to establish an integrated and effective risk management structure, ensuring the identification of risks and opportunities associated with the company's operations and business and the definition of the relevant risk response strategies. CUF has identified the following risks associated with corruption in its Risk Dictionary:

- Internal fraud (entities/persons in a situation of conflict of interest for CUF);
- External fraud (from suppliers/partners).

CUF's Corruption and Related Offences Risk Prevention Plan (RPP) identifies, analyses and classifies the risks and situations that could expose CUF to acts of corruption and offences, and presents transversal controls and specific preventive and corrective measures for each risk. The creation of the RPP was based on interviews with stakeholders and relies on the guidelines set out in ISO Standard 37001 "Anti-corruption management systems, requirements and guidelines for their use".

CUF's tax strategy is based on a high level of commitment and a sense of responsibility, characterised by rigorous and transparent reporting, as well as timely compliance with its tax obligations.

In its partnership relations and supply of goods and services, CUF reinforces its demand for transparency and legal compliance. Tax risks, namely the risk of tax efficiency, are regularly monitored by internal teams with the goal of promoting their early identification, monitoring and mitigation.

CUF adopts a policy of transparency and cooperation with the competent authorities, undertaking to provide the relevant information and clarifications in the various processes in which it is involved, to promote justice and tax equality. Currently, CUF's tax situation is monitored by the Large Taxpayers Unit of the Portuguese Tax Authority (AT), which occurs in accordance with the principles of good faith, collaboration and transparency regarding the tax information provided.

The Code of Conduct expresses CUF's desire to promote an open, cordial and loyal relationship with competitors, stating that it does not carry out unfair or anti-competitive practices.

CUF provides [CUF's Whistleblowing Channel](#), accessible to all on its website, which allows the reporting of complaints associated with the four presented themes.

In 2024, no cases or convictions related to these issues were detected that demonstrated a flaw in the way in which CUF manages the risks associated with Human Rights, Corruption, Taxation and Fair Competition.

Eligibility

The methodological approach considered in this financial year included a detailed analysis of CUF's activities along its entire value chain. In this analysis, all the activities envisaged in the six environmental objectives were considered, including enabling or transition activities:

- Enabling activities¹, which directly enhance the substantial contribution of other activities to one or more environmental objectives, without resulting in an asset dependency that could jeopardise long-term environmental goals, and at the same time have a considerable positive impact on the environment.
- Transition activities², for which there are still not economically or technically viable low-carbon alternatives and whose greenhouse gas emissions correspond to the best existing performance in their sector or industry. These should not hinder the development or implementation of low-carbon alternatives and result in dependence on assets with high carbon intensity.

With regard to analysing eligibility for activities associated with the goal of adapting to climate change, it should be noted that the EU Taxonomy Regulation requires companies to submit a climate risk and vulnerability assessment (CRVA), as well as an expenditure plan for implementing adaptation solutions⁸. During 2023, CUF carried out a preliminary identification of climate risks and opportunities, based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), but it does not yet have a climate risk and vulnerability assessment and an adaptation plan for its activities. However, the development of these activities is planned for 2025.

In view of the provisions presented, the activities for climate change adaptation were considered to be ineligible for the disclosure of the Taxonomy. CUF ensures that there is no double counting between EU Taxonomy activities, by allocating the Turnover, CapEx and OpEx values to just one activity. After the evaluation, the following activities were considered eligible in the context of the CUF:

¹ For an activity to be considered enabling or transitional, it must fulfil the technical assessment criteria set out in the respective annexes.

² Source: Communication from the European Commission on the interpretation of certain legal provisions of the Delegated Information Disclosure Regulation pursuant to Article 8 of the EU Taxonomy Regulation on the communication of information on economic activities and eligible assets of 6 October 2022.

No.	Objective	Business activity	Description of the CUF activity
MCC 6.5	Mitigation	Transport by motorbike, light passenger vehicles and light commercial vehicles	Investments in the company's fleet, which is mostly under leasing contract. CUF's fleet consists mostly of light passenger and freight vehicles, with conventional, hybrid and electric technology.
MCC 7.1	Mitigation	Construction of new buildings	During 2024, CUF has invested in the construction work on new buildings.
MCC 7.2	Mitigation	Renovation of existing buildings	CUF invested in the expansion of and in the renovation of existing buildings.
MCC 7.3	Mitigation	Installation, maintenance and repair of energy efficiency equipment	Maintenance and installation of equipment associated with energy efficiency, namely with regard to lighting and air conditioning
MCC 7.4	Mitigation	Installation, maintenance and repair of electric vehicle charging stations in buildings (and parking spaces associated with buildings)	CUF has invested in the maintenance of electric vehicle chargers for its employees.
MCC 7.5	Mitigation	Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings	Maintenance activities of energy consumption monitoring and automation systems and installation of equipment for measuring consumption, such as motion and daylight sensors and meters.
MCC 7.6	Mitigation	Installation, maintenance and repair of renewable-energy technologies	Maintenance and improvement activities for solar thermal collectors installed in CUF units.
MCC 7.7	Mitigation	Acquisition and ownership of buildings	Rents received and associated with the rental of spaces in the buildings where CUF operates.
MCC 8.1	Mitigation	Data processing, information hosting and related activities	Maintenance and investment activities related with CUF's data centre. CUF works with external entities to regulate and ensure the space required for the proper operation of the hardware belonging to CUF.
MCC 9.3	Mitigation	Professional services related to the energy performance of buildings	Energy and water management and monitoring service.
ACC 14.1	Adaptation	Emergency services	Hospital CUF Açores provided support and emergencies services to inpatients at Ponta Delgada Hospital when, in 2024, the latter was forced to transfer all its inpatients to other hospitals following a large-scale fire on its premises.

Alignment

CUF analysed the alignment of the activities considered eligible, associated with the six environmental objectives, by analysing the technical criteria of Making a Substantial Contribution (SC) and Do No Significant Harm (DNSH) in the respective Delegated Acts for the objectives.

Following this analysis, it was possible to conclude that 3 of the 11 activities considered eligible are in line with the EU's Green Taxonomy, having 1 activity partially aligned. The following tables correspond to the assessment of the alignment of eligible activities based on the technical criteria of SC and DNSH.

MCC Activity 7.3 – Installation, maintenance and repair of energy-efficient equipment

Criterion	Description (not exhaustive)	Alignment analysis
SC Mitigation	<p>The equipment must meet the minimum requirements laid down in Directive 2010/31/EU. Where applicable, they must be classified in the two highest energy efficiency classes, in accordance with Regulation (EU) 2017/1369.</p> <p>In addition, one of the measures imposed by the Taxonomy must be complied with (e.g., adding insulation to existing envelope components, installing or replacing energy-efficient light sources).</p>	<p>The HVAC systems installed at the CUF São João da Madeira Clinic, the work on the aluminium window frames at the CUF Açores Hospital, the waterproofing work on the 1st floor roof at the CUF Almada Clinic and the repair and painting work on the entire exterior of the CUF Santarém Hospital all comply with the alignment requirements mentioned here.</p>
DNSH Adaptation	It must comply with the conditions in Appendix A.	No physical climate risks associated with this economic activity have been identified.
DNSH Water	N/A	N/A
DNSH Circular Economy	N/A	N/A
DNSH Pollution	The installed appliances comply with the technical specifications for water appliances following the conditions of Appendix C.	The work to repair the exterior of the CUF Santarém Hospital was not inspected by a regular expert trained in quantifying asbestos levels, so the activity was only considered to be in line with the other investments.
DNSH Biodiversity	N/A	N/A

MCC Activity 7.4 – Installation, maintenance and repair of electric vehicle charging stations in buildings (and parking spaces associated with buildings)

Criterion	Description (not exhaustive)	Alignment analysis
SC Mitigation	Installation, maintenance or repair of charging stations for electric vehicles.	CUF has installed electric chargers for cars at Hospital CUF Coimbra, Hospital CUF Porto, Hospital CUF Trindade and Hospital CUF Viseu
DNSH Adaptation	It must comply with the conditions in Appendix A.	No physical climate risks associated with this economic activity have been identified.
DNSH Water	N/A	N/A
DNSH Circular Economy	N/A	N/A
DNSH Pollution	N/A	N/A
DNSH Biodiversity	N/A	N/A

MCC Activity 7.5 – Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings

Criterion	Description (not exhaustive)	Alignment analysis
SC Mitigation	One of the systems that has been installed, maintained and repaired is on the list of equipment required by the EU Taxonomy (e.g., building automation and control systems or smart meters for gas, heat, refrigeration and electricity).	CUF applied film to the façades of CUF Alvalade Clinic, CUF Montijo Clinic and CUF São Domingos de Rana Clinic. The roof cladding panels at the CUF Alvalade Clinic were also replaced, as were improvements to the lighting systems at the CUF Almada Clinic and CUF Sintra Hospital
DNSH Adaptation	It must comply with the conditions in Appendix A.	No physical climate risks associated with this economic activity have been identified
DNSH Water	N/A	N/A
DNSH Circular Economy	N/A	N/A
DNSH Pollution	N/A	N/A
DNSH Biodiversity	N/A	N/A

MCC Activity 7.6 – Installation, maintenance and repair of renewable-energy technologies

Criterion	Description (not exhaustive)	Alignment analysis
SC Mitigation	The systems to be installed, maintained or repaired are included in the list of equipment required by the Taxonomy (e.g., solar photovoltaic systems and auxiliary technical equipment or transpired solar collectors and auxiliary technical equipment).	CUF installed high temperature heat pumps at the CUF Almada Clinic, replaced heat exchangers at the CUF Sintra Hospital and improved the insulation of the DHW pipework
DNSH Adaptation	It must comply with the conditions in Appendix A.	No physical climate risks associated with this economic activity have been identified
DNSH Water	N/A	N/A
DNSH Circular Economy	N/A	N/A
DNSH Pollution	N/A	N/A
DNSH Biodiversity	N/A	N/A

Appendix A — Generic DNSH Criteria for Climate Change Adaptation

According to Appendix A, for an activity to comply with the DNSH criteria for Climate Change Adaptation, there must be a climate risk and vulnerability assessment (CRVA) to assess the materiality of the physical climate risks, accompanied by a plan for implementing adaptation solutions.

Appendix C — Generic DNSH Pollution Prevention and Control Criteria regarding the Use and Presence of Chemicals

Appendix C establishes a set of criteria regarding substances whose use must be excluded during the execution of the activities.

Disclosure of KPIs

The Taxonomy Regulation establishes a set of KPIs associated with environmentally sustainable economic activities that non-financial companies must disclose, these being the proportion of their Turnover, CapEx and OpEx.

Turnover

The proportion of turnover is calculated as the part of net turnover resulting from products or services, including intangibles, associated with economic activities aligned with the EU Taxonomy (numerator), divided by net turnover (denominator), which results from the amount of sales of products and the provision of services after deduction of discounts and rebates on sales, value added tax and other taxes directly linked to turnover.

The denominator of the proportion of turnover consists of CUF's total consolidated net sales and services rendered, as presented in Note X, which eliminates any intra-group transactions from the analysis. In 2024, the activities designated as eligible are support activities for CUF's operations, and CUF has no turnover associated with these activities.

The numerator consists of the denominator amount associated with eligible non-aligned and eligible aligned activities, detailed in the table below.



Economic Activities	Code	TurnOver	Proportion of turnover, 2024	Substantial Contribution Criteria						DNSH Criteria						Proportion of turnover aligned by taxonomy (A.1.) or eligible for taxonomy (A.2.), 2023	Category – Empowering activity	Category – Transition activity	
				Mitigation of Climate Change (MCC)	Climate Change Adaptation (CCA)	Water (RHM)	Pollution (PCP)	Circular Economy (CE)	Ecosystems (BIO)	Mitigation of Climate Change (MCC)	Climate Change Adaptation (CCA)	Water (RHM)	Pollution (PCP)	Circular Economy (CE)	Ecosystems (BIO)				DNSH
A. ACTIVITIES ELEGIBLE FOR TAXONOMY																			
A.1. Environmentally sustainable activities (Taxonomy aligned)																			
Turnover of environmentally sustainable activities (Taxonomy Aligned) (A.1.)		- €	- %	- %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-		
Of which empowering		- €	- %	- %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-	C	
Of which transitional		- €	- %	- %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-	T	
A.2. Activities eligible for taxonomy but not environmentally sustainable (Non-aligned activities by taxonomy)																			
Acquisition and ownership of buildings	MAC 7.7	545,917 €	0.1 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Emergency services	AAC 14.1	2,991,331 €	0.3 %	N/EL	EL	N/EL	N/EL	N/EL	N/EL								-		
Turnover of environmentally sustainable activities for taxonomy but not sustainable for environmental aspects (activities non aligned for Taxonomy) (A.2.)		3,537,248 €	0.4 %	0.1 %	0.3 %	- %	- %	- %	- %								-		
Turnover of activities eligible for Taxonomy (A.1. + A.2.)		3,537,248 €	0.4 %	0.1 %	0.3 %	- %	- %	- %	- %								-		
B. ACTIVITIES NON-ELEGIBLE FOR TAXONOMY																			
Turnover of activities non-eligible for Taxonomy		880,797,666 €	99.6 %																
TOTAL		884,334,914 €	100 %																

CapEx

The share of capital expenditures is defined as CapEx aligned with the EU Taxonomy (numerator) divided by total CapEx (denominator).

The denominator covers additions to property, plant and equipment, intangible assets and rights of use during the year considered before depreciation, amortisation and any new measurements, namely resulting from revaluations and impairments, for the financial year in question and excluding changes in fair value. Accruals to tangible and intangible assets resulting from business combinations are also taken into account.

CUF applies the IFRS and, as such, the following additions are included:

- Property, plant and equipment (IAS 16);
- Intangible assets (IAS 38);
- Investment properties (IAS 40);
- Leases (IFRS 16).

However, leases that do not lead to the recognition of right-of-use assets are not accounted for under CapEx.

The numerator corresponds to the part of capital expenditures that:

- Is related to assets or processes associated with economic activities aligned by taxonomy;
- Is part of a plan to expand economic activities aligned with the taxonomy or to allow economic activities eligible for the taxonomy to become aligned;
- Is related to the acquisition of the production of economic activities aligned with the taxonomy and with individual measures that enable the transformation of the activities in question into low-carbon activities or that allow for reductions in greenhouse gas emissions, provided that these measures are applied and are operational within 18 months.

In 2024, the denominator of the proportion of CUF's CapEx amounts to 73,585,150€, as shown in note 8 in the appendix to the Consolidated Financial Statements.

In the case of Intangible Assets, additions associated with the following were accounted:

- Operation rights;
- Software;
- Other intangible assets;
- Intangible assets in progress.

Regarding Property, Plant and Equipment, the additions were taken into account for:

- Properties allocated to the health business activity;
- Land and natural resources;
- Buildings and other constructions;

- Basic equipment;
- Office equipment;
- Other property, plant and equipment;
- Property, plant and equipment in progress.

For Right-of-Use Assets, CUF accounted for the additions of the items:

- Land and other natural resources;
- Buildings and other constructions;
- Basic equipment;
- Office equipment;
- Transport equipment
- Surface rights;
- Other assets.

The numerator consists of the denominator amount associated with eligible non-aligned and eligible aligned activities, detailed in the table below.



Economic Activities	Code	CapEx	Proportion of CapEx, 2024	Substantial Contribution Criteria						DNSH Criteria						Proportion of CapEx aligned by taxonomy (A.1.) or eligible for taxonomy (A.2.), 2023	Category – Empowering activity	Category – Transition activity
				Mitigation of Climate Change (MCC)	Climate Change Adaptation (CCA)	Water (RHM)	Pollution (PCP)	Circular Economy (CE)	Ecosystems (BIO)	Mitigation of Climate Change (MCC)	Climate Change Adaptation (CCA)	Water (RHM)	Pollution (PCP)	Circular Economy (CE)	Ecosystems (BIO)			
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																		
A.1. Environmentally Sustainable Activities (Taxonomy-Aligned)																		
Installation, maintenance and repair of energy-efficient equipment	MAC 7.3	44,282 €	0.1 %	S	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	S	N/A	S	N/A	N/A	S	-	
Installation, maintenance and repair of electric vehicle charging stations mounted on buildings (and parking spaces associated with buildings)	MAC 7.4	14,324 €	0.0 %	S	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	S	N/A	N/A	N/A	N/A	S	-	
Instalação, manutenção e reparação de instrumentos e de dispositivos de medição, regulação e monitorização do desempenho energético dos edifícios	MAC 7.5	39,376 €	0.1 %	S	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	S	N/A	N/A	N/A	N/A	S	-	
Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings	MAC 7.6	31,086 €	0.0 %	S	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	S	N/A	N/A	N/A	N/A	S	-	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		129,067 €	0.2 %	0.2 %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-	
Of which empowering		- €	- %	- %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-	C
Of which, transition		- €	- %	- %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-	T
A.2 Activities eligible for the taxonomy but not environmentally sustainable (Non-Taxonomy Aligned activities)																		
Transportation by motorcycles, passenger cars and light commercial vehicles	MAC 6.5	3,374,952 €	4.6 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.9 %	
Construction of new buildings	MAC 7.1	4,450,914 €	6.0 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.2 %	
Renovation of existing buildings	MAC 7.2	9,981,108 €	13.6 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.5 %	
Installation, maintenance and repair of energy-efficient equipment	MAC 7.3	202,409 €	0.3 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-	
Acquisition and ownership of buildings	MAC 7.7	8,629,220 €	11.7 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								45.2 %	
Data processing, information hosting and related activities	MAC 8.1	959,862 €	1.3 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6 %	
Professional services related to the energy performance of buildings	MAC 9.3	53,351 €	0.1 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-	
CapEx of activities eligible for the taxonomy but not environmentally sustainable (Non-Taxonomy Aligned activities) (A.2.)		27,651,815 €	37.6 %	38 %	- %	- %	- %	- %	- %								55.6 %	
CapEx of activities eligible for Taxonomy (A.1. + A.2.)		27,780,882 €	39.8 %	38 %	- %	- %	- %	- %	- %								55.6 %	
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																		
CapEx of activities not eligible for taxonomy		45,804,268 €	62.2 %															
TOTAL		73,585,150 €	100 %															

OpEx

The share of operating expenses is calculated using the ratio between OpEx aligned with the EU Taxonomy (numerator) and Total OpEx (denominator).

The denominator should cover non-capitalised direct costs related to research and development, building renovation measures, short-term leasing, day-to-day maintenance of property, plant and equipment necessary to ensure their operation, by the company or by third parties to which the activities are subcontracted.

The numerator corresponds to the part of the operating expenses included in the denominator that:

- Is related to assets or processes associated with economic activities aligned with the taxonomy, including training needs and other human resource adaptation needs, and direct non-capitalised costs that represent research and development;
- Is part of a plan to expand economic activities aligned with the taxonomy or to allow economic activities eligible for the taxonomy to become aligned with the taxonomy;
- Is related to the acquisition of the production of economic activities aligned with the taxonomy and with individual measures that enable the transformation of the activities in question into low-carbon activities or that allow for reductions in greenhouse gas emissions, as well as individual building renovation measures, provided that these measures are applied and operational within 18 months.

In 2024, CUF's denominator is equivalent to the sum of the costs associated with short-term leases, the costs associated with maintenance and repair, as well as the amounts contained in the subcontracts related to maintenance and repair.

The numerator consists of the denominator amount associated with eligible non-aligned activities, detailed in the table below:



Economic Activities	Code	OpEx	Proportion of OpEx, 2024	Substantial Contribution Criteria						DNSH Criteria						Proportion of OpEx aligned by taxonomy (A.1.) or eligible for taxonomy (A.2.), 2023	Category – Empowering activity	Category – Transition activity
				Mitigation of Climate Change (MCC)	Climate Change Adaptation (CCA)	Water (RHM)	Pollution (PCP)	Circular Economy (CE)	Ecosystems (BIO)	Mitigation of Climate Change (MCC)	Climate Change Adaptation (CCA)	Water (RHM)	Pollution (PCP)	Circular Economy (CE)	Ecosystems (BIO)			
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
OpEx of environmentally sustainable activities (Aligned by Taxonomy) (A.1.)		- €	- %	- %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-	
Of which empowering		- €	- %	- %	- %	- %	- %	- %	- %	S	S	S	S	S	S	S	-	C
Of which, transition		- €	- %	- %						S	S	S	S	S	S	S	-	T
A.2 Activities eligible for the taxonomy but not environmentally sustainable (Non-Taxonomy Aligned activities)																		
Transportation by motorcycles, passenger cars and light commercial vehicles	MAC 6.5	878,754 €	1.9 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-	
Acquisition and ownership of buildings	MAC 7.7	9,661 €	0.0 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-	
Emergency services	MAC 14.1	144,854 €	0.3 %	N/EL	EL	N/EL	N/EL	N/EL	N/EL								-	
OpEx of activities eligible for the taxonomy but not environmentally sustainable (Non-Taxonomy Aligned activities) (A.2.)		1,033,269 €	2.3 %	1.9 %	0.3 %	- %	- %	- %	- %								1.5 %	
OpEx of activities eligible for Taxonomy (A.1. + A.2.)		1,033,269 €	2.3 %	1.9 %	0.3 %	- %	- %	- %	- %								1.5 %	
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																		
OpEx of activities not eligible for taxonomy		44,490,375 €	97.7 %															
TOTAL		45,523,644 €	100 %															

Conclusion and preview of the 2025 report

During 2025, CUF will continue to closely monitor the regulatory developments of the EU Taxonomy Regulation, namely possible publications or adjustments to delegated acts, with the possible inclusion of new activities in the next financial year.

CUF is currently developing its **Climate Transition Plan**. The plan seeks to contribute to its decarbonisation strategy, as well as to the implementation of a climate risk management procedure, based on an assessment of vulnerability and climate risks and on the development of an adaptation plan, which could lead to an increase in the eligibility and alignment of CUF with the EU Taxonomy in future reporting cycles.

Sustainability Statement

Social Information

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S1 – Own Labour	119
S2 – Workers in the value chain	137
S4 – Consumers and End Users	142
Involvement in the community	150

Indicators

90

Employees trained in inclusive care

2,340

Corporate volunteer hours

8,994

Number of supports for internal social responsibility

369

Free health training hours for the community

3.3. Social Information

Social sustainability is a fundamental pillar of CUF's operations, reflecting its commitment to valuing people, responsibility in the value chain and excellence in the provision of healthcare. Compliance with social standards S1, S2, S4 and Community Involvement reinforces CUF's integrated approach to promoting a positive impact on its employees, partners, costumers and the community through all of its businesses, namely the provision of Health Care and Health and Safety at Work.

- **S1 – Own Labour:** CUF recognises that its human capital is the main driver of quality and innovation in healthcare. To this end, it adopts policies that promote a safe, inclusive and empowering working environment, investing in the training, well-being and professional development of its teams.
- **S2 – Workers in the Value Chain:** CUF's commitment to sustainability extends beyond its internal structure to include relationships with suppliers and strategic partners. The company promotes responsible practices in the value chain, ensuring that its suppliers follow ethical, social, and environmental principles in line with its quality and corporate responsibility standards.
- **S4 – Consumers and End Users:** As a benchmark in the provision of healthcare services, CUF puts the experience and safety of its customers at the centre of its actions. A guarantee of quality of services, transparency in communication and respect for consumer rights are priorities that guide its relationship with customers, families and other stakeholders.
- **Community Involvement:** CUF was founded in 1945 to take care of its employees and their families and, later, the whole community. Through these decades, our connection with the community has been consolidated, reinforcing our commitment to well-being and health promotion in Portugal, particularly in contexts of greater vulnerability.

The integration of these standards into CUF's sustainability strategy reinforces its social responsibility, consolidating an approach characterised by ethics, innovation and the creation of value for society.

3.3.1. S1 – Own Labour

CUF recognises that its employees are essential to the provision of quality healthcare and to the success of the company. To this end, CUF has implemented a set of robust and comprehensive policies aimed at ensuring that all its employees, namely doctors, nurses, technicians and support teams, can carry out their duties in a safe, equitable and positive working environment. These policies cover a wide range of areas, including human rights and labour rights, promoting equal opportunities, preventing discrimination and harassment, ensuring safe and healthy working conditions, fostering professional development and creating a respectful and collaborative working environment. Through these policies, CUF seeks not only to fulfil its legal obligations but also to create a working environment where all employees feel respected and valued.

Material impacts, risks and opportunities, and their interaction with the strategy and business model

ESRS 2-SBM-3

CUF has identified the following material impacts, risks and opportunities, transversal to all its employees:

	IRO	Location in the value chain	Strategy
Work conditions			
Job security			
Ensuring the well-being, health and safety of employees		Own Operations	CUF works continuously to offer safety and stability to its employees.
Working hours			
Continuous 24/7 activity in the hospital units that places greater demands on employees		Own Operations	CUF adopts mitigation measures for this risk, namely through its Prevention and Well-being Programme.
Adequate wages; Social dialogue; Freedom of association, the existence of works councils and workers' rights to information, consultation and participation; Collective bargaining, including the rate of workers covered by collective agreements; Work-life balance			
Attracting, developing and retaining talent		Own Operations	CUF believes that adequate remuneration, as well as freedom of association and collective bargaining and work-life balance measures translate into a greater ability to attract and develop talent. It therefore considers these issues in both its policies and in its action plans.
Health and safety			
Employee well-being, health and safety, which will make it possible to better attract human resources		Own Operations	CUF promotes a safe and healthy working environment through its Employee Health and Safety Policy. All employees (salaried and non-salaried) are covered by the Safety Management system.
Research and innovation			
Advanced training awarded to employees through doctoral scholarships and grants for the publication of scientific articles.		Own Operations and the Entire Value Chain	It is part of CUF's strategy to encourage research by its employees. This investment translates into an opportunity for differentiation, as well as in the ability to provide better healthcare.
Equal treatment and opportunities for all			
Gender equality and equal pay for work of equal value, Training and skills development and Diversity			
Attracting, developing and retaining talent		Own Operations and Downstream Value Chain	CUF promotes positive impacts on its employees by continuous reinforcement of its diversity, equity and inclusion initiatives, ensuring that every employee can contribute, feel part of the organization and that is an attractive place to come to work.
Employment and inclusion of people with disabilities			
More diverse teams and the added value that arises from this diversity of thought, generating more robust teams and consequently a higher quality of service		Own Operations and Downstream Value Chain	CUF promotes diversity among its teams, benefiting from different points of view and experiences, which leads to better quality healthcare provision.
Measures against violence and harassment in the workplace			
Non-compliance with human rights and potential costs of proceedings or fines		Own Operations and Downstream Value Chain	CUF identifies the risk of non-compliance with Human Rights, but establishes measures to mitigate this risk through its Policies, such as the Code of Conduct.

Other labour-related rights

Child labour, Forced labour and Privacy

Non-compliance with human rights and potential costs of proceedings or fines



Own Operations

CUF identifies the risk of non-compliance with Human Rights, but establishes measures to mitigate this risk through its Policies, such as the Code of Conduct.

Caption: Positive impact Negative impact Risk Opportunity

Policies and Actions related to Own Labour

S1-1 and S1-4

All of the following policies are managed by the People Management Department and have been approved by the Board of Directors. They are available on the company's intranet and, in some cases, on CUF's website. They apply to all CUF employees and are detailed in the following sections.

Policies related to Human Rights and Labour Rights

S1-1

CUF has made a solid commitment to human rights, in line with the United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. This commitment is materialised through the integration of national and international guidelines into its Codes and Internal Policies, in addition to the company's values, which guide management decisions and practices. These measures reflect the company's ongoing effort to create specific solutions to mitigate risks and reinforce positive impacts on its workforce, ensuring equal opportunities, diversity and a safe working environment. In this context, we highlight:

- Code of Conduct
- Employee Data Privacy Policy.

The **CUF Code of Conduct** addresses various issues related to our employees, such as respect for fundamental rights, teamwork, integrity and loyalty to the company, active collaboration, the career path, health and well-being, reconciliation of personal and professional lives, prevention of corruption, harassment in the workplace and environmental responsibility. Drawn up and monitored by the Code of Conduct Monitoring Committee and, ultimately, under the responsibility of the Executive Committee, this Code relates to the Code of Ethics, which requires all professionals to know and respect the Declaration of Human Rights (UN, 1950), the Convention for the Protection of Human Rights and Fundamental Freedoms and the Convention for the Protection of Human Rights and Human Dignity. More information on the CUF Code of Conduct is shared in chapter G1-1.

CUF attaches special importance to the protection of its employees' personal data, having developed the **Employee Data Privacy Policy**, in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 ("General Data Protection Regulation" – GDPR). This Policy, drawn up by the Data Protection Officer and implemented under the responsibility of CUF's Executive Committee, is part of the Data Protection Governance Model (POL.0149), ensuring compliance with applicable Portuguese and European regulations. In addition, the company promotes ongoing training programmes in ethics, health and safety at work, helping to strengthen the organisational culture and mitigate risks associated with misinformation or inappropriate practices.

The description of CUF's commitment covers respect for human rights, including labour rights, but also the involvement with its employees. CUF promotes an environment of open dialogue with employees, enabling involvement through awareness-raising sessions and regular training.

Policies related to Equal Opportunities

S1-1

Equal opportunities is a fundamental principle that must be present in all contexts. Recognising the importance of this principle, CUF has implemented a set of policies aimed at ensuring that all employees have the same opportunities:

- Family-Responsible Company Certification (FRC)
- Policy to promote reconciliation between personal, family and professional lives
- Policy to Make Work More Flexible through Remote Working;
- Training Management Policy;
- Policy for the prevention and management of harassment in the workplace.

Thus, recognising the family as a fundamental cell of irreplaceable value for each person, for companies and for society, and aware of the importance and role of families among its employees, CUF intends to strengthen the creation of conditions for a better balance between personal, family, and professional lives in the context of its activity. With this in mind, in 2024, CUF renewed its certification as a **Family-Responsible Company (FRC)**, with an increase in its score from C to C+, awarded by *Fundación Más Familia*.

Existing across the entire CUF universe, this certification covers all employees and includes measures relating to job quality, time and space flexibility, support for employees' families, personal and professional development' and equal opportunities. With this certification, CUF respects and follows the FRC 1000 Standard.

This certification is directly related to the **Policy for Promoting Reconciliation between personal, family and professional lives**, which defines the guiding principles for reconciling personal and professional lives, to guide and reinforce CUF's actions in creating conditions for a better balance between the demands of its activity as a permanent healthcare provider and the human development of all its employees. Like the FRC certification, this policy also applies to all CUF employees and is the responsibility of the People Management Department and, ultimately, of the Executive Committee.

In order to reinforce the commitment to reconciling employees' personal, family and professional lives, the **Policy to Make Work More Flexible through Remote Working** establishes the guiding principles for adopting work organisation models that are more adapted to the current reality and that foster greater motivation and productivity. Remote working is a way of organising work that seeks to promote flexibility, allowing employees to work up to two days a week away from CUF premises.

CUF invests in the development of its employees, which it considers to be a critical success factor and representative of one of the company's values – Human Development. To this end, it has implemented the **Training Management Policy**, with the CUF Academic Centre being responsible for training and scientific activity for the entire company, with a view to developing skills, but also differentiating and valuing employees through qualified training in the healthcare area.

As mentioned above, CUF is committed to respecting human rights, which seek to defend the dignity of all people, at all times and in all their dimensions. This commitment is also reflected in the **Policy for the Prevention and Management of Harassment in the Workplace**, under the responsibility of the People Management Department and in close liaison with the Code of Conduct Monitoring Committee. All information on confidentiality and procedures relating to complaints of harassment at work can be found in chapter G1.

In accordance with the principles of transparency and ethics, CUF provides a Whistleblowing Channel for all those who have dealings with the company, regardless of the type of relationship or contractual link. The Channel is intended to facilitate the identification of possible irregular situations or offences, including actual or potential reasonable suspicions, which have occurred or are considered

very likely to occur. The CUF Whistleblowing Channel was set up in accordance with current applicable legislation and based on good corporate practice, reinforcing CUF's position with the principles set out in its Code of Conduct. Additional information on the Whistleblowing Channel is available in chapters S1-3 and G1-3.

Actions related to Equal Opportunities

S1-4

As part of the promotion of Equal Opportunities, one of CUF's main actions in 2024 was the **adaptation of jobs for people with disabilities** before the start of their duties in all CUF units. This action is crucial to ensuring full integration, autonomy and productivity. Appropriate adjustments to the space (be it equipment or work tools) make it possible not only to eliminate physical and technological barriers but also to create a more inclusive and accessible environment. This initiative enabled these professionals to adapt better to the job and resulted in a higher success rate in hiring and retention.

CUF is committed to diversity, equity and inclusion, having launched the Inclusion Scholarships. These scholarships consist of CUF providing support towards the costs of social, educational or training responses for inclusion, relating to the children/dependents of CUF employees with disabilities, in order to contribute to their inclusion. At the same time, CUF has various partnerships with social economy entities, contributing to social causes that improve the lives of people with specific needs, promoting their well-being, safety and confidence, as well as the development of their skills and their social integration.

The commitment to reconciling employee's personal, family and professional lives is reinforced through a wide range of measures including:

- Extension of the gestational bereavement period to five consecutive days, as opposed to three days legally provided;
- Time off on the first day of school, kindergarten or nursery for employees with children up to the 1st year of primary school, with an extension to the 5th year for children with special educational needs and up to the 12th year for children with a multi-purpose medical certificate of over 60%;
- Access to a 7-seater car for employees with a working car, whose immediate family is made up of more than 5 people, including descendants or ascendants;
- Creation of social activities for employees such as festive events and sports tournaments;
- More partnerships with offers and/or discounts for employees, especially in the areas of "Sports", "Health and well-being" and "Education and school vacations";
- Hiring more than 30 people with disabilities.

Complementing these measures with the CUF Inspira Program, CUF also offers support to its employees and their families, in particular:

- a gift to celebrate the birth of employees' children and grandchildren, with a savings account;
- contribution to the payment of the birth costs of employees' children whose clinical act has taken place in a CUF unit;
- contribution to the payment of expenses associated with leisure activities for employees' dependents during the school holidays in the summer months, with an increase for disabled dependents;
- support for the cost of school materials for each child of compulsory school age, including the last year of pre-school, in the amount of €60,

- award of scholarships to employees who wish to attend higher education, whether for a Bachelor's degree, a Bachelor's degree with an integrated Master's degree, or a Higher Professional Technical Course;
- award of scholarships to employees' children who wish to obtain a Bachelor's or Master's degree;
- creation of an Employee Support Network for employees and their families, with free consultations/sessions in various areas, such as psychology, finance, legal support, social counselling, coaching, retirement, domestic violence, among others;
- provision of 40 hours per year in working hours, without loss of remuneration, for employees to carry out corporate volunteering activities, which may be initiatives organised by CUF or individual initiatives proposed by the employee, among other internal social responsibility measures.

In 2024, the CUF Inspira Programme awarded more than 8,500 grants to more than 5,500 employees in all professional categories.

In the training context, through the CUF Academic Centre, [upskilling and reskilling programmes](#) are promoted, ensuring that employees remain prepared for the demands of the healthcare sector. The different types of training are detailed below:

- **Mandatory training:** in accordance with CUF's training strategy, the CUF Academic Centre offers a series of mandatory training courses for each Professional Group, the aim of which is to provide employees with a better understanding of, and integration into, CUF's internal processes and their own service. The training plan is made up of courses that cover the entire universe of employees and are strategically defined, based on the company's values and culture. The plan also includes legally binding training programmes. These courses are available on the internal training platform SIGA (Integrated Learning Management System), which allows employees to manage their training in an integrated way, from enrolment to the issue of a certificate or attendance declaration.
- **Medical Training:** in the area of undergraduate medical training, CUF establishes partnerships with educational establishments to receive medical students, creating specific programmes in the most diverse areas of activity. By transferring classes to CUF units, medical students have the opportunity to bring forward their first contact with the labour market. In the area of postgraduate medical training, CUF offers courses with and without simulation with a high level of technicality and streamlines the process of granting suitability for postgraduate teaching with the possibility of undertaking the Medical Internship at CUF units.
- **Nursing Training:** the CUF Academic Centre ensures the development and improvement of the skills of professionals in the Nursing Care Area (AAE), through training programmes based on best practices, the nursing reference framework and CUF values, with the goal of promoting excellence in professional practice.
- **Life Training Centre:** the Life Training Centre arose from the need to provide CUF employees with the technical skills to carry out high-quality cardiopulmonary resuscitation manoeuvres. This area has been receiving increasing attention and concern from CUF, given the high percentage of cardiological fatalities and the realisation that a quick and appropriate reaction can save lives.
- **Research and Innovation:** the CUF Academic Centre encourages research by its employees by awarding doctoral scholarships and grants for the publication of scientific articles. At the same time, it also invests in carrying out Clinical Trials, i.e., scientific studies that involve a set of research and development procedures for medicines or medical devices, in order to find new and better ways to prevent, diagnose, treat and control diseases and their symptoms, contributing to innovation in the healthcare sector. In 2024, it developed 133 clinical trials and observational studies.
- **ForMe:** a programme which seeks to contribute to the professional development of employees by providing financial support for external training identified by them.
- **Identification of training needs by managers:** whenever a manager identifies that a member of their team needs to develop a technical or behavioural skill, they can request training by filling in a form that will be received and analysed by the CUF Academic Centre.

Future Actions:

- E-learning training “**Inconscious Biases**” – training designed to enable managers and employees to identify and understand the automatic judgements that influence decisions and behaviour in the workplace. Through interactive modules and practical examples, participants will learn to recognise the different types of bias and adopt strategies to mitigate them, promoting a fairer and more inclusive culture. Having been developed in 2024, this training will be implemented in 2025 and aims to train all managers by the end of the year.
- **Leadership Training for Middle Management** (middle management including nursing): creation of a Leadership Academy whose purpose will be to consolidate and streamline access to training experiences that contribute to the integrated and consistent training of CUF’s leaders. This project is based on a programme designed and adjusted to internal needs, which seeks to empower the way people lead and collaborate, implement a culture of rigour and concern for the well-being of employees, fostering a more agile and effective organisation. This project should start in 2025 and involve around 75 professionals.

Policies related to Working Conditions

S1-1

Working Conditions policies are designed to ensure efficient employee management, promoting the attraction, development, retention and motivation of the talents needed to fulfil the company’s mission and values. The People Management Department seeks to ensure that all processes are applied across the company. To this end, it has developed and implemented the following policies:

- Human Resources Management Policy
- Recruitment and Selection Process
- Internal Recruitment Procedure
- CUF Retributive Policy
- Management and Performance Evaluation Policy
- Employee Health and Safety Policy

The **Human Resources Management Policy** addresses the strategic guidelines of CUF’s People Management Department. This policy, which is macro and comprehensive, is based on four important strategic axes: attracting talent (for example through the Trainee “+Talent” Programme); getting to know CUF by facilitating the integration of new employees through welcoming sessions and training sessions and listening to the organisational climate, with the application of questionnaires to understand employee satisfaction levels; developing skills and promoting professional growth; and, finally, facilitating the career management of employees, providing them with new professional challenges.

Adequate talent management makes a strong contribution to the company’s sustainability and ensures employee commitment. To this end, CUF recruits new employees through the **Recruitment and Selection Process**. This process regulates the activity of the external recruitment and selection process, describing the different stages and standardising the methodology used to improve the quality of recruitment, allowing it to be monitored.

At the same time, CUF has also implemented the **Internal Recruitment Procedure** to guarantee the principles intended to ensure compliance with the criteria of demand, transparency and rigour in the internal recruitment process. Publicising internal opportunities is an important tool for retaining talent, as it offers CUF employees opportunities for progression or mobility. It is the methodology used to identify, within CUF, candidates capable of satisfying the company’s needs as they arise, whether for new jobs

or to replace employees who move or leave. This procedure makes it possible to respond to employees' perspectives, namely on career development.

In the processes of recruitment, training and career progression of employees, up-to-date records are kept which include detailed data on recruitment processes, such as hiring sources and selection criteria, as well as information on internal and external training undertaken by each employee. Promotions and career progressions are also documented in a transparent manner, recording the criteria applied and the development opportunities offered to each employee.

CUF's guidelines on the remuneration of all employees, ensuring the sustainability of the company, are included in its **Remuneration Policy**. This policy is based on market references from studies available in Portugal, which are used as comparative criteria when setting remuneration. In addition, by resolution of the Board of Directors, occasional bonuses may be awarded, mainly on the basis of collective performance.

The **Performance Management and Evaluation Policy** defines the guidelines that support the integrated management of employees, supporting the development, management and recognition of performance at CUF. A meritocracy system helps to motivate and retain talent. A system of meritocracy, where employees are rewarded based on their performance, enables CUF to contribute to boosting the motivation and retention of its employees in the company, creating a positive and stimulating working environment.

Finally, CUF promotes a safe and healthy working environment through its **Employee Health and Safety Policy**. In line with Decree-Law 102/2009 of 10 September, this policy defines a strict framework for action to prevent risks and protect the health of employees, reinforcing the commitment to safety and well-being in the workplace.

All these policies reflect the company's commitment to valuing its employees, promoting a sustainable organisational environment in line with its strategic objectives. The Executive Committee plays an important role in implementing these policies, ensuring both strategic alignment and sustainability in the medium and long term.

Actions related to the Working Conditions

S1-4

CUF recognises that, in the course of its activity, negative impacts are generated, namely those associated with shift work, with implications for the balance between personal and professional lives. To mitigate these impacts, CUF has a **Prevention and Well-being Programme**, focused on the employees' physical and mental health, including medical monitoring and health insurance.

In addition, CUF's **Occupational Health Service** works to prevent occupational illnesses and mitigate psychosocial risks, promoting a safer and healthier working environment, reducing absenteeism and contributing to excellence in the provision of healthcare. All occupational accidents are analysed, enabling preventive measures to be implemented to reduce future risks. CUF provides an event reporting platform, which also allows employees to report labour risks, incidents and dangerous situations anonymously. Reports are analysed by the Occupational Safety team, which implements corrective measures to prevent incidents from recurring.

In addition to these regular programmes and initiatives, the following actions were also implemented in 2024:

- Study on stress and burnout: detailed assessment carried out at CUF Torres Vedras Hospital and CUF Santarém Hospital to find out about stress and burnout and thus better intervene with a focus on promoting the health and well-being of hospital staff.
- Study on psychosocial factors: sessions held with focus groups at CUF Cascais Hospital and CUF Tejo Hospital, ensuring the participation of employees in identifying challenges and formulating solutions to improve the working environment.
- Special prices for medical procedures at CUF: a price list similar to the +CUF Plan available to all employees and their families (including the parents of employees). No membership costs, no usage limit and no minimum seniority.

- Annual consultation with employees on Occupational Health and Safety.
- Health and safety campaigns: such as the prevention of wounds caused by perforating medical devices, aimed at doctors and nurses with the aim of reducing occupational accidents and the extension of the seasonal flu vaccination to all employees, regardless of their contractual relationship, which had associated operating costs of around €43,630 in 2024, included under Inventories in the Consolidated Financial Statements (Note 27).

The implementation of the actions adopted and those planned plays an essential role in materialising the company's goals and targets, ensuring that the initiatives implemented are aligned with the strategic priorities of sustainability, people management and regulatory compliance.

To avoid negative impacts on its workforce, CUF adopts strict policies and processes, supported by continuous monitoring of labour risks. This risk identification involves periodic assessments carried out by risk owners, who classify the probability and impact of each risk identified, taking into account employee safety as well as potential financial and reputational repercussions. In a complementary way, CUF allocates significant resources and mobilises various strategic areas, including Risk Management and the Risk Auditing and Management Committee, the People Management Department, the Strategic Planning Department and the Corporate Citizenship Department.

In the context of the sustainable transition, CUF has been promoting continuous training and retraining, enabling employees to keep up with the demands of environmental and technological practices. In addition, the company prioritises internal recruitment, ensuring that vacancies are first made available to its employees before being advertised externally. This approach strengthens talent retention and values the internal growth of the team, consolidating CUF's strategy for a more sustainable and equitable working environment that is in line with the best practices in the sector.

Processes for involving employees themselves and employee representatives in impacts

S1-2

Managing talent is an integrated process that critically involves each employee and their leadership, in which the People Management Department plays the role of promoter, facilitator and consultant. CUF maintains an ongoing dialogue with its employees, both through individual feedback and team meetings about working conditions, working hours and professional development, and through their representatives in collective bargaining sessions and union meetings.

This dialogue is adapted to the different needs and contexts throughout the employment cycle, covering various stages, from hiring and integration, where rights, duties and internal processes are clarified, to moments of performance evaluation and development, where objectives are set and feedback is provided. In situations of organisational change or collective bargaining, CUF consults employee representatives to discuss restructuring, contractual changes, or review of benefits, ensuring a transparent and collaborative approach. Decisions are made on the basis of an effective consultation process, resulting in the drafting and implementation of action plans to mitigate any negative impacts or improve existing conditions.

In addition, CUF has structured channels to gather views, concerns and proposals for improvement:

- Organisational Climate Study.
- Professional Motivations Questionnaire.

The **Organisational Climate Study** "Index of Excellence" is carried out every two years and analyses current Human Resources practices, enabling a comparison with the sector and company benchmarks. Being in the category of Large Companies (more than 250 employees), CUF uses this study as an essential tool to identify needs and strengths, promoting more informed talent

management. This anonymous and comprehensive survey is applied to all CUF employees with an Individual Employment Contract. The results are initially shared with senior managers to gather initiatives related to the company's strategic challenges and are then communicated in a summarised form in meetings by Unit or Cluster, culminating in the definition of a transversal and local implementation plan.

The purpose of the **Professional Motivations Questionnaire**, which is carried out annually, is to collect information on employees' development intentions, centralising the requests for internal mobility. This integrated approach to human resources management makes it easier to align professional opportunities with the employees' aspirations.

Managing this ongoing dialogue is essential for mitigating negative impacts and maximising identified positive impacts. For example, work-life balance, which is fundamental to well-being, mental health and talent retention, can be improved by regularly discussing the structure of working hours. Similarly, some aspects such as adequate remuneration, job security and gender equality can be addressed through collective bargaining and regular consultations with employee representatives.

With regard to information accessibility, CUF uses subtitles in its video communications and at various events it hires Portuguese Sign Language translators to include deaf people in the initiatives it promotes.

The effectiveness of these forms of dialogue and the collection of employee perspectives are measured through the aforementioned organisational climate surveys and also by managers in the field.

CUF is aligned with the concerns and objectives that have been outlined in the European context in terms of ethics and human rights, ensuring compliance with the applicable legislation. In complying with its internal rules, the company adheres to the guidelines set out in Article 18 of the EU Taxonomy. As a guiding principle for its relationship with internal and external stakeholders, CUF undertakes, through its Code of Conduct, to respect and promote fundamental rights, in accordance with the main national and international standards.

Processes to remedy negative impacts and channels for employees themselves to raise concerns

S1-3

CUF has a **Whistleblowing Channel**, created by the company, which is available on CUF's intranet and website, for all employees, and which ensures the confidentiality of the information reported, as well as the employee's anonymity. At the same time, the Code of Conduct emphasises the importance of a transparent and respectful working environment, where employees are encouraged to communicate needs and concerns directly to their managers, promoting a culture of dialogue and continuous improvement.

The management of the Whistleblowing Channel, namely the receipt and forwarding of reports of concerns or offences, is the responsibility of the Internal Audit Department. Any complaints that fall into the category of incidents of discrimination and harassment are forwarded to the Legal Consulting Department. Other infractions, due to their nature, may be referred to other corporate areas or to the Code of Conduct Monitoring Committee.

The whistleblower submits the complaint using the form available on the CUF website, whether or not they can identify themselves, and all the information submitted on the form is sent to the document management tool where a workflow is created that will allow the responsible areas to analyse and respond to the complaint. The status of the process of analysing the complaint is updated automatically, on the website and via email, with all the details of the various tasks, which allows whistleblowers to follow the process and thus feel confident that their complaint will be resolved effectively.

In the process of processing and analysing the complaints received, CUF ensures confidentiality, data protection, secrecy and the absence of conflicts of interest. In any situation, the whistleblower and the witnesses are protected against any form of retaliation,

and the ability to submit an anonymous complaint is provided, in accordance with the law. All these elements are ensured by the CUF Code of Conduct, as detailed in chapter G1-1.

In addition to the Whistleblowing Channel, CUF has e-mail addresses where employees can send their concerns, questions, complaints and suggestions: denuncia.assedio@cuf.pt, codigodeconduta@cuf.pt and apoio.social@cuf.pt.

Targets related to managing material negative impacts, promoting positive impacts and managing material risks and opportunities

S1-5

In 2024, CUF established several strategic goals aimed at developing and strengthening its teams, with the goal of ensuring the retention and growth of the talent needed by the company. These targets are directly aligned with the "Talent" strategic asset and include both training and retraining initiatives, as well as a review of conditions and remuneration. The following targets stand out:

- Training for middle management.
- Succession plans for corporate leaders.
- Restructuring the role of the clinical coordinator (doctor).
- Artificial Intelligence
- Review of conditions and remuneration.

One of the main goals was to implement **training for middle management**, with a focus on developing leadership skills. The target, measured in Full-Time Equivalent (FTE), is aimed at the functional group of leaders and managers, excluding clinical coordinators and nursing managers. This internally structured training seeks to ensure that the company has the leadership it needs to grow and adapt to market demands. To make the training possible, the course content was developed by the CUF Academic Centre in collaboration with the People Management Department. The training is being implemented through CUF's partnership with Nova Business School. The target set is for 100% of the employees covered to complete the training by 2026, with an intermediate target of 40% by 2025.

CUF has started to develop **succession plans for corporate officers**, ensuring continuity of top leadership and preparation for the company's growth. The drafting of these plans will be completed by 2025, with the implementation of development programmes starting in 2026. To structure this process, criteria have been defined for the urgency and criticality of succession, as well as parameters for assessing potential successors, with the goal of ensuring that strategic positions are filled by the most suitable professionals. Several conversations were held with potential successors to assess their potential and willingness to take on future leadership roles. The methodology adopted was established by the Executive Committee, in conjunction with José de Mello, and in line with the company's strategic objectives plan.

Another important element was the plan to **restructure the role of the clinical coordinator (doctor)**, with the goal of strengthening clinical governance and supporting the implementation of customer experience initiatives. As part of this plan, in 2025 the contract structure will be defined in 2025 with the goal of formalising mandates for 20% of the coordinators. From 2026, this model is expected to expand to reach 70% of coordinators, with the goal of reaching 100% by 2027. The definition of the new role includes assigning responsibilities for the speciality as well as valuing the contract based on criteria such as the size of the hospital (large or medium), the strategic relevance of the specialty (core specialties) and the size of the team under its supervision. The development of this model relied on the contribution of the healthcare unit teams, who provided input for the definition of responsibilities and the value of payments, as well as playing a central role in its implementation. The topic was also debated and presented to the CUF Medical Council, an advisory body that represents the company's doctors, ensuring a participatory approach in line with the needs of the clinical area.

CUF has also established a strategic goal focused on the impact of **artificial intelligence** on the company's functions, with an emphasis on retraining people to prepare employees for the new demands resulting from the digital transformation. In 2025, a diagnosis will be made of the functions that could be affected by artificial intelligence. The retraining of the people concerned should begin in 2026. The goal is to ensure that 100% of the people involved are retrained by 2027, with a particular focus on functions linked to administrative services. The retraining seeks not only to train employees, but also to provide them with the support they need to adapt to the new demands of their jobs in order to exploit new opportunities and develop more skills. The CUF Academic Centre is developing the market consultation for the provision of these services, in order to guarantee the effective implementation of this plan.

As part of the **review of conditions and remuneration**, CUF has implemented a strategic target to ensure the retention of teams and talent. This salary review does not include intermediate targets, but defines salary increases by professional group, covering administrative staff, assistants, nurses, technicians and business support teams. The goal is to strengthen the company's competitiveness and consolidate its position as an attractive company to work for. The Executive Committee approved the salary review proposals for 2025, which were communicated to all employees. By 2025, CUF's total remuneration package will be higher than the Portuguese National Health Service (SNS) table and the tables of the Portuguese Private Hospitalisation Association (APHP), ensuring a competitive salary offer in the sector.

All the targets, developed internally and without consulting stakeholders, are the result of other previously established targets such as managing and attracting talent and investing in employee training. By implementing the targets related to the policies mentioned above, CUF aims to strengthen its position in the market, ensuring a highly competitive working environment aligned with the strategic needs of growth and transformation.

In this context, the company has designed several initiatives in line with the UN's Sustainable Development Goals (SDGs), integrating the 2030 Agenda into its strategy:



Characteristics of the company's employees

S1-6

CUF ended 2024 with 7862 employees, 84% of whom were female.

Gender	Number of salaried employees (headcount)
Male	1,426
Female	6,436
Others	-
Not disclosed	-
Total	7,862

As CUF is a company that operates exclusively in Portugal, its employees also work only in the country, spread between the mainland and the islands.

Region	Number of salaried employees (headcount)
North	2,197
South	5,459
Islands	206
Total	7,862

2024

	Female	Male	Other (*)	Not disclosed	Total
Number of employees	6,436	1,426	-	-	7,862
Number of permanent salaried employees	5,556	1,274	-	-	6,830
Number of temporary salaried employees	880	152	-	-	1,032
Number of employees' non-guaranteed working hours	-	-	-	-	-
Number of full-time salaried employees	5,867	1,274	-	-	24,421
Number of part-time salaried employees	569	152	-	-	721

(*) Gender specified by the employees themselves

2024

	North	South	Islands	Total
Number of employees				
	2,197	5,459	206	7,862
Number of permanent salaried employees				
	1,845	4,814	171	6,830
Number of temporary salaried employees				
	352	645	35	1,032
Number of employees' non-guaranteed working hours				
	-	-	-	-
Number of full-time salaried employees				
	1,962	4,978	201	7b141
Number of part-time salaried employees				
	235	481	5	721

2024

Turnover rate	14%
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There are different types of schedule depending on the reason for hiring. For example, to replace temporary absences, such as illness or maternity leave, individual fixed-term and open-ended contracts are applied.

Measurement Policies

All the data presented above corresponds to real data that was exported from the CUF database on 31 December 2024. This information was exported by employee, by type of contract and company for all individual labour contracts, regardless of workload, and then compiled using a dynamic table.

In 2024, 1,043 people left CUF, giving rise to an employee turnover rate of 14%. The denominator for this rate corresponds to the average of the Headcount using the start of the period (December 2023) and the end of the period (December 2024).

Characteristics of non-salaried employees in the company's workforce

S1-7

2024

Non-salaried employees	4,836
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Measurement Policies

The number of employees reported was calculated by counting TINs with employment contracts exclusively for self-employed service providers and clinical acts, and the number was exported from the database with reference to 31 December 2024. This figure does not include service providers with companies.

Coverage of collective bargaining and social dialogue

S1-8

92% of CUF employees are covered by collective bargaining agreements and social dialogue, falling within the range of between 80% and 100% of the coverage rate shown in the table below. All employees work in Portugal territory.

Coverage rate (%)	Collective bargaining coverage		Social dialogue
	Salaried employees – EEA	Salaried employees – Outside of the EEA	Workplace representation (EEA only)
0 – 19 %	-	-	-
20 – 39 %	-	-	-
40 – 59 %	-	-	-
60 – 79 %	-	-	-
80 – 100 %	Portugal	-	Portugal

Employees who are not covered by collective labour agreements are subject to CUF's Remuneration Policy, which is defined in accordance with Portuguese legislation and the principles of internal equity that guide CUF. This policy is also aligned with market benchmarks, measured through salary studies, as mentioned above.

Diversity metrics

S1-9

	Number of employees
<30 years old	1,736
30–50 years old	4,819
>50 years old	1,307

	Number of salaried employees at senior management level	Percentage (%)
Male	45	43.7%
Female	58	56.3%
Others	-	-
Not disclosed	-	-
Total	103	100%

Note: Senior Managers and top management, who are the first and second line in CUF's structure, were considered.

Adequate salaries

S1-10

For the purposes of this report, an adequate salary is considered to be one that complies with the applicable collective bargaining agreements and Portuguese labour legislation, namely that which protects minors and people with disabilities. It is therefore our understanding that all CUF employees receive an adequate salary.

Social protection

S1-11

CUF only operates in Portugal, where all employees are registered with Social Security and therefore benefit from social protection.

People with disabilities

S1-12

	Number of employees with disabilities	Percentage (%)
Male	33	2%
Female	93	1%
Others	-	-
Not disclosed	-	-
Total	126	2%

Note: The data was exported with reference to 31 December 2024 and includes all employees with a disability of 60% or more.

Training and skill-development metrics

S1-13

		Number of salaried employees who participated in regular performance and career development reviews	Percentage (%)
Gender	Male	1,187	83.2%
	Female	5,141	79.9%
	Others	-	-
	Not disclosed	-	-
Employee categories	Auxiliary Staff	1,482	-
	Administrative	1,725	-
	Nurses	1,315	-
	General Services	484	-
	Doctors	46	-
	Diagnostic and Therapeutic Technician.	453	-
	Senior Health Technician	60	-
	Business Support	763	-
Total		6,328	80.5%

Note: In 2024, 81% of salaried employees had received a performance appraisal. On December 31, 2024, employees with less than 6 months' seniority and employees from the acquisition of Clínica Médica Arrifana de Sousa, SA were not included in the performance appraisal cycle. Non-salaried employees do not take part in performance appraisal processes.

	Average number of training hours per employee
Male	13
Female	16
Others	-
Not disclosed	-
Total	15

Health and safety metrics

S1-14

	Work-related accidents	Occupational accidents (per 1,000,000 hours)
Salaried employees	493	34.60
Non-salaried employees	2	0.15
Total Own Labour	495	34.74

Measurement Policies

CUF estimated the number of hours worked, based on the following formula: hours per week x FTE count x 48 weeks. This estimate resulted in a total of 14,246,681 hours worked.

In the safety management system, all employees are covered, including salaried and non-salaried employees. In the area of occupational medicine (health), coverage extends to 100% of salaried employees and 47% of non-salaried employees.

	Work-related illnesses
Salaried employees	6

There were no fatalities related to occupational diseases or accidents in 2024. However, 8,481 days lost due to work-related injuries/accidents were recorded among salaried employees.

Work-life balance metrics

S1-15

100% of CUF employees are entitled to family leave, with 20% of them taking advantage of this right in 2024.

	2024
Total number of employees entitled to family leave	100%
Total employees who used family leave	20.0%
Male	11.6%
Female	21.9%
Others	%
Not disclosed	%

Note: these figures exclude the employees of the companies belonging to the new group of units acquired from Clínica Médica Arrifana de Sousa, SA, as it was impossible to obtain data.

Remuneration metrics (pay gap and total remuneration)

S1-16

Professional category of worker	Gender Pay Gap (%)
Administrative	-1.5%
Auxiliaries	-0.4%
Nurses	4.0%
Interns	1.7%
Doctors	3.7%
General Services	2.4%
Senior Health Technician / Diagnostic and Therapeutic Technician	3.1%
Safety Technician / Occupational Medicine	1.3%
Managers*	22.3%
Middle Management	10.3%
Technicians	0.5%
Total	22.4%

*includes Governing Bodies.

The ratio of CUF’s total annual remuneration between the highest paid individual, including the governing bodies, and the median of all employees excluding the highest paid individual is 35.0 in 2024.

Measurement Policies

To calculate the disparity between men’s and women’s salaries, the governing bodies and the annual base salaries of active employees on 31 December 2024 were taken into account, with reference to a 40-hour workload.

The formula for calculating the gender pay gap was calculated as follows:

$$D = ((\text{Average salary level of male employees} - \text{Average salary level of female employees}) / \text{Average salary level of female employees}) \times 100\%$$

It should also be pointed out that the Gender Pay Gap is an indicator influenced by several factors, including the existing job structure and the distribution of CUF employees by different levels of qualification and seniority in the job.

To calculate the annual total remuneration ratio, the theoretical fixed and variable remuneration of active employees on 31 December 2024 was taken into account.

All the metrics presented above were drawn up internally without external validation.

Incidents, complaints and serious human rights impacts

S1-17

In 2024, no incidents of work-related discrimination were identified. However, 29 complaints were filled by employees for alleged harassment at work. Some of these complaints did not provide a factual description compatible with the harassment scenario, so they did not result in investigation procedures. As for the complaints that were the subject of investigation procedures, none of them proved that harassment had taken place.

CUF is not aware of any serious human rights incidents related to the company’s own labour.

3.3.2. S2 – Workers in the value chain

Material impacts, risks and opportunities, and their interaction with the strategy and business model

ESRS 2-SBM-3

All employees in the value chain who are likely to be materially affected by CUF’s own operations or value chain are included in the scope of these disclosures. The main groups of workers in the value chain subject to material impacts include:

- Workers, in particular doctors registered as companies, that provide services to CUF.
- Workers from the internal transport chain between CUF warehouses and units.
- Workers from supplier companies and their own value chain.
- Workers from distribution companies hired by suppliers.
- Waste treatment workers.

	IRO	Location in the value chain	Strategy
Work conditions			
Freedom of association, the existence of works councils and workers’ rights to information, consultation and participation, Collective bargaining, including the rate of workers covered by collective agreements			
Attracting, developing and retaining talent		Upstream Value Chain	CUF considers freedom of association and collective bargaining for workers in the value chain to be an opportunity. It therefore considers these issues in both its policies and in its action plans.
Health and safety			
Employee well-being, health and safety, which will make it possible to better attract human resources		Upstream Value Chain	CUF promotes the safety and health of workers in the value chain, especially those who carry out their daily work on its premises. This commitment translates into an opportunity for the company to maintain its commercial relations and attract service providers, on whom CUF depends for the continuity of its operations.
Equal treatment and opportunities for all			
Gender equality and equal pay for work of equal value; Diversity			
Attracting, developing and retaining talent		Upstream Value Chain	CUF promotes positive impacts on its employees in the value chain, especially those who work at its facilities, by continuously reinforcing its diversity, equity and inclusion initiatives, as well as through its Code for Service Providers, Suppliers and Partners.
Employment and inclusion of people with disabilities, Measures against violence and harassment in the workplace			
Non-compliance with human rights and potential costs of proceedings or fines		Upstream Value Chain	CUF identifies the risk of non-compliance with Human Rights, but establishes measures to mitigate this risk through its Policies, such as the Code of Conduct and the Code for Service Providers, Suppliers and Partners.
Other labour-related rights			
Child labour, Forced labour			
Non-compliance with human rights and potential costs of proceedings or fines		Upstream Value Chain	CUF identifies the risk of non-compliance with Human Rights, but establishes measures to mitigate this risk through its Policies, such as the Code of Conduct and the Code for Service Providers, Suppliers and Partners.

Caption: Positive impact Negative impact Risk Opportunity

CUF's business model envisages sustained growth and a long-term relationship with suppliers, promoting the creation of decent and fair employment. In addition, mandatory adherence by suppliers to the Code for Service Providers, Suppliers, and Partners can have a positive effect on improving working conditions throughout the value chain.

CUF and its entire supply chain depend heavily on suppliers, since any failure in their operation can jeopardise the provision of essential healthcare, including the performance of surgeries or the administration of drugs at critical times. Thus, business continuity is directly linked to the stability and well-being of workers in the value chain.

No workers were identified with specific characteristics or who work in contexts or activities that expose them to significantly higher risks than other workers in the value chain.

Policies related to workers in the value chain

S2-1

CUF has a Code of Conduct for its suppliers, called **Code for Service Providers, Suppliers and Partners**. This Code of Conduct applies to CUF's upstream value chain, and its application is transversal to all the locations where suppliers operate.

This Code, drawn up internally, is available to all stakeholders via CUF's website. Its drafting and implementation reflects CUF's commitment to the Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, including the principles and rights set out in the eight fundamental conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights, and Article 3 of the CUF Code for Service Providers, Suppliers and Partners includes legal compliance with "Labour Practices and Human Rights", as described below:

"Article 3 – Labour Practices and Human Rights

CUF expects its service providers, suppliers, and partners to share its commitment to human rights and equal opportunities at work, ensuring alignment with the OECD guidelines."

If situations of non-compliance are detected which are the responsibility of CUF's service providers, suppliers' and partners, measures are implemented to mitigate their occurrence. In the most serious cases, CUF will take the appropriate measures, such as terminating the partnership contract. To date, no cases of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises have ever been reported in CUF's upstream and downstream value chain.

The issues of human trafficking, forced labour, and child labour are also covered in the Code for Service Providers, Suppliers, and Partners, as shown in the excerpt below:

"CUF expects its service providers, suppliers, and business partners to share its commitment to human rights and equal opportunities at work. As such, its service providers, suppliers, and partners must comply, without restriction, with the labour legislation applicable in Portugal, as well as in the countries where they operate. They must ensure practices that prevent behaviour of any kind such as harassment (sexual, bullying, etc.), coercion (physical or moral), discrimination (race, colour, sex, religion, nationality, age, disability, political affiliation, union membership, pregnancy, marital status, sexual orientation, etc.), forced labour and/or child labour."

This code also addresses issues relating to the safety of workers in the value chain, as described below in Article 3:

“CUF service providers, suppliers, and business partners must provide a safe and healthy working environment for their workers and employees, integrate good health and safety management practices into all aspects of their business activity including those applicable to the areas of occupational safety, prevention of emergency situations, occupational accidents, illness, hygiene, physically demanding work, protection against machinery, sanitation, food and accommodation. They must adopt all the necessary measures to mitigate the occurrence of occupational accidents. They must respect workers’ rights to freedom of association and collective bargaining in accordance with the law.”

Ethics and transparency are fundamental pillars of these commitments for the future, reinforcing the importance of regular communication with all stakeholders. The goal is to share CUF’s vision on this issue and mitigate possible adverse impacts on the human rights of workers in the value chain.

Processes to involve workers in the value chain in impacts

S2-2

Although it has no direct influence over the workers in its value chain, since it does not interfere directly in the operations of its suppliers, CUF recognises the importance of involving them in decision-making. Thus, in 2024, an improvement was implemented in the **supplier management process**, and the application of sustainability criteria in the selection, assessment and monitoring of suppliers was reinforced, publicising an ESG questionnaire.

The new **ESG questionnaire** allows CUF to evaluate its suppliers in various dimensions, including the social aspect that encompasses the workers in the value chain. This process covers issues related to human rights, safety and health, as well as training and development. In addition, supporting documents such as internal policies, codes of conduct and certifications are requested to ensure the veracity of the information provided. This dialogue will take place on a regular basis and whenever a contract is created with new suppliers and is the responsibility of all departments and their contract managers.

To ensure the effective implementation of this new process, CUF held a session in June 2024 to present the new guidelines and requirements applicable to suppliers.

On this platform, according to the answers and documents shared by suppliers, ESG ratings are assigned to each supplier so that a plan for improving supplier processes can be implemented whenever necessary. As a result of this communication and engagement effort, by the end of 2024, 1,089 registrations had been made on the platform for suppliers with a turnover of more than €10,000, demonstrating the effectiveness and closeness of the dialogue established with suppliers.

This initiative seeks to ensure that CUF’s corporate decisions reflect a more comprehensive understanding of the needs and expectations along the value chain, thus promoting shared responsibility and an ethical and transparent alignment with the company’s values. In addition, CUF endeavours to negotiate in a sustainable way with suppliers, developing stable partnerships with a view to the long-term sustainability of the value chain, thereby also mitigating any negative impacts on workers in the value chain.

Processes to remedy negative impacts and channels for workers in the value chain to voice their concerns

S2-3

CUF has a **Whistleblowing Channel**, as mentioned in chapter S1-3, accessible to all stakeholders. If suppliers identify or suspect any violation or possible violation of the guidelines established in the Code of Conduct, the company’s policies and/or procedures, as well as any applicable legal provision, they must immediately report the occurrence through this channel.

CUF ensures the confidentiality of the information reported and guarantees the anonymity of the whistleblowers. It also ensures that all workers along its value chain have access to the Whistleblowing Channel, as it is available on the company's official website.

In addition, CUF declares that it is not aware of any material negative impact on the workers in its value chain.

Measures taken regarding material impacts on workers in the value chain and approaches to mitigate material risks and pursue material opportunities related to workers in the value chain, as well as the effectiveness of these measures.

S2-4

CUF recognises the importance of promoting fair, safe and dignified conditions for all workers throughout its value chain. To this end, the company implements actions and initiatives aimed at protecting labour rights, worker welfare and promoting responsible practices. These measures seek to ensure compliance with ethical and legal standards, reinforcing CUF's commitment to sustainability and social responsibility throughout its operations and in its relations with its partners.

Actions implemented during 2024:

- Acquired new supplier management platform to identify and assess ESG risks.
- Revision of the Code for Service Providers, Suppliers and Partners.
- Review of the Supplier Management Process.

The **supplier management platform** provides a more objective and systematic analysis of all suppliers, as it allows different suppliers to be compared on the basis of predefined criteria, such as certifications, market experience, production capacity, compliance with ESG criteria, among others, helping in the decision-making process. The implementation of this platform resulted in more than 40% of CUF's suppliers being registered in just three months. The costs associated with their maintenance range from 40,000 to 50,000 euros per year, included under External Supplies and Services in the Consolidated Financial Statements (Note 11).

The revision of the Code for Service Providers, Suppliers and Partners, and the Supplier Management Process took place at the end of 2024, with the goal of implementing it in 2025. The **Supplier Management Process** seeks to define the procedures, criteria and responsibilities associated with the supplier management process in the qualification, selection and monitoring activities, in order to ensure that suppliers are able to provide products and services in accordance with CUF's values and ESG principles, will be implemented in 2025.

Future action:

- Definition of action plans together with suppliers to improve their ESG practices.

CUF is planning to start defining **action plans together with suppliers** with lower ratings, with the goal of improving its ESG practices. With this measure, which will be implemented from 2025, CUF ensures that its suppliers are technically qualified and aligned with the company's values and strategic requirements, promoting a more efficient and sustainable value chain.

All actions (already implemented and future ones) are directly related to CUF's upstream value chain and have been or will be implemented at national level. These actions, financed with own resources allocated to operating expenses (OpEx), are ultimately aimed at generating positive impacts for workers along the value chain.

Carrying out these actions contributes to the fulfilment of CUF's objectives and policies, including the commitment to establish relationships only with suppliers and partners who maintain high standards of ethical conduct and share the same ethical principles and values as the company.

To date, CUF has not been informed of any incidents related to human rights, either upstream or downstream in its value chain.

Targets related to managing material negative impacts, promoting positive impacts and managing material risks and opportunities

S2-5

Although there are no specific targets relating to workers in the value chain, the supplier assessment process will enable a joint improvement plan to be defined whenever inadequate responses are identified. This plan will be implemented and reassessed after a year to check its effectiveness.

To this end, the company has created initiatives in line with the 2030 Agenda and the UN Sustainable Development Goals (SDGs), specifically:



3.3.3. S4 – Consumers and End Users

Material impacts, risks and opportunities, and their interaction with the strategy and business model

ESRS 2-SBM-3

CUF has identified the following material impacts, risk and opportunities, transversal to all its clients:

	IRO	Location in the value chain	Strategy
Impacts related to information for consumers and/or end users			
Privacy, Freedom of expression			
Confidentiality of user information preserved	+	Own Operations and Downstream Value Chain	CUF promotes a culture of safety, which is considered essential for the provision of excellent healthcare. In this way, it believes it has a positive impact on its patients, while maintaining the confidentiality of all the information obtained.
Access to (quality) information			
Recognition from stakeholders for the provision of excellent healthcare services	🏆	Own Operations and Downstream Value Chain	The recognition of CUF as a healthcare provider of excellence by stakeholders is an opportunity to maintain long-lasting relationships with clients.
Digital Transformation			
Greater process efficiency, which allows for a faster and better quality response for the customer	🏆	Own Operations and Upstream Value Chain	Digital transformation is part of CUF's strategy and is seen as a process accelerator. The path of digital transformation is an opportunity regarding efficiency gains and improving the customer experience.
Personal safety of consumers and/or end users			
Health and safety, Personal safety and Child protection			
Recognition from stakeholders for the provision of excellent healthcare services	🏆	Own Operations and Downstream Value Chain	The recognition of CUF as a healthcare provider of excellence by stakeholders is an opportunity to maintain long-lasting relationships with clients.
Social inclusion of consumers and/or end users			
NON-DISCRIMINATION			
Equity of access	+	Own Operations and Downstream Value Chain	CUF promotes an inclusive service for all its customers, adopting accessibility measures. In this way, it has a positive impact on all its customers.
Responsible business practices			
Potential costs of proceedings or fines	⚠️	Own Operations and Downstream Value Chain	CUF recognises the risk of non-compliance with responsible business practices and adopts measures to mitigate it.

Caption: + Positive impact - Negative impact ⚠️ Risk 🏆 Opportunity

- S4.9a-1 Actual and potential impacts on consumers and/or end users arising from or related to the strategy and business model.
- S4.9a-2 Actual and potential impacts on consumers and/or end users that inform and contribute to adapting the strategy and business model.
- S4.9b Material risks and opportunities arising from impacts and dependencies on consumers and/or end users related to the strategy and business model.
- S4.10 Statement on whether all consumers and/or end users who may be materially affected by the company's operations and value chain are included within the scope of disclosures under ESRS 2.
- S4.10a-1 Consumers and/or end users of products that are harmful to people and/or increase the risks of chronic diseases, subject to material impacts.
- S4.10a-2 Consumers and/or end users of services that may negatively impact rights to privacy, personal data protection, freedom of expression and non-discrimination, subject to material impacts.
- S4.10a-3 Consumers and/or end users dependent on accurate and accessible product or service information to avoid potentially harmful use of the product or service, subject to material impacts.
- S4.10a-4 Consumers and/or end users especially vulnerable to impacts on health or privacy or to marketing influences, subject to material impacts.
- S4.10b Further details on incidents causing negative impacts.
- S4.10c Activities that result in positive impacts and types of consumers and/or end users positively affected.
- S4.10d Key risks and opportunities for the company arising from the impacts and dependencies on consumers and/or end users.
- S4.11 Understanding of consumers and/or end users with specific characteristics or those using certain products or services with higher risks of harm.
- S4.12 Material risks and opportunities arising from the impacts and dependencies on consumers and/or end users affecting specific groups.

Policies related to consumers and end users

S4-1

CUF is constantly seeking to reconcile the quality of healthcare provision with responsible behaviour. To this end, it has a robust governance model, based on ethics, transparency, integrity and compliance with the law and good practices. In this way, CUF defends respect for and protection of the human rights of its employees, value chain, and customers. To strengthen this commitment, it has developed and implemented several policies, namely:

- Policy on the Rights and Duties of Patients and Families.
- Patient Safety Policy.
- CUF Customer Data Privacy Policy.
- Data Protection Governance Model.

- Policy for Notification of Personal Data Breaches to the Supervisory Authority and Data Subjects.

CUF promotes respect for the legal, cultural, psychosocial and spiritual rights of customers and family members and strongly condemns any kind of abuse to which customers and family members may be subjected. In defence of these principles, CUF has developed a formal framework to guide the activities of all employees: the **Customer and Family Rights and Duties Procedure**, which defines the process for recognising, respecting and implementing the rights and duties of customers and their families at CUF units. At stake are respect for the privacy, confidentiality of information, citizenship, individuality and dignity of customers and their families.

The **Patient Safety Policy** integrates the culture of safety as an essential element in the provision of excellent healthcare services. It applies to all CUF units and to all aspects of care provision, reinforcing clinical safety. This policy, drawn up internally by the Technical Cross-cutting Committee for Patient Safety and approved by CUF's Executive Committee, is in line with the National Patient Safety Plan 2021–2026, which is part of the World Health Organisation's Global Patient Safety Plan 2021–2030.

The CUF Customer Data Privacy Policy, the Data Protection Governance Model and the Policy for Notification of Personal Data Breaches to the Supervisory Authority and Data Subjects define CUF's approach to personal data protection in accordance with the General Data Protection Regulation (GDPR) 2016/679 of the European Parliament and of the Council of 27 April 2016. These policies apply to all CUF employees and also directly affect CUF customers. These documents were drawn up internally by the Data Protection Officer (DPO), with the approval of CUF's Executive Committee.

In 2024, CUF formalised the Data Protection Governance Model and made several changes to the CUF Customer Data Privacy Policy, including the following:

- Attachment of technical and organisational measures for the protection of personal data.
- Integration of the customer's external clinical information into the electronic medical record, subject to consent.
- Capture of the customer's image when reading their ID card, with their consent to validate their identity.
- Reinforcement of transparency concerning the capture and use of image and voice for institutional communication.
- Video and voice recording in electroencephalogram monitoring, within the scope of Neurophysiology.
- Soundless filming of customers in situations of clinical fragility or neurological alterations, with their consent.
- Sharing of administrative data on occupational accidents with authorised entities, by legal obligation.
- Sharing data among clinical staff to evaluate and improve the services provided.
- Clarification on the collection and use of data in Telemedicine.
- Differentiation of data collection times for the safety of people and property in healthcare areas.
- Inclusion of integrated healthcare provision via human or digital voice.

CUF ensures across-the-board knowledge of these policies through its website, intranet and/or document management platform, but also through mandatory data protection training, the consideration of mandatory training as a criterion for the bonus, the sending of welcome kits with detailed information to those responsible for data management and by holding regular meetings between the DPO team and those responsible for data management.

The Executive Committee is responsible for approving the policies and their successive revisions. Monitoring the implementation differs according to the scope of the policies, and these specificities are indicated in the text of the respective policies.

Currently, CUF's policies do not directly address the issue of Digital Transformation from the perspective of costumers and end-users.

Processes for involving consumers and end users in impacts

S4-2

CUF maintains a **continuous dialogue with customers and the general population** (even if they are not customers), listening carefully to their perspectives in order to understand needs and develop services. This dialogue takes place at different stages, from identifying opportunities to launching and monitoring new services. One example was the market study carried out on the figure of the “Family Doctor”, which resulted in the “CUF Family Doctor” service currently available in some units.

Thus, depending on the objective being pursued, different types of **market research** are developed:

- Recurring:
 - Health Barometer, carried out every two years.
 - Campaign Evaluation Studies, carried out annually – as long as there is a 360° communication campaign with a high investment.
- Sporadic:
 - Carried out as required, such as the study of the healthcare market in Porto and the North.

Operational responsibility for carrying out these market studies at CUF lies with the Marketing Intelligence team, followed by the Marketing and Customer Experience Director.

In addition to market research, CUF carries out customer satisfaction surveys, adapted to different journeys and different times, which makes it possible to access the recommendation rate for CUF services (Net Promoter Score).

To gather other perspectives, CUF has built the **CUF Community**, involving customers in various initiatives, such as:

- Testing new services and products.
- Evaluation of communication campaigns.
- Evaluation of new digital tools.

The CUF Community is made up of a panel of customers active since 2023, with 14,911 members, consulted regularly to support the development of products and services, campaign design and improving the customer experience. One example of this involvement relates to the designation of the quick service points at CUF units for check-in and payment.

These initiatives keep customers involved in the various forms of dialogue, facilitating CUF’s strategic and operational decisions and the identification of aspects for improvement in the customer journey. The effectiveness of the dialogue and the satisfaction of CUF customers is assessed using the Net Promoter Score (NPS).

The promotion of health literacy is also a priority for the company, contributing to greater public awareness of health prevention and healthy lifestyle habits. CUF also takes into account the perspective of customers who may be particularly vulnerable or marginalised. The company adopts measures to guarantee accessibility, such as developing services adapted for people with disabilities (more information in section S4-4).

Processes to remedy negative impacts and channels for consumers and end users to raise concerns

S4-3

Committed to transparency and excellence in service, CUF analyses all customer feedback shared through the various communication channels, promoting the continuous improvement of services.

All suggestions, compliments and complaints, of a clinical nature and some of a non-clinical but sensitive nature, received by the **Customer Office** give rise to a response to the customer, in order to better understand the issues raised and ensure appropriate follow-up.

Situations with a significant impact on the customer are referred to the **Customer Ombudsperson**. The main mission of this entity is to help improve the services provided to customers, always seeking to defend their rights and legitimate interests, as well as to help resolve complaints and mediate potential conflicts between CUF and its customers. All customers whose cases are analysed by the Customer Ombudsman's Office are contacted by telephone by the Customer Ombudsman's Office. These meetings are attended by relevant areas, such as the Unit's Clinical Management, Nursing Management, the Unit's Management, the Ombudsman, or any other entity that may be necessary in the specific case. In 2024, the Customer Ombudsperson analysed 109 cases (88 clinical and 21 non-clinical).

Once complaints have been received, the possible causes are analysed, an action plan drawn up and its effectiveness assessed in accordance with the **ISO 9001:2015 methodology**. Statistically significant issues identified through complaints, surveys, or customer profiles can lead to improvement projects, such as Close the Loop and the Project Excellence, among others.

Customers can express their concerns via the following **channels**:

- Units' desks;
- Complaints book;
- Book of compliments;
- Contact Centre;
- CUF website;
- myCUF app;
- Whistleblowing Channel.

Customer interactions are recorded in the document management platform (complaints, compliments and suggestions) and Qualtrics (survey responses). Aggregated information makes it possible to analyse trends, identify pain points and sweet points and develop organisational improvements.

The effectiveness of the channels is evaluated through various indicators, such as the response rate to enquiries and the times and quality of responses to complaints. Although it does not yet directly assess whether customers trust these channels, CUF does indirectly monitor the awareness and accessibility of the website.

To date, no cases of non-compliance with these human rights principles involving its customers have been reported to CUF.

Measures taken regarding material impacts on consumers and end-users and approaches to mitigate material risks and seek material opportunities related to employees in the value chain, as well as the effectiveness of these measures.

S4-4

a) Social inclusion of consumers and/or end users

With the goal of preventing, mitigating and remedying material negative impacts on customers, CUF carried out several initiatives in 2024, which are expected to continue in the long term:

- Customer Support Centre;
- Improvements to the accessibility of the CUF website;
- Inclusive Service Training and Employee Awareness of Inclusion;
- Optimisation of Permanent Care (PC);

The **Customer Support Centre** consists of a page on the CUF website that centralises and consolidates information for customers, such as clarification forms and quick access to information on agreements, clinical analyses, surgeries, among others, with an optimised response flow to direct requests to the relevant internal areas.

CUF has improved **website accessibility** through an advanced Artificial Intelligence solution. Using a widget (interaction element, such as buttons, menus, icons, etc.), this solution available on the website's homepage allows access to various profiles that enable many options. These include smart browsing, voice commands, changing the colour contrast and colours of the website, changing the font to make it easier to read and even enlarging the display to 200%. The accessibility profiles are duly segmented according to each user's abilities, for example blindness, motor skills disorders, low vision, epilepsy, or dyslexia. The solution thus allows for a browsing experience that is even better and personalised to the specific needs of each user.

In 2024, 40,962 users accessed this widget and used the new accessibility features. CUF is moving ahead of time regarding the European standard in this area, being the first private healthcare provider in Portugal to make this web tool available.

CUF has developed training in **Inclusive Care** to raise employee awareness regarding the inclusion of people with some form of disability. This training is aimed above all at professionals with a direct relationship with the customer and covers topics such as: concepts and types of disability and special needs; the importance of empathy and understanding in inclusive care; recognising and acting on signs of discomfort; communication strategies; and legal and ethical aspects. This training took its first steps in the last quarter of 2024, with 90 employees having been trained by the end of that year.

To improve the customer experience, the **Permanent Care (PC)** has been optimised to reduce waiting times and increase satisfaction through:

- Waiting Room Manager – introduction of this function in four units, resulting in a 6% reduction in the weight of detractors (dissatisfied customers who can share negative experiences) in the "waiting times" item;
- Revision of the Waiting Calculation Algorithm – standardisation of the communication of estimated waiting times on various channels, ensuring greater predictability for customers;
- Explanatory Videos – development of informative content on the customer journey in Permanent Care;
- More pleasant waiting times, by making digital newspapers and magazines available free of charge in the Permanent Care units.

These initiatives have been developed with the goal of generating positive impacts for customers, promoting well-being, increasing access to health services and improving people's quality of life.

b) Privacy and Data Protection

With regard to data protection, CUF has adopted strict measures to mitigate risks and ensure compliance with the GDPR, including:

- Procedures and Management Platform – implementation of a formalised system for recording and handling incidents related to personal data;
- Monitoring and awareness-raising – mandatory training for all employees, as mentioned in section S4-1, analysis of behaviour patterns and meetings with the areas involved to implement robust solutions.

Under the [procedure for notification of personal data breaches](#), all data subjects are contacted whenever an event involving their data occurs, and a risk and impact analysis is carried out by the DPO and the Executive Committee Director, if applicable, to determine the need for communication to the Portuguese National Data Protection Committee (CNPD), as provided for in the GDPR.

In 2024, there were 1,296 interactions between data subjects and the DPO and two interactions with the CNPD. All interactions involving the personal data of customers and employees are analysed and dealt with on a case-by-case basis, ensuring an appropriate and proportionate response. The assessment includes risk management, ensuring transparency and accountability in the protection and provision of information.

Data protection is considered a top risk at CUF and is on the annual agenda of the Executive Committee and monitored by the Risk Management Department. These actions were implemented in 2024, at national level, with a view to continuing in the long term.

c) Patient Safety

CUF's safety culture is based on proactivity and transparency in the reporting of adverse events and a commitment to fulfil the International Patient Safety Goals.

The significant adherence of employees to [reporting adverse events](#) demonstrates an increasing awareness and maturity in relation to reporting. This movement has helped to collect, group, and analyse clinical information, which allows for the analysis of causes and the identification of risks, in addition to ensuring full traceability of the effectiveness and sustainability of the improvement measures implemented. Operationally, the analysis and resolution of adverse events, as well as the implementation of improvement cycles take place annually and are the responsibility of the Local Patient Safety Coordination Groups and, across the board, of the Patient Safety Technical Commission.

The National Patient Safety Plan 2021–2026 emphasises that “promoting patient safety requires a coordinated and persistent effort by all stakeholders and a systemic, continuous approach that promotes a culture of safety, based on a non-punitive logic of continuous improvement”. This premise favours safe practices in safe environments, known as the [International Patient Safety Goals](#), which cover six specific areas: unambiguous patient identification, effective communication, safety of the medication circuit, safe surgery, hand hygiene and the prevention of injuries from falls. These areas are constantly monitored to reinforce the barriers put in place to prevent the occurrence of incidents that are directly related to the provision of care and that represent greater harm to the customer. CUF adopts the best national and international practices in this area and has an overall compliance rate with these measures of around 95%.

Targets related to managing material negative impacts, promoting positive impacts and managing material risks and opportunities

S4-5

CUF has established company-wide targets related to quality of service and patient safety, namely:

- Training employees in Inclusive Care.
- Increasing the rate of compliance with international patient safety targets.

CUF has made a commitment to train 75% of its administrative and auxiliary staff in **Inclusive Care** by 2028, starting from a base value of 1% in 2023. This training took its first steps in the last quarter of 2024, having 90 employees had been trained by the end of that year, of which 48 were administrative and auxiliary staff (1% of the total number of employees in these roles). Over the next four years, training will cover more than 600 employees per year. This training aims to develop skills for an inclusive, informed and effective relationship in the care, reception and referral of people with specific needs who seek healthcare throughout the network. The number of employees trained in Inclusive Care was select as an indicator for evaluation performance within the CUF Sustainability Linked-Financed Framework, carried out in 2024.

The **International Patient Safety Goals** are considered essential barriers to ensuring quality and safety in the provision of healthcare. The international benchmark establishes a minimum compliance interval of 95%. In this regard, CUF also set itself the annual target of reaching a level equal to or greater than 95%, which it achieved in 2024, maintaining the same objective for 2025.

The monitoring and reporting of these targets, developed by CUF, relating to adverse events and the rate of compliance with the International Patient Safety Goals are carried out on a quarterly basis. These goals are intrinsically linked to the Patient Safety Policy, serving as indicators for monitoring and improving potential risks and harms, related to the provision of health care. Furthermore, they are aligned with the National Patient Safety Plan.

To date, no intermediate goals have been defined nor have any changes been made to the values and years established in the methodology, calculation or data collection, assumptions, sources and limitations. CUF did not contact costumers directly or with their legitimate representatives to define this goal, with the same having come from an internal initiative.

Implementing and monitoring the adopted measures and targets promotes continuous improvement and is a gateway to a quality health service. In this context, there is alignment with the following UN Sustainable Development Goals (SDGs):



3.3.4. Involvement in the community

CUF has identified an opportunity related to community engagement:

	IRO	Location in the Value Chain	Strategy
Entity Specific			
Strengthening the brand, due to impacts on the community		Upstream Value Chain	CUF identifies community involvement as a opportunity to strengthen relationships with the communities where it takes part of. Community involvement is part of the companies strategy, carried out through the CUF Inspira Program, namely through the axis "Social Impacts on the Community"

In the implementation of its strategy, CUF seeks to generate a positive impact on the communities in which it operates and is committed to contributing and collaborating increasingly more with organisations and causes that fit in with the company’s values and strategy.

In an era of constant evolution and innovation, CUF has the responsibility and, at the same time, the challenge of maintaining the values that guide the way the company operates in the various locations in the country where it is present.

Corporate responsibility has always been part of the company’s nature, and CUF will continue to give relevance and consistency to this legacy to create a greater impact on society. To this end, the CUF Inspira Programme was launched in 2018, consolidating a series of initiatives with a social and environmental impact, reinforcing its role as an active agent in the communities in which it operates.

Although no specific internal policy on community involvement has been developed, CUF has carried out a number of actions, including the following in 2024:

- Participation in Local Councils for Social Action (CLAS) and Parish Social Commissions (CSF): in 2024, CUF increased its participation and became a member of 14 CLAS and two CSF.
- Social investment of more than 650,000 euros, namely through donations to social economy entities.
- Donations: another 36,000 goods donated to 29 non-profit organisations.
- Corporate Volunteering 2,340 hours of voluntary work carried out by CUF employees in social institutions.
- Health literacy 369 hours of free health training.

All these actions create proximity and positive partnerships to promote local development and work on common strategies to solve social problems.

Sustainability Statement

Governance Information

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Indicators

74 days

Average payment term to suppliers

0

Incidents of corruption or bribery

74%

Employees trained in the code of conduct and internal policies

100%

Suppliers assessed on sustainability criteria, with a turnover of over 10K€

3.4. Governance Information

3.4.1. G1 – Business Conduct

CUF constantly endeavours to reconcile the quality of healthcare provision with a responsible and transparent conduct. To this end, it has implemented a robust governance model based on ethics, transparency and integrity, following good practices and complying with the law.

Within the scope of the Double Materiality analysis, the following impacts, risks and opportunities were identified, related to business conduct:

	IRO	Value Chain Location	Strategy
Corporate Culture			
Interact with all stakeholders according to our standards business ethics		Own Operations and Entire Value Chain	CUF intends to ensure a serious and responsible commitment to its stakeholders, guided by ethics and social responsibility.
Whistleblower protection			
Non-compliance with Human Rights and potential burdens with lawsuits or fines		Own Operations and Downstream Value Chain	Respect and protection of Human Rights is a priority for the CUF in all its activities and decisions. In this way, CUF establishes several codes, both internal and external, to ensure that Human Rights are respected.
Political context and stakeholder representation activities			
Risk of instability in sector regulation		Own Operations	An unstable political context in the locations where CUF operates can bring instability to the continuity of operations. To this end, CUF develops a resilient and flexible business model in order to be able to adapt quickly to possible political changes.
Supplier relationship management, including payment practices			
Good relationship with the supply chain suppliers		Own Operations and Entire Value Chain	Creating and maintaining a good relationship with suppliers is imperative for the continuity of CUF operations. In this way, CUF develops its relationship with its suppliers based on ethics, transparency and commitment to good business practices.
Prevention and detection of corruption and bribery, including training			
Well-being, health and safety of employees, which will allow a greater human resource attractiveness		Own Operations and Upstream Value Chain	The prevention and detection of corruption incidents are essential for the creation of a positive working environment in which employees trust the company, feeling safe. To this end, CUF invests in the ongoing training of its employees on topics of anti-corruption and anti-bribery.
Incidents of corruption and bribery			
Fines and reputational damage		Own Operations and Entire Value Chain	CUF identifies the risk of corruption and bribery, however, establishes measures to mitigate this risk, through its policies such as the Code of Conduct..

Legenda: Impacto positivo Impacto negativo Risco Oportunidade

Policies related to the business conduct

G1-1

Business conduct is a priority for CUF in all its activities and decisions. In this sense, CUF developed various codes, channels and internal policies, in order to ensure a serious and responsible commitment to its employees and stakeholders:

- Code of Conduct
- Anti-corruption policy.
- Conflict of Interest Management Policy.
- Support and Donation Policy.
- Sponsorship Policy.
- Policy on Offers.

The **Code of Conduct** is the guiding principle in the performance of CUF's activity and contains the necessary resources to act in accordance with the company's ethics. It applies to all employees who work at CUF, regardless of the type of employment relationship and the position they occupy in the company's hierarchy. As a materialisation of the transparency and ethical awareness that is part of the company's value system, CUF has developed internal policies that reinforce the guidelines set out in the Code of Conduct, namely the Anti-Corruption Policy, the Policy for the Management of Conflicts of Interest and the Policies for Awarding Support, Donations, Sponsorships and Gifts.

The phenomenon of corruption offends the essence of democracy and its fundamental principles. The commission of illegal acts jeopardises the peace, security and well-being of society, as well as the stability of markets and economic growth. Aware of its role as a benchmark company in the provision of healthcare, CUF has made a serious and responsible commitment to its customers, partners and suppliers, but also to the Government and society in general in terms of complying with good institutional practices in terms of transparency and integrity. To this end, it has developed the **Anti-Corruption Policy** in which it disapproves of any conduct that, directly or indirectly, could be related to acts of corruption.

CUF promotes impartiality in the relations between its employees and stakeholders. It has therefore developed a **Policy for the Management of Conflicts of Interest** which sets out internal rules and procedures, complementary to the Code of Conduct, in this area. Employees have a duty of loyalty to CUF and must avoid actions or relationships that constitute, or may appear to constitute, a conflict of interest.

The **Policies for Allocating Support, Donations, Gifts and Sponsorships** establish the rules and procedures that the company must follow in order to allocate financial or material support. These policies seek to guarantee transparency, fairness and consistency in the allocation of this support and ensure that it is aligned with the company's mission, values and strategic objectives.

All these policies are directed at CUF's own operations and exists across the entire company, and are ultimately approved by CUF's Executive Committee. They are available on the intranet, through CUF's document management platform, and some on the website, and are also accessible to all stakeholders.

Corporate culture

CUF's corporate culture is established, developed, promoted and evaluated in various ways:

- **Code of Conduct:** the CUF Code of Conduct defines the expectations of ethical behaviour for all employees and promotes a culture of integrity and transparency. The dissemination of this code was accompanied by internal communication campaigns and training sessions.

- Training programme: CUF has developed mandatory training on ethical conduct and human rights, including all internal policies, promoting a culture of integrity.
- Internal Committees: various committees have been set up to monitor the company's alignment with ethical and sustainable practices, ensuring that the corporate culture is continually developed and adapted to new requirements. The Code of Conduct Monitoring Committee, the Internal Audit Committee and the Innovation and Sustainability Committee are three examples.

Supplier relationship management

G1-2

CUF develops its relationship with its suppliers based on ethics, transparency, and a commitment to good commercial practices. The **Code for Service Providers, Suppliers and Partners** incorporates this commitment, including, in Article 3, the obligation to follow "Labour Practices and Human Rights". CUF therefore manages its portfolio of suppliers carefully, seeking to collaborate with partners who share the same values and principles. The CUF Code for Service Providers, Suppliers and Partners is an integral part of all contracts or protocols signed, including sustainability criteria and compliance with international standards and guidelines.

In addition, CUF has other instruments that reinforce the alignment of its value chain with its values and strategies, through the evaluation of suppliers in matters of Sustainability, with the implementation of actions such as:

- Inclusion of sustainability criteria in contracts: in the specifications and contracts with new suppliers there are sustainability criteria and a requirement to comply with international standards and guidelines.
- Implementation of a supplier management platform based on ESG criteria.

In September 2024, CUF implemented a supplier management and evaluation platform, where suppliers answer a questionnaire on various sustainability topics, enabling an ESG score to be generated for each supplier. This tool has made it possible to assess the alignment of suppliers with CUF's principles and values and to develop improvement plans to help suppliers improve their practices. This score is not currently used as an exclusion criterion, but rather as a collaborative working tool to guide the adoption of best practices. More details about the Code for Service Providers, Suppliers and Partners and the supplier management platform can be found in chapter S2.

As a matter of principle, CUF pays all invoices approved and agreed in advance with its suppliers by the due date, defined internally by the company. Although no specific policy has been developed for Small and Medium-sized Enterprises (SMEs), CUF guarantees equal treatment for all suppliers, regardless of their size.

Prevention and detection of corruption or bribery

G1-3

CUF has specific procedures for preventing, detecting and responding to cases of corruption and bribery, in line with the General Regime for the Prevention of Corruption and ISO 37001 (Anti-Corruption Management Systems). The main mechanisms are:

- **Plan for the Prevention of Risks of Corruption and Related Infractions (PPR)**: identifies, analyses and classifies risks related to corruption, establishing specific preventive and corrective controls for each situation.
- **Anti-Corruption Policy**: this is part of CUF's Regulatory Compliance Programme, which also includes the Code of Conduct, as mentioned in section G1-1.
- **Whistleblowing Channel**.

CUF adopts structured mechanisms to identify, report and investigate illicit behaviour, ensuring ethics and transparency. The **Whistleblowing Channel**, which allows any stakeholder, whether internal or external, to anonymously report possible breaches of conduct, such as harassment, corruption and conflicts of interest, guarantees:

- Confidentiality and protection against retaliation: all whistleblowers and witnesses are protected against reprisals, ensuring a safe environment for reporting in accordance with applicable legislation, including Directive (EU) 2019/1937.
- Investigation and follow-up: complaints are analysed by the Code of Conduct Monitoring Committee or forwarded to the relevant areas of the company, such as the Legal Department and Internal Audit, depending on the nature of the incident. CUF implements clear and strong procedures for investigating incidents related to business conduct in a prompt, independent and objective manner, in compliance with applicable legislation.
- Communication and regular training: CUF promotes communication campaigns and offers regular training to its employees on the Code of Conduct, seeking to raise internal awareness regarding the Whistleblowing Channel. In 2023, an e-learning training course was launched, with more compulsory content, for the entire company. A number of face-to-face training sessions were also organised, aimed at employees from different functions, particularly people with lower digital literacy, in order to ensure greater coverage and access. For CUF, training the organisation on issues related to business ethics is essential for promoting a benchmark organisation and ensuring that the company's values are put into practice.

The Code of Conduct and Internal Audit Monitoring Committee has members who act in an autonomous, without any link to the management chain, involved in the cases under analysis, and are responsible for analyzing the incidents as stipulated in risk management policies and practices. These commissions are composed of independent members, who do not have any direct involvement with the managers or operations related to the case in investigation. The number of reports received through this reporting channel in 2024 is described in chapter S1.

Detailed procedures are followed for reporting the results of corruption and bribery to CUF's management and supervisory bodies, specifically:

- Regular reports: the results are communicated to the Executive Committee and to the Board of Directors, who oversee risk and compliance issues. The Code of Conduct Monitoring Committee and Internal Audit report directly to these bodies.
- Meetings: the company's management, including the areas responsible for auditing and risk management, make regular communications to the Executive Committee, addressing any critical issues that may arise.
- Continuous monitoring: the Executive Committee monitors compliance activities and reports relevant issues to supervisory bodies such as the Supervisory Board, ensuring transparency and corrective action when necessary.

CUF recognises that certain functional groups, namely the Board of Directors, the Executive Committee, Corporate Directors and Unit Directors, are more exposed to potential conflicts of interest. Given their involvement in critical financial transactions and interactions with business partners, these employees may find themselves involved in situations that amount to corruption and bribery. This universe of 38 people is currently being revised to include more functions considered to be at risk. All the employees in this risk group have completed training on CUF's Code of Conduct and Internal Policies.

All these adopted measures make it possible to monitor reports of corruption and bribery, ensuring compliance with the highest standards of integrity and compliance with established policies.

Confirmed incidents of corruption or bribery

G1-4

If the existence or suspicion of a violation or potential violation of anti-corruption and anti-bribery procedures and standards is identified, employees must immediately report the violation. This communication should be made through the means created for this purpose, namely through the CUF Whistleblowing Channel, which is accessible to all employees. Anyone who in good faith

denounces practices that may constitute a violation may not be subject to retaliation, reprimand, or any unfavourable or discriminatory acts by CUF or its workers.

Violation by employees of the rules set out in the policy may constitute a disciplinary offence, which may result in the application of a sanction that will be graded on a case-by-case basis between a reprimand and dismissal for just cause, under the terms of the Labour Code. The application of disciplinary sanctions to employees is without prejudice to the possible reporting to the authorities of facts that may constitute a criminal offence or administrative offence, which may give rise to legal proceedings and criminal sanctions, including fines or imprisonment. Whenever an offence is identified, a report will be drawn up by the compliance officer. This report should identify the rules violated, the sanction applied and the measures adopted or to be adopted, namely within the scope of the internal control system.

The application of the compliance programme is ensured and controlled by the compliance officer, who is appointed by CUF's Board of Directors and carries out their duties independently, permanently and with decision-making autonomy. To this end, they must have the internal information and the human and technical resources necessary for the proper performance of their duties.

In 2024, there were no confirmed incidents of corruption or bribery and no convictions for violating anti-corruption and anti-bribery laws.

Payment practices

G1-6

For most of its supplies, CUF has 90-day contractual payment terms. However, according to the average payment period on 31 December 2024, invoices were settled faster (74 days). The percentage of payments that are in line with the established payment terms is 94%, and there are no legal proceedings currently underway for late payment.

These metrics were developed internally and have not been verified by an external entity.

Targets related to business conduct

CUF maintains an ongoing commitment to ethics, transparency and good corporate governance practices, currently developing specific goals related to business conduct, which is why they are not yet presented in this report.

Additional note about translation

The Sustainability Statement was initially written in Portuguese. In the event of discrepancies in information, the Portuguese version prevails.



Limited Assurance Report

Deloitte.

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INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT

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

Limited assurance conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement of CUF, S.A. and its subsidiaries (“Group”) included in section “Sustainability Statement” of the Consolidated Management Report (the “Consolidated Sustainability Statement”), as at December 31, 2024 and for the period between January 1, 2024 and December 31, 2024.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement of CUF, S.A. and its subsidiaries as at December 31, 2024 and for the period between January 1, 2024 and December 31, 2024 is not prepared, in all material respects, in accordance with:

- the European Sustainability Reporting Standards (“ESRS”), including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Statement (the “Process”) is in accordance with the description set out in note 3.1.1.4 “Management of Impacts, Risks and Opportunities”; and
- the disclosures provided for in Article 8 of the Regulation (EU) 2020/852 (the “Taxonomy Regulation”), included in the “EU Green Taxonomy” subsection from the “Environmental Information” section of the Consolidated Sustainability Statement.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants and other standards and guidelines of the Ordem dos Revisores Oficiais de Contas (OROC).

The procedures 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.



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Our responsibilities under this standard are further described in section “Auditor responsibilities”.

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

Quality and Independence

Our firm applies the International Standard on Quality Management 1 (ISQM 1), which requires that a comprehensive system of quality management is designed, implemented and maintained, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the Code of Ethics of the Ordem dos Revisores Oficiais de Contas (OROC).

Management and supervisory body responsibilities for the Consolidated Sustainability Statement

It is the responsibility of the Group's management to design, implement and maintain a process to identify the information contained in the Consolidated Sustainability Statement in accordance with the ESRS (the Process) and disclose this process in note 3.1.1.4 “Management of Impacts, Risks and Opportunities” of the Consolidated Sustainability Statement. This responsibility includes:

- understanding the context in which the Group’s activities and business relationships take place and how can stakeholders be affected;
- the identification of the actual and potential impacts (negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- the selection and application of sustainability reporting methodologies and the definition of assumptions and estimates related to sustainability disclosures, that are reasonable in the circumstances.

It is also the responsibility of the Group's management:

- the preparation of the Consolidated Sustainability Statement in accordance with the ESRS;
- the preparation of disclosures in the “EU Green Taxonomy” subsection of the “Environmental Information” section of the Consolidated Sustainability Statement, in accordance with Article 8 of the Regulation (EU) 2020/852 (the “Taxonomy Regulation”);
- the design, implementation and maintenance of an internal control system that management determines is necessary to allow the preparation of the Consolidated Sustainability Statement free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate methods for the preparation of the Sustainability Statement and the definition of assumptions and estimates about sustainability disclosures that are reasonable in the circumstances.

The supervisory body is responsible for supervising the Group's Consolidated Sustainability reporting process.

Inherent limitations in preparing the Consolidated Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Statement, Group's management interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

Auditor responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Report as a whole.

As part of a limited assurance engagement performed in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities in relation to the Consolidated Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in note 3.1.1.4 "Management of Impacts, Risks and Opportunities".

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- Obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Statement, but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operational effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to disclosures in the Consolidated Sustainability Statement where material misstatements are likely to arise. 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 override of internal control.



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Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
 - performing inquiries to understand the sources of information used by management (such as the stakeholder engagement, business plans and market references); and
 - reviewing the Group's internal documentation of its Process.
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note 3.1.1.4 "Management of Impacts, Risks and Opportunities".

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by understanding the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Statement, but not for the purpose of expressing a conclusion on the effectiveness of the Group's internal control;
- Assessed whether the material information identified by the Process is included in the Consolidated Sustainability Statement;
- Assessed whether the structure and presentation of the Consolidated Sustainability Statement is in accordance with the ESRS;
- Carried out inquiries of relevant personnel and analytical procedures on selected disclosures from the Consolidated Sustainability Statement;
- Carried out substantive procedures, on a sampling basis, on the selected disclosures of the Consolidated Sustainability Statement;
- Obtained evidence about the methods, assumptions and data used in developing material estimates and forward-looking information and how these methods were applied; and
- Obtained an understanding of the process followed by the Group to identify eligible economic activities aligned with the Taxonomy Regulation, as well as the calculation of reporting indicators and the corresponding disclosures in the Consolidated Sustainability Statement.

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Other matters

Our assurance engagement does not extend to information in respect of earlier periods.
Our assurance engagement does not extend to comparative information included in the Group's Consolidated Sustainability Statement for previous periods. Our conclusion is not modified in relation to this matter.

Lisbon, April 23, 2025

Deloitte & Associados, SROC S.A.
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Separate **Financial Statements**

On 31 December 2024

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Statement of Income and Other Comprehensive Income for the Financial Years Ended on 31 December 2024 and 2023

(Amounts expressed in thousand euros)

	Notes	31/12/2024	31/12/2023
Operating income:			
Sales and services rendered	4	4,300	3,344
Other operating income	4	103	819
Operating income		4,403	4,163
Operating costs:			
Cost of sales	5	(9)	(168)
External supplies and services	6	(5,677)	(5,382)
Personnel costs	7	(6,896)	(10,408)
Depreciation and amortisation	14	(4,218)	(3,573)
Provisions and impairment losses [(increases)/reversals]	29	(4,758)	(884)
Other operating costs	8	(730)	(414)
Operating costs		(22,288)	(20,829)
Operating results		(17,885)	(16,666)
Financial costs	9	(13,224)	(11,293)
Financial income	9	4,543	3,897
Profit and loss of investment activities	9	37,101	69,574
Financial results		28,420	62,178
Income before taxes		10,535	45,512
Income tax for the year	10	7,276	11,762
Net profit for the financial year		17,811	57,274
Comprehensive income for the financial year		17,811	57,274
Earnings per share (in euros):			
Basic	11	1.68	5.40
Diluted	11	1.68	5.40

The accompanying notes form an integral part of the statement of income and of other comprehensive income for the financial year ended 31 December 2024.

The Statutory Auditor,

The Board of Directors,

Statement of Financial Position on 31 December 2024 and 2023

(Amounts expressed in thousand euros)

	Notes	31/12/2024	31/12/2023
Non-current assets:			
Intangible assets	12	2	40
Property, plant and equipment	13	646	506
Right-of-use assets	14	15,858	14,437
Financial investments	15	996,760	992,535
Other investments	16	978	984
Other financial assets	17	5,774	5,405
Deferred tax assets	18	5,601	7,098
Other debtors	19	7	112
Non-current assets		1,025,626	1,021,117
Current assets:			
Trade receivables and advances to suppliers	21	689	181
Other financial assets	17	300,375	206,489
Government and other public entities	22	5,920	5,116
Other debtors	19	24,931	19,489
Other assets	20	5,570	5,972
Cash and bank deposits	23	62,031	10,046
Current assets		399,516	247,294
Assets		1,425,142	1,268,411
Equity:			
Share equity	24	53,000	53,000
Legal reserve	25	10,600	10,600
Other reserves	26	817,431	817,431
Merger reserves	26	-	(919)
Retained earnings	26	29,131	1,275
Net profit for the financial year	26	17,811	57,274
Equity		927,973	938,662
Non-current liabilities:			
Loans	27	83,582	94,793
Lease liabilities	28	12,618	11,443
Provisions	29	7,642	2,889
Other creditors	30	4,224	-
Non-current liabilities		108,066	109,126
Current liabilities:			
Loans	27	54,393	46,258
Lease liabilities	28	3,702	2,866
Other financial liabilities	17	308,230	149,740
Trade payables and advances from clients	32	2,784	2,183
Current tax liabilities	22	6,293	7,598
Government and other public entities liabilities	22	174	176
Other creditors	30	694	371
Other liabilities	31	12,833	11,433
Current liabilities		389,103	220,625
Liabilities		497,169	329,750
Liabilities and Equity		1,425,142	1,268,411

The accompanying notes form an integral part of the statement of financial position on 31 December 2024.

The Statutory Auditor,

The Board of Directors

Statement of Changes in Equity of the Financial Years Ended on 31 December 2024 and 2023

(Amounts expressed in thousand euros)

	Notes	Share equity	Legal reserve	Other reserves	Merger reserves	Retained earnings	Net profit for the financial year	Total
Balance on 1 January 2023		53,000	10,600	833,175	(919)	11,655	2,377	909,887
Application of the 2022 result								
Transfer to Other reserves	26	-	0	-	-	-	(0)	-
Distribution of dividends	26	-	-	-	-	-	(2,377)	(2,377)
Other operations	26	-	-	(15,744)	-	15,744	-	-
Distribution of Retained earnings	26	-	-	-	-	(26,123)	-	(26,123)
Net profit for the financial year		-	-	-	-	-	57,274	57,274
Total comprehensive income for the financial year		-	-	-	-	-	57,274	57,274
Balance on 31 December 2023		53,000	10,600	817,431	(919)	1,275	57,274	938,662
Application of the 2023 result								
Transfer to retained earnings	26	-	-	-	-	28,774	(28,774)	-
Distribution of dividends	26	-	-	-	-	-	(28,500)	(28,500)
Reclassification		-	-	-	919	(919)	-	-
Net profit for the financial year		-	-	-	-	-	17,811	17,811
Total comprehensive income for the financial year		-	-	-	-	-	17,811	(10,689)
Balance on 31 December 2024		53,000	10,600	817,431	-	29,131	17,811	927,973

The accompanying notes form an integral part of this Statement of Changes in Equity for the financial year ended on 31 December 2024.

The Statutory Auditor,

The Board of Directors

Statement of Cash Flows for the Financial Years Ended on 31 December 2024 and 2023

(Amounts expressed in thousand euros)

	Notes	31/12/2024	31/12/2023
OPERATING ACTIVITIES:			
Cash receipts from clients		10,244	6,743
Cash paid to suppliers		(7,381)	(7,487)
Cash paid to employees		(6,315)	(6,489)
Income tax received/paid		(2,497)	10,037
Other cash receipts/payments from operating activities		2,611	(1,308)
Cash flow from operating activities		(3,338)	1,496
INVESTMENT ACTIVITIES:			
Receipts from:			
Other financial assets with subsidiaries	17.1	6,470	48,717
Other financial instruments		-	13,500
Interest and similar income		918	3,493
Dividends	9, 15 and 34	37,101	69,574
		44,488	135,284
Payments in respect of:			
Financial assets and other investments		-	(4,120)
Property, plant and equipment		-	(11)
Other financial assets with subsidiaries	17	(99,345)	(78,488)
Cash flow from investment activities		(99,345)	(82,619)
Cash flow from investment activities		(54,857)	52,665
FINANCING ACTIVITIES:			
Receipts from:			
Obtained loans	27	250,310	255,300
Other financial liabilities with subsidiaries	17	112,462	41,889
Other financing operations	17	50,000	-
		412,772	297,189
Payments in respect of:			
Obtained loans	27	(250,350)	(302,250)
Lease contracts	28	(3,449)	(2,744)
Interest and similar costs		(12,315)	(10,129)
Other financial liabilities with subsidiaries		(4,981)	(9,453)
Dividends paid and distributed earnings		(28,500)	(28,500)
		(299,596)	(353,076)
Cash flow from financing activities		113,176	(55,887)
Cash and cash equivalents at the beginning of the financial year	23	7,050	8,776
Changes in cash and cash equivalents		54,981	(1,726)
Cash and cash equivalents at the end of the financial year	23	62,030	7,050

The accompanying notes form an integral part of this statement of cash flows for the year ended on 31 December 2024.

The Statutory Auditor,

The Board of Directors

Notes to the Separate Financial Statements on 31 December 2024

1. Introduction

A CUF, S.A. (hereinafter the “Company” or “CUF”), is a public limited company incorporated in 1992, with registered office in Lisbon, at Av. do Forte n.º 3, Edifício Suécia III, Piso 2, 2970-073 Carnaxide.

CUF, S.A. has as its main activity the purchase, sale and rental of equipment as well as the provision of management, consulting, IT, administrative, negotiation/provisioning services, and also the provision of services in the healthcare sector.

CUF is the holding company of a group whose main activity is the provision of healthcare, namely in the area of private healthcare provision, in the management of public-private partnerships, in the provision of occupational medicine, hygiene and health services, in the provision of home healthcare and also in the provision of logistics and reprocessing services for medical devices. The Group also has other secondary activities, in the property and infrastructure sector and in training and research.

The Company’s equity is owned by José de Mello Capital, S.A. (65.85%), its parent company, by Amélia da Silva de Mello Foundation (4.15%) and by Farminveste – Investimentos, Participações e Gestão, S.A. (30%). The financial statements of CUF, S.A. are included in the Consolidated Financial Statements of José de Mello Capital, S.A.

The bond loans issued by the Entity (Note 27) are listed on *Euronext Lisbon* – Sociedade Gestora de Mercados Regulados, S.A. and *Bourse de Luxembourg* – Société de la Bourse de Luxembourg, S.A.. In October 2024, there was an exchange operation between CUF SGPS 2024–2029 and CUF, S.A. 2025 and 2027 bonds. The total amount totalled 33.5 million euros.

The Board of Directors considers that these financial statements truly and suitably reflect the operations of the Company, as well as its financial position, performance and cash flows.

The financial statements of CUF, S.A. for the financial year ended 31 December 2024 were approved by the Board of Directors and will be subject to approval at a General Meeting to be convened under the terms of the law and the articles of association.

The Company’s financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and with the interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) and Standing Interpretations Committee (“SIC”), as adopted by the European Union. Hereinafter, this set of standards and interpretations shall be generally referred to as “IFRS”.

2. Accounting Policies

2.1. Basis of preparation

The preparation of these financial statements used the same accounting policies and recognition, and presentation criteria adopted in the preparation of the Company's financial statements for the financial year ended 31 December 2023.

Additionally, there were no other changes in the main estimates used by the Company in the preparation of the financial statements, and no material mistakes related to previous periods were recognised.

The financial statements have been prepared on a going concern basis from the accounting books and records of the Company.

The values shown are expressed in thousand euros, as this is the currency mainly used in the economic environment where the Company operates. Due to rounding, the figures shown may not be the exact totals.

The Board of Directors made an assessment of the Company's ability to continue as a going concern, based on all relevant information, facts and circumstances, of financial, commercial and other nature, including events following the reference date of the financial statements, available about the future. As a result of the assessment carried out (Note 36), which took into account the growth expectations for 2025 of the medical activity of its indirect subsidiaries and the contractually established debt increase plans (Note 27), the Board of Directors concluded that the company has adequate resources to maintain its activities and fulfil its obligations in full, with no intention of terminating them in the short term, and therefore considered it appropriate to use the going concern assumption in the Financial statements.

2.2. Main accounting policies

2.2.1. Revenue and accruals

Sales and services rendered are recognised in the Statement of Income and other Comprehensive Income when the control of the good or service delivered is transferred to the buyer and the amount of the income can be reliably measured.

For each contract, the Company assesses whether there are other commitments in the contract that are distinct performance obligations and for which a portion of the transaction price should be allocated. In determining the transaction price, the Company takes into account possible variable remunerations, the existence, or not, of a significant financing component, of non-monetary compensations to be received and the possibility of there being remunerations payable to the client. The Company acts as a "principal" in its agreements with clients as a result of controlling the delivery of contracted goods and services to its clients, namely through its unilateral ability to direct them to the clients it chooses at the time it decides.

Making use of the practical expedient in IFRS 15 – Revenue from contracts with customers, the Company does not adjust the amount of the consideration for the financial effect when it has the initial expectation that the period between the transfer of the good or service to the client and the time when the client pays for the good or service is less than one year. The same happens when the Company receives short-term advances from its clients – in this case, the amount of the retribution is also not adjusted for the financial effect.

The Company recognises revenue from different businesses:

Service provision

This revenue stream concerns the sublease rents related to the lease of medical equipment to the Group's companies. The revenue is recognised on a monthly basis based on the sublease agreements made.

Interest

Revenue related to interest receivable is recognised on an accrual basis using the effective interest method, so as to be recognised in the period to which it relates, regardless of whether or not the respective supporting document has been issued.

2.2.2. Financial charges

Loan costs are recognised in the Statement of Income and other Comprehensive Income for the period they concern.

2.2.3. Income taxes

Income tax for the financial year is made up of current tax and deferred tax.

Current income tax is calculated based on the taxable income in accordance with the tax rules in force to which the Company is subjected.

Income tax is recorded in accordance with IAS 12 – Income Taxes. In measuring the cost of income tax of the period, in addition to current tax, the effect of deferred tax is also considered and calculated considering the temporary differences resulting from the difference between the tax base of assets and liabilities and their values in the financial statements, as well as the tax losses carried forward at the date of the statement of financial position.

The Company is taxed according to the Special Taxation System for Groups of Companies ("RETGS" – Regime Especial de Tributação de Grupo de Sociedades) it leads.

Deferred tax assets and liabilities are calculated periodically and valued at the tax rates in force or announced to be in force on the date the temporary differences are expected to reverse.

Deferred tax assets are recognised only when there is sufficient evidence, with a high degree of certainty, that sufficient taxable profits will arise in the future to allow such deferred tax assets to be used or when there are taxable temporary differences that offset the temporary deductible differences in the period of their reversal. At the end of each financial year, a review is made of the deferred taxes, and they are reduced whenever their future use is no longer probable.

Deferred taxes are recorded as expense or income for the financial year, except if they result from amounts recorded directly under equity, in which case deferred tax is also recorded under the same item.

According to current legislation, tax returns are liable for review and correction by the Tax Authorities for a period of four years. Accordingly, the tax returns of the Company for the years 2021 to 2024 may still be reviewed, although the Company believes that any adjustments resulting from tax revisions to those tax documents will have no significant impact on the separate financial statements on 31 December 2024.

For all transactions that incorporate uncertainty regarding their tax treatment and for all tax litigation processes, the Company carries out an assessment of the probability of the outcome of those processes, and whenever it is likely that the Tax Authorities will accept an uncertain tax treatment, the amounts of tax recorded are consistent with those declared. When there is uncertainty regarding the position of the Tax Authorities, this uncertainty is reflected in the measurement of the tax, in compliance with IFRIC 23 – Uncertainty over income tax treatments.

2.2.4. Deferred tax assets and liabilities

The Company recognises deferred taxes, as established in IAS 12 – Income tax, as a way of adequately accruing the tax effects of its operations, and to exclude distortions related to the criteria of a fiscal nature that impact the economic results of certain transactions.

Deferred tax assets are recognised when it is probable that future profits will be generated against which the Deferred tax assets can be utilised. Deferred tax assets are reviewed half-yearly and reduced when it is no longer probable that they may be used. The value of deferred tax is determined by applying the tax rates (and laws) enacted or substantively enacted at the reporting date and which are expected to apply in the period of realisation of the Deferred tax asset or of the Deferred tax liability settlement. At the end of 2024, the State Budget for 2025 was approved by Law no. 45-A/2024, of 31 December, which granted a reduction in the Portuguese Corporate Income Tax rate to 20%. The rate expected to be applied to the taxable profit for the periods in which the temporary differences are expected to be reversed was considered.

The change occurring during the financial year, the reconciliation between the nominal and effective tax rates of the income tax, as well as the make-up of the deferred tax balances are presented in Note 10.

2.2.5. Earnings per share

The basic revenue per share is calculated by dividing the profit or loss attributable to the shareholders of the parent company by the weighted average number of common shares outstanding during the period.

The diluted income per share is equal to the basic income as there is no interest on convertible preference shares nor options on shares.

2.2.6. Intangible assets

Intangible assets acquired separately are measured at their cost price on the date of initial recognition. The cost of the Intangible assets acquired in a merger of corporate activities is their fair value at the date of acquisition. Intangible assets generated internally, excluding capitalised development costs, are not capitalised, and expenses are reflected in profit or loss when incurred.

Intangible assets are only recognised if it is probable that future economic benefits will come to the Company, if they are controlled by it, if they are identifiable and if their cost can be reliably measured.

After initial recognition, Intangible assets are recorded at cost price less amortisations and losses due to subsequent impairment.

The useful lives of Intangible assets may be finite or indefinite. Intangible assets with indefinite useful lives are not amortised, but are subject to compulsory annual impairment testing. Intangible assets with finite useful lives are amortised during their estimated economic life and evaluated with regard to their impairment whenever there are signs that the asset may be impaired.

For Intangible assets with a finite useful life, amortisation methods, estimated useful life and residual value are revised at the end of each year and the effects of changes made are prospectively treated as changes to estimates.

Amortisations are calculated using the straight-line method.

The defined amortisation rates seek to fully amortise the assets by the end of their expected economic life. The economic lives defined for each asset class are as follows:

	Years
Software	4
Others	12

There were no Intangible assets with indefinite useful lives on 31 December 2024 and 2023.

The expense with amortisations of Intangible assets with finite useful lives is recognised in profit or loss under the Depreciation and amortisation item.

The impairment of these assets is determined according to the criteria set forth in Note 2.2.10 "Impairment of non-current assets".

Reversals of impairment losses are recognised in the Statement of Income and other Comprehensive Income and are performed only up to the limit of the net book value that would result if the impairment loss had never been recorded.

Any gain or loss resulting from the derecognition of an Intangible asset (calculated as the difference between the sale price less sale costs and its net book value) is recognised in profit or loss in the year in which the asset is derecognised.

2.2.7. Property, plant and equipment

Property, plant and equipment are goods used in the provision of services or in administrative use and are valued at their acquisition cost, including all costs associated with their acquisition, less the corresponding accumulated depreciation and impairment losses.

Depreciation is calculated on a linear duodecimal base, from the time the good is available for use, according to the straight-line method, so the value of the assets is depreciated by the end of their estimated useful lives:

	Years
Buildings and other constructions	10 – 20
Basic equipment	3 – 7
Office equipment	4

The impairment of these assets is determined according to the criteria set forth in Note 2.2.10 "Impairment of non-current assets".

Any gain or loss resulting from the derecognition of Property, plant and equipment (PPE) (calculated as the difference between the sale price less sale costs and the net book value) is recognised in profit or loss in the year in which the asset is derecognised.

For existing assets, the residual value is considered null and void, whereby the depreciable value on which the depreciations incur coincides with the cost.

Current maintenance and repair costs are recognised as expenses in the period in which they occur. Improvements are only recognised as assets when it is demonstrated that these increase their useful life or increase their normal efficiency, resulting in increased future economic benefits.

Property, plant and equipment in progress represent tangible assets under construction, installation or development and are recorded at cost of acquisition, and only depreciated when available for use.

2.2.8. Leases

Company as Lessee

The Company assesses whether or not a contract contains a Right-of-use asset on the start date of the contract. The Company recognises a Right-of-use asset and corresponding Lease liability for all lease contracts in which it is a lessee, except short-term leases (term of twelve months or less) and low-value leases (such as personal computers or office furniture). For these contracts, the Company adopts the exemptions under IFRS 16 – Leases, and recognises lease expenses on a straight-line basis as an operating expense.

Right-of-use assets

Right-of-use assets are measured at the initial value of the corresponding Lease liability, plus lease payments made before or at the commencement date of the lease and any initial direct expenses, less any amounts received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset, which is as follows:

	Years
Buildings and other constructions	10 – 20
Basic equipment	3 – 7
Office equipment	4
Transport equipment	4

Whenever the Company expects to incur in costs for dismantling the Right-of-use asset, or in costs for repairing the site where it is installed or the asset underlying the lease by way of a condition required by the terms and conditions of the lease contract, a provision is recognised and measured in accordance with IAS 37 – Provisions, contingent liabilities and contingent assets. These costs are included in the corresponding Right-of-use asset, to the extent that the expenses relate to it.

If a lease transfers ownership of the underlying asset or the Right-of-use price reflects that the Company expects to exercise a purchase option, the related Right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation begins at the lease's commencement date.

Right-of-use assets are presented on a separate line in the statement of financial position. The Company applies IAS 36 – Impairment of assets in determining the recoverable amount of the underlying asset, whenever necessary, based on the criteria described in Note 2.2.10 "Impairment of non-current assets".

Variable income parts that do not depend on an index or rate are not included in the measurement of liabilities and right-of-use assets. The respective payments are recognised as an operating expense in the Statement of Income and other Comprehensive Income in the period to which they relate.

Lease liabilities

Lease liabilities are initially measured at the present value of the future lease payments, discounted based on the implicit interest rate of the lease. If this implicit interest rate is not immediately determinable, the Company uses the corresponding incremental interest rate.

Lease payments included in the measurement of the lease liability are:

- In-substance fixed payments of the lease, net of any incentives associated with the lease;
- Variable payments based on indices or determinable fixed rates;
- Expectation of payments relating to residual value guarantees;
- Exercise price of call options, if it is reasonably certain that the Company will exercise the option; and
- Penalties for unilaterally exercisable termination or renewal clauses if it is reasonably certain that the Company will exercise the option to early terminate or renew the lease term.

The Lease liability is subsequently measured at amortised cost, increasing on account of accrued interest (recognised in the Statement of Income and other Comprehensive Income) and decreasing by the lease payments made. Its book value is remeasured whenever necessary to reflect a possible reassessment, when there is a modification or revision of the in-substance fixed payments.

Lease liabilities are remeasured, with a corresponding adjustment being made to the respective Right-of-use asset, whenever:

- Significant events or changes within the lessee's control, in the lease term, or in the right to exercise the purchase option as a result of a significant event or change in circumstances occur. In this case, the Lease liability is remeasured on the basis of the current lease payments, using a new discount rate;
- The lease payments are changed due to changes in an index or rate or a change in the expected payment under a guaranteed residual value, in which case the lessee's liability is remeasured by discounting the new Lease liability using an unchanged discount rate (unless the change in the lease payments is due to a change based on a floating interest rate, in which case a new discount rate is used);
- A lease is changed, and the lease change is not accounted for as a separate lease. In this case, the Lease liability is remeasured on the basis of the modified lease term, discounting the new payments using a discount rate determined at the effective date of the modification.

Short-term and low-value contracts

The Company adopted the exception of the recognition of short-term leases (contracts with a duration of less than twelve months) and low-value leases (less than 5 thousand euros). For short-term and low-value contracts, the Company recognises the expenses associated with these leases as expenses of the financial year during the life of the contracts.

Company as Lessor

Leases in which the Company does not substantially transfer all the risks and rewards associated with the ownership of an asset are classified as operating leases. Income earned through rents is accounted for, in a straight line, during the period of the lease and is presented in revenue, due to its operational nature.

Leases in which the Company substantially transfers all the risks and rewards associated with the ownership of an asset are classified as finance leases. At the commencement date, assets relating to finance leases are presented in the statement of financial position as a receivable for an amount equal to the net investment in the lease.

2.2.9. Financial investments

Financial investments related to equity holdings in subsidiaries and associated companies are valued at their cost at the date of transition to IFRS, that is, as of 1 January 2012, which corresponds to the amount recorded as of that date in accordance with the generally accepted accounting principles in Portugal.

Investments are stated at cost less accumulated impairment losses, when applicable. The impairment of these assets is determined according to the criteria set forth in Note 2.2.10 "Impairment of non-current assets".

This item also includes, at nominal value and net of any Accumulated impairment losses, Additional payments to Group and associated companies. These payments are added to the value of the investments in Group and associated companies due to their permanent nature and residual interest in the equity of the entities. These amounts do not bear interest and, in accordance with the applicable commercial legislation, can only be repaid to the Company if the Equity of those companies is not less than the sum of the share capital and non-distributable reserves after the repayment.

Any gain or loss resulting from the derecognition of financial investments (calculated as the difference between the sale amount minus the respective cost) is recognised in results for the year in which the investment is disposed of.

Dividends received by subsidiary companies are recorded as financial income when attributed, and capital reductions are recorded as a reduction of the investment value.

2.2.10. Impairment of non-current assets

At each reporting date, a review of the recorded amounts of non-current assets is carried out to determine whether there is any indication that they can be impaired. If there is an indicator, the recoverable amount of the corresponding assets is estimated to determine the extent of the impairment loss (if applicable). When it is impossible to determine the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which that asset belongs is estimated. The recoverable amount of the asset or cash-generating unit is the largest of (i) the fair value minus costs to sell and (ii) the usage value. In the determination of the usage value, the estimated future cash flows are discounted using a discount rate that reflects the market's expectations regarding the time value of money and the specific risks of the asset or cash-generating unit for which the future cash flow estimates have not been adjusted. Whenever the recorded amount of the asset or cash-generating unit exceeds its recoverable amount, an impairment loss is recognised. Impairment losses are recorded immediately in the Net profit of the financial year, unless such losses offset amounts recorded directly in equity.

The reversal of impairment losses recognised in prior financial years is recorded whenever there are changes in the estimates used to determine the asset's recoverable amount. The reversal of impairment losses is recognised in the Net profit of the financial year. The reversal is carried out up to the limit of the amount that would be recognised (net of amortisations) if the previous impairment loss had not been recorded.

2.2.11. Responsibility for employee benefits

Personnel costs are recognised when the service is provided by the employees regardless of their payment date.

Termination of employment

Benefits for termination of employment are due to be paid when employment ends before the usual retirement date or when an employee accept to leave voluntarily in exchange for these benefits. The Company recognises these benefits when it is shown that it is committed to a termination of employment of current employees, according to a formal detailed plan for the termination and there is no realistic possibility of withdrawal or if these benefits are granted to encourage voluntary departure. When the employment termination benefits are due over 12 months after the date of the statement of financial position, they are discounted to their current value.

Holidays, holiday allowance and bonuses

According to labour law in force, employees are entitled to 22 working days of annual leave, as well as a month of holiday allowance, rights acquired in the year prior to their payment. These liabilities of the Company are recorded when they are assumed, independently of the moment of payment, and are reflected under the item Other current liabilities against profit and loss.

Work Compensation Fund (Fundo de Compensação do Trabalho – FCT) and Work Compensation Guarantee Fund (Fundo de Garantia da Compensação do Trabalho – FGCT)

With the publication of Law No. 70/2013 and subsequent regulation through Ministerial Order No. 294-A/2013, the Work Compensation Fund (“FCT”) and the Work Compensation Guarantee Fund (“FGCT”) schemes entered into force on 1 October 2013. In this context, companies hiring a new worker are required to deduct a percentage of their salary for these two new funds (0.925% for the FCT and 0.075% for the FGCT), with the aim of ensuring, in the future, the partial payment of the compensation in case of dismissal. Taking into account the characteristics of each Fund, the following was considered:

- the monthly deliveries to the FGCT, made by the employer, are recognised as an expense in the period they concern;
- the monthly deliveries to the FCT, made by the employer, are recognised as a financial asset, measured at fair value, with the corresponding variations recognised in profit and loss.

However, Law no. 13/2023, of 3 April, amended the Portuguese Labour Code and related legislation, within the scope of the decent work agenda, and introduced several changes to various legislation instruments. Regarding the Compensation Funds, even if no changes are made to the respective legal regimes, their entry into force has significant impacts due to the suspension of certain obligations imposed on employers by Law no. 70/2013, of 30 August. Law no. 13/2023, of 3 April, amended the Portuguese Labour Code and related legislation, within the scope of the decent work agenda, and introduced several changes to various legislation instruments. In effect, it suspended contributions to the Work Compensation Fund and to the Work Compensation Guarantee Fund. On 15 December 2023, Decree-Law no. 115/2023 was published, establishing new legal regimes for funds. The obligations concerning the FCT are terminated and those concerning the FGCT are suspended. Thus, companies that have contributed to the FCT have the possibility of mobilising these funds, and will have until 2026 to redeem the amounts withheld from the FCT.

The employer can request the mobilisation of FCT's funds, namely if they are intended for:

- Support for workers' housing, by financing investments or housing costs.
- Support for day nurseries and canteens, when agreed with the workers' representative structures.
- Financing certified training and qualification of workers.

As a result of the above, the amount concerning the FCT, which was recorded under item Other Investments, was reclassified to Other Debtors and is now valued at cost.

2.2.12. Provisions

Provisions are established when the Company has a present obligation (legal or constructive) as a result of past actions, of which economic resources may probably be used in the future to meet this obligation and it may be estimated reliably. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the date of the statement of financial position.

2.2.13. Equity items

Paid-up capital

In compliance with article 272 of the Portuguese Commercial Companies Code (Código das Sociedades Comerciais – “CSC”), the company contract specifies the deadline for paying-up the subscribed and not paid capital at the time of the deed.

Legal reserve

In accordance with article 295 of the CSC, at least 5% of the result must be used for establishing or strengthening the legal reserve until it represents at least 20% of the company's share capital. The legal reserve is not distributable unless in case of liquidation and can only be used to absorb losses after all other reserves are exhausted, or for incorporation in share capital, according to article 296 of the CSC.

Retained earnings and other reserves

This item reflects the appropriation of prior years' profits, realised and not distributed.

2.2.14. Contingent assets and liabilities

A Contingent liability exists as a result of:

- a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- a present obligation that arises from past events, but is not recognised because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the financial statements. They are disclosed in the Notes to the Financial Statements, unless the possibility of an outflow of resources is remote, in which case they are not subject to disclosure.

A Contingent asset is a possible asset that results from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly under the Company's control. Contingent assets are not recognised in the financial statements but disclosed in the notes thereto when a future economic benefit is probable but not certain.

2.2.15. 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 Assets

Initial recognition and measurement

Financial assets are classified and subsequently measured in categories.

The initial classification of Financial assets depends on the contractual characteristics of the cash flows and on the business model that the Company adopts to manage them. The company measures a financial asset at its fair value, adding, in the case of an asset not classified as at fair value through profit or loss, the transaction costs at the initial recognition. Trade receivables that do not contain a significant financial component, or for which the Company adopts the practical expedient, are measured at the transaction price determined in accordance with IFRS 15 – Revenue from contracts with customers.

In order for a Financial asset to be classified and measured at amortised cost or at fair value through other comprehensive income, it must provide cash flows that represent only capital repayments and interest payments ("solely payments of principal and interest" – SPPI) on the outstanding principal. This evaluation, known as the test of the cash flows from capital repayments and interest payments only, is performed for each financial instrument.

The business model established for the management of Financial assets concerns the way in which the Company manages the Financial assets to obtain cash flows. The business model may be designed to obtain the contractual cash flows, to dispose of the Financial assets or both.

A financial asset is classified as current when the Entity expects to realise the asset over the normal course of its operational cycle, or within 12 months after the date of the statement of financial position, the asset is held essentially for trading purposes, or the asset is cash or a cash equivalent, as defined in IAS 7 – Statements of cash flows, unless there is a limitation on its exchange or use to settle a liability for at least 12 months after the date of the statement of financial position.

Subsequent measurement

For their subsequent measurement, the financial assets are classified into four categories:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income, with recycling of accumulated gains and losses;
- Financial assets at fair value through other comprehensive income, without recycling of accumulated gains and losses at the time of their derecognition;
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost

The Company measures Financial assets at amortised cost if both of the following conditions are met:

- The Financial asset is held within the scope of a business model whose objective is to hold the financial asset in order to receive the cash flows contractually provided for; and
- The contractual terms of the financial asset give rise, on defined dates, to cash flows that correspond only to capital repayments and payments of interest on the outstanding principal.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or is impaired.

The financial assets that the Company measures at amortised cost include the items Trade receivables and advances to suppliers, Other current and non-current debtors, Other current and non-current assets, Other financial instruments and Other financial assets.

The Company considers that the fair value of these balances does not differ significantly from their net book value.

Financial assets at fair value through other comprehensive income

On initial recognition, the Company may elect to irrevocably classify the equity instruments held as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity in IAS 32 – Financial instruments: Presentation and are not held for trading. The classification is determined instrument by instrument.

Gains and losses on these Financial assets are never recycled to results. Dividends are recorded as a financial gain in the income statement when the right to receive the payment of the dividend is established, except when the Company benefits from these dividends as recovery of part of the cost of the Financial asset and, in this case, the dividends are recorded in other comprehensive income. Equity instruments held as equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The Company decided to irrevocably classify its investments in equity instruments of entities not listed in this category.

Derecognition

A Financial asset (or, when applicable, a part of a Financial asset or part of a group of Financial assets) is derecognised (i.e., removed from the statement of financial position) when:

- The contractual rights to receive cash flows from the Financial asset expire; or
- The Company has transferred its contractual rights to receive cash flows from the Financial asset or assumed an obligation to pay the cash flows received, under an arrangement in which the Company (i) has no obligation to pay amounts to the final recipients unless it receives equivalent amounts from the original asset; (ii) is prohibited by the terms of the contract from transferring, selling or pledging the original asset other than as security to the final recipients for the obligation to pay them cash flows; and (iii) the Company has an obligation to remit any cash flows it receives on behalf of the final recipients without significant delays; and
- The Company has substantially transferred all the risks and benefits of the asset, or the Company has not transferred nor retained substantially all the risks and benefits associated with possession of the asset but has transferred control over it.

When the Company transfers its rights to receive cash flows from an asset or is part of an arrangement that may enable derecognition, it assesses whether, and to what extent, the risks and rewards associated with ownership of the asset have been retained.

When all the risks and benefits arising from ownership of an asset have not been substantially transferred or retained, nor has control of the asset been transferred, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In this case, the company also recognises the corresponding liability. The transferred asset and the corresponding liability are measured on a basis that reflects the rights and obligations retained by the company.

Impairment of financial assets

Trade receivables and advances to suppliers, Other debtors, Other financial assets, Other assets and Other financial instruments

The Company recognises an impairment for expected losses for all debt instruments not measured at fair value through profit or loss. The expected credit losses are based on the difference between the contractual cash flows that are due and all the cash flows that the Company expects to receive, discounted at a rate close to the original effective interest rate. Cash flows expected to be received include cash flows arising from collateral held or from other credit guarantees that are an integral part of the contractual terms.

For trade receivables and accounts receivable concerning contracts with clients, the Company adopts the simplified approach when determining expected credit losses. Thus, the Company does not monitor changes in credit risk, but instead recognises an impairment loss at each reporting date based on the expected credit loss over asset's lifetime. The Company established an impairment matrix based on the loans that were lost in the past, adjusted for prospective factors specific to the debtors and to the economic environment.

For the remaining financial instruments where the above simplified approach is not used, the Entity recognises expected lifetime impairments in the event of a significant rise in credit risk after the initial recognition. However, namely concerning accounts receivable from related parties, if there is no increase in the credit risk of the respective financial instrument, the Entity measures the impairment loss of that instrument by an amount equivalent to the expected losses in the period of twelve months ("12 months expected credit losses").

The lifetime expected losses represent the impairment losses that result from all possible default events in the expected life of the financial instrument. In contrast, 12-month expected losses represent the portion of the lifetime losses that are expected to result from events of default on the financial instrument and that are considered possible to occur twelve months after the financial reporting date.

Financial Liabilities

Initial recognition and measurement

The company's financial liabilities are classified as loans (including bank overdrafts), accounts payable to suppliers and other creditors, other financial liabilities.

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

Financial liabilities are classified as current when it is expected that they will be settled over the normal course of the Entity's operational cycle, the liability is held essentially for trading purposes, the liability's settlement is planned for a period of 12 months after the date of the statement of financial position, or the Company does not have the unconditional right to defer settlement of the liability for at least 12 months after the date of the statement of financial position.

Subsequent measurement

The measurement of financial liabilities depends on their initial classification, as follows:

Loans

After initial recognition, obtained loans are subsequently measured at amortised cost using the effective interest method. Gains and losses are recorded in the Statement of Income and other Comprehensive Income when liabilities are derecognised and through the application of the effective interest method.

The amortised cost is calculated taking into account any discount or premium on the acquisition and the fees and other costs that are an integral part of the effective interest rate. The effect of the effective interest is recorded in financial costs in the income statement.

Trade payables and advances from clients, Other creditors, Other liabilities and Other financial liabilities

The balances of Trade payables and advances from clients, Other creditors, Other liabilities and Other financial liabilities are initially recorded at their nominal value, which is understood to correspond to their fair value and, subsequently, recorded at their amortised cost, according to the effective interest rate method. These items are recognised as current liabilities except if their settlement is contracted after 12 months following the date of the consolidated statement of financial position.

Derecognition

A Financial liability is derecognised when the underlying obligation is met, cancelled, or expires.

When an existing Financial liability is replaced by another of the same counterparty and with substantially different terms, or the terms of a financial liability are substantially modified, the exchange or modification is treated as a derecognition of the original financial liability and a recognition of a new liability. The difference between the corresponding book values is recognised in the statement of Income and other Comprehensive Income.

The Company considers that the fair value of the financial liabilities does not differ significantly from their book value.

2.2.16. Cash and cash equivalents

The amounts included in the Cash and bank deposits item correspond to cash, bank deposits, term deposits and other short-term investments normally maturing in under three months, and which may be immediately redeemed at insignificant risk of loss in value.

For the purposes of Statement of Cash Flows, the item Cash and cash equivalents also includes bank overdrafts included in the Loans item, in the Statement of Financial Position.

2.2.17. Statement of cash flows

The statement of cash flows is prepared according to the direct method, through which the cash inflows and outflows in operating, investing and funding activities are disclosed.

2.2.18. Subsequent events

Events occurring after the date of the statement of financial position that provide additional information on conditions existing on that date are shown in the financial statements, if they have a material impact on the financial statements.

Events occurring after the date of the statement of financial position that provide information on conditions occurring after the balance sheet date are disclosed in the notes to financial statements.

2.3. Changes in accounting policies, judgements and estimates

Except for the impact of the adoption of the new standards and interpretations or their amendments that become effective for financial years beginning on 1 January 2024, during the financial year ended 31 December 2024 there were no changes in accounting

policies from those considered in the preparation of the financial information for the financial year of 2023, under the provisions of IFRS, nor were material errors recognised in respect to prior periods.

Amendments to the IFRS mandatory for application in the financial year of 2024

Until the date of approval of these financial statements, the following accounting standards, interpretations, amendments and revisions have been endorsed by the European Union, with mandatory application for the financial year beginning on 1 January 2024:

Standard	Effective date	Context
Amendments to IAS 1 Presentation of financial statements – Classification of liabilities as current and non-current; Deferral of application date; Non-current liabilities with covenants	1 January 2024	These amendments published by the IASB clarify the classification of liabilities as current and non-current by analysing the contractual conditions existing at the reporting date. The amendment related to non-current liabilities with covenants clarifies that only those conditions that must be met on or before the reference date of the financial statements apply for the purposes of classification as current/non-current. The date of application of the amendments was postponed to 1 January 2024.
Amendment to IFRS 16 – Leases – Lease liabilities in a sale and leaseback transaction	1 January 2024	This amendment published by the IASB in September 2022 clarifies the how a lessee seller records a sale and leaseback transaction that meets the criteria in IFRS 15 to be classified as a sale.
Amendment to IAS 7 – Statements of cash flows, and IFRS 7 – Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024	These amendments published by the IASB in May 2023 entail requirements for the additional disclosure of qualitative and quantitative information about supplier financing arrangements.

There were no significant effects on the financial statements for the financial year ended 31 December 2024 arising from the adoption of the above standards, interpretations and amendments.

New or revised IFRS adopted with mandatory application in future financial years

The following accounting standards and interpretations, with mandatory application in future economic financial years, have, until the date of approval of these financial statements, been endorsed by the European Union:

Standard	Effective date	Context
Amendment to IAS 21 – The effects of changes to exchange rates – Lack of exchangeability	1 January 2025	This amendment published by the IASB in August 2023 lays out the approach for assessing whether or not a currency can be exchanged for another currency. If it is concluded that the currency cannot be exchanged for another, it indicates how the applicable exchange rate is determined and the additional required disclosures.

These amendments, although endorsed by the European Union, have not been adopted by the Company in 2024 since their application is not yet mandatory. The future adoption of these amendments is not expected to produce material impacts to the financial statements.

Other standards

The following accounting standards and interpretations have been issued by the IASB and are not yet endorsed by the European Union:

Standard	Effective date	Context
Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026	These amendments published by the IASB in May 2024 include changes arising from the results of the post-implementation review process of IFRS 9 carried out by the IASB.
Amendment to IFRS 9 and IFRS 7 – Contracts related to nature-dependent electricity	1 January 2026	This amendment published by the IASB in December 2024 includes guidance and additional disclosures related to contracts for the supply of electricity from renewable energies, as well as the possibility of designating these contracts as hedging instruments if they meet specific requirements.

These standards have not yet been endorsed by the European Union and, as such, have not been applied by the Company in the financial year ended 31 December 2024.

Regarding these standards and interpretations issued by the IASB but not yet endorsed by the European Union, their future adoption is not expected to have significant impacts on the accompanying financial statements.

2.4. Relevant estimates in the preparation of the financial statements

In preparing the financial statements, the Board of Directors relied on knowledge and experience of past and/or current events and assumptions concerning future events to determine the accounting estimates.

The most significant accounting estimates reflected in the financial statements for the financial year ended 31 December 2024 include:

Useful life of Property, plant and equipment and intangible fixed assets

The useful life of an asset is the period during which the Entity expects that asset to be available for its use and is reviewed at least at the end of each financial year.

The amortisation/depreciation method to apply and the estimated losses stemming from the replacement of equipment before the end of their useful life, for reasons of technological obsolescence, is crucial to determining the effective useful life of an asset.

These parameters are defined according to the management's best estimate, for the assets and deals in question, also considering the practices adopted by companies from the sectors where the Government operates.

Leases – Estimate of the incremental rate, lease term and valuation method

The recognition of the leases includes the determination of the interest rate implicit in the lease and the lease term.

The Company is unable to immediately determine the rate implicit in the various leases and therefore uses the incremental interest rate to measure the respective Lease liability. The incremental interest rate is the interest rate the Company would have to pay on a loan with similar terms, which requires the rate to be estimated when no observable data are available on the market or when they have to be adjusted to reflect the terms of the loan. In fact, the Company estimates the incremental interest rate based on the market reference rate it has access to.

The term of the leases is determined based on the management's best expectation of remaining in the lease contract. The Company assesses the term of the leases by contract type, taking into account the possibility of exercising with reasonable certainty the option to extend the lease:

- Equipment and Vehicles – This contract type has no renewal option, so the lease term considered is the contract term.
- Other properties – For this category, the Company analyses every contract, and in case of renewal, the reasonableness and expectation of renewing the contract is assessed.

Recognition and measurement of provisions

The recognition of provisions has associated to the determination of the probability of exit of future flows and their reliable measurement.

These factors are often dependent on future events and not always under the control of the Company and, as such, may lead to significant future adjustments, both via the variation of the assumptions used and via the future recognition of provisions previously disclosed as control liabilities.

Impairment of accounts receivable

The credit risk of the balances of accounts receivable is assessed at each reporting date, taking into account the expected loss over the asset's lifetime, except for related parties where the Company estimates the 12-month expected losses. The Company established an impairment matrix based on loans that were lost over a period of 5 years, adjusted by specific prospective factors identified by the Company as the most appropriate for each group of clients, with similar characteristics and history of default. Additionally, the Company takes into account the following aspects:

- Debtor's significant financial difficulty;
- Breach of contract, such as failure to pay or non-compliance with interest payments or debt amortisation;
- Probability of the debtor becoming insolvent.

Impairment of non-financial assets

The impairment occurs when the accounting value of an asset of cash-generating unit exceeds its recoverable amount, which is the highest between the fair value net of costs of selling and its usage value.

The calculation of fair value net of costs of selling is based on the existing information from contracts already signed in transactions of similar assets with entities which have no relationships among them, or in prices observable in the market net of incremental costs of selling the asset.

The value in use is calculated based on a discounted cash flow model that takes into account a budget for an explicit period, and the determination of a perpetuity, which does not include restructuring activities for which there still is no commitment, or future significant investments seeking to increase the ability to generate future economic benefits from the cash-generating unit that is being tested.

The recoverable amount is sensitive, mainly, to judgmental assumptions, namely:

- The growth rate used to extrapolate the cash flows beyond the explicit period;
- The discount rates used to discount future cash flows.

Income tax and deferred tax

The determination of the amounts of income taxes and deferred taxes require the exercise of judgment and is subject to interpretation. Different interpretations could result in a different level of income tax, both current and deferred, recognised in the period.

Only deferred tax assets are recognised insofar as it is likely that there will be taxable profit on which they can be used.

Escala Vila Franca – Sociedade Gestora do Estabelecimento, S.A. (“Escala Vila Franca”)

Checking procedures are currently taking place with the Regional Health Authority for Lisbon (Administração Regional de Saúde de Lisboa e Vale do Tejo, I.P. – “ARSLVT”), regarding adjustments made to Vila Franca Hospital’s accounts from 2013 to 2021.

Regarding the settlements of accounts for the financial years of 2013 to 2021, the process of closing the calculation of the actual production was underway on the closing date, and should have been completed by June of each following year.

The Company’s Board of Directors believes that it has sufficient grounds to prevail on its intentions, within the scope of these provisions and impairment losses, without resulting in any negative financial impact that has a significant effect on the accounts.

Contractual provisions

The contractual provisions concern recognised provisions to cover liabilities relating to the termination of the management contract for the Vila Franca de Xira Hospital.

Continuity of operations

The Company considered the results achieved and understands that the existing measures and those that are being taken regarding freeing operational resources (by reducing consumption and increasing productivity), are sufficient to ensure the normal operation of the activity and the repayment of the debt maturing in 2025 (Note 29), with the continuity of operations therefore not being in question.

These estimates were determined based on the best information available at the date of preparation of the financial statements. However, given the number of qualitative factors involved, events may occur in subsequent periods that, due to their timing, have

not been considered in these estimates. Significant changes to these estimates occurring after the date of the Financial statements are recognised in net income prospectively, in accordance with the provisions of IAS 8 – Accounting policies, changes in accounting estimates and errors.

3. Estimate of Fair Value

The hierarchy for purposes of determining the fair value shall have the following levels and measurement bases:

- Level 1 – market quotes net of assets, which the Company can access on the reference date of the statement of financial position;
- Level 2 – generally accepted evaluation models, based on inputs observable in the market, alternative to those mentioned in level 1;
- Level 3 – evaluation models whose main inputs are not observable in the market.

The Company has valued at fair value the assets and liabilities listed in the tables below, in which their corresponding hierarchy is also specified:

	Total	Hierarchy of Fair value		
	31/12/2024	Level 1 Market quotes	Level 2 Inputs observable in the market	Level 3 Inputs non-observable in the market
Assets valued at fair value				
José de Mello Residências e Serviços, SGPS, S.A. (Note 16)	978	-	-	978

	Total	Hierarchy of Fair value		
	31/12/2023	Level 1 Market quotes	Level 2 Inputs observable in the market	Level 3 Inputs non-observable in the market
Assets valued at fair value				
José de Mello Residências e Serviços, SGPS, S.A. (Note 16)	978	-	-	978
Work compensation fund (Note 16)	6	-	6	-

The fair value of Other Investments, namely in José de Mello Residências e Serviços, SGPS, S.A., does not differ substantially from their cost.

In 2023, the fair value of the Work Compensation Fund was determined by inputs observable in the market.

4. Operating Income

In the financial years ended on 31 December 2024 and 2023 the operating income shows the following composition:

	31/12/2024	31/12/2023
Service provision:		
Equipment rental and Services rendered	4,300	3,344
	4,300	3,344
Other operating income:		
Gains on the sale of assets (Note 14)	49	-
Other operating income	54	819
	103	819
	4,403	4,163

In the financial years ended on 31 December 2024 and 2023, the Services rendered item predominantly includes the invoicing related to shared services and rents of medical equipment to related parties in the amounts of 4,300 thousand euros and 3,325 thousand euros, respectively (Note 35).

Other operating income includes, on 31 December 2023, income relating to the transfer of medicines to Centro Logístico CUF, Unipessoal, Lda. in the amount of 153 thousand euros.

Additionally, on 31 December 2023, other operating income includes the recovery of receivables amounting to 278 thousand euros, for which impairment losses had been recorded and whose respective accounts receivable and accumulated impairment losses were derecognised in previous financial years.

On 31 December 2024 and 2023, the other operating income item includes transactions with related parties amounting to, approximately, 5 thousand euros and 223 thousand euros, respectively (Note 35).

5. Cost of Sales

	31/12/2024	31/12/2023
Inventories on 1 January	-	-
Cost of sales	(9)	(168)
Settlements	9	168
Inventories on 31 December	-	-

In the financial year ended on 31 December 2023, the regularisations relate to rappel as a result of the incorporation by the Company of Escala Vila Franca de Xira – Sociedade Gestora do Estabelecimento, S.A.

6. External Supplies and Services

During the financial years ended on 31 December 2024 and 2023, the external supplies and services have the following composition:

	31/12/2024	31/12/2023
Advertising	3,276	2,946
Specialised work	1,422	1,693
Fees	290	357
Litigation and notary public fees	191	35
Communication	134	73
Electricity	78	64
Rents and leases	69	39
Insurances	59	48
Subcontracts	50	46
Travel and accommodation	28	13
Maintenance and repairs	14	10
Fuel	14	5
Cleaning, hygiene and comfort	5	18
Tools and utensils	-	2
Other external supplies and services	46	30
	5,677	5,382

The External Supplies and Services item recorded a variation of about 5.5% vis-à-vis the previous year. Its main subitems concern:

- Advertising (58%) – this item includes marketing and advertising work for the CUF brand;
- Specialised works (25%) – this item concerns consultancy, legal, and auditing works.

On 31 December 2024 and 2023, the External supplies and services item includes transactions with related parties amounting to approximately 130 thousand euros and 195 thousand euros, respectively (Note 35).

7. Personnel Costs

Staff costs in the financial years ended on 31 December 2024 and 2023 were as follows:

	31/12/2024	31/12/2023
Remunerations of governing bodies members	2,525	2,626
Charges on remunerations	604	643
Training and insurances	422	401
Employee remunerations	31	89
Other personnel costs	3,313	6,649
	6,896	10,408

The number of employees working for the Company on 31 December 2024 and 2023 was 26 and 25 employees. The Other personnel costs item predominantly concerns bonuses to employees.

During the financial years ended on 31 December 2024 and 2023, this item includes transactions with related parties in the amount of 5 thousand and 10 thousand euros, respectively (Note 35).

8. Other Operating Costs

Other operating costs for the financial years ended on 31 December 2024 and 2023 comprise the following:

	31/12/2024	31/12/2023
Donations	385	161
Taxes	293	200
Contributions and other expenditure	28	19
Other operating costs	24	34
	730	414

During the financial year ended on 31 December 2023, this item includes transactions with related parties in the amount of 5 thousand euros (Note 35).

9. Financial Results

The financial results of the financial years ended on 31 December 2024 and 2023 have the following composition:

	31/12/2024	31/12/2023
Financial costs:		
Interest costs	(12,818)	(10,744)
Bank fees and services	(406)	(549)
	(13,224)	(11,293)
Financial income:		
Interest earned from loans to subsidiaries	3,602	3,439
Interest earned	941	458
	4,543	3,897
Dividends earned (Note 35)	37,101	69,574
	37,101	69,574

The Interest Costs item includes interest concerning: (i) Debenture loans, (ii) Other bank loans, (iii) Commercial paper, (iv), (v) Bank overdrafts, and (vi) Leases. This item is broken down as follows:

	31/12/2024	Interest costs	31/12/2023	Interest costs
Obtained loans:				
Bank overdrafts	-	-	2,996	125
Debenture loans	72,810	7,570	96,926	7,542
Other Bank Loans	31,141	1,813	23,978	2,600
Commercial Paper	34,025	1,436	17,152	-
	137,976	10,819	141,052	10,267
Leases:				
Lease liabilities (Note 28)	16,320	763	14,309	477
	16,320	763	14,309	477
Other liabilities:				
Other financial liabilities (Note 17.2)	308,230	1,236	149,740	33
	308,230	1,236	149,740	33
	462,526	12,818	305,101	10,744

The item Financial costs includes transactions with related parties, on 31 December 2024, in the amount of 1,208 thousand euros (Note 35).

The Financial income item includes transactions with related parties, on 31 December 2024 and 2023, in the amounts of approximately 3,602 thousand euros and 3,437 thousand euros (Note 35).

In the financial years ended on 31 December 2024 and 2023, dividends were received in the amount of 37,101 thousand euros and 69,574 thousand euros, respectively (Note 35).

10. Income Tax for the Financial Year

Income tax for the financial years ended on 31 December 2024 and 2023 is as follows:

	31/12/2024	31/12/2023
Current tax:		
Concerning the financial year	8,453	6,950
Concerning the previous financial year	321	3,614
	8,774	10,564
Deferred tax (Note 18)		
Deferred tax	(1,498)	1,198
	(1,498)	1,198
Income tax for the year	7,276	11,762

The Company is subject to the Portuguese Corporate Income Tax under the Special Taxation System for Groups of Companies ("RETGS"). The subsidiary companies included in the RETGS determine and record income tax as if they were taxed individually; the determined responsibilities are, however, recognised as debts to the parent company in the tax group, CUF, which is responsible for the global determination and for the reverse charge of the tax.

The Company is subject to the Portuguese Corporate Income Tax at a nominal rate of 21%, under the terms of article 87-A of the Portuguese Corporate Income Tax Code, which may be increased by a municipal surcharge of up to 1.5% on taxable profit, resulting in a maximum aggregate rate of 22.5%. Additionally, in the 2024 financial year, taxable profits exceeding 1,500,000 euros are subject to a state surtax, pursuant to Article 87-A of the Portuguese Corporate Income Tax Code, at the following rates:

- 3% for taxable profits between 1,500,000 euros and 7,500,000 euros;
- 5% for taxable profits between 7,500,000 euros and 35,000,000 euros;
- 9% for taxable profits exceeding 35,000 euros.

Additionally, for the financial years of 2024 and after, the deduction of net financing costs in determining taxable income is conditioned in each year to the greater of the following limits:

- 1,000,000 euros;
- 30% of the profit before depreciation, net financing expenses and taxes.

In accordance with article 88 of the Portuguese Corporate Income Tax Code, the Company is subject to separate taxation on a set of charges at the rates present in the article.

According to the legislation approved by the State Budget for 2023 ("SB23"), tax losses available on the date of entry into force of the SB23 become available for deduction without a carry-forward period, limited to a deduction of 65% of the taxable profit assessed. In accordance with the legislation in force, the Company's tax declarations are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except when there have been tax losses, when tax benefits have been granted or when inspections, complaints or appeals are ongoing and for which, depending on the circumstances, the deadlines are extended or suspended. This way, the Company's tax returns for 2021 to 2024 may still be subject to review. The Board of Directors considers that these reviews will not result in corrections to the declared taxable income with significant impact on the financial statements.

At the end of 2024, the State Budget for 2025 was approved by Law no. 45-A/2024, of 31 December, which granted a reduction in the Portuguese Corporate Income Tax rate to 20%. The rate expected to be applied to the taxable profit for the periods in which the temporary differences are expected to be reversed was considered.

Numerical reconciliation between the average income tax and applicable tax rate is indicated in the table below:

	31/12/2024	31/12/2023
Profit before tax	10,535	45,512
Income tax rate	21.0%	21.0%
Tax on profit at the nominal rate	2,212	9,557
Non-taxable income	40,638	70,504
Non-deductible costs for tax purposes	8,691	8,235
(Tax loss)/Taxable profit	(21,412)	(16,757)
Income tax rate	21.0%	21.0%
Calculated tax	-	-
Separate taxation	41	40
Effect of the increase/(reversal) of deferred taxes	1,498	(1,198)
Effect of (insufficiency)/excess of the estimate for taxes (a)	(321)	(3,614)
Tax saving (b)	(8,494)	(6,991)
	(7,276)	(11,762)
Income tax	(7,276)	(11,762)
Effective tax rate	69.1%	25.8%

(a) In 2023, this amount predominantly concerned the reimbursement of 2014 and 2015 Portuguese corporate income tax under the RETGS.

(b) This amount includes the Company's tax loss generated in the year and the effect of losses generated by the subsidiaries of the Company included in the RETGS. It is the Company's policy to record this effect in its separate financial statements as a parent companies (Note 22).

11. Earnings per Share

The basic and diluted earnings per share in the financial years ended on 31 December 2024 and 2023 was calculated considering the following amounts:

	31/12/2024	31/12/2023
Net profit for the financial year attributable to equity holders	17,811	57,274
Weighted average number of shares	10,600	10,600
Basic net profit per share (in euros)	1.68	5.40

On 31 December 2024 and 2023 there were no dilutive effects of earnings per share, so the diluted revenue per share is equal to the basic revenue per share.

12. Intangible Assets

The changes in the value of intangible assets as well as the corresponding amortisations and impairment losses, during the financial years ended on 31 December 2024 and 2023, were as follows:

	Replacement investment	Software	Total
Gross assets:			
Balance on 1 January 2023	623	288	911
Additions	-	-	-
Balance on 31 December 2023	623	288	911
Balance on 1 January 2024	623	288	911
Balance on 31 December 2024	623	288	911
Accumulated amortisation and impairment losses:			
Balance on 1 January 2023	(623)	(196)	(819)
Amortisations of the financial year (Note 14)	-	(51)	(51)
Balance on 31 December 2023	(623)	(248)	(871)
Balance on 1 January 2024	(623)	(248)	(871)
Amortisations of the financial year (Note 14)	-	(38)	(38)
Balance on 31 December 2024	(623)	(286)	(909)
Balance on 31 December 2023	-	40	40
Balance on 31 December 2024	-	2	2

The Company, on 31 December 2024 and 2023, concluded that there were no indications of impairment associated with Intangible assets.

13. Property, Plant and Equipment

During the financial years ended on 31 December 2024 and 2023, the changes in the value of other Property, plant and equipment, as well as in their corresponding accumulated depreciations and impairment losses, were the following:

	Buildings and other constructions	Basic equipment	Office equipment	Total
Gross assets:				
Balance on 1 January 2023	858	1,389	332	2,579
Additions	-	8	-	8
Balance on 31 December 2023	858	1,397	332	2,586
Balance on 1 January 2024	858	1,397	332	2,586
Additions	-	281	-	281
Balance on 31 December 2024	858	1,677	332	2,867
Accumulated depreciation and impairment losses:				
Balance on 1 January 2023	(725)	(902)	(327)	(3,004)
Depreciations of the financial year (Note 14)	(23)	(103)	-	(126)
Balance on 31 December 2023	(748)	(1,005)	(327)	(2,080)
Balance on 1 January 2024	(748)	(1,005)	(327)	(2,080)
Depreciations of the financial year (Note 14)	(23)	(118)	-	(140)
Balance on 31 December 2024	(771)	(1,122)	(327)	(2,220)
Balance on 31 December 2023	110	392	5	506
Balance on 31 December 2024	87	555	5	646

The Basic equipment item essentially includes medical-surgical equipment acquired for the purpose of renting it to CUF Group companies.

The Company, on 31 December 2024 and 2023, concluded that there were no indications of impairment associated with Property, plant and equipment.

14. Right-Of-Use Assets

The Company has leasing agreements of the following types: (i) Buildings and other constructions; (ii) Basic equipment; (iii) Transport equipment; (iv) Office equipment.

During the financial years ended on 31 December 2024 and 2023, the changes in the value of Right-of-use assets, as well as in the corresponding accumulated depreciation and impairment losses, were the following:

	Buildings and other construction	Basic equipment	Transport equipment	Office equipment	Total
Balance on 1 January 2023	397	24,305	232	473	25,406
Additions	-	5,987	78	-	6,064
Disposals and write-offs	(167)	-	(73)	-	(240)
Balance on 31 December 2023	230	30,291	237	473	31,231
Balance on 1 January 2024	230	30,291	237	473	31,231
Additions	-	5,430	66	-	5,496
Disposals and write-offs	-	(65)	(34)	-	(99)
Balance on 31 December 2024	230	35,657	269	473	36,628
Accumulated depreciation and impairment losses:					
Balance on 1 January 2023	(397)	(12,629)	(189)	(404)	(13,619)
Depreciations for the financial year	-	(3,298)	(29)	(69)	(3,396)
Disposals and write-offs	167	-	54	-	221
Balance on 31 December 2023	(230)	(15,928)	(164)	(473)	(16,794)
Balance on 1 January 2024	(230)	(15,928)	(164)	(473)	(16,794)
Depreciations for the financial year	-	(3,993)	(47)	-	(4,040)
Disposals and write-offs	-	35	29	-	64
Balance on 31 December 2024	(230)	(19,887)	(181)	(473)	(20,770)
Balance on 31 December 2023	-	14,363	74	-	14,437
Balance on 31 December 2024	-	15,770	87	-	15,858

The Basic equipment item predominantly includes Right-of-use assets related to leases of medical equipment for sublease to CUF Group entities.

The Company, on 31 December 2024 and 2023, concluded that there were no indications of impairment associated with Right-of-use assets.

The detail of depreciation and amortisation recognised in the statement of income and other comprehensive income for the financial years ended on 31 December 2024 and 2023 is as follows:

	31/12/2024	31/12/2023
Intangible assets (Note 12)	38	51
Property, plant and equipment (Note 13)	140	126
Right-of-use assets	4,040	3,396
	4,218	3,573

15. Financial Investments

The shares held in subsidiaries had the following movements in the financial years ended on 31 December 2024 and 2023:

	31/12/2024			31/12/2023		
	Equity holdings	Accumulated impairment losses (Note 29)	Total	Equity holdings	Accumulated impairment losses (Note 29)	Total
Balance on 1 January	992,586	(51)	992,535	988,466	(818)	987,648
Increases (a)	4,224	-	4,224	4,120	-	4,120
Reductions (b)	-	-	-	-	767	767
Balance on 31 December	996,811	(51)	996,760	992,586	(51)	992,535

In 2024 and 2023, the main variations in the Financial investments item are justified by the following changes:

- (a) The figure for 2023 concerns the acquisition of 51% of the company Atlanticare – Serviços de Saúde, S.A. (currently known as Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.), for the sum of 3,233 thousand euros (plus ancillary instalments totalling 87 thousand euros). In addition, in June 2023, a decision was taken to increase the share capital of the subsidiary Sagies – Segurança e Saúde no Trabalho, S.A. (currently called Imo SAG – Investimentos Imobiliários, S.A.) by 53 thousand euros, through the issue of 10,637 new shares for new cash contributions with an overall share premium of 747 thousand euros.
- In addition, the shareholder agreement gives CUF, S.A. an option to buy all the shares, which can be exercised at any time between 2029 and 2031. The company considers it highly probable that this option will be exercised, which is why it recognised in its 2024 accounts the amount of 4.2 million euros, corresponding to the fair value of the respective call option, restated to its current value (Note 30).
- (b) In the financial year ended on 31 December 2023, the Entity reversed the impairment loss associated with the financial investment in CUF – Sociedade Gestora de Participações Sociais, S.A., due to the estimated enterprise value (EV) of that operation.

The Financial investments item on 31 December 2024 and 2023 is broken down as follows:

Subsidiary companies	31/12/2024					31/12/2023				
	Headquarters	% Stake	Equity holdings	Accumulated impairment losses (Note 29)	Balance sheet value	Headquarters	% Stake	Equity holdings	Accumulated impairment losses (Note 29)	Balance sheet value
Digihealth, S.A.	Carnaxide	82.95%	51	(51)	-	Carnaxide	82.95%	51	(51)	-
CUF – Investimentos Imobiliários, S.A.	Carnaxide	100%	28,663	-	28,663	Carnaxide	100%	28,663	-	28,663
Infrahealth – Gestão de Infraestruturas, Lda.	Carnaxide	100%	2,870	-	2,870	Carnaxide	100%	2,870	-	2,870
Imo Sag Investimentos Imobiliários, S.A.	Carnaxide	100%	2,601	-	2,601	Carnaxide	100%	2,601	-	2,601
CUF – Sociedade Gestora de Participações Sociais, S.A.	Carnaxide	100%	955,082	-	955,082	Carnaxide	100%	955,082	-	955,082
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.	Porto	80%	7,544	-	7,544	n.a.	51%	3,320	-	3,320
			996,811	(51)	996,760			992,586	(51)	992,535

In the financial year ended on 31 December 2024, dividends totalling 37,101 thousand euros were received from its subsidiaries, CUF, SGPS, S.A., CUF Investimentos Imobiliários, S.A., and Infrahealth – Gestão de Infraestruturas Unipessoal, Lda (Notes 9 and 35).

In the financial year ended on 31 December 2023, dividends totalling 69,574 thousand euros were received from its subsidiaries CUF, SGPS, S.A., CUF Investimentos Imobiliários, S.A., and Imo SAG – Investimentos Imobiliários, S.A. (Notes 9 and 35).

Impairment of Financial Investments

Impairment tests were performed by calculating the enterprise value (EV), using the Discounted Cash Flows (DCF) method. The use of this method requires the estimation of future cash flows from the operations of each Cash-Generating Unit (CGU) and the application of an appropriate discount rate that reflects the risk associated to the business. These tests concluded that there was no impairment in relation to the value of the financial investment recognised.

The explicit period considered in the DCF models was defined individually for each CGU, according to the year in which each one is expected to reach maturity, so that perpetuity is calculated after the CGUs reach their maximum growth, with a minimum period of five years considered for units with maturity under five years.

The key assumptions that underpinned the cash flow projections included in this test were defined by CUF's management teams and approved by the Executive Committee as part of the annual Budget and Business Plan exercises. In defining the main assumptions, the following items were evaluated:

- Historical data and past experience;
- Future management perspective for each of the units;
- Activity mix per unit;
- Expected evolution of the healthcare market;
- Inflation.

Additionally, the investment in working capital was calculated based on the average terms of historical payments and receipts and on the expected evolution of operating income and costs. Capex was defined based on the specific investment needs of each unit and the analysis of values for the amounts considered recurrent.

The calculation of the discount rates for each of the tests took into account the historical rates of Portugal's treasury bonds, the average cost of CUF's financial debt and the risk level of European companies comparable to CUF. For each cash-generating unit, a risk analysis was also carried out based on the unit's level of maturity, and an additional premium may be attributed.

The analysis made the following assumptions:

2024

Period	Risk-free interest rate	WACC rate	Perpetuity growth rate	Revenue growth rate
Explicit	3.14%	6.00%	-	4.45%
Perpetuity	3.14%	6.00%	2.00%	-

2023

Period	Risk-free interest rate	WACC rate	Perpetuity growth rate	Revenue growth rate
Explicit	3.63%	6.50%	-	5.97%
Perpetuity	3.63%	6.50%	2.00%	-

In order to conclude that there is no impairment of financial investments, it is necessary that the EV resulting from the projection of future cash flows exceeds the corresponding book value. The tests performed do not indicate the existence of impairments, as a result of the impairment analyses made in 2024, based on the methodology and assumptions above.

Sensitivity analyses were also performed on the main variables: (i) discount rate and (ii) perpetuity growth rate. The Board of Directors considered that in 2024 and 2023, any reasonably possible change in any of the key assumptions mentioned above, used in the impairment analysis performed, would not result in an impairment loss in the financial investments, namely considering a positive or negative change of 0.5% in the nominal growth rate used in perpetuity or in the discount rate.

Summary information about the subsidiaries

The main aggregated financial information regarding subsidiary companies in the financial years ended on 31 December 2024 and 2023, is as follows:

Subsidiary companies	Financial information on 31 December 2024						
	Headquarters	% Stake	Assets	Liabilities	Equity	Operating Income	Net profit
Digihealth, S.A.	Carnaxide	82.95%	4,956	13,816	(8,860)	-	(7)
CUF – Investimentos Imobiliários, S.A.	Carnaxide	100%	456,584	343,877	112,707	40,160	28,313
Imo Sag Investimentos Imobiliários, S.A.*	Carnaxide	100%	4,199	1,312	2,887	1,923	248
CUF – Sociedade Gestora de Participações Sociais, S.A.	Carnaxide	100%	1,146,338	155,289	991,049	-	36,469
Infrahealth – Gestão de Infraestruturas Unipessoal, Lda.	Carnaxide	100%	32,876	28,710	4,165	7,099	1,128
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.**	Porto	80%	12,316	11,671	648	17,493	391

Subsidiary companies	Financial information on 31 December 2023						
	Headquarters	% Stake	Assets	Liabilities	Equity	Operating income	Net profit
Digihealth, S.A.	Carnaxide	82.95%	198	77	121	163	30
CUF – Investimentos Imobiliários, S.A.	Carnaxide	100%	409,250	320,385	88,865	21,490	19,788
SAGIES – Segurança e Saúde no Trabalho, S.A.	Carnaxide	100%	7,827	5,189	2,639	9,724	927
CUF – Sociedade Gestora de Participações Sociais, S.A.	Carnaxide	100%	1,045,070	58,698	986,372	-	31,792
Infrahealth – Gestão de Infraestruturas Unipessoal, Lda.	Carnaxide	100%	31,727	28,284	3,443	6,602	1,003
Atlanticare – Serviços de Saúde, S.A.	Porto	51%	4,095	4,899	(803)	7,498	(932)

* In the 2024 financial year, Sagies – Segurança e Saúde no Trabalho, S.A. changed its name to Imo Sag – Investimentos Imobiliários, S.A.

** In the 2024 financial year, Atlanticare – Serviços de Saúde, S.A. changed its name to Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.

16. Other Investments

Other investments on 31 December 2024 and 2023 are as follows:

	Equity holdings	Accumulated impairment losses (Note 29)	31/12/2024	Equity holdings	Accumulated impairment losses (Note 29)	31/12/2023
Work compensation fund	-	-	-	376	(370)	6
José de Mello Residências e Serviços, SGPS S.A. (Note 3)	978	-	978	978	-	978
	978	-	978	1,354	(370)	984

Other investments include equity instruments, measured at fair value through the statement of comprehensive income. This item recorded the following changes in the financial years ended on 31 December 2024 and 2023:

	Other investments
Gross investment:	
Balance on 1 January 2023	1,353
Additions/(deductions) in the year	1
Balance on 31 December 2023	1,354
Reimbursements	(1)
Reclassifications (Note 19)	(376)
Balance on 31 December 2024	978
Impairment losses:	
Balance on 1 January 2023	(370)
Merger	1
Reclassifications (Notes 9 and 29)	369
Balance on 31 December 2023	-
Balance on 31 December 2024	-
Net value:	
On 31 December 2023	984
On 31 December 2024	978

The item Other debtors includes the amount of 376 thousand euros relating to the FCT, which was reclassified from the item Other investments (Note 19), as well as the associated accumulated impairment losses of 369 thousand euros.

17. Other Financial Assets and Liabilities

17.1. Other Financial Assets

On 31 December 2024 and 2023, the item Other financial assets totalled 306,149 thousand euros and 211,894 thousand euros, respectively, and concerned loans granted to subsidiaries and accounts receivable related to the group financing contract (Note 23). The outstanding balances are detailed as follows:

	31/12/2024			31/12/2023		
	Gross value	Accumulated impairment losses (Note 29)	Net value	Gross value	Accumulated impairment losses (Note 29)	Net value
Other non-current financial assets	5,774	-	5,774	5,405	-	5,405
Other current financial assets	300,375	-	300,375	206,489	-	206,489
	306,149	-	306,149	211,894	-	211,894

The other financial assets specified above have established contractual maturities and were included in current assets or in non-current assets, depending on the Company's expectation of realisation within 12 months or more than 12 months, respectively, from the date of the statement of financial position.

The Other financial assets item includes the accounts receivable related to a cash pooling group contract of the CUF Group with a financial institution, amounting to 306,149 thousand euros (211,894 thousand euros in 2023).

In the financial year ended on 31 December 2024, the Company obtained reimbursements from subsidiary companies amounting to 6,470 thousand euros (48,717 thousand euros in 2023).

In the financial years ended on 31 December 2024 and 2023, the company granted a loan to the subsidiary Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A, in the amount of 3,350 thousand euros and 216 thousand euros, respectively.

The outstanding balances of related parties are detailed in Note 35.

17.2. Other Financial Liabilities

The item Other financial liabilities concerns loans from other related parties and the cash pooling, implemented by the CUF Group, in the financial years ended on 31 December 2024 and 2023, and are detailed as follows:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Other financial liabilities (Notes 23 and 35)	308,230	-	149,740	-
	308,230	-	149,740	-

On 31 December 2024, the company presented under the item Other current financial liabilities the amount of 258,230 thousand euros (149,740 thousand euros in 2023) within the scope of the cash pooling.

The Other financial liabilities item also includes an amount of 50 million euros, relating to four short-term contracts signed between CUF SGPS and CUF, S.A.

The outstanding balances with related parties are detailed in Note 35.

Reconciliation of liabilities resulting from financing activities:

Below are the changes in the Company's liabilities arising from both cash and non-cash financing activities. Liabilities resulting from financing activities are those whose cash flows have been, or will be, classified as financing in the statement of cash flows.

	Cash flow			31/12/2024
	01/01/2024	Receipts (i)	Payments (i)	
Other financial liabilities	149,740	162,462	(4,981)	308,230

	Cash flow			31/12/2023
	01/01/2023	Receipts (i)	Payments (i)	
Other financial liabilities	117,304	41,889	(9,453)	149,740

(i) Cash flows arising from cash pooling liabilities make up the net receipts and payments concerning Other financial liabilities in the Statement of cash flows.

18. Deferred Tax Assets and Liabilities

The Company recorded deferred taxes related to temporary differences between the tax base and the accounting base of the assets. The deferred taxes considered in the Statement of income and other comprehensive income relate to: (i) provisions, (ii) impairment of trade receivables and other assets, (iii) liability for employee benefits, and (iv) other.

The amounts, by nature, and the changes occurred in deferred tax assets and liabilities in the financial years ended on 31 December 2024 and 2023 were as follows:

18.1. Deferred Tax Assets

	Impairment of trade receivables	Employee benefits	Provisions not approved for tax purposes	Impairment of assets	Others	Total
Balance on 1 January 2023	277	370	2,723	426	2,104	5,900
Composition:						
Net profit	-	-	377	-	1,045	1,422
Reversal:						
Net profit (Note 10)	(197)	(27)	-	-	-	(224)
Equity	-	-	-	-	-	-
Balance on 31 December 2023	80	343	3,100	426	3,149	7,098
Composition:						
Effect of the year	-	-	1,025	-	-	1,025
Net profit (Note 10)	-	-	1,025	-	-	1,025
Reversal:						
Impact of the rate change	-	(15)	(138)	-	(150)	(384)
Effect of the year	(80)	(25)	(344)	-	(1,770)	(2,139)
Net profit (Note 10)	(80)	(40)	(482)	-	(1,920)	(2,523)
Balance on 31 December 2024	-	328	5,012	426	2,999	5,601

Deferred taxes to be recognised as a result of temporary differences between taxable income and accounting income were evaluated. Where these differences originated deferred tax assets, these were only recorded to the extent considered probable that taxable profits will occur in the future, and which can be used to recover the tax losses or deductible tax differences. This evaluation was based on the periodically reviewed and updated business plans of the Company and on fiscal optimisation opportunities available and identified under the provisions of IAS 12 – Income taxes.

At the end of 2024, the State Budget for 2025 was approved by Law no. 45-A/2024, of 31 December, which granted a reduction in the Portuguese Corporate Income Tax rate to 20%. The rate expected to be applied to the taxable profit for the periods in which the temporary differences are expected to be reversed was considered.

The amount of deferred tax assets concerning Employee benefits relates to an annuity insurance contracted by CUF in January 2016. This insurance enabled complying with a contracting existing since 2000, where CUF was responsible for ensuring a lifetime payment of a rent to an employee who retired via Social Security on 1 January 2016. The commercial premium was paid to the insurance company on 28 January 2016 and amounted to 2.5 million euros. The corresponding cost is tax deductible as it is paid.

19. Other Debtors

The Other debtors item was broken down as follows on 31 December 2024 and 2023:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Personnel	23	-	23	-
Hospital Vila Franca, EPE	642	-	642	-
Other debtors	1,880	376	1,779	112
Other debtors – Portuguese Corporate Income Tax (Note 22)	23,028	-	17,687	-
	25,573	376	20,131	112
Accumulated impairment losses (Note 29)	(642)	(369)	(642)	-
	(642)	(369)	(642)	-
	24,931	7	19,489	112

The item Hospital Vila Franca de Xira, EPE includes inventories not returned by this entity, totalling 642 thousand euros, which is included in the final settlement of accounts with ARSLVT and has been reclassified from the inventories item. This amount is associated with an impairment loss of the same amount.

The amount recorded under Other current debtors mostly corresponds to amounts receivable relating to: (i) Collective Income Tax for the financial year to be received from its subsidiaries under the RETGS; (ii) the amount of 1.6 million euros relating to the subsystems and Hepatitis C process. In the financial year ending 31 December 2023, the Court of Appeal decided to request a repetition of the trial in the Arbitration Court ("TA"), to analyse evidence not analysed in the trial of the subsystems and Hepatitis C case, regarding the activity of the Escala Braga entity (which has since been merged into CUF, S.A.). As a result, and under the decision of the Arbitration Court, the Group returned the amount of 1.6 million euros previously paid by ARSN (Autoridade Regional de Saúde Norte [Northern Regional Health Authority]). In view of the above, the Company set up an account receivable (Note 29) and a provision with the same value (1,649 thousand euros).

The item Other non-current debtors includes the amount of 376 thousand euros relating to the FCT, which was reclassified from the item Other investments (Note 16), as well as the respective impairment of 369 thousand euros.

On 31 December 2024 and 2023, this item recorded accounts receivable from related parties amounting to approximately 23,028 thousand euros and 17,687 thousand euros, respectively (Note 35).

The change in Accumulated impairment losses is presented in Note 29.

20. Other Assets

On 31 December 2024 and 2023, these items had the following composition:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Income accruals:				
Income from not invoiced production	14,847	-	14,847	-
Interest (Note 35)	1,617	-	1,814	-
Rappel	-	-	166	-
Others	11	-	-	-
	16,475	-	16,827	-
Accumulated impairment losses (Note 29)	(11,305)	-	(11,305)	-
	(11,305)	-	(11,305)	-
	5,171	-	5,522	-
Deferred costs:				
Insurances	38	-	20	-
Others	361	-	430	-
	399	-	450	-
	5,570	-	5,972	-

In the financial years ended on 31 December 2024 and 2023, the item Unbilled income includes income accruals with ARSLVT resulting from the calculation of the actual production from 2013 to 2020, in accordance with the provisions of the Management Contract, respectively. It should also be noted that the amounts related to the calculation of the actual production for 2020 and 2021 with ARS LVT are shown under the item "Other liabilities", as the invoiced value, contractually defined in the management agreement of Vila Franca de Xira Hospital, was higher than the actual value of the production recorded in that Hospital in those years (Note 31).

The aforementioned balances were incorporated in 2022 by the Company as a result of the mergers of Escala Vila Franca – Sociedade Gestora do Estabelecimento, S.A. On 31 December 2024 and 2023, this item had the following composition:

	31/12/2024	31/12/2023
Pending Invoicing		
Production for the financial year of 2013	2,444	2,444
Production for the financial year of 2014	2,770	2,770
Production for the financial year of 2015	116	116
Production for the financial year of 2016	389	389
Production for the financial year of 2017	664	664
Production for the financial year of 2018	3,406	3,406
Production for the financial year of 2019	4,120	4,120
Production for the financial year of 2020	939	939
	14,847	14,847
Accumulated impairment losses (Note 29)	(11,305)	(11,305)
	3,542	3,542

The change in accumulated impairment losses is presented in Note 29.

On 31 December 2024 and 2023 the Income accruals item includes, in addition, the interest arising from the supply contracts to be invoiced to related parties in the amounts of 1,438 thousand euros and 1,824 thousand euros, respectively, as mentioned in Note 35.

21. Trade Receivables and Advances to Suppliers

On 31 December 2024 and 2023, the item Trade receivables and advances to suppliers had the following composition:

	31/12/2024			31/12/2023		
	Gross value	Impairment losses (Note 29)	Net value	Gross value	Impairment losses (Note 29)	Net value
Trade receivables, current account	3,251	(2,562)	689	2,743	(2,562)	181
	3,251	(2,562)	689	2,743	(2,562)	181

The Trade receivables, current account item comprises Accounts receivable from related parties on 31 December 2024 and 2023 in the amounts of 797 thousand euros and 327 thousand euros, respectively (Note 35).

The Trade receivables item presented in the Statement of Financial Position is net of impairment losses, which were estimated in accordance with the description in Note 36.

22. Government and other Public Entities

Current tax assets and liabilities

On 31 December 2024 and 2023, the balances of current tax assets and liabilities were as follows:

	31/12/2024	31/12/2023
Current tax liabilities:		
Payments on account	(8,467)	(2,974)
Income taxes	14,761	10,572
	6,293	7,598

Government and other public entities

On 31 December 2024 and 2023, the balances of government and other public entities were as follows:

	31/12/2024	31/12/2023
Debit balances:		
Social security contributions	-	9
Value added tax	5,910	5,107
Other taxes	9	-
	5,920	5,116
Credit balances:		
Withholding of income tax	71	75
Value added tax	101	-
Social security contributions	-	84
Other taxes	2	18
	174	176

23. Cash And Cash Equivalents

On 31 December 2024 and 2023, this item had the following composition:

	31/12/2024	31/12/2023
Cash and bank deposits:		
Current accounts	17,031	10,046
Term deposits	45,000	-
	62,031	10,046
Cash and its cash equivalents:		
Bank Overdrafts (Note 27)	-	(2,996)
	-	(2,996)
	62,031	7,050

In the financial year ended on 31 December 2024 and 2023, the Company recorded the following non-cash investment and financing transactions which are not reflected in the statement of cash flows:

- The Company acquired various assets through lease contracts, as disclosed in Note 14, amounting to approximately 5 million euros (6 million euros in 2023);
- The Company acquired fixed assets, not included in the amount of leases mentioned above, which had not been settled at the date of the financial position, amounting to approximately 289 thousand euros (8 thousand euros in 2023).

Term deposits totalling 45 million euros were contracted in 2024. They expired on 27 December 2024 and were renewed until 3 January. These deposits are immediately mobilisable and have a maturity date of less than three months.

Deposits and overdrafts related to subsidiaries were recorded, respectively, as accounts payable to and receivable from the corresponding related entities (Note 35), with the following breakdown:

	31/12/2024	31/12/2023
Overdrafts related to subsidiaries (Note 17)	251,771	161,235
Deposits related to subsidiaries (Note 17)	(258,230)	(149,740)
Deposits related to the Company	21,505	(4,199)
	15,046	7,296

24. Share Equity

On 31 December 2024 and 2023, the Share equity in the amount of 53,000 thousand euros, fully subscribed and paid up, was represented by 10,600,000 shares, with a nominal value of 5 euros each.

On 31 December 2024 and 2023, the capital was held by the following entities:

Entity	Number of shares	Percentage of participation
José de Mello Capital, S.A.	6,980,100	65.85%
Farminveste – Investimentos, Participações e Gestão, S.A.	3,180,000	30.00%
Fundação Amélia da Silva de Mello	439,900	4.15%
	10,600,000	100.00%

25. Legal Reserve

On 31 December 2023 and 2022, the Legal reserve amounted to 10,600 thousand euros. Company law determines that at least 5% of the annual net profit calculated in the individual accounts has to be allocated to the reinforcement of the legal reserve until it represents at least 20% of the capital. This reserve is not distributable unless if the Company is liquidated, but may be used to absorb losses after the other reserves are exhausted, or added to the capital.

26. Other Reserves And Other Equity Items

Other reserves

These reserves are established as free reserves, available for distribution under the terms and within the limits established in the Portuguese Commercial Companies Code.

Merger reserve

In the financial years ending on 31 December 2024 and 2023, a merger reserve in the amount of 919 thousand euros was recorded for the merger by incorporation of the subsidiary Escala Braga – Sociedade Gestora do Estabelecimento, it was reclassified to Income carried over for the year ended December 31, 2024.

Retained earnings

On 31 December 2024 and 2023, retained earnings amounted to 29,131 thousand euros and 1,275 thousand euros, respectively.

In accordance with Portuguese legislation, the amount of distributable retained earnings is determined according to the Company's separate financial statements, presented in accordance with the IAS/IFRS.

The General Meeting of 9 May 2024 approved the appropriation of the net profit for 2023, amounting to 57,274,111.39 euros, as follows: 28,500,000 euros distributed as dividends (corresponding to a gross value per share of 2.69 euros) and 28,774,111.39 euros transferred to Retained earnings.

The General Meeting held on 28 April 2023 approved the appropriation of the net profit for 2022, amounting to 2,377,055.08 euros, as follows: (i) 180.20 euros in Legal reserve, (ii) 2,376,874.86 euros distributed as dividends (corresponding to a gross value per share of 0.22 euros). In addition, the same General Meeting approved the transfer of 15,743,874.88 euros from Other reserves to Retained earnings.

The Board of Directors proposed that the positive net profit for the 2024 financial year, amounting to 17,810,991.38 euros, be applied as follows:

- Dividend payment: 17,810,991.38 euros, corresponding to a gross value per share of 1.68 euros.

Early distribution of profits

During the financial years ended on 31 December 2024 and 2023, there were no interim dividends.

27. Loans

On 31 December 2024 and 2023, loans obtained were as follows:

	31/12/2024	31/12/2023
Non-current liabilities:		
Debenture loans	56,044	94,793
Other bank loans	27,538	-
	83,582	94,793
Current liabilities:		
Debenture loans	16,766	2,133
Commercial paper	34,025	17,151
Other bank loans	3,603	23,978
Bank overdrafts (Note 23)	-	2,996
	54,393	46,258
	137,976	141,051

Commercial Paper

The company has three commercial paper programmes contracted (4 in 2023), with a limit of 66 million euros (71 million euros in 2023), of which 34,025 thousand euros were used at the balance sheet date (17,151 thousand euros in 2023).

On 31 December 2024 and 2023 these liabilities had the following detail, respectively:

Bank	Nominal amount hired	Outstanding amount		Contract	
		Current	Non-current	Maturity	Periodicity
Banco BIC	6,000	6,000	-	Jan/25	Annual
Bankinter	10,000	10,000	-	Dec/25	Annual
Institutional investors	50,000	18,025	-	Jun/25	Annual
	66,000	34,025	-		

Bank	Nominal amount hired	Outstanding amount		Contract	
		Current	Non-current	Maturity	Periodicity
Banco BIC	6,000	-	-	Jan/25	Annual
Bankinter	10,000	-	-	Dec/24	Annual
Sabadell	5,000	-	-	Apr/24	Annual
Institutional investors	50,000	17,151	-	Nov/24	Annual
	71,000	17,151	-		

Although there are programmes with maturities exceeding one year, there are annual renewals, leading the Commercial Paper to be categorised as current.

These commercial paper programmes provide for financial covenants that are common in financing contracts. The contracts include compliance requirements for the following debt ratios: Net Financial Debt / EBITDA (corresponding to the Operating Income); Debt Service Cover Ratio (Operating Income / Debt Service) and Financial Autonomy (Equity / Net Assets). The financial covenants are calculated on the basis of the Group's consolidated financial statements.

On 31 December 2024 and 2023, the Company was in compliance with all financial covenants in the applicable commercial paper programmes.

Debenture loans

Debenture loans concern the following issues:

Issue	Interest Rate	Maturity	Nominal amount	Amount owed on 31 December 2024		Amount owed on 31 December 2023	
				Current	Non-current	Current	Non-current
José de Mello Saúde 2019/2025	Euribor 6M + 3.75%	May/25	35,000	15,020	-	242	33,350
José de Mello Saúde 2019/2027	Euribor 6M + 3.875%	Jan/27	61,710	1,746	56,044	1,890	61,443
			96,710	16,766	56,044	2,133	94,793

These issuances were placed with institutional investors and approved for trading in the regulated markets of Euronext Lisbon and Bourse de Luxembourg.

In October 2024, there was an exchange operation between CUF SGPS 2024–2029 and CUF, S.A. 2025 and 2027 bonds. The total amount totalled 33.5 million euros, broken down as follows:

- Exchange of CUF, S.A. 2025 bonds in the amount of 18.38 million euros.
- Exchange of CUF, S.A. 2027 bonds in the amount of 4.76 million euros.

In effect, the CUF, S.A. bonds now have a value of 72,810 thousand euros, recognised at amortised cost.

These contracts include compliance requirements for the "Net Financial Debt / EBITDA" debt ratio. On 31 December 2024 and 2023, CUF complied with the financial covenants on all its bond loans.

Other bank loans

On 31 December 2024 and 2023, Other bank loans showed the following make-up:

Types of Financing	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Mutual loan agreements	3,603	27,538	23,978	-
	3,603	27,538	23,978	-

The reference indexing factor used in the financing contracts is the EURIBOR rate, whose maturity varies between 3M and 12M, plus a spread in line with the market's practices for similar operations.

With the exception of one loan that includes the obligation to comply with ratios, which were complied with in 2024 (debt service coverage ratio), there are no financial covenants associated with the remaining bank loans.

These bank financings have the following associated covenants: (i) Net Debt; (ii) Loan-to-Value ("LTV") and Debt Service; and (iii) Net Debt/EBITDA and EBITDA/Financial costs.

These loans have associated guarantees and collaterals described in Note 33.

Credit lines available but not used

On 31 December 2024 and 2023, the Group had contracted undrawn credit lines in the amounts of 22,500 thousand euros and 58,200 thousand euros, respectively. This reduction is justified by the termination of the Commercial Paper contract amounting to 50 million euros. This commercial paper is no longer contracted by CUF, S.A. and has been transferred to CUF SGPS.

Reconciliation of liabilities resulting from financing activities:

Below are the changes in the Company's liabilities arising from both cash and non-cash financing activities. Liabilities resulting from financing activities are those whose cash flows have been, or will be, classified as financing in the statement of cash flows:

	Cash flow				31/12/2024
	01/01/2024	Receipts (i)	Payments (i)	Others (ii)	
Commercial Paper	17,151	219,100	(202,200)	(26)	34,025
Debenture loans	96,926	210	(24,150)	(176)	72,810
Other Bank Loans	23,978	31,000	(24,000)	163	31,141
	138 055	250 310	(250 350)	(40)	137 976

	Cash flow				31/12/2023
	01/01/2023	Receipts (i)	Payments (i)	Others (ii)	
Commercial Paper	37,047	255,300	(275,200)	5	17,152
Debenture loans	114,875	-	(19,050)	1,102	96,926
Other Bank Loans	31,769	-	(8,000)	209	23,978
	183 690	255 300	(302 250)	1 317	138 056

(i) Cash flows arising from debenture loans, other bank loans, and other financing make up the net amounts of receipts and payments in respect of financing obtained in the statement of cash flows.

(ii) These amounts concern the effect of amortised cost, which is calculated taking into consideration any discount or premium on the acquisition, and the fees paid that are an integral part of the effective interest rate are recognised in profit and loss, in financial costs, during the period of the corresponding contract.

28. Lease Liabilities

The Company has a few leases with a duration of less than 12 months and of low value. In these situations, the Company recognises the corresponding rents as an operating expense when incurred.

In the financial years ended on 31 December 2024 and 2023, the following amounts were recognised as costs:

	31/12/2024	31/12/2023
Amortisation of the right of use (Note 14)	4,040	3,396
Expenses related to short-term contracts	69	39
Interest from Lease contracts (Note 9)	763	477
	4,872	3,912

The maturity of lease liabilities is shown in Note 36.

Reconciliation of liabilities resulting from financing activities:

Below are the changes in the Company's Lease liabilities arising from both cash and non-cash financing activities. Liabilities resulting from financing activities are those whose cash flows have been, or will be, classified as financing in the statement of cash flows:

	01/01/2024	Cash flow		Others (ii)	New Leases (Note 14)	31/12/2024
		Receipts (i)	Payments (i)			
Lease liabilities	14,309	-	(2,770)	-	5,496	16,320

	01/01/2023	Cash flow		Others (ii)	New Leases (Note 14)	31/12/2023
		Receipts (i)	Payments (i)			
Lease liabilities	11,015	-	(2,744)	(26)	6,064	14,309

- (i) Cash flows arising from lease liabilities make up the amounts of receipts and payments in respect of leases in the statement of cash flows.
- (ii) This item includes the net effect of adjustments recorded in Lease liabilities.

29. Provisions, Impairment Losses, Contingent Assets and Liabilities

Provisions

The movement in provisions during the financial years ended on 31 December 2024 and 2023 was as follows:

	Legal proceedings	Contractual Risks	Other provisions	Total
Balance on 1 January 2023	211	623	372	1,205
Increase	34	1,649	-	1,683
Balance on 31 December 2023	245	2,272	372	2,888
Balance on 1 January 2024	245	2,272	372	2,888
Increase	30	-	4,768	4,798
Use	(5)	-	-	(5)
Reversal	(40)	-	-	(40)
Balance on 31 December 2024	230	2,272	5,140	7,642

The main amounts recorded under Provisions item predominantly concern:

Contractual risks

Provisions for other contractual risks were set up to cover a number of risks arising from the termination of the Public-Private Partnership Management Contracts with companies Escala Braga – Sociedade Gestora do Estabelecimento, S.A. (which has since been merged into CUF, S.A.) and Escala Vila Franca – Sociedade Gestora do Estabelecimento, S.A. In 2023, the Court of Appeal decided to request a repeat of the judgment in the Arbitration Court, to analyse evidence not examined in the judgment of the subsystems and Hepatitis C process, in relation to the activity of the entity Escala Braga (merged into CUF, SA). As a result, and under the decision of the Arbitration Court, the Group returned the amount of 1.6 million euros previously paid by ARSN. In view of the above, the Group set up an account receivable and a provision for the same amount (Note 19).

Provisions for Legal Proceedings

These provisions relate to legal proceedings arising from the merger of Escala Vila Franca – Sociedade Gestora do Estabelecimento, S.A., brought by clients as part of the hospital services activity. These provisions are recorded based on the assessment and grading of the risk of the processes. On 31 December 2024, there were lawsuits filed against the Company, with the liability estimated by the Company being that which is not covered by the insurance it has taken out.

Other provisions

Other provisions correspond to provisions set aside to cover liabilities to third parties associated with its activity. The increase in this item during the year is justified in order to deal with possible tax risks.

Impairment losses

The changes occurred in accumulated Impairment losses during the financial years ended on 31 December 2024 and 2023 were as follows:

Current and non-current assets

	Trade receivables (Note 21)	Other Investments (Note 16)	Other debtors (Note 19)	Other assets (Note 20)	Financial investments (Note 15)	Total
Balance on 1 January 2023	2,594	370	662	11,285	818	15,727
Reversal	(32)	-	-	-	(767)	(799)
Transfers	-	-	(20)	20	-	-
Balance on 31 December 2023	2,562	370	642	11,305	51	14,929
Balance on 1 January 2024	2,562	370	642	11,305	51	14,929
Reclassifications (Note 16) (a)	-	(369)	369	-	-	-
Settlements	-	(1)	1	-	-	-
Balance on 31 December 2024	2,562	-	1,012	11,305	51	14,929

(a) According to Note 2.2.11, Decree-Law 115/2023 was published on 15 December 2023, establishing new legal regimes for the funds. The obligations concerning the FCT are terminated and those concerning the FGCT are suspended. Thus, companies that have contributed to the FCT have the possibility of mobilising these funds, and will have until 2026 to redeem the amounts withheld from the FCT. In light of the above, the amount relating to the FCT, which was recorded under item Other Investments, was reclassified to the Other Debtors item, and is now valued at cost.

During the financial years ended on 31 December 2024 and 2023, the changes in the Impairment losses and Provisions items had the following impacts on results:

	31/12/2024			31/12/2023		
	Increase	Reversal	Total	Increase	Reversal	Total
Provisions	4,798	(40)	4,758	1,683	-	1,683
Impairment in assets	-	-	-	-	(799)	(799)
			4,758			884

Contingent assets and liabilities

On 1 July 2022, CUF was notified by the Portuguese Competition Authority (AdC) of the Decision regarding the administrative offence proceeding raised by this entity on 14 March 2019 against Associação Portuguesa de Hospitalização Privada (APHP) [Portuguese Association of Private Hospitalisation] and the hospital groups CUF, Trofa Saúde, Hospital Particular do Algarve, Lusíadas, and Luz Saúde for alleged involvement in an agreement or concerted practice restricting competition in the contracting of private hospital health services by the public health subsystems ADSE [Institute for Protection and Assistance in Disease, Public Institute] and IASFA [Institute for Social Aid of the Armed Forces], and whose Notice of Unlawfulness had been notified on 29 July 2021.

In very brief terms, the AdC closed the administrative offence proceeding concerning possible coordination and/or concerted practice to pressure the settlement of IASFA's debt, namely by Luz Saúde and CUF, as it concluded that there was not enough evidence to allow the defendants to be held responsible.

Conversely, with regard to the negotiations with ADSE, the AdC concluded that the companies in question coordinated their interests and behaviours in the negotiations with ADSE, regarding their price list and rules, as well as the process of settlement of the 2015 and 2016 invoices, mainly through and with the participation of APHP, which constitutes an agreement or concerted practice, pursuant to Article 9(1)(a) and (b) of the Portuguese Competition Law, with the object of preventing, distorting, or appreciably restricting competition.

Under these terms, fines were imposed on all the companies concerned, and in the case of CUF, S.A. the fine amounts to 74,980 thousand euros, with José de Mello Capital, S.A. being jointly liable for payment of the fine.

Convinced of the scrupulous compliance with the Portuguese Competition Law, CUF S.A., and its shareholder José de Mello Capital, S.A., absolutely reject the decision of the AdC and its legal grounds, and therefore appealed to the competent judicial body, seeking to ensure the complete clarification of the truth of the facts and the re-establishment of justice, in a situation that grievously offends its good conduct and good name. In fact, the company has not recognised any provision for the above-mentioned lawsuit. In May 2023, an order was issued by the Competition, Regulation and Supervision Court (“TCSR”) conditioning the suspensive effect of the appeal, and consequently the obligation to pay the fine imposed by the Portuguese Competition Authority (AdC), on the provision of a guarantee corresponding to 50% of the amount of the fine.

On 17 April 2024, the TCRS handed down a ruling, which has already become final, essentially determining the following: (i) in accordance with the recent rulings of the Constitutional Court (Ruling No. 687/2021 and Ruling No. 91/2023), which ended the discussion ongoing at the time on whether prior judicial authorisation was required for the search and seizure of electronic correspondence, the removal and return to CUF and the other targets of all the emails seized with the authorisation of the Public Prosecutor’s Office at their premises, with the exception of Hospital Particular do Algarve, S. A. (whose authorisation was granted by the examining magistrate); (ii) the declaration of nullity of the notice of unlawfulness and of the AdC’s final decision; (iii) the return of the case file to the AdC, resulting in their return to the investigation phase, with this authority being responsible for deciding on the further terms of the process; and (iv) the withdrawal of the guarantees.

30. Other Creditors

On 31 December 2024 and 2023, these items had the following composition:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Personnel and trade	63	-	63	-
Other creditors	630	4,224	308	-
	694	4,224	371	-

The increase in 2024 refers to the recognition in the accounts of the amount of 4.2 million euros, relating to the unreserved value of the option to purchase all the shares of Preveris, held by the Group, which the Company considers highly likely to be exercisable (Note 15).

In addition, and within the scope of the Management Contract signed by Escala Vila Franca de Xira – Sociedade Gestora do Estabelecimento, S.A. with Vila Franca de Xira Hospital, the amount recorded under item Other creditors on 31 December 2022 predominantly includes amounts received from clients relating to clinical trials and which are due to be reimbursed in the amount of 302 thousand euros. This balance was incorporated by the company as a result of the merger of Escala Vila Franca de Xira – Sociedade Gestora do Estabelecimentos, S.A. into CUF, S.A. in 2022.

31. Other Liabilities

On 31 December 2024 and 2023, this item had the following composition:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Accrued expenses:				
Remunerations	6,547	-	6,046	-
Financial costs (Note 35)	990	-	-	-
Insurances	36	-	39	-
IT	4	-	4	-
Others	547	-	636	-
	8,124	-	6,724	-
Deferred income:				
Liabilities towards ARS LVT	4,709	-	4,709	-
	4,709	-	4,709	-
	12,833	-	11,433	-

The Other item predominantly concerns accrued expenses for consultancy, auditing, advertising and publicity work.

The Deferred income item concerns an adjustment in the amount to be invoiced to ARS LVT. This situation stems from the fact that the invoiced amount, which is the contracted value, is higher than the actual production value.

32. Trade Payables and Advances from Clients

On 31 December 2024 and 2023, these items had the following composition:

	31/12/2024	31/12/2023
Trade payables, current account	2,672	2,097
Suppliers, invoices in reception and under verification	110	83
Advances from clients	2	2
	2,784	2,183

On 31 December 2024 and 2023, this item included payables to related parties in the amounts of approximately 27 thousand euros and 65 thousand euros, respectively (Note 35).

33. Guarantees

Other Guarantees provided in favour of third parties

- CUF, S.A. is a guarantor under the financial leasing contracts for medical equipment signed by the Group's various companies, totalling 36.6 million euros.
- Blank promissory note subscribed by CUF Investimentos Imobiliários, S.A. ("CUF Investimentos) and guaranteed by CUF, S.A. and Hospital CUF Tejo, S.A. specifically for the commercial paper contracted by CUF Investimentos, in the amount of 73.3 million euros, was presented as a consignment guarantee for the rents paid by Hospital CUF Tejo, S.A.
- Two blank promissory notes subscribed by Hospimob Imobiliária, S.A. and endorsed by CUF, S.A. and Hospital CUF Porto, S.A., in the amount of 47.6 million euros.
- Two blank promissory notes subscribed by CUF Investimentos and guaranteed by CUF, S.A. as part of the contracting of two loans signed by CUF Investimentos with a mortgage, in the amount of 32.2 million euros.
- As part of the mutual financing of 8.0 million euros, CUF Investimentos subscribed a blank promissory note, guaranteed by CUF, S.A.
- Within the scope of the Contracted Commercial Paper (Note 27), a blank promissory note was signed for each contract by the issuers, CUF, S.A., Hospital CUF Descobertas, S.A. and Hospital CUF Tejo, S.A.
- Guarantee provided by CUF, S.A. and Hospital CUF Descobertas, S.A. within the scope of the mutual loan agreement contracted by CUF, Investimentos Imobiliários, S.A., in the amount of 21.6 million euros.
- Blank promissory note subscribed by Greenimolis – Investimentos, S.A. and 50% guaranteed by CUF, S.A. as part of the loan agreement for the construction of the CUF Leiria Hospital, amounting to 23.6 million euros.

34. Explanatory Notes of the Statement of Cash Flows

34.1. Receipts from Financial Investments:

The most significant inflows related to financial investments occurring during the financial years ended on 31 December 2024 and 2023 are:

	Classification	31/12/2024	31/12/2023
CUF – Investimentos Imobiliários, S.A.	Dividends	4,904	21,836
CUF – Sociedade Gestora de Participações Sociais, S.A.	Dividends	31,792	46,516
Imo Sag – Investimentos Imobiliários, S.A.	Dividends	-	1,222
Infrahealth – Gestão de Infraestruturas Unipessoal, Lda.	Dividends	404	-
		37,101	69,574

34.2. Payment from financial investments and other investments:

The most significant payments related to financial investments occurring during the financial years ended on 31 December 2024 and 2023 are:

	Classification	31/12/2024	31/12/2023
Imo Sag – Investimentos Imobiliários, S.A.	Capital increase	-	800
Preveris – Prevenção, Saúde e Segurança no Trabalho,	Acquisition of business (a)	-	3,320
		-	4,120

(a) The amount includes the payment of ancillary instalments amounting to 87 thousand euros.

35. Related Parties

35.1. Type of Relationship with Related Parties

The nature of the relationships between the Company and its shareholders, associated companies, subsidiaries and other related parties is shown in the table below:

Related Party	Transactions					
	Sales and services rendered	Other operating income	External supplies and services	Personnel costs	Financial costs	Financial income and gains
José de Mello Capital, S.A.			Other services			
M Dados – Sistemas de Informação, S.A.			Specialised Work			
Sociedade Agrícola D. Diniz, S.A.			Other services			
Hospital CUF Coimbra, S.A.	Equipment Rental		Other services			
Academia CUF, Sociedade Unipessoal, Lda.	Shared Services			Personnel transfer		
Infrahealth – Gestão de Infraestruturas, Lda.	Shared Services					
Clínica CUF Alvalade, S.A.			Other services			
Clínica CUF Belém, S.A.	Equipment Rental					
Hospital CUF Cascais, S.A.	Equipment Rental		Other services			
Hospital CUF Torres Vedras, S.A.	Equipment Rental					
Hospital CUF Tejo, S.A.	Equipment Rental		Other services			
Hospital CUF Porto, S.A.	Equipment Rental		Other services			
Hospital CUF Viseu, S.A.	Equipment Rental					
Hospital CUF Santarém, S.A.	Equipment Rental		Other services			
Hospital CUF Açores, S.A.	Shared Services					
CUF – Investimentos Imobiliários, S.A.						Loans
Imo Sag – Investimentos Imobiliários, S.A.	Shared Services					
Hospital CUF Descobertas, S.A.	Equipment Rental		Other services			
Cenes – Centro de Reprocessamento de Dispositivos Médicos, Lda.	Shared Services					
José de Mello Residências e Serviços, SGPS, S.A.						Loans

The terms or conditions are almost identical to those that would normally be drawn up, accepted and practiced between independent entities in comparable operations.

35.2. Transactions and Balances with related parties

The balances and transactions between the Company and its shareholders, associated companies, subsidiaries and other related parties are detailed below:

Related Party	Year	Trade receivables (Note 21)	Trade payables (Note 32)	Other assets (Note 20)	Other debtors (Note 19)	Other liabilities (Note 31)	Other financial liabilities (Note 17)	Other financial assets (Note 17)
Subsidiary companies								
CUF – Sociedade Gestora de Participações Sociais, S.A.	2024	-	-	213	0	990	119,947	8,869
	2023	-	-	309	24	-	51,439	8,869
CUF – Investimentos Imobiliários, S.A.	2024	-	-	1,206	2,606	-	-	147,799
	2023	-	-	1,250	2,729	-	-	121,236
Infrahealth – Gestão de Infraestruturas, Lda.	2024	31	-	-	337	-	3,750	-
	2023	10	-	-	248	-	2,409	-
Imo Sag – Investimentos Imobiliários, S.A.	2024	-	-	-	57	-	-	651
	2023	7	-	-	-	-	1,001	-
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.	2024	-	-	-	-	-	-	3,566
	2023	-	-	-	-	-	-	216
Other related parties								
Academia CUF, Sociedade Unipessoal, Lda.	2024	2	12	-	98	-	1,063	-
	2023	1	35	-	68	-	602	-
Centro Logístico CUF, Unipessoal, Lda.	2024	-	-	-	144	-	-	6,061
	2023	-	-	-	-	-	-	7,424
Clínica CUF Alvalade, S.A.	2024	-	-	-	123	-	2,232	-
	2023	-	-	-	223	-	2,627	-
Clínica CUF Belém, S.A.	2024	3	-	-	43	-	-	-
	2023	3	-	-	-	-	-	-
Clínica Dr. Luís Álvares, S.A.	2024	-	-	-	-	-	-	121
	2023	-	-	-	93	-	63	-
CUF – Serviços de Saúde, Administrativos e Operacionais, A.C.E.	2024	311	-	-	-	-	-	83,253
	2023	5	-	-	-	-	-	26,987
CUF – Gestão de Clientes e de Serviços de Saúde, S.A.	2024	-	-	-	0	-	-	7,872
	2023	-	-	-	-	-	146	-
Brisa – Autoestradas de Portugal Group	2024	-	(2)	-	-	-	-	-
	2023	-	-	-	-	-	-	-
Hospital CUF Cascais, S.A.	2024	31	-	-	2,829	-	20,301	-
	2023	38	-	2	2,199	-	8,678	-
Hospital CUF Coimbra, S.A.	2024	52	-	-	4	-	-	15,802
	2023	51	1	-	-	-	-	14,331
Hospital CUF Descobertas, S.A.	2024	164	2	-	6,548	-	49,619	-
	2023	131	1	5	4,636	-	20,511	-
Hospital CUF Porto, S.A.	2024	46	3	-	1,072	-	16,966	-
	2023	39	5	-	192	-	-	2,727
Hospital CUF Santarém, S.A.	2024	35	1	-	481	-	909	-
	2023	10	1	2	653	-	3,249	-
Hospital CUF Torres Vedras, S.A.	2024	12	3	-	1,256	-	5,711	-
	2023	10	3	-	830	-	3,622	-
Hospital CUF Viseu, S.A.	2024	15	-	-	2	-	-	2,411
	2023	15	-	-	-	-	-	4,781
José de Mello Residências e Serviços, SGPS, S.A.	2024	-	-	19	-	-	-	5,774
	2023	-	-	255	-	-	-	5,404
M Dados – Sistemas de Informação, S.A.	2024	-	3	-	-	-	-	-
	2023	-	3	-	-	-	-	-
Hospital CUF Tejo, S.A.	2024	87	4	-	5,975	-	70,628	-
	2023	-	15	-	4,318	-	40,875	-
SIM X – Serviço de Imagem Médica, S.A.	2024	-	-	-	441	-	2,142	-
	2023	-	-	-	407	-	1,840	-
CENES – Centro de Reprocessamento de	2024	7	-	-	47	-	-	1,592

Related Party	Year	Trade receivables (Note 21)	Trade payables (Note 32)	Other assets (Note 20)	Other debtors (Note 19)	Other liabilities (Note 31)	Other financial liabilities (Note 17)	Other financial assets (Note 17)
Dispositivos Médicos, Lda.	2023	7	-	-	32	-	-	1,334
Hospital CUF Açores, S.A.	2024	-	-	-	-	-	-	11,727
	2023	-	-	-	-	-	-	10,384
Simplygreen – Investimentos Imobiliários, S.A.	2024	-	-	-	117	-	-	5,520
	2023	-	-	-	63	-	-	5,284
Hospimob – Investimentos Imobiliários, S.A.	2024	-	-	-	789	-	14,963	-
	2023	-	-	-	964	-	12,651	-
Imo Health Cascais – Investimentos Imobiliários, S.A.	2024	-	-	-	57	-	-	3,826
	2023	-	-	-	7	-	-	2,917
CUF Arrifana de Sousa, S.A.	2024	-	-	-	-	-	-	1,305
	2023	-	-	-	-	-	-	-
	2024	797	27	1,438	23,028	990	308,230	306,149
	2023	327	65	1,824	17,687	-	149,766	211,894

Related Party	Year	Sales and services provided (Note 4)	Other operating income (Note 4)	External supplies and services (Note 6)	Personnel costs (Note 7)	Other operating costs (Note 8)	Financial costs (Note 9)	Financial income (Note 9)
Shareholders								
José de Mello Capital, S.A.	2024	-	-	(4)	-	-	-	-
	2023	-	-	-	-	-	-	-
Subsidiary companies								
CUF – Sociedade Gestora de Participações Sociais, S.A.	2024	-	-	-	-	-	-	666
	2023	-	-	-	-	-	-	613
CUF – Investimentos Imobiliários, S.A.	2024	-	-	-	-	-	(1,218)	2,714
	2023	-	-	-	-	-	-	2,701
Infrahealth – Gestão de Infraestruturas, Lda.	2024	102	-	-	-	-	-	-
	2023	102	-	-	(2)	-	-	-
Imo Sag – Investimentos Imobiliários, S.A.	2024	11	-	-	(0)	-	-	-
	2023	68	-	-	-	-	-	-
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.	2024	-	-	-	(2)	-	-	89
	2023	-	-	-	-	-	-	-
Other related parties								
Academia CUF, Sociedade Unipessoal, Lda.	2024	6	-	(3)	(2)	-	-	-
	2023	6	-	(35)	(8)	-	-	-
Centro Logístico CUF, Unipessoal, Lda.	2024	-	-	-	-	-	-	-
	2023	-	153	-	-	-	-	-
Clínica CUF Alvalade, S.A.	2024	-	-	(7)	-	-	-	-
	2023	-	-	(6)	-	-	-	-
Clínica CUF Belém, S.A.	2024	29	-	-	-	-	-	-
	2023	29	-	-	-	-	-	-
CUF – Gestão de Clientes e de Serviços de Saúde, S.A.	2024	-	-	-	-	-	-	-
	2023	-	-	-	-	(5)	-	-
Bondalti Group	2024	-	-	-	-	-	-	-
	2023	-	-	(1)	-	-	-	-
Brisa – Autoestradas de Portugal Group	2024	-	-	(11)	-	-	-	-
	2023	-	-	(5)	-	-	-	-
Hospital CUF Cascais, S.A.	2024	363	-	(1)	-	-	-	-
	2023	326	-	(1)	-	-	-	-
Hospital CUF Coimbra, S.A.	2024	513	-	(2)	-	-	-	-
	2023	381	-	(3)	-	-	-	-
Hospital CUF Descobertas, S.A.	2024	1,385	-	(5)	-	-	-	-
	2023	1,340	70	(36)	-	-	-	-
Hospital CUF Porto, S.A.	2024	428	-	(25)	-	-	-	-
	2023	382	-	(15)	-	-	-	-
Hospital CUF Santarém, S.A.	2024	200	5	(3)	-	-	-	-
	2023	8	3	(3)	-	-	-	-

Related Party	Year	Sales and services provided (Note 4)	Other operating income (Note 4)	External supplies and services (Note 6)	Personnel costs (Note 7)	Other operating costs (Note 8)	Financial costs (Note 9)	Financial income (Note 9)
Hospital CUF Torres Vedras, S.A.	2024	121	-	(0)	-	-	-	-
	2023	98	-	(4)	-	-	-	-
Hospital CUF Viseu, S.A.	2024	148	-	(0)	-	-	-	-
	2023	148	-	(2)	-	-	-	-
José de Mello Residências e Serviços, SGPS, S.A.	2024	-	-	-	-	-	-	133
	2023	-	-	-	-	-	-	123
M Dados – Sistemas de Informação, S.A.	2024	-	-	(5)	-	-	-	-
	2023	-	-	(7)	-	-	-	-
Sociedade Agrícola D. Diniz, S.A.	2024	-	-	(4)	-	-	-	-
	2023	-	-	(4)	-	-	-	-
Hospital CUF Tejo, S.A.	2024	811	-	(66)	-	-	-	-
	2023	380	-	(76)	-	-	-	-
CENES – Centro de Reprocessamento de Dispositivos Médicos, Lda.	2024	65	-	-	-	-	-	-
	2023	65	-	-	-	-	-	-
Hospital CUF Açores, S.A.	2024	116	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2024	4,300	5	(130)	(5)	-	(1,218)	3,602
	2023	3,325	223	(195)	(10)	(5)	-	3,437

No expenses were recognised in relation to bad or doubtful debts owed by related parties.

Additionally, no guarantees were given to or received from related parties.

35.3. Remunerations of Key Management Personnel

The wages of the Company's key management personnel are discriminated in the table below:

	31/12/2024	31/12/2023
Remunerations	2,525	2,563
Variable Remunerations	3,311	6,055
	5,836	8,618

In the context of transactions with related parties, no commitments were entered into nor were any guarantees given or received. Directors' remuneration includes all remunerations due for the exercise of roles in management bodies of companies of the CUF Group.

In the CUF Group, no other system of remuneration payment to directors is established in the form of benefits or profit sharing and/or bonus payments, in addition to the amounts relating to bonuses recognised in the financial statements. The remuneration of these key members is determined by the Remuneration Committee of CUF, S.A., taking into account parameters related to the Group's performance.

No compensation was paid or owed to former executive directors in relation to the termination of their duties during the financial year of 2024.

Therefore, no amounts were paid on any basis other than the remuneration disclosed in paragraph "Information on shareholder structure, organisation and corporate governance" to the Group's management bodies.

Additionally, there are no outstanding balances or other commitments to disclose.

36. Financial Instruments

On 31 December 2024 and 2023, the balance sheet of value of the major financial assets and liabilities held at amortised cost were as follows:

	31/12/2024	31/12/2023
Financial assets		
Cash and bank deposits (Note 23)	62,031	10,046
Accounts receivable from third parties (Notes 19 and 21)	25,630	19,763
Other financial assets (Note 17)	306,149	211,894
Other assets (Note 20)	11,091	10,658
	404,901	252,361
Financial liabilities		
Accounts payable to third parties (Notes 30 and 32)	7,702	2,554
Lease liabilities (Note 28)	16,320	14,309
Loans (Note 27)	137,976	141,052
Other liabilities (Note 31)	8,124	6,900
Other financial liabilities (Note 17)	308,404	149,740
	478,526	314,554

On 31 December 2024 and 2023, as mentioned above, the Company's Financial assets and liabilities predominantly concern Accounts receivable from third parties, Cash and cash equivalents, Loans and Accounts payable to third parties which are measured at amortised cost.

Regarding Investments and financial assets, current Accounts receivable and Accounts payable, and Cash and cash equivalents, the Company considers, in view of the specific characteristics of these financial instruments, that the fair value does not differ significantly from their book value and therefore it is not necessary, under IFRS 13, to present their fair value by measurement levels.

Regarding Financing obtained, the Company considers that its fair value will depend significantly on the level of risk attributed by the financing entities and the conditions that the Company would be able to obtain at the date of the statement of financial position, if it went to the market to contract financing of a similar amount and term to that which it has in progress on 31 December 2022. However, in the opinion of the Company's Board of Directors, its book value does not differ significantly from its fair value, therefore it is not necessary, under IFRS 13, to present its fair value by measurement levels.

In the development of its activities and business, the Company is exposed to a number of financial risks that may alter its net worth, which, according to their nature, are as follows:

- Market risks, mainly based on interest rate risk;
- Liquidity risks, arising from its financial liabilities; and
- Credit risk, which results from its operational and treasury activities.

The Financial Risk Management Policy of the CUF Group, which includes the Company, seeks to ensure proper identification of risks associated with the business undertaken as well as to adopt and implement the necessary measures to minimise the negative impacts that adverse developments of the factors underlying these risks may have on the financial structure of the Group and on its sustainability.

Under the risk management process, the Company identified a set of risks associated with the financial performance of each company, which are considered the most relevant, among which stand out the market (exposure to variations of interest rates), credit and liquidity risks.

The Company has a risk management model that seeks to minimise the potential adverse effects, using the instruments suited to cover the risks to which it is exposed.

Analysed below in more detail are the main financial risks that the Company is exposed to and the main measures implemented to manage those risks.

Market risk

The market risk is the risk of the changes in the markets' prices, such as interest rates, foreign exchange variations or evolution of the stock markets, affecting the Company's results and its financial position.

The Company is only exposed to risks stemming from changes in interest rates, thus the management of market risks is mostly focused on monitoring the evolution of the interest rates, which influence the remunerated financial liabilities (contracted on the basis of interest rates indexed to the evolution of the markets) and their impact on the financial statements.

(i) Risk of exposure to variations in interest rates

The management of the interest rate risk aims to minimise exposure to changes in interest rates and their impact on the financial statements within the established limits.

Through control policy adopted, it seeks to select suitable strategies for each business area in order to ensure that this risk factor does not adversely affect the operational capacity. Conversely, the exposure to interest rate risk is also monitored via the simulation of adverse scenarios with a certain degree of probability which can negatively affect the Company's results.

Whenever expectations of changes in interest rates so warrant, the Company seeks to contract fixed-rate loans.

The table below provides a sensitivity analysis of the impact of a potential increment of the Euribor rates in CUF's financial costs in 2024 and 2023:

(Amounts in euros)

	31/12/2024		31/12/2023	
	Variation in the rate (p.p)	Impact on financial costs	Variation in the rate (p.p)	Impact on financial costs
Non-current loans	+0.5	594	+0.5	612
Current Loans	+0.5	180	+0.5	33
Leases	+0.5	79	+0.5	62
		853		707

Analysis notes:

- Funding contracted at a fixed rate was excluded, namely the debenture loans mentioned previously;

a) Credit risk

The credit risk is the risk of a counterparty failing to comply with its obligations under the cover of a financial instrument, thus resulting in a loss. The Company is subject to credit risk regarding the following activities:

- Operating activities – Trade receivables, trade payables and other accounts receivable and payable;
- Financing activities.

In addition to Cash and bank deposits, the following table shows the Company's maximum exposure to credit risk:

	31/12/2024	31/12/2023
Other assets (Note 20)	11,091	10,658
Trade receivables and advances to suppliers (Note 21)	689	181
Other debtors (Note 19)	24,941	19,582
Other financial assets (Note 17)	306,149	211,894
	342,870	242,315

For assets in the statement of financial position, the defined exposure is based on its recorded amount on the face of the financial position.

Accounts receivable

Credit risk is mainly related to credits of services provided to customers. This risk is tracked as follows:

- Following previously established policies, procedures and controls;
- Establishing credit limits for the clients, based on internal assessment criteria (average collection period);
- Impairment analyses on the values to be received on a regular basis;
- The outstanding amounts are regularly monitored.

The Company has no significant credit risk with any specific client, as the accounts receivable are solely from Group companies.

The change in Impairment losses of accounts receivable is disclosed in Note 29.

It is the understanding of the Board of Directors that, on 31 December 2024, the estimated Impairment losses on accounts receivable are adequately reported in the financial statements.

Other investments

In 2023, the balances shown under the Other investments item predominantly concerned: (i) the Labour Compensation Fund, which was guaranteed by the Institute for the Management of Social Security Capitalisation Funds (Instituto de Gestão de Fundos de Capitalização da Segurança Social, I.P.) and by the Institute for Financial Management of Social Security (Instituto de Gestão Financeira da Segurança Social, I.P. (IGFSS, I.P.)); (ii) stake in the company José de Mello Residências e Serviços, SGPS, S.A.

According to Note 2.2.11, Decree-Law 115/2023 was published on 15 December 2023, establishing new legal regimes for the funds. In effect, the obligations relating to the FCT are extinguished and those relating to the FGCT are suspended. Thus, companies that have contributed to the FCT have the possibility of mobilising these funds, and will have until 2026 to redeem the amounts withheld from the FCT.

In light of the above, the amount concerning the FCT, which was recorded under item Other Investments, was reclassified to Other Debtors and is now valued at cost.

a) Liquidity risk

Liquidity risk stems from the potential inability to finance the Company's assets, or to meet the contracted responsibilities on the expiration dates.

The management of the liquidity risk seeks to permanently track the treasury forecasts in order to ensure the fulfilment of all of the Company's liabilities toward the entities with which it deals in its activity. Through active management of the business plan and comprehensive mapping of needs or future cash surpluses, it also seeks to reduce the risk of financing by having a permanent relationship with the financial partners.

The table below presents the Company's liabilities according to intervals of contractual maturity at the end of 2022 and 2021. The amounts represent the non-discounted cash flows to be paid in the future:

	31/12/2024			
	<1 year	1-5 years	>5 years	Total
Financial Debt:				
Debenture loans	16,766	56,044	-	72,810
Other bank loans	3,603	27,538	-	31,141
Commercial paper	34,025	-	-	34,025
	54,393	83,582	-	137,976
Leases:				
Lease liabilities	3,702	10,934	1,684	16,320
	3,702	10,934	1,684	16,320
Other liabilities				
Other financial liabilities	258,230	-	-	258,230
	258,230	-	-	258,230
	316,325	94,516	1,684	412,526

	31/12/2023			
	<1 year	1-5 years	>5 years	Total
Financial Debt:				
Debenture loans	2,133	94,793	-	96,926
Other bank loans	23,978	-	-	23,978
Commercial paper	17,152	-	-	17,152
Bank overdrafts	2,996	-	-	2,996
	46,258	94,793	-	141,052
Leases:				
Lease liabilities	2,866	9,875	1,568	14,309
	2,866	9,875	1,568	14,309
Other liabilities:				
Other financial liabilities	149,740	-	-	149,740
	198,865	104,668	1,568	305,101

37. Statutory Auditor's Fees

The total fees for the financial year ended on 31 December 2024 and 2023, of the Statutory Auditor and its network, are detailed as follows:

	31/12/2024	31/12/2023
Annual audit	186	180
Other services	10	65
	190	245

38. Approval of the Financial Statements

The financial statements were approved, and authorised for issue, by the Board of Directors on 4 April 2025.

The financial statements will be subject to approval at a General Shareholders' Meeting and the Board of Directors expects them to be approved without significant changes.

39. Subsequent Events

In November 2024, CUF signed an agreement with José de Mello Residências e Serviços and with the Ageas Portugal Group to acquire 100% of the share capital of S.P.S.I. – Sociedade Portuguesa de Serviços de Apoio e Assistência a Idosos, S.A. ("SPSI"), an organisation that provides services and solutions to the senior population under the Domus Vida brand (residences located in Parede and Junqueira/Lisbon), for the amount of 3 million euros plus the net value of cash equivalents. On 15 January 2025, the Portuguese Competition Authority decided not to oppose the acquisition, which is expected to be completed on 30 April 2025.

On 7 March 2025, CUF signed a partnership agreement with the shareholders of the HPA Health Group to acquire a 75% stake in that hospital group, for maximum estimated value corresponding to the ratio of 7.5% calculated on its consolidated assets by reference to June 30, 2024. Founded in 1996, the HPA Saúde Group is a leading operator in the Portuguese hospital scene. Consisting of five hospitals and 17 clinics in Alentejo, Algarve and the Autonomous Region of Madeira, the HPA Health Group has high-quality installed capacity, a comprehensive offer and differentiated clinical teams, based on technical rigour and technological innovation. This operation represents not only the union of two companies with vast experience in the healthcare sector, but also an opportunity to strengthen and expand the quality of the services provided. We believe that this partnership will bring significant benefits to those who entrust us with their health, as well as to the professionals of both institutions, who will be able to grow in an environment of collaboration, development and knowledge sharing. This is also a very significant step in CUF's growth strategy at a national level, providing access to healthcare with differentiation and quality in all geographies. As is usually the case in a transaction of this nature, the completion of the process to acquire this stake, which will be reinforced over a four-year period, depends on the fulfilment of all the conditions set out in the agreement (including preceding conditions), as well as its prior notification to the Portuguese Competition Authority and the non-opposition of this entity.

Lisbon, 4 April 2025

The Statutory Auditor,

The Board of Directors

Report on the Opinion of the Supervisory Board Concerning the Separate Accounts

Report on the Opinion of the Supervisory Board Concerning the Separate Accounts

Dear Shareholders,

In accordance with legal and statutory terms, the Supervisory Board of CUF, S.A., with headquarters at Av. do Forte 3, Edifício Suécia III, Piso 2, 2790-073 Carnaxide, presents its supervisory report and provides an opinion on the report, accounts and proposals submitted by the Board concerning the financial year ended on 31 December 2024.

1. In accordance with legal and statutory terms, we have:

- approved the plan of activities for 2025;
- supervised the actions of the Board of Directors through meetings with the financial department, strategic planning, management control and innovation department, information systems department and quality and safety department;
- verified compliance with the law and fulfilment of the company's articles of association;
- evaluated whether the accounting policies and valuation/measuring criteria adopted by the company are in agreement with the generally accepted accounting principles and lead to a proper evaluation of the assets and results;
- evaluated the effectiveness of the internal control system implemented by the Board of Directors;
- supervised the process of preparation and disclosure of the financial information;
- verified the accuracy of the Statement of Financial Position, the Statement of Income and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Financial Statements for the 2024 financial year;
- evaluated the Management Report issued by the Board of Directors and the proposal for the appropriation of results it introduced;
- evaluated the work carried out by the Statutory Auditor leading to the legal review and additional services;
- verified the terms of the Legal Certification of the Accounts, the Audit Report and the Additional Report to the Supervisory Body, issued by Deloitte & Associados, SROC S.A., having concluded that its content deserves our agreement.

2. The conducted supervisory action allows us to conclude that:

- the actions of the Board of Directors that we have knowledge of safeguard compliance with the law and with the company's articles of association;
- we are not aware of any situations that can call into question the suitability and effectiveness of the internal control system implemented by the Board in controlling the risk to which the company is exposed;
- the accounting and the accounts comply with the applicable legal, statutory and regulatory provisions, reflect the activity carried out and lead to a correct evaluation of the company's assets and results;
- the Management Report is in agreement with the accounts presented and faithfully shows the evolution of the activity and of the business during the financial year;
- the published Report includes the elements listed in Article 29-H of the Securities Code on the structure and practices of corporate governance;
- the Statement of Financial Position, the Statement of Income and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Financial Statements of the 2023 financial year meet the applicable legal and accounting requirements;
- the audit of the Financial statements performed by the Statutory Auditor was suitable to the circumstances, and the additional services did not compromise its independence;
- the Statement of Financial Position, the Statement of Income and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Financial Statements of the 2024 financial year meet the applicable legal and accounting requirements;
- the audit of the financial statements performed by the Statutory Auditor was suitable to the circumstances, and the additional services did not compromise its independence;
- the proposal for the appropriation of profits is appropriate and is properly grounded.

3. We can thus state:

- our agreement with the content of the Legal Accounts Certificate issued by the Statutory Auditor;
- our agreement with the Management Report and accounts for the 2024 financial year presented by the Board of Directors;
- that to the best of our knowledge, the disclosed financial information has been drafted in accordance with current accounting standards and give a true and fair view of the assets and liabilities, financial situation and results of the company, and that the Management Report faithfully describes the business development, financial performance and position of the company, containing a description of the main risks and uncertainties it faces.

4. Accordingly, taking into account the actions carried out, we consider that:

- the Management Report and accounts of the 2024 financial year presented by the Board of Directors should be approved;
- the proposal for the appropriation of results contained in the Management Report should be approved.

Finally, we would like to thank the Board and all Employees in the service of the Company who we contacted, for all the cooperation we received when performing our duties.

Lisbon, 23 April 2025

The Supervisory Board

Manuel Ravara Caldeira Castel-Branco Cary
Chairman

José Luís Bonifácio Lopes
Member

Ana Rita Barreira Duarte Bessa
Member



Declaration of Compliance of the Supervisory Board

Declaration of Compliance of the Supervisory Board

In accordance with provisions in Article 29-G(1)(c) of the Securities Code, CUF, S.A. ("CUF") Supervisory Board members declare that, to the best of their knowledge, the management report, the separate annual accounts, the legal accounts certificate and the other accounting documents, i) were prepared in accordance with current accounting standards and give a true and fair view of the assets and liabilities, financial situation and results of CUF; ii) faithfully describe the development, performance and position of CUF; and iii) contain a description of the main risks CUF faces in its activity.

Lisbon, 23 April 2025

The Supervisory Board

Manuel Ravara Caldeira Castel-Branco Cary
Chairman

José Luís Bonifácio Lopes
Member

Ana Rita Barreira Duarte Bessa
Member



Consolidated Financial Statements

On 31 December 2024

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Consolidated Statement of Income and Other Comprehensive Income for the Financial Years Ended on 31 December 2024 and 2023

(Amounts in thousands of euros)

	Notes	31/12/2024	31/12/2023
Ongoing operations:			
Operating income:			
Sales and services rendered	9	884,335	747,075
Other operating income	9	6,547	8,796
Operating income		890,882	755,871
Operating costs:			
Cost of sales	10	(108,071)	(94,798)
External supplies and services	11	(403,184)	(339,803)
Personnel costs	12	(224,165)	(195,464)
Depreciation and amortisation	20	(54,188)	(48,487)
Provisions and impairment losses [reversals/(increases)]	38	(1,222)	1,092
Other operating costs	13	(7,877)	(5,589)
Operating costs		(798,707)	(683,049)
Operating results		92,175	72,822
Financial costs	14	(35,099)	(29,539)
Financial income	14	1,828	1,180
Profit and loss of associated companies	14	46	134
Profit and loss of investment activities	14	-	155
Financial results		(33,225)	(28,070)
Income before taxes		58,950	44,752
Income tax for the year	15	(15,192)	(4,987)
Consolidated net profit for the financial year from ongoing operations		43,758	39,765

	Notes	31/12/2024	31/12/2023
Discontinued operations:			
Net profit for the financial year from discontinued operations	3	(170)	(1,675)
Consolidated net profit for the financial year		43,588	38,090
Net profit for the financial year attributable to non-controlling interests	34	(225)	(272)
Net profit for the financial year attributable to equity holders of the parent company		43,363	37,818
Other items of Comprehensive Income:			
Other income and expenses directly recognised in equity that will not be reclassified to profit:			
Revaluation of Property, plant and equipment, net of tax effect		23,080	16,209
Actuarial Gains / (Losses)	36	(38)	(11)
Other operations		64	(535)
Other income and expenses directly recognised in equity that might be reclassified to profit:			
Change in fair value of hedging derivative financial instruments net of tax effect	41	(219)	(669)
Consolidated comprehensive income		66,474	53,084
Comprehensive income for the financial year attributable to non-controlling interests	34	(225)	(392)
Comprehensive income for the financial year attributable to equity holders of the parent company		66,249	52,692
Basic earnings per share (in euros)			
From ongoing operations	16	4.13	3.75
From discontinued operations	16	(0.02)	(0.16)
From ongoing and discontinued operations	16	4.11	3.59
Diluted earnings per share (in euros)			
From ongoing operations	16	4.13	3.75
From discontinued operations	16	(0.02)	(0.16)
From ongoing and discontinued operations	16	4.11	3.59

The accompanying notes are an integral part of the consolidated statement of income and other comprehensive income for the financial year ended on 31 December 2024.

The Statutory Auditor,

The Board of Directors

Consolidated Statement of Financial Position on 31 December 2024 and 2023

(Amounts in thousands of euros)

	Notes	31/12/2024	31/12/2023
Non-current assets:			
Goodwill	17	92,530	69,984
Intangible assets	18	44,282	34,208
Property, plant and equipment	19	626,983	571,975
Right-of-use assets	20	103,346	94,495
Financial investments	21	7,860	5,158
Other investments	22	1,046	2,964
Deferred tax assets	24	12,684	13,027
Other debtors	25	3,276	-
Non-current assets		892,007	791,811
Current assets:			
Inventories	27	10,783	13,288
Trade receivables and advances to suppliers	28	78,965	86,423
Other financial assets	23	5,775	6,755
Current tax assets	29	506	212
Government and other public entities	29	7,095	6,393
Other debtors	25	6,355	5,397
Other assets	26	25,082	25,913
Cash and bank deposits	30	118,814	59,008
Current assets		253,374	203,389
Assets		1,145,381	995,200

	Notes	31/12/2024	31/12/2023
Equity:			
Share equity	31	53,000	53,000
Legal reserve	32	10,600	10,600
Other reserves	33	121	158
Fair value of the hedging derivative financial instruments	41	(890)	(669)
Revaluation of property, plant and equipment	33	80,536	57,456
Retained earnings	33	60,055	50,846
Consolidated net profit		43,363	37,818
Equity attributable to shareholders of the parent company		246,785	209,209
Non-controlling interests	34	986	1,316
Equity		247,771	210,525
Non-current liabilities:			
Loans	35	429,155	379,479
Lease liabilities	37	82,352	73,849
Employee benefits	36	758	803
Provisions	38	14,426	9,659
Other creditors	39	5,366	1,412
Deferred tax liabilities	24	26,225	20,597
Derivative financial instruments	41	1,171	862
Non-current liabilities		559,453	486,661
Current liabilities:			
Loans	35	111,228	90,702
Lease liabilities	37	21,612	18,270
Trade payables and advances from clients	42	104,444	92,497
Current tax liabilities	29	7,009	8,547
Government and other public entities	29	7,808	6,818
Other creditors	39	10,949	11,289
Other liabilities	40	75,107	69,891
Current liabilities		338,157	298,014
Liabilities		897,610	784,675
Liabilities and Equity		1,145,381	995,200

The accompanying notes form an integral part of the consolidated statement of financial position on 31 December 2024.

The Statutory Auditor,

The Board of Directors

Consolidated Statement of Changes in Equity of the Financial Years Ended on 31 December 2024 and 2023

(Amounts in thousands of euros)

	Notes	Share equity	Legal reserve	Other Reserves	Fair value of the hedging derivative financial instruments	Revaluation surplus of Property, plant and equipment item	Retained earnings	Consolidated net profit	Non-controlling interests	Total
Balance on 31 December 2022		53,000	10,600	170	-	41,777	46,574	34,528	2,353	189,002
Consolidated net profit for the year		-	-	-	-	-	-	37,818	272	38,090
Other income and gains recognised in equity:										
Revaluation of property, plant and equipment, net of tax effect	19 and 24	-	-	-	-	16,209	-	-	-	16,209
Change in fair value of the hedging derivative financial instruments, net of tax effect	41	-	-	-	(669)	-	-	-	-	(669)
Actuarial Gains / (Losses)	36	-	-	(11)	-	-	-	-	-	(11)
Other operations		-	-	-	-	(531)	(125)	-	120	(535)
Total other items of comprehensive income for the year		-	-	(11)	(669)	15 679	(125)	-	120	14 994
Total comprehensive income for the year		-	-	(11)	(669)	15 679	(125)	37 818	392	53 084
Application of 2022's consolidated net profit:										
Transfer to retained earnings	33	-	-	-	-	-	6,028	(6,028)	-	-
Transfer to legal reserve	33	-	0	-	-	-	-	(0)	-	-
Distributed dividends	44.2	-	-	-	-	-	-	(28,500)	(172)	(28,672)
Acquisition of non-controlling interests	34 and 44	-	-	-	-	-	(1,631)	-	(1,257)	(2,889)
		-	-	-	-	-	4 397	(34 528)	(1 429)	(31 560)
Balance on 31 December 2023		53,000	10,600	158	(669)	57,456	50,846	37,818	1,316	210,525

Notes	Share equity	Legal reserve	Other Reserves	Fair value of the hedging derivative financial instruments	Revaluation surplus of Property, plant and equipment Item	Retained earnings	Consolidated net profit	Non-controlling interests	Total
Balance on 31 December 2023	53,000	10,600	158	(669)	57,456	50,846	37,818	1,316	210,525
Consolidated net profit for the year	-	-	-	-	-	-	43,363	225	43,588
Other income and gains recognised in equity:									
Revaluation of property, plant and equipment, net of tax effect	19 and 24	-	-	-	23,080	-	-	-	23,080
Change in fair value of the hedging derivative financial instruments, net of tax effect	41	-	-	(219)	-	-	-	-	(219)
Actuarial Gains / (Losses)	36	-	(38)	-	-	-	-	-	(38)
Other operations		-	-	(1)	-	65	-	-	64
Total other items of comprehensive income for the year	-	-	(38)	(221)	23 080	65	-	-	22 887
Total comprehensive income for the year	-	-	(38)	(221)	23 080	65	43 363	225	66 484
Application of 2023's consolidated net profit:									
Transfer to retained earnings	33	-	-	-	-	37,818	(37,818)	-	-
Distributed dividends	44.2	-	-	-	-	(28,500)	-	(137)	(28,637)
Business combinations	7.1 and 34	-	-	-	-	-	-	262	262
Reduction of non-controlling interests	34	-	-	-	-	-	-	(548)	(548)
Acquisition of non-controlling interests	34	-	-	-	-	(174)	-	(133)	(306)
		-	-	-	-	9,144	(37,818)	(566)	(29,229)
Balance on 31 December 2024	53,000	10,600	121	(890)	80,536	60,055	43,363	986	247,771

The accompanying notes form an integral part of the consolidated statement of changes in equity for the financial year ended on 31 December 2024.

The Statutory Auditor,

The Board of Directors

Consolidated Statements of Cash Flows for the Financial Years Ended on 31 December 2024 and 2023

(Amounts in thousands of euros)

	Notes	31/12/2024	31/12/2023
OPERATING ACTIVITIES:			
Cash receipts from clients		911,944	815,598
Cash paid to suppliers		(525,721)	(487,971)
Cash paid to employees		(218,638)	(187,032)
Income tax received/(paid)		(16,408)	(4,560)
Other receipts/(payments) from operating activities		(2,686)	(7,037)
Cash flow from operating activities		148,491	128,998
INVESTMENT ACTIVITIES:			
Receipts from:			
Financial assets and other investments	44	120	120
Intangible assets		-	50
Other assets		-	155
Interest and similar income		2,357	1,250
Dividends	21	98	-
Other financial instruments		-	23,500
Others		-	2,500
		2,575	27,575
Payments in respect of:			
Financial assets and other investments	44	(30,913)	27,255
Property, plant and equipment		(26,600)	(29,500)
Intangible assets		(10,554)	(9,108)
Other investments		-	(1,100)
		(68,067)	(66,963)
Cash flow from investment activities		(65,492)	(39,388)
FINANCING ACTIVITIES:			
Receipts from:			
Obtained loans	35	505,362	484,760
		505,362	484,760
Payments in respect of:			
Obtained loans	35	(444,135)	(489,773)
Lease contracts	37	(17,195)	(15,901)
Interest and similar costs		(35,626)	(26,990)
Dividends paid and distributed earnings	44	(28,637)	(28,672)
		(525,592)	(561,336)
Cash flow from financing activities		(20,230)	(76,576)
Cash and cash equivalents at the beginning of the financial year	30	56,000	42,966
Changes in cash and cash equivalents		62,769	13,034
Cash and cash equivalents at the end of the financial year	30	118,769	56,000

The accompanying notes form an integral part of the consolidated statement of cash flows for the financial year ended on 31 December 2024.

The Statutory Auditor,

The Board of Directors

Notes to the Consolidated Financial Statements on 31 December 2024

1. Introduction

CUF, S.A. ("Company" or "CUF") is a public limited company incorporated in Portugal, in 1992, under Tax Identification Number 502 884 665. Its headquarters is located in Carnaxide, at Avenida do Forte, n.º 3, Edifício Suécia III, Piso 2.

The corporate universe of CUF is formed by the Company and its subsidiaries and associated companies described in Note 6 ("Group" or "CUF Group"), and its main activity is the provision of healthcare services, namely in the area of private healthcare services, in the provision of occupational medicine, hygiene and health services, in home healthcare services and also in the provision of logistics and reprocessing services for medical devices. The Group also has other secondary activities, in the property and infrastructure sector and in training and research.

On 5 January 2024, CUF took another significant step in the expansion of its national healthcare network, with the completion of the acquisition process of Clínica Médica Arrifana de Sousa Group ("Arrifana de Sousa"), which owns several healthcare units in the municipalities of Tâmega and Sousa. With more than 40 years' experience, the Arrifana de Sousa Group is a reference in private healthcare provision and has around 700 employees. The new CUF network units include a hospital in Penafiel, six clinics located in Alpendurada, Lousada, Marco de Canaveses, Paredes, Penafiel and Vila Meã. With over 30 medical and surgical specialties, these units have a differentiated installed capacity and a wide range of clinical services. This acquisition will also enable CUF to be a strategic partner of the Tâmega e Sousa municipalities, by contributing to strengthening the population's access to quality healthcare and to their social and economic development.

At the end of October 2024, CUF announced the acquisition of miMed, a network of 13 clinics located in the Greater Lisbon area. This acquisition has reinforced its presence among the population and provided even closer monitoring of the health of the Portuguese and their families, strengthening its national network with the creation of proximity care units. Designed with the goal of ensuring healthcare for the whole family, the proximity units will offer consultations in General and Family Medicine, Occupational Health, Dental Medicine, Psychology and Nutrition, as well as Nursing care, treatments, clinical analyses and other essential examinations, in a convenient way and with the distinctive clinical quality of the CUF brand.

During the financial year ended 31 December 2023, the Company acquired 100% of the capital of Hospital CUF Açores, S.A. (previously known as HIA – Hospital Internacional dos Açores, S.A.), located in the municipality of Lagoa, in São Miguel (Note 5). Opened in March 2021, CUF Açores Hospital is already a reference healthcare unit, with a differentiated installed capacity and a wide range of services, namely urgent care, operating theatre, hospitalisation, intensive care, day hospital and special exams. In September 2023, its name was changed to Hospital CUF Açores, S.A.

In January 2023, CUF Leiria Clinic started its activity, ensuring a wide offer of differentiated and excellent healthcare to the residents of Leiria and neighbouring municipalities. Amounting to an investment of over eight million euros, the CUF Leiria Clinic has an area of more than 1300 square metres, with a total of 25 rooms for consultation, examination or treatment. It provides consultations in over 20 medical and surgical specialties, nursing care, clinical analyses and other complementary diagnostic tests. The clinic will also guarantee, for unexpected health situations, a consultation without an appointment for General and Family Medicine.

In June 2023, an acquisition agreement was signed between CUF, S.A. ("CUF") and Atlanticare – Serviços de Saúde, S.A. ("ATL"), according to which its shareholders sold to CUF 51% of ATL's share capital for the amount of 3.32 million euros, including 51% of the

shareholder credits in ATL, in the amount of 87 thousand euros. ATL is a shareholder of ten companies that make up the Atlanticare Group, and is dedicated to the provision of health, safety and hygiene services at work. In March 2024, an asset injection was made to ATL (currently called Preveris – Prevenção Saúde e Segurança no Trabalho, S.A.), through Imo SAG Investimentos imobiliários, S.A., corresponding to new shares (59.18%), diluting the total stake of CUF, S.A. to 20.82%. In fact, the CUF Group now owns 80% of ATL.

In October 2023, the CUF Group extended its presence to yet another municipality, with the acquisition of the lease of Clínica de Saúde do Barreiro, which it converted to the CUF brand on 1 February 2024, changing its name to CUF Barreiro Clinic.

Temporarily located in the facilities of the former Clínica de Saúde do Barreiro, in the city centre, it is an outpatient unit offering a wide range of medical and surgical specialty consultations, as well as various complementary diagnostic tests and treatment, and is open every working day and on Saturdays.

The Company's main shareholder is José de Mello Capital, S.A. ("José de Mello Capital"), with head office in Lisbon. The CUF Group is included in the consolidation scope of José de Mello, with José de Mello being its parent company (Note 31) and controller.

The bond loans issued by CUF, S.A. (Note 35) are listed on *Euronext Lisbon* – Sociedade Gestora de Mercados Regulados, S.A. and *Bourse de Luxembourg* – *Société de la Bourse de Luxembourg*, S.A.. In 2024, CUF – Sociedade Gestora de Participações Sociais, S.A. ("CUF SGPS") issued 120,000 bonds on the regulated market, with a nominal unit value of 500 euros and a total value of 60 million euros, measured at amortised cost. The debenture loans issued by the Group (Note 35) are listed on *Euronext Lisbon* – Sociedade Gestora de Mercados Regulamentados, S.A. and on *Bourse de Luxembourg* – *Société de la Bourse de Luxembourg*, S.A.

These Consolidated financial statements were approved by the Board of Directors on 4 April 2025 and will be subject to approval at a General Meeting to be convened in accordance with the law and the articles of association.

CUF Group's Consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and with the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and Standing Interpretations Committee ("SIC"), as adopted by the European Union. Hereinafter, this set of standards and interpretations shall be generally referred to as "IFRS".

2. Accounting Policies

2.1. Basis of preparation

The preparation of these Consolidated financial statements used the same accounting policies and recognition and presentation criteria adopted in the preparation of the Group's Consolidated financial statements for the financial year ended 31 December 2023.

Additionally, there were no other changes in the main estimates used by the Group in the preparation of the Consolidated financial statements, and no material mistakes related to previous periods were recognised.

The Consolidated financial statements were prepared on a going concern basis from the accounting books and records of the companies included in the consolidation scope (Note 6).

The values shown are expressed in thousand euros, as this is the currency mainly used in the economic environment where the Company operates. Due to rounding, the figures shown may not be the exact totals.

The Board of Directors made an assessment of the Group's ability to continue as a going concern, based on all relevant information, facts and circumstances of a financial, operational and other nature, including events after the reference date of the Consolidated financial statements, available about the future. As a result of the assessment carried out (Note 46), which took into account expectations of growth in medical activity in 2025 and the contractually established debt repayment deadlines (Note 35), as well as the commitments assumed, including the results of events occurring after the date of the consolidated statement of financial position (Note 49), the Board of Directors concluded that the Group has adequate resources to maintain its activities and fulfil its obligations in full, with no intention of ceasing them in the short term, and therefore considered it appropriate to use the going concern assumption in the Consolidated financial statements.

2.2. Consolidation principles

The consolidation methods adopted by the Group are as follows:

a) Controlled companies (subsidiaries)

Financial holdings in subsidiaries, i.e., in which the Group (i) holds, directly or indirectly, more than 50% of the voting rights in General Shareholders' Meetings or is able to control their financial and operating policies (definition of control used by the Group), (ii) is exposed to or has rights and returns varying from its involvement in the operations of the subsidiary, and (iii) has the ability to use its voting rights to affect its returns, are included in the consolidated financial statements using the full consolidation method (Note 6.1). Equity and net profit attributable to minority shareholders, when applicable, are shown separately, under the Non-controlling interests item, in the consolidated statement of financial position and in the consolidated statement of income and other comprehensive income, respectively.

The results of subsidiaries acquired or disposed of during the period are included in the Statement of Income and other Comprehensive Income from the date of acquisition to the date of loss of control. Capital gains arising from the disposal of subsidiaries, carried out among Group companies, are cancelled.

Whenever necessary, adjustments are made to the financial statements of the affiliates to bring their accounting policies in line with those used by the Group. Transactions, balances and dividends paid to Group's companies are eliminated in the consolidation process.

When the Group materially holds control of other entities created with a specific purpose, even if it does not have share equity directly in these entities, they are also consolidated in accordance with the full consolidation method.

b) Non-controlling interests

Non-controlling interests are initially recognised and measured at the corresponding fair value of the assets and liabilities of the controlled entities that are not, directly or indirectly, attributable to the Group at the date control is acquired.

When the losses attributable to non-controlling interests exceed the non-controlling interest in the subsidiary's equity, the Group absorbs that excess and any further losses, except when the non-controlling interests have an obligation to and are capable of covering such losses. If the subsidiary subsequently reports profits, the group appropriates all profits until the minority share of the losses absorbed by the group has been recovered.

Changes in the interests held by the Group in controlled entities that do not result in loss of control are accounted for as Equity transactions. The book values of the interests held by the Group and by non-controlling interests are adjusted to reflect changes in

their relative interests (percentage held in control) held in them. Any difference between the book value of the non-controlling interests and the fair value received or paid is recognised directly in retained earnings and attributed to the Group's shareholders.

When the Group loses control of an entity, a gain or loss is recognised in profit or loss, calculated by the difference between (i) the sum of the fair value received and the fair value of any interest retained in the entity, and (ii) the net book value of the assets (including goodwill) and liabilities of that entity and any non-controlling interests. All amounts previously recognised in the Statement of Income and other Comprehensive Income in relation to that entity are accounted for as if the Group had derecognised the corresponding assets or liabilities of the subsidiary (i.e., reclassifying them to profit or loss).

The fair value of any interest retained in the former subsidiary at the date when control is lost corresponds to its fair value for the purposes of IFRS 9 – Financial instruments, which corresponds to the book value on initial recognition of an investment in an associated company not controlled by the Group.

c) Associated companies

Financial investments in associated companies (those in which the Group exercises significant influence but does not have the control – usually corresponding to holdings between 20% and 50% in a company's share equity or in which it has the right to appoint members of the management bodies) are accounted for in accordance with the equity method.

These Financial investments in associated companies (Notes 6.2 and 21) are accounted for using the equity method, except when they are classified as held for sale, which is when they are initially recorded at the acquisition cost, plus or minus the difference between that cost and the value of the equity of those companies proportionally held, as at the acquisition date or the date of first application of the equity method. The acquisition difference concerning the associated company is included in the value of the Financial investment and is not individually tested for impairment.

According to the equity method, financial holdings are adjusted periodically for the value corresponding to the Group's participation in the net profits of the associated companies, against the profit (Note 14), and for other changes that have occurred in their equity against Other reserves, as well as by the recognition of possible impairment losses.

Moreover, dividends received from these companies are recorded as a reduction in the value of the investment.

Unrealised gains on transactions with associated companies are eliminated in proportion to the Group's interest in the associated company, reported against the investment in that associated company. Unrealised losses are also eliminated, but only to the extent that the loss does not show that the asset transferred is in a situation of impairment.

Shareholdings in associated companies may be adjusted through the recognition of impairment losses. When there are indications that the asset may be impaired, an evaluation is carried out and any impairment losses found to exist are recorded as costs in the income statement.

d) Business combinations and goodwill

The combination of business activities, namely the acquisition of subsidiaries, is recognised using the purchase method. The acquisition cost corresponds to the sum of fair values, at the transaction date, of the assets obtained, the liabilities incurred or taken on and equity instruments issued in exchange for control of the acquired company.

Identifiable assets, liabilities and contingent liabilities of a subsidiary that are included in the scope of IFRS 3 – Business combinations are measured at fair value on the acquisition date, except for non-current assets (or asset groups) that are classified as held for sale.

Any excess of the cost of acquisition over the fair value of the identifiable net assets is recorded as goodwill. Goodwill is recorded as an asset and is not amortised. It is reported separately on the Consolidated statement of financial position. Annually, or whenever there are indications of possible loss of value, goodwill is subjected to impairment tests. Any impairment loss is immediately registered as an expense for the financial year and cannot be reversed.

Where the cost of acquisition may be less than the fair value of the identifiable net assets, the difference is recorded as a gain in the income statement of the period in which the acquisition occurs.

On disposal of a subsidiary, the related goodwill is included in determining the capital gain or loss resulting from the transaction.

The interests of shareholders who are not controlled are presented according to their proportion of the fair value of the identified assets and liabilities in each business combination.

e) Other investments

Other investments in unquoted equity instruments, whose fair value cannot be reliably measured, are recognised at their acquisition cost.

2.3. Accounting policies

2.3.1. Revenue and accruals

Sales and services rendered are recognised in the Statement of Income and other Comprehensive Income when the control of the good or service delivered is transferred to the buyer and the amount of the income can be reliably measured.

For each contract, the Group assesses whether there are other commitments in the contract that are distinct performance obligations and for which a portion of the transaction price should be assigned. In determining the transaction price, the Group takes into account possible variable remunerations, the possible existence of a significant financing component, of non-monetary compensations to be received and the possibility of there being remunerations payable to the client. The Group acts as "principal" in its agreements with clients as a result of controlling the delivery of contracted goods and services to its clients, namely through its unilateral ability to direct them to the clients it chooses at the time it decides.

Making use of the practical expedient in IFRS 15 – Revenue from contracts with customers, the Group does not adjust the amount of the consideration for the financial effect when it has the initial expectation that the period between the transfer of the good or service to the client and the time when the client pays for the good or service is less than one year, which happens for most of the services rendered by the Group. The same happens when the Group receives short-term advances from its clients – in this case, the amount of the retribution is also not adjusted for the financial effect.

The Group recognises revenue from different businesses:

Private Healthcare Services

Provision of healthcare services

The business of provision of healthcare services, in the private segment, is the most representative revenue stream in the Group's income. The provision of healthcare services in the private segment incorporates a unique performance obligation that is met when providing customer service. The determination of revenue for these contracts is based on the application of price lists defined and approved for the provided healthcare services.

Occupational Health and Medicine

Occupational medicine – This revenue stream consists of carrying out examinations agreed with the client to its employees, during their contractual period. Revenue is recognised throughout the contract, with no additional obligations. The value recognised is the value contracted between the parties.

Safety – Within the scope of this revenue stream, consultancy services are provided to clients seeking to carry out risk assessments of the client's facilities, during a contractual period. These evaluations seek to identify and qualitatively evaluate risks for the health and safety of the workers in the places of work, proposing preventive and corrective measurements and also to verify the observance of the applicable regulation, internal rules and prevention measures in the places of work. Revenue is recognised over the life of the contract at the amount contracted between the parties.

Domiciliary Services

This revenue line includes the care provided at the patient's home. The contracts concerning this revenue stream are standard and do not include the lease of any equipment, only the provision of healthcare. Revenue is recognised at the time the service is provided to the patient.

Other operating income

Operation rights transfer

This income stream corresponds to contracts for the transfer of holdings between the hospitals and entities that develop activities in the area of Complementary Diagnostic and Treatment Means ("CDTMs"). Revenue is determined based on the monthly calculation of services provided to each of the entities to which the clinical activity is assigned under contracted terms, and is recognised monthly.

Reprocessing of Medical Devices

This revenue stream concerns the provision of logistics and reprocessing services of medical devices. Revenue is recognised monthly based on the amounts contracted between the parties.

Training

This revenue stream corresponds to the provision of training, teaching and research services. The recognition of revenue takes place when the service is provided.

Interest and dividends

Income from interest receivable is specialised, so that it is recognised in the period they concern, regardless of whether or not the respective support document is issued.

Dividend revenue is recognised when the Company has the unconditional right to receive such dividends from an entity over which it has no control or significant influence.

2.3.2. Financial charges

The financial charges on loans directly related to the acquisition, construction or production of qualifying assets that require a substantial period of time to be available for the intended use are capitalised, forming part of the cost of the asset. The capitalisation of these charges begins after the start of preparation of the construction activities or development of the asset and is interrupted after the start of the use or end of production or construction of the asset or over periods in which development of the asset is interrupted. Any financial income generated by loans obtained in advance and which may be allocated to a specific investment is deducted from the financial costs eligible for capitalisation.

The remaining loan costs are recognised on the income statement of the period in which they occur.

2.3.3. Income taxes

Income tax for the financial year is made up of current tax and deferred tax.

CUF assesses income tax in accordance with the Special Taxation System for Groups of Companies (Regime Especial de Tributação de Grupos de Sociedade – “RETGS”), covering all companies in which the parent company has a direct or indirect stake in at least 75% of the share capital and which meet the conditions required for inclusion in this system. These conditions include companies being resident in Portugal and taxed under the general Portuguese Corporate Income Tax (“IRC”) regime, in addition to criteria concerning the existence or non-existence of tax losses in financial years prior to entering the system. In the financial years ended 31 December 2024 and 2023, the dominant company of the RETGS was CUF, S.A.

The other subsidiary companies, which are not covered by the RETGS, are taxed individually, based on their respective taxable materials and the applicable tax rates.

Income tax is recorded in accordance with IAS 12 – Income Taxes. In measuring the cost of income tax of the period, in addition to current tax, the effect of deferred tax, calculated based on the balance sheet method, is also considered, considering the temporary differences resulting from the difference between the tax base of assets and liabilities and their values in the financial statements, as well as the tax losses carried forward at the date of the consolidated statement of financial position.

Deferred tax assets and liabilities are calculated periodically and valued at the tax rates in force or announced to be in force on the date the temporary differences are expected to reverse.

Deferred tax assets are recognised only when there is sufficient evidence, with a high degree of certainty, that sufficient taxable profits will arise in the future to allow such deferred tax assets to be used or when there are taxable temporary differences that offset the temporary deductible differences in the period of their reversal. At the end of each financial year, a review is made of the deferred taxes, and they are reduced whenever their future use is no longer probable.

Deferred taxes are recorded as expense or income for the financial year, except if they result from amounts recorded directly under equity, in which case deferred tax is also recorded under the same item.

According to current legislation, tax returns are liable for review and correction by the Tax Authorities for a period of four years. Accordingly, the tax returns of the Group's companies for the years 2021 to 2024 may still be reviewed, although the Group believes that any adjustments resulting from tax revisions to those tax documents will have no significant impact on the referred financial statements on 31 December 2024.

For all transactions that incorporate uncertainty regarding their tax treatment and for all tax litigation processes, the Group carries out an assessment of the probability of the outcome of those processes, and whenever it is likely that the Tax Authorities will accept an uncertain tax treatment, the amounts of tax recorded are consistent with those declared.

When there is uncertainty regarding the position of the Tax Authorities, this uncertainty is considered and reflected in the measurement of the tax, in compliance with IFRIC 23 – Uncertainty over income tax treatments.

2.3.4. Deferred tax assets and liabilities

The Group recognises deferred taxes in accordance with the requirements of IAS 12 – Income taxes, as a way of adequately accruing the tax effects of its operations, and to exclude distortions related to the criteria of a fiscal nature that impact on the economic results of certain transactions.

Deferred tax assets are recognised when it is probable that future profits will be generated against which the assets can be utilised. Deferred tax assets are reviewed annually and reduced when it is no longer probable that they may be used. The value of deferred tax is determined by applying the tax rates (and laws) enacted or substantively approved at the reporting date and which are expected to apply in the period of realisation of the deferred tax asset or of the deferred tax liability settlement. According to legislation in force in Portugal, the corporate income tax rate of 21% (current) was considered and, in situations not connected to tax losses, the corresponding surtaxes on the temporary differences that led to deferred tax assets and liabilities were considered. At the end of 2024, the State Budget for 2025 was approved by Law no. 45-A/2024, of 31 December, which granted a reduction in the corporate income tax rate to 20%. The rate expected to be applied to the taxable profit for the periods in which the temporary differences are expected to be reversed was considered.

The movement occurring during the financial year, the reconciliation between the nominal tax and effective current tax rate, as well as the breakdown of the deferred tax balances, are presented in Notes 15 and 24.

2.3.5. Revenue per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares in circulation during the period.

The diluted income per share is equal to the basic income as there is no interest on convertible preference shares nor options on shares.

2.3.6. Intangible assets

Intangible assets acquired separately are measured at their cost price on the date of initial recognition. The cost of the intangible assets acquired in a merger of corporate activities is their fair value at the date of acquisition. Intangible assets generated internally, excluding capitalised development costs, are not capitalised, and expenses are reflected in profit or loss when incurred.

Intangible assets are only recognised if it is probable that they will result in future economic benefits for the Group, are controlled by it, are identifiable and their value can be reliably measured.

After initial recognition, intangible assets are recorded at cost price less amortisations and losses due to subsequent impairment.

The useful lives of intangible assets may be finite or indefinite. Intangible assets with indefinite useful lives are not amortised, but are subject to mandatory annual impairment tests. Intangible assets with finite useful lives are amortised during their estimated economic life and evaluated with regard to their impairment whenever there are signs that the asset may be impaired.

For intangible assets with finite useful life, amortisation methods, estimated useful life and residual value are revised at the end of each year and the effects of changes made are prospectively treated as changes to estimates.

Amortisations are calculated using the straight-line method.

The defined amortisation rates seek to fully amortise the assets by the end of their expected economic life. The economic lives defined for each asset class are as follows:

	Years
Operation right	10 – 50
Software	4-10
Others	3

There were no intangible assets with indefinite useful lives on 31 December 2024 and 2023.

The expense with amortisations of Intangible assets with finite useful lives is recognised in profit or loss and under the Depreciation and amortisation item.

The impairment of these assets is determined according to the criteria set forth in Note 2.3.9 “Impairment of non-current assets”.

Reversals of impairment are recognised in results and only performed up to the limit of the net book value that would occur if the impairment had never been recorded.

Any gain or loss resulting from the sale or disposal of a tangible fixed asset (calculated as the difference between the sale price less sale costs and its net book value) is recognised in profit or loss in the year in which the asset is derecognised.

2.3.7. Property, plant and equipment

Property, plant and equipment are goods used in the provision of services and in administrative use and are valued at their acquisition cost, including all costs associated with their acquisition and installation, less the corresponding accumulated Depreciation and impairment Losses.

The Group considers Properties Allocated to the Health Business Activity in hospital units as a separate class of assets, carried at the reassessed amount, which corresponds to their fair value at the reassessment date.

When the carrying amount of a property is increased as a result of a revaluation, the increase is recognised in equity under the Revaluation surplus of Property, plant and equipment item. When the carrying amount of a property is reduced as a result of a revaluation, the decrease is recognised in profit or loss. However, the decrease is recognised in equity to the extent of any remaining balance existing in equity in respect of that property. The decrease recognised in equity reduces the amount accumulated under the Revaluation surplus of Property, plant and equipment item.

Depreciation is calculated on a linear duodecimal base, from the time the good is available for use, according to the straight-line method, so the value of the assets is depreciated by the end of their estimated useful lives:

	Years
Properties Allocated to the Health	50
Buildings and other constructions	10
Basic equipment	3 – 7
Transport equipment	4
Administrative equipment	4 – 8
Other Property, plant and equipment	4 – 8

The impairment of these assets is determined according to the criteria set forth in Note 2.3.9 "Impairment of non-current assets".

Any gain or loss resulting from the derecognition of a tangible asset (calculated as the difference between the sale price less sale costs and the net book value) is recognised in profit or loss in the year in which the asset is derecognised.

For existing assets, the residual value is considered null and void, whereby the depreciable value on which the depreciations incur coincides with the cost.

Current maintenance and repair costs are recognised as expenses in the period in which they occur. Improvements are only recognised as assets when it is demonstrated that these increase their useful life or increase their normal efficiency, resulting in increased future economic benefits.

Property, plant and equipment in progress represent tangible assets still under construction, installation or development and are recorded at cost of acquisition, and only amortised when available for use.

When the Group is unable to reliably estimate the fair value of Properties Allocated to the Health Business Activity, which is understood to occur during their construction phase, but estimates that this will be possible when construction is completed, those Properties Allocated to the Health Business Activity are measured at cost until their fair value is reliably measurable or construction is completed (whichever takes place sooner).

Interest from loans directly attributable to the acquisition or construction of assets is capitalised as part of the cost of these assets, as described in Note 2.3.2 Financial charges.

2.3.8. Leases

Group as Lessee

The Group assesses whether or not a contract contains a right-of-use asset at the beginning of the contract. The Group recognises a right-of-use asset and corresponding lease liability for all lease contracts in which it is a lessee, except short-term leases (term of twelve months or less) and low-value leases (such as personal computers or office furniture). For these contracts, the Group recognises lease expenses on a straight-line basis as an operating expense.

Right-of-use assets

Right-of-use assets are measured at the initial value of the corresponding lease liability, plus lease payments made before or at the commencement date of the lease and any initial direct expenses, less any amounts received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset, as follows:

	Years
Buildings and other constructions	10 – 20
Basic equipment	3 – 7
Office equipment	4 – 8
Transport equipment	4
Surface rights	40
Software	4 – 8

Whenever the Group expects to incur in costs for dismantling the Right-of-use asset, or in costs for repairing the site where it is installed or the asset underlying the lease by way of a condition required by the terms and conditions of the lease contract, a provision is recognised and measured in accordance with IAS 37 – Provisions, contingent liabilities and contingent assets. These costs are included in the corresponding Right-of-use asset, to the extent that the expenses relate to it.

If a lease transfers ownership of the underlying asset or the right-of-use price reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation begins at the lease's commencement date.

Right-of-use assets are presented on a separate line in the consolidated statement of financial position. The Group applies IAS 36 – Impairment of assets in determining the recoverable amount of the underlying asset, whenever necessary, based on the criteria described in Note 2.3.9 "Impairment of non-current assets".

Variable income parts that do not depend on an index or rate are not included in the measurement of liabilities and right-of-use assets. The respective payments are recognised as an operating expense in the consolidated income statement in the period to which they relate.

Lease Liability

Lease liabilities are initially measured at the present value of the future lease payments, discounted based on the implicit interest rate of the lease. If this implicit interest rate is not immediately determinable, the Group uses the corresponding incremental interest rate. Lease payments included in the measurement of the lease liability are:

- In-substance fixed payments, net of any incentives associated with the lease;
- Variable payments based on indices or rates;
- Expectation of payments relating to residual value guarantees;
- Exercise price of call options, if it is reasonably certain that the Group will exercise the option; and
- Penalties for unilaterally exercisable termination or renewal clauses if it is reasonably certain that the Group will exercise the option to terminate or renew the lease term.

The Lease liability is subsequently measured at amortised cost, increasing on account of accrued interest (recognised in the consolidated income statement and other comprehensive income) and decreasing by the lease payments made. Its book value is remeasured whenever necessary to reflect a possible reassessment, when there is a modification or revision of the fixed payments.

Lease liabilities are remeasured, with a corresponding adjustment being made to the respective right-of-use asset, whenever:

- Significant events or changes within the lessee's control, in the lease term, or in the right to exercise the purchase option as a result of a significant event or change in circumstances occur. In this case, the Lease liability is remeasured on the basis of the current lease payments, using a new discount rate;
- The lease payments are changed due to changes in an index or rate or a change in the expected payment under a guaranteed residual value, in which case the lessee's liability is remeasured by discounting the new lease liability using an unchanged discount rate (unless the change in the lease payments is due to a change based on a floating interest rate, in which case a new discount rate is used);
- A lease is changed, and the lease change is not accounted for as a separate lease. In this case, the lease liability is remeasured on the basis of the modified lease term, discounting the new payments using a discount rate determined at the effective date of the modification.

Short-term and low-value contracts

The Group adopted the exception of the recognition of short-term leases (contracts with a duration of less than twelve months) and low-value leases (less than 5 thousand euros). For short-term and low-value contracts, the Group recognises the expenses associated with these leases as expenses of the financial year during the life of the contracts.

Group as Lessor

Leases in which the Group does not substantially transfer all the risks and rewards associated with the ownership of an asset are classified as operating leases. Income earned through rents is accounted for, in a straight line, during the period of the lease and is presented in revenue, due to its operational nature.

Leases in which the Group substantially transfers all the risks and rewards associated with the ownership of an asset are classified as finance leases. At the commencement date, assets relating to finance leases are presented in the statement of financial position as a receivable for an amount equal to the net investment in the lease.

The leases where the Group is the lessor concern the granting of the existing spaces in the hospitals, for the operation of non-clinical activities.

2.3.9. Impairment of non-current assets, excluding goodwill

At each reporting date, a review of the recorded amounts of non-current assets is carried out to determine whether there is any indication that they can be impaired. If there is an indicator, the recoverable amount of the corresponding assets is estimated to determine the extent of the impairment loss (if applicable). When it is impossible to determine the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which that asset belongs is estimated. The recoverable amount of the asset or cash-generating unit is the largest of (i) the fair value minus costs to sell and (ii) the usage value. In the determination of the usage value, the estimated future cash flows are discounted using a discount rate that reflects the market's expectations regarding the time value of money and the specific risks of the asset or cash-generating unit for which the future cash flow estimates have not been adjusted. Whenever the recorded amount of the asset or cash-generating unit exceeds its

recoverable amount, an impairment loss is recognised. Impairment losses are recorded immediately in the net result of the period, unless such losses compensate for a Revaluation surplus recorded in Equity.

The reversal of impairment losses recognised in prior financial years is recorded whenever there are changes in the estimates used to determine the asset's recoverable amount. The reversal of impairment losses is recognised in the net result of the period. The reversal is carried out up to the limit of the amount that would be recognised (net of amortisations) if the previous impairment loss had not been recorded.

2.3.10. Inventories and cost of goods sold and materials consumed

Goods and raw materials and consumables are valued at cost that is lower than their market value, using average cost as the costing method.

The cost of inventories includes: (i) purchase costs; and (ii) other costs incurred to align inventories with the desired conditions.

Whenever their net realisable value (sale price estimated in the ordinary course of business, less respective sales costs) is less than the cost of acquisition, the net value of the corresponding inventories is reduced through the recognition of an impairment loss, with this value being restored if the reasons that led to its decrease cease to exist.

Sale price estimates take into account the variations related to events taking place after the end of the financial year insofar as those events confirm conditions existing at the end of the financial year.

2.3.11. Responsibility for employee benefits

Personnel costs are recognised when the service is provided by the employees regardless of their payment date.

Termination of employment

Benefits for termination of employment are due to be paid when employment ends before the usual retirement date or when an employee accept to leave voluntarily in exchange for these benefits. The Group recognises these benefits when it is shown that it is committed to a termination of employment of current employees, according to a formal detailed plan for the termination and there is no realistic possibility of withdrawal or if these benefits are granted to encourage voluntary departure. When the employment termination benefits are due over 12 months after the balance sheet date, they are discounted to their current value.

Holidays and holiday allowance

According to labour law, employees are entitled to 22 working days of annual leave, as well as a month of holiday entitlement, rights acquired in the year prior to their payment. These responsibilities by the Group are recorded when incurred, regardless of the time of payment, and are reflected under the item Other current liabilities against profit and loss.

Work Compensation Fund (Fundo de Compensação do Trabalho – FCT) and Work Compensation Guarantee Fund (Fundo de Garantia da Compensação do Trabalho – FGCT)

With the publication of Law No. 70/2013 and subsequent regulation through Ministerial Order No. 294-A/2013, the Work Compensation Fund ("FCT") and the Work Compensation Guarantee Fund ("FGCT") schemes entered into force on 1 October. In this context, companies hiring a new worker are required to deduct a percentage of their salary for these two new funds (0.925% for

the FCT and 0.075% for the FGCT), with the aim of ensuring, in the future, the partial payment of the compensation in case of dismissal. Taking into account the characteristics of each Fund, the following was considered:

- The monthly deliveries to the FGCT, made by the employer, are recognised as an expense in the period they concern;
- The monthly deliveries to the WCF, made by the employer, are recognised as a financial asset, measured at fair value, with the corresponding variations recognised in comprehensive income.

Law no. 13/2023, of 3 April, amended the Portuguese Labour Code and related legislation, within the scope of the decent work agenda, and introduced several changes to various legislation instruments. In effect, it suspended contributions to the Work Compensation Fund and to the Work Compensation Guarantee Fund. On 15 December 2023, Decree-Law no. 115/2023 was published, establishing new legal regimes for funds.

The obligations concerning the FCT are terminated and those concerning the FGCT are suspended. Companies that have contributed to the FCT can therefore mobilise these funds. They will have until 2026 to redeem the amounts held in the Fund.

The employer can request the mobilisation of FCT's funds, namely if they are intended for:

- Support for workers' housing, by financing investments or housing costs.
- Support for day nurseries and canteens, when agreed with the workers' representative structures.
- Financing certified training and qualification of workers.

As a result of the above, the amount relating to the FCT, which was recorded under Other investments, was reclassified under Other debtors and is now valued at cost.

Retirement Pension Benefits

Liability for the payment of retirement, disability and survivors' pensions is recorded in accordance with the criteria established in IAS 19 – Employee benefits.

The costs of awarding these benefits are recognised as the services are rendered by the beneficiary employees.

At the end of each accounting period actuarial studies by independent entities are produced in order to determine the value of the liabilities at that date and the cost of pensions to be recorded in the period, according to the projected credit unit method. The liabilities thus estimated are recognised in the consolidated statement of financial position under Employee benefits.

Pension costs are recorded under the Personnel costs item as provided for in the referred standard, based on the values determined by actuarial studies and include current service costs (accrued liability), which corresponds to the additional benefits earned by employees during the period, and interest costs, which result from the update of past liabilities.

Costs with past services are recognised immediately to the extent that the associated benefits have already been recognised or, otherwise, recognised linearly in the period in which it is estimated that they are obtained.

The re-measurement of the net defined benefit liability (asset), includes actuarial gains (losses), with these amounts recognised in other comprehensive income within Equity.

2.3.12. Provisions

Provisions are established when the Group has a present obligation (legal or constructive) as a result of past actions, of which economic resources may probably be used in the future to meet this obligation and it may be estimated reliably. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the date of the consolidated statement of financial position.

2.3.13. Equity items

Paid-up capital

In compliance with article 272 of the Portuguese Commercial Companies Code (CSC), the company contract specifies the deadline for paying up the subscribed and not paid capital at the time of the deed.

Legal reserve

In accordance with article 295 of the CSC, at least 5% of the profit, calculated on the separate financial statements of the Company, must be allocated to the legal reserve until this represents at least 20% of the share capital. The legal reserve is not distributable unless in case of liquidation, and can only be used to absorb losses after all other reserves are exhausted, or for incorporation in share capital (art. 296 of the CSC).

Revaluation surplus of Property, plant and equipment item

This item includes changes due to increases or decreases in the fair value of the Properties Allocated to the Health Business Activity which, in accordance with paragraph 2 of article 32 of the CSC, will only be available for distribution when the elements or rights that gave rise to them are sold, exercised, realised, extinguished or settled.

Retained earnings

This item reflects the appropriation of prior years' profits, realised and not distributed.

Fair value of hedging instruments

This item includes changes in the fair value of interest rate variability hedging derivative financial instruments. In accordance with the legislation in force, the increments resulting from the application of the fair value through equity components are only relevant for distribution when the elements that gave rise to them are alienated.

2.3.14. Contingent assets and liabilities

A contingent liability exists as a result of:

- a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

- a present obligation that arises from past events, but is not recognised because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed in the notes to the financial statements, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not disclosed.

A contingent asset is a possible asset that results from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly under the control of the Group. Contingent assets are not recognised in the consolidated financial statements, but are disclosed in the notes when it is probable but not certain that there will be a future economic benefit.

2.3.15. 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 Assets

Initial recognition and measurement

Financial assets are initially classified and subsequently measured in categories.

The initial classification of financial assets depends on the contractual characteristics of the cash flows and on the business model that the Group adopts to manage them. The Group measures a Financial asset at its fair value, adding, in the case of an asset not classified as at fair value through profit or loss, the transaction costs at the initial recognition. Trade receivables that do not contain a significant financial component, or for which the Group adopts the practical expedient, are measured at the transaction price determined in accordance with IFRS 15 – Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or at fair value through other comprehensive income, it must provide cash flows that represent solely payments of principal and interest (SPPI) on the outstanding principal. This evaluation, known as the test of “the cash flows from payments of principal and interest payments only”, is performed for each financial instrument.

The business model established for the management of Financial assets concerns the way in which the Group manages the financial assets to obtain cash flows. The business model may be designed to obtain the contractual cash flows, to dispose of the financial assets or both.

A financial asset is classified as current when (i) the Group expects to realise the asset over the normal course of its operational cycle, or within 12 months after the date of the consolidated statement of financial position, (ii) the asset is held essentially for trading purposes, or (iii) the asset is cash or a cash equivalent, as defined in IAS 7 – Statements of cash flows, unless there is a limitation on its exchange or use to settle a liability for at least 12 months after the date of the Consolidated statement of financial position.

Subsequent measurement

For their subsequent measurement, the financial assets are classified into four categories:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income, with recycling of accumulated gains and losses;
- Financial assets at fair value through other comprehensive income, without recycling of accumulated gains and losses at the time of their derecognition;
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within the scope of a business model whose objective is to hold the financial asset in order to receive the cash flows contractually provided for, and
- The contractual terms of the financial asset give rise, on defined dates, to cash flows that correspond only to capital repayments and payments of interest on the outstanding principal.

Financial assets at amortised cost are subsequently measured using the effective interest method, and are subject to impairment tests. Gains and losses are recognised in the income statement when the asset is derecognised, modified or is impaired.

The financial assets that the Group measures at amortised cost include Trade receivables and advances to suppliers, Other debtors, Other assets, Other financial assets and Other financial instruments.

The Group considers that the fair value of these accounts is equivalent to their nominal value.

Financial assets at fair value through other comprehensive income

On initial recognition, the Group may elect to irrevocably classify the equity instruments held as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity in IAS 32 – Financial instruments: Presentation. The classification is determined instrument by instrument.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recorded as a financial gain in the income statement when the right to receive the payment of the dividend is established, except when the Group benefits from these dividends as recovery of part of the cost of the financial asset and, in this case, the dividends are recorded in other comprehensive income. Equity instruments held as equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

Derecognition

A financial asset (or, when applicable, a part of a financial asset or part of a group of financial assets) is derecognised (i.e., removed from the Consolidated statement of financial position) when:

- The contractual rights to receive cash flows from the financial asset expire; or
- The Group has transferred its contractual rights to receive cash flows from the financial asset or assumed an obligation to pay the cash flows received, under an arrangement in which the Group (i) has no obligation to pay amounts to the final recipients unless it receives equivalent amounts from the original asset; (ii) is prohibited by the terms of the contract from transferring, selling or pledging the original asset other than as security to the final recipients for the obligation to pay them cash flows; and (iii) the Group has an obligation to remit any cash flows it receives on behalf of the final recipients without significant delays; and
- The Group has substantially transferred all the risks and benefits of the asset, or the Group has not transferred nor retained substantially all the assets and benefits of the asset but has transferred control over the asset.

When the Group transfers its rights to receive cash flows from an asset or is part of an arrangement that may enable derecognition, it assesses whether, and to what extent, the risks and rewards associated with ownership of the asset have been retained. When all the risks and benefits arising from ownership of an asset have not been substantially transferred or retained, nor has control of the asset been transferred, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In this case, the Group also recognises the corresponding liability. The transferred asset and the corresponding liability are measured on a basis that reflects the rights and obligations retained by the Group.

Impairment of financial assets

Trade receivables and advances to suppliers, Other debtors, Other assets, Other financial assets and Other financial instruments

The Group recognises an impairment for expected losses for all debt instruments not measured at fair value through profit or loss. The expected credit losses are based on the difference between the contractual cash flows that are due and all the cash flows that the Group expects to receive, discounted at a rate close to the original effective interest rate. Cash flows expected to be received include cash flows arising from collateral held or from other credit guarantees that are an integral part of the contractual terms.

For trade receivables and accounts receivable concerning contracts with clients, the Group adopts the simplified approach when determining expected credit losses. Thus, the Group does not monitor changes in credit risk, but instead recognises an impairment loss at each reporting date based on the expected credit loss over the life of the asset. The Group established an impairment matrix based on the loans that were lost in the past, adjusted for prospective factors specific to the debtors and to the economic environment.

However, namely in what concerns accounts receivable from related parties, if there is no increase in the credit risk of the respective financial instrument, the Group measures the impairment loss of that instrument by an amount equivalent to the expected losses in the period of twelve months ("12 months expected credit losses").

The lifetime expected losses represent the impairment losses that result from all possible default events in the expected life of the financial instrument. In contrast, 12-months expected losses represent the portion of the lifetime losses that are expected to result from events of default on the financial instrument and that are considered possible to occur twelve months after the financial reporting date.

Other financial instruments

For the Other financial instruments, the Group applies the simplification for low credit risks. At each reporting date, the Group assesses whether the debt instrument can be considered to be of low credit risk using all relevant and reasonable information that is available at an acceptable cost/effort. In this assessment, the Group takes into account the credit rating of the debt instrument.

The Other financial instruments concern exclusively bonds issued by the Group's shareholders, which are therefore considered investments with low credit risk.

The Group applies the simplified approach of IFRS 9 – Financial instruments to measure expected credit losses, which uses expected credit losses over the useful life for all accounts receivable. Accounts receivable were grouped by type of client for the purposes of assessing expected credit losses. The credit risk of accounts receivable is assessed at each reporting date, taking into account the client's credit risk profile. The credit risk analysis is based on the annual probability of default and also takes into account the loss in a default situation. The probability of default represents an annual probability of default that reflects the current position and future projections taking into account macroeconomic factors, while the loss in the event of default represents the expected loss when a default occurs. Accounts receivable are adjusted each reporting period, taking into account the estimates of the Board of Directors regarding credit risk, which may differ from the impairment losses actually incurred.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified as loans (including bank overdrafts), Trade payables and advances from clients, Other creditors, Other liabilities, Other financial liabilities or derivatives (designated as a hedging instrument in an effective hedging relationship).

All Financial liabilities are initially recognised at fair value and, in the case of Loans and accounts payable, net of directly attributable transaction costs.

Financial liabilities are classified as current when (i) it is expected that they will be settled over the normal course of the Group's operational cycle, (ii) the liability is held mostly for trading purposes, (iii) the liability's settlement is planned for a period of 12 months after the date of the consolidated statement of financial position, or the Group does not have the unconditional right to defer settlement of the liability for at least 12 months after the date of the consolidated statement of financial position.

Subsequent measurement

The measurement of financial liabilities depends on their initial classification, as follows:

Loans

After initial recognition, financing is subsequently measured at amortised cost using the effective interest method. Gains and losses are recorded in net profit when liabilities are derecognised and through the application of the effective interest method.

The amortised cost is calculated taking into account any discount or premium on the acquisition and the fees and other costs that are an integral part of the effective interest rate. The effect of the effective interest is recorded in financial costs in the income statement.

Trade payables and advances from clients, Other creditors, Other liabilities

The balances of Trade payables and advances from clients, Other creditors and Other liabilities are initially recorded at their nominal value, which is understood to correspond to their fair value, and subsequently recorded at amortised cost, in accordance with the effective interest rate method. These items are recognised as current liabilities except if their settlement is contracted after 12 months following the date of the consolidated statement of financial position.

Derecognition

A financial liability is derecognised when the underlying obligation is met, cancelled or expires.

When an existing financial liability is replaced by another of the same counterparty and with substantially different terms, or the terms of a financial liability are substantially modified, the exchange or modification is treated as a derecognition of the original financial liability and a recognition of a new liability. The difference between the corresponding book values is recognised in the Statement of Income and other Comprehensive Income.

The Group considers that the fair value of the financial liabilities is close to their book value.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group's policy is to contract derivative financial instruments for hedging of financial risks to which it is exposed, which are mainly due to interest rate variations.

These derivative financial instruments are initially recorded at fair value on the date on which the derivative is contracted and are subsequently measured at fair value. Derivatives are presented in assets when their fair value is positive and in liabilities when their fair value is negative.

At the start of the hedging relationship, the Group formally designates and documents the hedging relationship for which it seeks to apply hedge accounting as well as the management purpose and strategy of that hedge.

Under the terms of IFRS 9 – Financial instruments, the documentation includes the identification of the hedging instrument, the hedged item or transaction, the nature of the risk to be hedged and how the Group assesses whether the hedging relationship complies with hedge accounting requirements. The hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of the credit risk does not dominate the changes in value that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as the one resulting from the quantity of the hedged item that an entity actually hedges and from the quantity of the hedging instrument that the entity actually uses to hedge that quantity of the hedged item.

Hedging relationships that meet the above eligibility criteria are accounted as follows:

Cash Flow Hedging

The effective portion of the gain or loss on the hedging instrument is recognised in Equity under the Fair value of the hedging instruments item, while the ineffective portion, when it exists, is recognised immediately in the Consolidated statement of income and other comprehensive income.

If cash flow hedge accounting is interrupted, the cumulative amount in Equity shall remain if the hedged future cash flows are expected to still occur. Otherwise, the cumulative amount is reclassified immediately to the income statement. After the interruption (as soon as the hedged cash flow occurs), any cumulative amount remaining in comprehensive income is accounted according to the nature of the underlying transaction.

2.3.16. Cash and cash equivalents

The amounts included in the Cash and bank deposits item correspond to cash, demand deposits, term deposits and other short-term investments normally maturing in under three months, and which may be immediately redeemed at insignificant risk of loss in value.

For the purposes of the consolidated statement of cash flows, the item Cash and cash equivalents also includes bank overdrafts included in the Loans item, in the Consolidated statement of financial position.

2.3.17. Statement of cash flows

The Consolidated statement of cash flows is prepared according to the direct method, through which the cash inflows and outflows in operating, investing and funding activities are disclosed.

2.3.18. Subsequent events

Events occurring after the date of the consolidated statement of financial position that provide additional information on conditions existing on that date are shown in the Consolidated financial statements, if they have a material impact on the Consolidated financial statements.

Events occurring after the date of the Consolidated statement of financial position that provide information on conditions occurring after the date of the Consolidated statement of financial position are disclosed in the notes to the Consolidated financial statements.

2.3.19. Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale when their book value is essentially recovered through a sale and not through their continued use. This condition is considered to be met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. The corresponding sale must be concluded within a period of one year from the date of classification of the non-current asset as available for sale.

Non-current assets are measured at the lower of the book value before classification and fair value less costs to sell.

A discontinued operation is a component or a business unit that comprises operations and cash flows that can be clearly operationally differentiated from the rest of the Group. The classification of an operation as discontinued occurs upon disposal, or when the operation meets the criteria to be classified as held for sale. On 31 December 2024 and 2023, as required by IFRS 5 – Non-current assets held for sale and discontinued operations, the face of the consolidated statement of income and other comprehensive income for the financial years ending in these years reflects, in a single item (consolidated net profit for the year from discontinued operations), the results, after taxes, of discontinued operating units (Note 3).

2.4. Changes in accounting policies, judgements and estimates

Except for the impact of the adoption of the new standards and interpretations or their amendments that become effective for financial years beginning on 1 January 2024, during the financial year ended 31 December 2024 there were no changes in accounting policies from those considered in the preparation of the financial information for the financial year of 2023, under the provisions of IFRS, nor were material errors recognised in respect to prior periods.

Amendments to the IFRS mandatory for application in the financial year of 2024

Until the date of approval of these financial statements, the following accounting standards, interpretations, amendments and revisions have been endorsed by the European Union, with mandatory application for the financial year beginning on 1 January 2024:

Standard	Effective date	Context
Amendments to IAS 1 Presentation of financial statements – Classification of liabilities as current and non-current; Deferral of application date; Non-current liabilities with covenants	1 January 2024	These amendments published by the IASB clarify the classification of liabilities as current and non-current by analysing the contractual conditions existing at the reporting date. The amendment related to non-current liabilities with covenants clarifies that only those conditions that must be met on or before the reference date of the financial statements apply for the purposes of classification as current/non-current. The date of application of the amendments was postponed to 1 January 2024.
Amendment to IFRS 16 – Leases – Lease liabilities in a sale and leaseback transaction	1 January 2024	This amendment published by the IASB in September 2022 clarifies the how a lessee seller records a sale and leaseback transaction that meets the criteria in IFRS 15 to be classified as a sale.
Amendment to IAS 7 – Statements of cash flows, and IFRS 7 – Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024	These amendments published by the IASB in May 2023 entail requirements for the additional disclosure of qualitative and quantitative information about supplier financing arrangements.

There were no significant effects on the Financial statements for the financial year ended 31 December 2024 arising from the adoption of the new standards, interpretations and amendments mentioned above.

New or revised IFRS adopted with mandatory application in future financial years

The following accounting standards and interpretations, with mandatory application in future economic financial years, have, until the date of approval of these financial statements, been endorsed by the European Union:

Standard	Effective date	Context
Amendment to IAS 21 – The effects of changes to exchange rates – Lack of exchangeability	1 January 2025	This amendment published by the IASB in August 2023 lays out the approach for assessing whether or not a currency can be exchanged for another currency. If it is concluded that the currency cannot be exchanged for another, it indicates how the applicable exchange rate is determined and the additional required disclosures.

These amendments, although endorsed by the European Union, have not been adopted by the Group in 2024 since their application is not yet mandatory. The future adoption of these amendments is not expected to produce material impacts to the financial statements.

Other standards

The following accounting standards and interpretations have been issued by the IASB and are not yet endorsed by the European Union:

Standard	Effective date	Context
Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026	These amendments published by the IASB in May 2024 include changes arising from the results of the post-implementation review process of IFRS 9 carried out by the IASB.
Amendment to IFRS 9 and IFRS 7 – Contracts related to nature-dependent electricity	1 January 2026	This amendment published by the IASB in December 2024 includes guidance and additional disclosures related to contracts for the supply of electricity from renewable energies, as well as the possibility of designating these contracts as hedging instruments if they meet specific requirements.
Annual improvements of the International Financial Reporting Standards (Volume IFRS 18 – Presentation and Disclosure of Financial Statements)	1 January 2026	This predominantly corresponds to amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.
IFRS 18 – Presentation and Disclosure of Financial Statements	1 January 2027	This standard replaces IAS 1 and includes presentation and disclosure requirements in the financial statements for entities that report in accordance with IFRS.
IFRS 19 – Subsidiaries without public accountability: disclosures	1 January 2027	This standard allows an eligible subsidiary to opt for reduced disclosures in its IFRS financial statements.

These standards have not yet been endorsed by the European Union and, as such, have not been applied by the Group in the financial year ended 31 December 2024.

Regarding these standards and interpretations issued by the IASB but not yet endorsed by the European Union, their future adoption is not expected to have significant impacts on the accompanying financial statements.

2.5. Relevant estimates in the preparation of the consolidated financial statements

In preparing the Consolidated financial statements, the Board of Directors relied on knowledge and experience of past and/or current events and assumptions concerning future events to determine the accounting estimates.

The most significant accounting estimates reflected in the Financial statements for the financial year ended 31 December 2024 include:

Goodwill impairment analysis

The goodwill value is tested annually and whenever there is evidence of impairment. The recoverable amounts of the cash-generating units were determined based on the value-in-use calculation. The use of this method requires the estimate of future cash flows arising from the operations of each cash-generating unit and choice of an appropriate discount rate. For this purpose, the Group prepares projections approved by the Board of Directors, based on the most recent approved budgets and business plans.

Useful life of Property, plant and equipment and intangible fixed assets

The useful life of an asset is the period during which the Group expects that asset to be available for its use and is reviewed at least at the end of each financial year.

The amortisation/depreciation method to apply and the estimated losses stemming from the replacement of equipment before the end of their useful life, for reasons of technological obsolescence, is crucial to determining the effective useful life of an asset.

These parameters are defined according to the management's best estimate, for the assets and deals in question, also considering the practices adopted by companies from the sectors in which the Group operates.

Revaluation of Properties allocated to the health business activity

As at the date of the consolidated statement of financial position, the Properties Allocated to the Health Business Activity category, included under Property, plant and equipment, is valued at its carrying amount, revalued on the basis of valuations carried out by independent external entities, using the income and cost method. When, on the date of the consolidated statement of financial position, the fair value of Properties Allocated to the Health Business Activity cannot be reliably measured, they are stated at cost until their fair value can be reliably measured.

Leases – Estimate of the incremental rate, lease term and valuation method

The recognition of the leases includes the determination of the interest rate implicit in the lease and the lease term.

The Group is unable to immediately determine the rate implicit in the various leases and therefore uses the incremental interest rate to measure the respective lease liability. The incremental interest rate is the interest rate the Group would have to pay on a loan with similar terms, which requires the rate to be estimated when no observable data are available on the market or when they have to be adjusted to reflect the terms of the loan. In fact, the Group estimates the incremental interest rate based on the market reference rate it has access to.

The term of the leases is determined based on the management's best expectation of remaining in the lease contract. The Group assesses the term of the leases by contract type, taking into account the possibility of exercising with reasonable certainty the option to extend the lease:

- Hospitals and clinics – the Group evaluates the possibility of exercising with “reasonable certainty the option to extend” the lease of this type of assets, when it takes place. In this regard, and taking into consideration the Group's growth in recent years and the increasing need to expand, the Group does not always have reasonable certainty that these lease contracts will be renewed at the end of the initial term.
- Other properties – For this class, the Group analyses every contract, and in case of renewal, the reasonableness and expectation of renewing the contract is assessed.
- Equipment and Vehicles – This contract type has no renewal option, so the lease term considered is the contract term.

Recognition and Measurement of Provisions

The recognition of Provisions is based on a determination of the likelihood of future outflows and their reliable measurement, where the Group relies, whenever necessary, on experts specialised in the matters in question.

These factors are often dependent on future events and not always under the control of the Group and, as such, may lead to significant future adjustments, both via changes of the assumptions used and via the future recognition of provisions previously disclosed as Contingent liability.

Impairment of accounts receivable

The credit risk of the balances of accounts receivable is assessed at each reporting date, taking into account the expected credit loss over the asset's lifetime. The Group established an impairment matrix based on loans that were lost over a period of 5 years, adjusted by specific prospective factors identified by the Group as the most appropriate for each group of customers, with similar characteristics and history of default. Additionally, the Group takes into account the following aspects:

- Debtor's significant financial difficulty;
- Breach of contract, such as failure to pay or non-compliance with interest payments or debt amortisation;
- Probability of the debtor becoming insolvent.

Impairment of non-current assets

The impairment occurs when the accounting value of an asset of cash-generating unit exceeds its recoverable amount, which is the highest between the fair value net of costs of selling and its usage value.

The calculation of fair value net of costs of selling is based on the existing information from contracts already signed in transactions of similar assets with entities that have no relationships among them, or in prices observable in the market net of incremental costs of selling the asset.

The value in use is calculated based on a discounted cash flow model that takes into account a budget for a specific time period and determination of a perpetuity, which does not include restructuring activities for which there still is no commitment, or future significant investments seeking to improve the future economic benefits that will arise from the cash-generating unit that is being tested.

The recoverable amount is sensitive, mainly, to judgemental assumptions, namely:

- The growth rate used to extrapolate the cash flows beyond the explicit period;
- The discount rates used to discount future cash flows.

Income tax and deferred taxes

The determination of income tax and deferred tax amounts requires the use of judgement and is subject to interpretation. Different interpretations could result in a different level of income tax, both current and deferred, recognised in the period.

Only deferred tax assets are recognised insofar as it is likely that there will be taxable profit on which they can be used.

Escala Vila Franca – Sociedade Gestora do Estabelecimento, S.A. (“Escala Vila Franca”)

Checking procedures are currently taking place with the Regional Health Authority for Lisbon (Administração Regional de Saúde de Lisboa e Vale do Tejo, I.P. – “ARSLVT”), regarding adjustments made to Vila Franca Hospital’s accounts from 2013 to 2021.

Regarding the settlements of accounts for the financial years of 2013 to 2021, the process of closing the calculation of the actual production was underway on the closing date, and should have been completed by June of each following year.

The Company’s Board of Directors believes that it has sufficient grounds to prevail on its intentions, within the scope of these provisions and impairment losses, without resulting in any negative financial impact that has a significant effect on the accounts.

Contractual provisions

The contractual provisions concern recognised provisions to cover liabilities relating to the termination of the management contracts for the Vila Franca de Xira Hospital and Braga Hospital.

Continuity of operations

The Group considered the results achieved and understands that the existing measures and those that are being taken regarding freeing operational resources (by reducing consumption and increasing productivity), are sufficient to ensure the normal operation of the activity and compliance with the repayment of the debt which will mature in 2025 (Note 35), with the continuity of operations therefore not being in question.

These estimates were determined based on the best information available at the date of preparation of the financial statements. However, given the number of qualitative factors involved, events may occur in subsequent periods that, due to their timing, have not been considered in these estimates. Significant changes to these estimates occurring after the date of the Consolidated financial statements are recognised in net income prospectively, in accordance with the provisions of IAS 8 – Accounting policies, changes in accounting estimates and errors.

3. Discontinued Operations

The management and operation contracts for Braga and Vila Franca de Xira hospitals ended on 31 August 2019 and 31 May 2021, respectively.

During the financial years 2024 and 2023, the economic operations associated with the public segment were fundamentally related to the management of customers and suppliers and the respective accounts receivable and payable. The development of litigation processes with the Government as a result of these activities was also an area of activity.

As required by IFRS 5 Non-current assets held for sale and discontinued operations, the consolidated statement of income and other comprehensive income for the financial years ended on 31 December 2024 and 2023 reflect in a single line item ("Consolidated net profit for the year from discontinued operations"), on the face of the Consolidated statement of income and other comprehensive income, net profit, after tax, of the discontinued operational unit.

For the financial years ended on 31 December 2024 and 2023, the results of discontinued operations were as follows:

	Notes	31/12/2024	31/12/2023
Operating income			
Other operating income		10	295
Operating income		10	295
Operating costs			
Cost of sales	10	(9)	(168)
External supplies and services		(114)	(52)
Personnel costs		(1)	(66)
Provisions and impairment losses (reversals/increases)	38	(30)	(1,653)
Other operating costs		(27)	(32)
Operating costs		(180)	(1,970)
Operating results		(170)	(1,675)
Income before taxes		(170)	(1,675)
Consolidated net profit for the year		(170)	(1,675)
Net profit from discontinued operations		(170)	(1,675)
Net profit for the financial year attributable to equity holders		(170)	(1,675)

For the financial years ended on 31 December 2024 and 2023, consolidated cash flows from discontinued operations were as follows:

	31/12/2024	31/12/2023
Cash flow from operating activities	(170)	(1,675)
Changes in cash and cash equivalents of discontinued operations	(170)	(1,675)

In the financial year ended 31 December 2023, the Court of Appeal decided to request a repeat of the judgment in the Arbitration Court ("TA"), to analyse evidence not examined in the judgment of the subsystems and Hepatitis C process, in relation to the activity of the entity Escala Braga (merged into CUF, SA). As a result, and under the Arbitration Court's decision, the Group had to return 1.6 million euros previously paid by Administração Regional de Saúde do Norte ("ARSN"). In view of the above, the Group recognised a provision for the same amount.

4. Estimate of Fair Value

The hierarchy for purposes of determining the fair value shall have the following levels and measurement bases:

- Level 1 – market quotes net of assets, which the Group can access on the reference date of the financial position;
- Level 2 – generally accepted evaluation models, based on inputs observable in the market, alternative to those mentioned in level 1;
- Level 3 – evaluation models whose main inputs are not observable in the market.

The Group has valued at fair value the assets and liabilities listed in the table below, in which their corresponding hierarchy is also specified:

	Total	Hierarchy of Fair value		
	31/12/2024	Level 1 Market quotes	Level 2 Inputs observable in the market	Level 3 Inputs non-observable in the market
Assets valued at fair value				
Properties allocated to the health business activity (Note 19)	550,951	-	-	550,951
Other investments (Note 22)	1,046	-	-	1,046
Liabilities valued at fair value				
Derivative financial instruments (Note 41)	1,171	-	1,171	-

	Total	Hierarchy of Fair value		
	31/12/2023	Level 1 Market quotes	Level 2 Inputs observable in the market	Level 3 Inputs non-observable in the market
Assets valued at fair value				
Properties allocated to the health business activity (Note 19)	519,510	-	-	519,510
Other investments (Note 22)	2,964	-	1,946	1,018
Liabilities valued at fair value				
Derivative financial instruments (Note 41)	862	-	862	-

Finally, the fair value (revalued amount) of the item Land and Buildings, related to Properties allocated to the health business activity, was determined by independent external evaluators, based on inputs non-observable in the market. The fair value of the Other Investments was determined by observable market inputs and does not differ substantially from their cost.

On 31 December 2024, the workers' compensation fund in the amount of approximately 1,966 thousand euros, net of accumulated impairment losses, was reclassified from the other investments item to the other debtors item (Note 25), as described in Note 2.3.11.

The fair value of the financial instruments, on 31 December 2024 and 2023, was determined by third-party entities, based on inputs observable in the market and according to the generally accepted models and techniques.

5. Capital Management

CUF Group is not an entity subject to regulation in terms of capital ratios, so capital management is carried out as part of the Group's financial risk management process.

The Group seeks to maintain an adequate level of equity that enables it not only to ensure the continuity and development of its activity, but also to provide adequate returns for its shareholders and optimise the cost of capital.

The CUF Group actively monitors several financial ratios, in order to ensure the continuity, development and sustainability of its operational and financial activity.

CUF Group's analysis of its financial ratios focuses in greater detail on the metrics associated with the covenants of the Group's financing obtained, with monthly internal monitoring of these ratios.

Although the gearing ratio is not associated with the covenants of its financing, tracking it enables the CUF Group to monitor the company's capital structure and the level of leverage of its assets. There is, however, no optimal range defined by the Group or its shareholders for this ratio.

This ratio consists of net financial debt over total equity plus net financial debt. The calculation of the net financial debt includes the gross financial debt net of cash and cash equivalents and other financial instruments. The Cash and cash equivalents and Gross Financial Debt items include the amounts received from clients to be given to factoring. The following table presents the details of the calculation of this ratio for 2024 and 2023:

	31/12/2024	31/12/2023
Net Financial Debt (A)		
Gross financial debt	644,347	562,300
Cash and bank deposits	(118,814)	(59,008)
	525,533	503,292
Equity attributable to shareholders	246,785	209,209
Equity + Net Financial Debt (A+B)	772,318	712,501
Gearing ratio (A/(A + B))	75%	71%

CUF Group's analysis concerning its capital ratios focuses in greater detail on the net financial debt to EBITDA ratio, since the Group has a covenant calculated based on this ratio associated with several sources of funding. Of special note are the three debenture loans issued (totalling 164.556 billion euros), which include a financial covenant with a limit of less than 6x on the ratio of net financial debt to EBITDA. In the event of the CUF Group not respecting this covenant (since, in one of the bonds, there is also a covenant of financial autonomy equal to or greater than 11.5%), which was not the case, since the aforementioned covenant on 31 December 2024 amounted to 3.57x (4.19x on 2023), the bondholders will be able to demand early repayment of the bonds in that amount.

6. Companies Included in the Consolidation

6.1. Companies consolidated by the full consolidation method

The companies included in the consolidation, their registered offices, the consolidation method adopted and the proportion of share capital effectively held, on 31 December 2024 and 2023, are as follows:

Companies	Headquarters	2024		2023	Business activity
		% of holding	% of control	% of control	
CUF, S.A. (a)	Carnaxide	Parent company	Parent company	Parent company	Purchase and sale of equipment and provision of management and consultancy services
Private healthcare services					
Hospital CUF Tejo, S.A. (d)	Carnaxide	100%	100%	100%	Management and operation of a hospital and nursing units
Clínica Dr. Luís Álvares, S.A.	Lisbon	100%	100%	100%	Operation of a diagnosis and radiology medical centre
Hospital CUF Descobertas, S.A. (b)	Carnaxide	100%	100%	100%	Management and operation of a hospital
HD – Medicina Nuclear, S.A.	Lisbon	70%	70%	70%	Provision of diagnosis services and therapy in the nuclear medicine field
CUF – Serviços de Saúde, Administrativos e Operacionais, A.C.E.	Carnaxide	100%	99.98%	99.98%	Provision of operational, administrative and healthcare services
Hospital CUF Santarém, S.A.	Carnaxide	100%	100%	100%	Management and operation of a hospital
Hospital CUF Viseu, S.A.	Viseu	100%	100%	100%	Management and operation of a hospital
SIM-X - Serviço de Imagem Médica, Lda.	Viseu	100%	100%	100%	Operation of a diagnosis and radiology medical centre
Hospital CUF Porto, S.A. (c)	Carnaxide	100%	100%	100%	Management and operation of a hospital and nursing units
Ecografia de Cascais, Lda. (f)	Cascais	-	-	100%	Operation of a diagnosis and radiology medical centre
Hospital CUF Cascais, S.A. (f)	Carnaxide	100%	100%	100%	Management and operation of a hospital and nursing units
Hospital CUF Coimbra, S.A. (h)	Coimbra	100%	100%	100%	Management and operation of a hospital
Clínica CUF Belém, S.A. (g)	Lisbon	100%	100%	96.40%	Provision of medical and nursing services
Clínica de Serviços Médicos Computorizados de Belém, S.A. (g)	Lisbon	-	-	96.40%	Provision of medical and nursing services
Hospital CUF Torres Vedras, S.A. (e)	Carnaxide	100%	100%	100%	Management and operation of a hospital and nursing units
Clínica CUF Alvalade, S.A.	Carnaxide	100%	100%	100%	Provision of medical and nursing services
Hospital CUF Açores, S.A. (i)	S. Miguel	100%	100%	100%	Management and operation of a hospital
CUF Arrifana de Sousa, S.A. (k)	Penafiel	100%	100%	-	Provision of medical services, general practice and outpatient care
Clínica da Nossa Senhora do Bom Despacho, S.A. (k)	Penafiel	100%	100%	-	Provision of medical and nursing services
Centro Cardiológico Pedro Bernardo de Almeida, Lda. (k)	Penafiel	100%	100%	-	Provision of specialised medical services
Clínica Médica – Cirúrgica Marco de Canaveses, S.A (k)	Penafiel	100%	100%	-	Provision of medical services, general practice and outpatient care
MultiCMAS, Lda. (k)	Penafiel	60%	100%	-	Provision of hospital clothing handling and washing services
Infrastructure					
Infrahealth – Gestão de Infraestruturas, Lda.	Carnaxide	100%	100%	100%	Operation, management and marketing of healthcare infrastructure, commercial areas and car parks

Companies	Headquarters	2024		2023	Business activity
		% of holding	% of control	% of control	
Simplygreen – Investimentos Imobiliários, S.A.	Carnaxide	100%	100%	100%	Buying and selling real estate, exchange and renting property
Hospimob - Imobiliária, S.A.	Carnaxide	100%	100%	100%	Execution of real estate projects, namely the purchase and sale of properties, swap and rental of owned properties and of properties belonging to third parties
Imo Health Cascais – Investimentos Imobiliários, S.A.	Carnaxide	100%	100%	100%	Buying and selling real estate, exchange and renting property
CUF – Investimentos Imobiliários, S.A.	Carnaxide	100%	100%	100%	Buying and selling real estate, exchange and renting property
Occupational Health and Medicine					
Imo Sag Investimentos Imobiliários, S.A. (m)	Carnaxide	100%	100%	70.50%	Provision of external services of occupational safety, hygiene and health
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A. (j)	Porto	80%	80%	51%	Provision of occupational health, safety and hygiene services.
Clive – Clínica do Vale do Ave, Lda (j)	Porto	43.20%	54%	54%	Provision of external services of occupational safety, hygiene and health
Clínicas Expresso, Lda (j)	Porto	56%	70%	70%	Provision of external services of occupational safety, hygiene and health
Expresso à Noite – Serviços Médicos de Urgência, Lda (j)	Porto	61.25%	76.56%	76.56%	Provision of external services of occupational safety, hygiene and health
Clínica Médico-Cirúrgica Nossa Senhora da Guia, Lda (j)	Porto	64%	80%	80%	Provision of external services of occupational safety, hygiene and health
Medentine – Medicina Dentária, Lda (j)	Porto	68%	85%	85%	Provision of external services of occupational safety, hygiene and health
Others					
CUF – Sociedade Gestora de Participações Sociais, S.A	Carnaxide	100%	100%	100%	Management of shareholdings
Academia CUF, Sociedade Unipessoal, Lda.	Carnaxide	100%	100%	100%	Provision of training services in the nursing and clinical services field
Digihealth, S.A.	Carnaxide	88%	88%	88%	IT and Management Consulting and Advisory Services for Healthcare Providers
Genes – Centro de Reprocessamento de Dispositivos Médicos, Lda.	Lisbon	100%	100%	100%	Provision of logistics and reprocessing of medical devices services
CUF – Gestão de Clientes e Serviços de Saúde, S.A.	Lisbon	100%	100%	100%	Provision of management, marketing and consultancy services for health products and services
Centro Logístico CUF, Unipessoal Lda.	Carnaxide	100%	100%	100%	Distribution and commercialization of medication and medical devices
Centros de Saúde CUF, S.A. (l)	Carnaxide	100%	100%	-	Healthcare service provision

- a) This company’s activity was included in the “Others” segment.
- b) This company’s activity includes the management of CUF Montijo Clinic, which opened to the public on 5 December 2022.
- c) This company’s activity includes the management of CUF Porto Hospital, CUF Trindade Hospital, CUF Institute and CUF S. João da Madeira Clinic.
- d) This company’s activity includes the management of CUF Tejo Hospital, CUF Miraflores Clinic, CUF Almada Clinic and CUF Barreiro Clinic, which was acquired in October 2023 and was converted to the CUF brand in February 2024. It also includes the activity of domiciliary services developed by the Group.

- e) This company's activity includes the management of CUF Torres Vedras Hospital and CUF Mafra Clinic.
- f) This company's activity includes the management of CUF Cascais Hospital, CUF S. Domingos de Rana Clinic, CUF Nova SBE Clinic and CUF Sintra Hospital. With accounting effects from 1 January 2024, the company merged with the subsidiary Ecografia de Cascais, Lda., thereby incorporating the medical activity previously carried out by that entity.
- g) In November and December 2023, CUF, S.A. signed share purchase agreements for the acquisition of the remaining non-controlling interests in the shares representing the share capital of Clínica CUF Belém and, indirectly, Clínica de Serviços Médicos Computorizados de Belém, S.A., previously held by Montepio Geral, Munditer and other shareholders, for the sum of approximately 2.9 million euros (Note 44). In 2024, it acquired the shareholdings of Santa Casa da Misericórdia (15,360 shares) and of the remaining shareholders (640 shares), for a total amount of 306 thousand euros, with CUF SGPS now owning 100% of CUF Belém, S.A. With accounting effects reported to 1 January 2024, the company merged the subsidiary Clínica de Serviços Médicos Computorizados de Belém, S.A. ("TAC"), thereby incorporating the medical activity previously carried out by that entity.
- h) This company's activity includes the management of CUF Leiria Clinic, which opened in January 2024.
- i) The Group acquired 100% of the share capital of HIA – Hospital Internacional dos Açores, S.A., a hospital unit located in the municipality of Lagoa, in São Miguel, on 24 March 2023 (Note 7.2). It should be noted that in September 2023, the company changed its name to Hospital CUF Açores, S.A.;
- j) In June 2023, an acquisition agreement was made between CUF, S.A. ("CUF") and Atlanticare – Serviços de Saúde, S.A. ("ATL"), according to which ATL transfers to CUF 51% of the share capital for the amount of 3.32 million euros, and 51% of ATL shareholder credits, amounting to 87 thousand euros. ATL is a shareholder in ten companies that form the Grupo Atlanticare, and is engaged in providing occupational health, safety and hygiene services. In March 2024, Imo Sag Investimentos Imobiliários, S.A. transferred assets to Preveris – Prevenção Saúde e Segurança no Trabalho, S.A. (formerly known as ATL), corresponding to new shares (59.18%), diluting CUF, S.A.'s stake to 20.82%. In effect, the CUF Group now owns 80% of the Preveris Group. Preveris – Prevenção Saúde e Segurança no Trabalho, S.A. is a shareholder in ten companies that make up the Preveris Group, and is dedicated to providing occupational health and safety services. In addition, the shareholder agreement gives CUF, S.A. an option to buy all the shares, which can be exercised at any time between 2029 and 2031. The company considers it highly probable that this option will be exercised and has therefore recognised the amount of 4.2 million euros in its 2024 accounts (notes 17 and 39).
- k) On 5 January 2024, the Group completed the process of acquiring the Clínica Médica Arrifana de Sousa Group ("Arrifana de Sousa"), which owns several healthcare units in the Tâmega and Sousa municipalities. With more than 40 years' experience, the Arrifana de Sousa Group is a reference in private healthcare provision and has around 700 employees. The new CUF network units include a hospital in Penafiel, six clinics located in Alpendurada, Lousada, Marco de Canaveses, Paredes, Penafiel and Vila Meã. In December 2024, the company Cmasdentária – Clínica de Medicina Dentária, Lda., a subsidiary of Clínica Arrifana de Sousa, S.A., was merged into the latter, with retroactive effect from 1 January 2024. In addition, Clínica Arrifana de Sousa changed its name in 2024 to CUF Arrifana de Sousa, S.A. (Note 7);
- l) At the end of October 2024, CUF announced the acquisition of miMed – Cuidados de Saúde, S.A., a network of 13 clinics located in the Greater Lisbon area. This acquisition has reinforced its presence among the population and provided even closer monitoring of the health of the Portuguese and their families, strengthening its national network with the creation of proximity care units. In 2024, the company changed its name to Centros de Saúde CUF, S.A. (Note 7);
- m) In 2024, Sagies – Segurança e Saúde no Trabalho, S.A. changed its name to Imo Sag Investimentos Imobiliários, S.A. ("Imo Sag"). In addition, in March 2024, Imo Sag transferred assets to Preveris – Prevenção Saúde e Segurança no Trabalho, S.A. (formerly known as ATL).

6.2. Associated companies

The associated companies recorded through the equity method, in the financial years ended on 31 December 2024 and 2023 (Note 21), are the following:

Companies	Headquarters	2024		2023	Business activity
		% of holding	% of control	% of control	
Centro Gamma Knife – Radiocirurgia, S.A.	Lisbon	34.00%	34.00%	34.00%	Operation of radiosurgery treatment units
Greenimolis – Investimentos, S.A.	Carnaxide	50.00%	50.00%	50.00%	Buying and selling real estate, exchange and renting property

7. Changes in the Consolidation Scope and Business Combinations

The main changes in the consolidation scope, in the financial years ended on 31 December 2024 and 2023, mainly concerned:

7.1. Incoming in 2024

7.1.1. Subsidiary companies

On 5 January 2024, CUF took another significant step in the expansion of its national healthcare network, with the completion of the acquisition process of Clínica Médica Arrifana de Sousa Group ("Arrifana de Sousa"), which owns several healthcare units in the municipalities of Tâmega and Sousa. With more than 40 years' experience, the Arrifana de Sousa Group is a reference in private healthcare provision and has around 700 employees. The new CUF network units include a hospital in Penafiel, six clinics located in Alpendurada, Lousada, Marco de Canaveses, Paredes, Penafiel and Vila Meã. With over 30 medical and surgical specialties, these units have a differentiated installed capacity and a wide range of clinical services. This acquisition will also enable CUF to be a strategic partner of the Tâmega e Sousa municipalities, by contributing to strengthening the population's access to quality healthcare and to their social and economic development.

At the end of October 2024, CUF announced the acquisition of miMed – Cuidados de Saúde, S.A., a network of 13 clinics located in the Greater Lisbon area. This acquisition has reinforced its presence among the population and provided even closer monitoring of the health of the Portuguese and their families, strengthening its national network with the creation of proximity care units. Designed with the goal of ensuring healthcare for the whole family, the proximity units will offer consultations in General and Family Medicine, Occupational Health, Dental Medicine, Psychology and Nutrition, as well as Nursing care, treatments, clinical analyses and other essential examinations, in a convenient way and with the distinctive clinical quality of the CUF brand. It should be noted that, at the end of 2024, the company changed its name to CUF Centros de Saúde CUF, S.A..

On the acquisition date, the fair value of the assets and liabilities acquired was as follows:

	Note	Arrifana de Sousa Group on 1 January 2024	miMed on 31 October 2024	Total
Net assets acquired:				
Assets				
Intangible assets	18	45	-	45
Property, plant and equipment	19	14,438	2,298	16,736
Right-of-use assets	20	1,704	2,474	4,178
Other investments	22	57	-	57
Deferred tax assets		963	30	993
Current tax assets		220	-	220
Government and other public entities		5	3	8
Financial investments		10	-	10
Inventories		120	56	176
Trade receivables and advances to suppliers		3,165	51	3,216
Other debtors		28	388	416
Other assets		558	172	730
Cash and bank deposits		1,967	463	2,429
Total Assets		23,278	5,935	29,213
Liabilities				
Loans	35	10,089	-	10,089
Lease liabilities	37	1,707	2,616	4,323
Provisions	38	-	46	46
Other creditors		159	74	233
Other liabilities		1,753	966	2,719
Government and other public entities		163	148	312
Trade payables and advances from clients		575	262	837
Deferred tax liabilities		412	-	412
Other financial liabilities		21	-	21
Current tax liabilities		-	13	13
Total Liabilities		14,879	4,126	19,005
Total		8,399	1,809	10,208
Non-controlling interests (Note 34)		262	-	
Concentration costs (Note 44)		23,223	5,633	
Goodwill calculated (Note 17)		15,086	3,825	18,911

	Note	Arrifana de Sousa Group	miMed	Total (Note 17)
Cost of Acquisition	44	23,223	5,633	28,857
Goodwill calculated	17	15,086	3,825	18,911

The Group acquired control of the Arrifana de Sousa Group on 1 January 2024 and of miMed on 31 October 2024. In addition, the results included in the consolidation include the period of twelve and two months, respectively, that occurred after the dates of the aforementioned transactions. If the acquisition of control of miMed – Cuidados de Saúde, S.A. had taken place on 1 January 2024, income and expenses would have been 3,759 thousand euros and 8,323 thousand euros higher, respectively, and net result would have been 4,563 thousand euros lower.

The cash flows relating to the acquisitions in 2024 were as follows:

	Arrifana de Sousa Group	miMed	Total (Note 4)
Payments made for the acquisition	(23,223)	(5,633)	(28,857)
Cash and cash equivalents acquired	1,967	463	2,312
Total (Note 4)	(21,257)	(5,170)	(26,544)

7.2. Incoming in 2023

7.2.1. Subsidiary companies

In October 2022, an agreement in principle was signed with the shareholders of HIA – Hospital Internacional dos Açores, S.A., to acquire all the share equity of that hospital unit, located in the municipality of Lagoa, São Miguel, and the corresponding transaction was completed on 24 March 2023. Opened in March 2021, Hospital Internacional dos Açores is already a reference healthcare unit, with a differentiated installed capacity and a wide range of services, namely urgent care, operating theatre, hospitalisation, intensive care, day hospital and special exams. It should be noted that in September 2023, the company changed its name to Hospital CUF Açores, S.A..

In June 2023, an acquisition agreement was signed between CUF, S.A. (“CUF”) and Atlanticare – Serviços de Saúde, S.A. (“ATL”), according to which ATL transfers 51% of the share capital to CUF for the amount of 3.32 million euros, and 51% of ATL’s shareholder credits, in the amount of 87 thousand euros, generating goodwill in the amount of 3.2 million euros. ATL is a shareholder in ten companies that form the Grupo Atlanticare, and is engaged in providing occupational health, safety and hygiene services.

On the acquisition date, the fair value of the assets and liabilities acquired was as follows:

	Notes	Hospital Internacional dos Açores S.A. on 31 March 2023	Atlanticare Group on 30 September 2023	Total
Net assets acquired:				
Assets				
Intangible assets	18	197	2	199
Property, plant and equipment	19	31,289	1,083	32,372
Right-of-use assets	20	605	904	1,509
Other investments	22	74	40	114
Deferred tax assets		953	-	953
Current tax assets		-	11	11
Government and other public entities		-	7	7
Inventories		514	22	536
Trade receivables and advances to suppliers		528	1,749	2,277
Other debtors		321	455	776
Other assets		592	1,015	1,607
Cash and bank deposits		475	204	679
Total Assets		35,547	5,493	41,040
Liabilities				
Loans		20,500	1,392	21,891
Lease liabilities	38	598	1,179	1,777
Other creditors		3,980	240	4,220
Other liabilities		-	758	758
Government and other public entities		-	138	138
Trade payables and advances from clients		671	1,752	2,422
Current tax liabilities		132	47	179
Total Liabilities		25,881	5,505	31,386
Total		9,666	(12)	9,634
Concentration costs		21,100	3,233	
Goodwill calculated (Note 17)		11,334	3,246	

	Note	Hospital Internacional dos Açores, S.A.	Atlanticare Group	Total (Note 17)
Cost of Acquisition		21,100	3,233	24,333
Goodwill calculated	17	11,334	3,246	14,580

The Group acquired control of CUF Açores Hospital in April 2023 and of Atlanticare in October 2023. In addition, the results included in the consolidation include the nine-month period following the dates of these transactions. If the acquisition of control of Hospital CUF Açores, S.A. had occurred on 1 January 2023, income and expenses would have been higher by 5,262 thousand euros and 5,547 thousand euros, respectively, and the net profit would have been lower by 285 thousand euros. If the acquisition of control of Atlanticare – Serviços de Saúde, S.A. had occurred on 1 January 2023, income and expenses would have been higher by 5,637 thousand euros and 6,535 thousand euros, respectively, and the net profit would have been lower by 898 thousand euros.

The cash flows relating to the acquisitions in 2023 were as follows:

	Hospital Internacional dos Açores, S.A.	Atlanticare Group	Total (Note 44)
Payments made for the acquisition	(21,100)	(3,320)	(24,320)
Cash and cash equivalents acquired	475	204	679
Total	(20,525)	(3,116)	(23,641)

According to IFRS 3, an entity has a measurement period, which should not exceed one year from the acquisition date, to review the value of goodwill. Based on new information obtained on circumstances that existed at the time of acquisition, the value of the goodwill calculated for Hospital Internacional dos Açores (currently known as Hospital CUF Açores, S.A.) and Grupo Atlanticare (currently Grupo Preveris) was revised, essentially due to the measurement at fair value of properties and of the non-controlling interests, respectively. The impacts of this revision were as follows:

	Initial goodwill (Note 17)	Revision	Final goodwill (Note 17)
Hospital Internacional dos Açores, S.A.	11,334	(1,592)	9,742
Grupo Atlanticare	3,246	5,226	8,472
Total	14,580	3,634	18,214

7.3. Exits in 2024

In the financial year ended on 31 December 2024, there were no exits of subsidiaries from the consolidation scope.

7.4. Exits in 2023

In the financial year ended on 31 December 2023, there were no exits of subsidiaries from the consolidation scope.

7.5. other operations

Digihealth and Haspac

The Portuguese Ministry of Health terminated the concession contract with the Hospital Amadora Sintra – Sociedade Gestora, S.A. ("HAS"), currently named Digihealth, S.A. ("Digihealth"), on 6 November 2007. This company had managed the Prof. Dr. Fernando Fonseca Hospital. The transfer of management took effect from 1 January 2009. For this reason, this activity was discontinued. Consequently, the activity of another company of the Group, HASPAC – Patologia Clínica, S.A. ("Haspac"), which operated the Clinical Pathology Department on an exclusive basis of Digihealth was also discontinued.

In the context of the arbitration opened in the meantime, on 12 December 2012 the Arbitration Court issued a ruling ordering the Administração Regional de Saúde de Lisboa e Vale do Tejo, I.P. ("ARSLVT") to pay Digihealth the sum of 18,123,526 euros, plus interest. Despite being condemned and asked to do so, ARSLVT never paid any money. The ARSLVT has filed an action for the annulment of the Arbitration Ruling, which is still pending in the Southern Administrative Central Court.

At the end of the first half of 2014, Digihealth concluded that the various collection efforts with ARSLVT were not producing the desired results. For this reason, and with the goal of satisfying, albeit partially, the liabilities contracted with its creditors, Digihealth searched the market and managed to find an entity, Finanfarma – Sociedade de Factoring, S.A., an entity controlled by the shareholder of José de Mello Saúde (now CUF) (Note 32), which was willing to enter into a factoring contract and pay a sum – €15M – for the acquisition of Digihealth's credit with ARSLVT, which involved resorting to a Special Revitalisation Process ("PER"). The strategy advocated by Digihealth merited the agreement of a large majority of creditors (74.46%), representatives of its liability. On 1 August 2014 Digihealth initiated a PER, which was approved by 84% of the creditors and subsequently ratified by the Lisbon Commercial Court on 5 March 2015.

Even though it had obtained support from different creditors (47.98%), representatives of the HASPAC liability, the truth is that it was not possible to achieve the qualified majority of 67%, thereby enabling an arrangement with creditors to be made. In this context, HASPAC's management was forced to file for voluntary insolvency with the West Lisbon District Court and was declared insolvent on 19 February 2015, and an insolvency administrator was appointed, who is still in office.

As in previous financial years, the CUF Group considered that there is no effective control of the HASPAC subsidiary and, as such, it was excluded from the consolidation scope.

Regarding the subsidiary currently known as Digihealth, the Board of Directors carried out its activity in accordance with the context and commitments taken on with the creditors, namely the Special Revitalisation Process (PER). This process limits the Board's actions to the realisation of assets for the sole purpose of settling liabilities related to creditors recognised within the scope of PER.

Nevertheless, following the final judgement of the PER, Digihealth, previously known as "HASSG", remained in business with a new corporate purpose, a change that was implemented at the General Shareholders' Meeting, which also had the agreement of its Creditors' Committee.

Except for the use of potential recoverable assets, which will be used to settle the responsibilities that are materialised in the sold part of the effectively recovered financial assets, the CUF Group considers that it has effective control over the aforementioned entity, as well as the power and capacity to use that power to affect the value of the results of the new activity.

8. Business Segments

As argued in IFRS 8 – Operating segments, the Group presents the operating segments based on the internal management information model provided to the main agent responsible for making the Group's operational decisions, who is responsible for the allocation of resources to the segment and for the evaluation of its performance as well as for making strategic decisions. The identification of the Group's reportable segments is consistent with the manner in which the Board of Directors manages and controls its business, based on a combination of the nature of the production processes, means of communication and management of available resources.

Thus, the Group presents the following reportable segments:

- Private healthcare services;
- Infrastructure;
- Occupational health, and
- Others.

As mentioned in Note 3, the “Public healthcare services” segment, previously developed by the Group, was considered a discontinued operating unit and the net profit or loss, after tax, of that operation was considered in the Consolidated statement of income and other comprehensive income for the financial years ended on 31 December 2024 and 2023 under a single item (consolidated net profit or loss for the year from discontinued operations). During 2024, the economic operations associated with the public segment were fundamentally related to the management of accounts receivable and payable, customers and suppliers. The process of litigation with the State, with significant financial implications, as mentioned in Notes 26 and 38, was also object of activity.

On 31 December 2024, the “Private healthcare” business area includes the following units:

- 13 hospitals providing a total of 704 inpatient beds, 634 consultation rooms, 72 operating theatres, six delivery rooms, and a wide offer of specialty consultations, exams, dental medicine, check-ups, physical and rehabilitation medicine;
- 18 outpatient clinics, with 256 consultation rooms, and offering specialty consultations, examinations, dental medicine, check-ups, physical and rehabilitation medicine, and also the possibility of carrying out minor surgeries;
- 2 clinical imaging units with a wide range of exams (bone densitometry, ultrasound scan, mammography, radiology, magnetic resonance imaging, and computed tomography); and
- 1 complementary grouping of companies, which provide IT, operational, administrative, and logistics services to the Group’s companies.

The “Infrastructure” segment includes five entities whose corporate purpose is the purchase, sale, management and lease of health infrastructure, commercial spaces and car parks. In its entirety, this segment mostly includes the construction, management, and operation of 16 properties and 12 car parks (for a total of 3,009 parking spaces).

The “Occupational Health” segment includes units providing (i) occupational safety, hygiene, and health services, which are essential for monitoring workers’ health and environmental working conditions, (ii) tailor-made healthcare at home, namely in the areas of gerontology, maternal and child care, convalescence monitoring, and palliative care.

The “Other” segment includes, in addition to the management of shareholdings, seven entities that provide management, training, accounting, marketing, and consultancy services for health products and services, cleaning and maintenance, medical equipment rental, negotiation and procurement, and 13 outpatient clinics with 62 offices (clinics that joined the Group with the acquisition of miMed, now Centros de Saúde CUF, S.A.). In 2024, the companies Centro Logístico CUF, Unipessoal Lda. and Cenes – Centro de Reprocessamento de Dispositivos Médicos, Lda. came to be considered in the “Others” segment, as this is how management analyses this segment for decision-making and performance assessment purposes.

Although the Group allocates the properties to the “Infrastructure” segment, they are, in the Consolidated financial statements, considered as Property, plant and equipment. These properties, in the individual statements of each of the companies that own them, are classified as Investment Properties, under IAS 40 – Investment Property. This classification takes into account the corporate purpose of these companies, as the properties are held for rental to the Group’s various units. In the consolidated scope, and since these properties are leased exclusively to CUF companies, the Group considers that the requirements of the definition of investment property are no longer met. In fact, in the consolidated scope, the properties are held with the purpose of being used in the provision of healthcare services, which is the Group’s main activity. Therefore, for purposes of the consolidated accounts, these properties are classified under IAS 16 – Property, plant and equipment.

It should also be noted that the Group’s key decision-makers, namely the Executive Committee, analyse the “Infrastructure” segment autonomously for decision-making and performance evaluation purposes. This is predominantly represented by CUF – Investimentos Imobiliários, S.A., thus having separate financial information.

The main information concerning the contribution from each segment (after the elimination of balances and transactions internal to the segments) for the financial years ended on 31 December 2024 and 2023 is as follows:

2024	Private Healthcare Services	Public Healthcare Services	Infrastructure	Occupational health	Others	Disposals	Consolidated
Sales and services rendered							
Sales	-	-	-	-	30,172	(30,146)	25
Provision of hospital and clinical services	856,226	-	32,329	20,633	18,626	(43,504)	884,310
	856,226	-	32,329	20,633	48,797	(73,650)	884,335
Other operating income	6,421	-	842	246	929	(1,892)	6,547
	6,421	-	842	246	929	(1,892)	6,547
Operating income	862,647	-	33,171	20,879	49,726	(75,542)	890,882
Operating costs	(768,727)	-	(2,763)	(20,545)	(66,484)	59,811	(798,707)
Operating results	93,921	-	30,408	335	(16,758)	(15,731)	92,175
Financial costs	(24,244)	-	(13,909)	(308)	(20,210)	23,572	(35,099)
Financial income	586	-	2,900	-	8,048	(9,706)	1,828
Profit and loss of associated companies	109	-	2	-	-	(65)	46
Profit and loss on investment activities	98	-	-	0	-	(98)	-
Financial Results	(23,460)	-	(11,007)	(308)	(12,162)	13,702	(33,225)
Income before taxes	70,461	-	19,399	26	(28,920)	(2,017)	58,950
Income tax for the year	(18,838)	-	(8,730)	329	6,746	5,301	(15,192)
Consolidated net profit for the financial year from ongoing operations	51,622	-	10,671	355	(22,174)	3,381	43,758
Net profit for the financial year from discontinued operations	-	(170)	-	-	-	-	(170)
Net profit for the financial year attributable to non-controlling interests	-	-	-	-	-	(225)	(225)
Net profit for the financial year attributable to equity holders of the parent company	51,632	(170)	10,671	355	(22,174)	3,049	43,363

2023	Private Healthcare Services	Public Healthcare Services	Infrastructure	Occupational Health	Others	Disposals	Consolidated
Sales and services rendered							
Sales	23,511	-	-	-	-	(23,444)	66
Provision of hospital and clinical services	732,541	-	30,454	12,855	10,652	(39,493)	747,009
	756,051	-	30,454	12,855	10,652	(62,937)	747,075
Other operating income	8,354	-	912	18	1,565	(2,053)	8,796
	8,354	-	912	18	1,565	(2,053)	8,796
Operating income	764,406	-	31,366	12,874	12,217	(64,991)	755,871
Operating costs	(693,262)	-	(1,506)	(11,655)	(26,392)	49,766	(683,049)
Operating results	71,144	-	29,860	1,218	(14,175)	(15,226)	72,822
Financial costs	(22,781)	-	(11,653)	(69)	(13,578)	18,543	(29,539)
Financial income	778	-	602	-	4,934	(5,133)	1,180
Profit and loss of associated companies	129	-	5	-	-	-	134
Profit and loss of investment activities	153	-	-	2	-	1	155
Financial Results	(21,722)	-	(11,046)	(67)	(8,644)	13,409	(28,070)
Income before taxes	49,422	-	18,814	1,151	(22,819)	(1,816)	44,752
Income tax for the year	(12,646)	-	(8,707)	(290)	11,514	5,141	(4,987)
Consolidated net profit for the financial year from ongoing operations	36,776	-	10,107	862	(11,305)	3,327	39,765
Net profit for the financial year from discontinued operations	-	(1,675)	-	-	-	-	(1,675)
Net profit for the financial year attributable to non-controlling interests	-	-	-	-	-	(272)	(272)
Net profit for the financial year attributable to equity holders	36,776	(1,675)	10,107	862	(11,305)	3,055	37,818

Intersegment transactions are carried out at market prices, on a similar base to third-party transactions.

The relevant additional information regarding segment reporting, is as follows:

2024	Private Healthcare Services	Public Healthcare Services	Infra-structures	Occupational Health	Others	Disposals	Consolidated
Fixed capital expenditure	50,046	-	15,838	6,161	1,130	-	73,585
Depreciation and amortisation	(61,627)	-	(305)	(701)	(7,749)	16,195	(54,188)
Compensations	(694)	-	-	(51)	(12)	-	(757)
Provisions	7	-	-	-	(4,758)	-	(4,751)
Impairment losses	(295)	-	-	(74)	(830)	4,728	3,529

2023	Private Healthcare Services	Public Healthcare Services	Infra-structures	Occupational health	Others	Disposals	Consolidated
Fixed capital expenditure	55,870	-	7,165	61	11,816	-	74,912
Depreciation and amortisation	(56,245)	-	(31)	(270)	(5,675)	13,735	(48,487)
Compensations	(88)	-	-	-	(326)	-	(414)
Provisions	26	-	-	-	-	-	26
Impairment losses	2,373	-	-	(109)	(32)	(3,350)	(1,118)

Assets and liabilities per business segment and corresponding reconciliation with the consolidated total on 31 December 2024 are as follows:

2024	Private healthcare services	Infrastructure	Occupational health	Others	Disposals	Consolidated
Assets related to segments						
Goodwill (Note 17)	78,636	13	10,057	3,825	-	92,530
Net assets, except goodwill	917,057	656,614	15,903	374,378	(770,787)	1,052,851
Assets	995,693	656,627	25,959	374,378	(770,787)	1,145,381
Liabilities	824,223	473,694	14,001	445,703	(860,010)	897,610

Assets and liabilities per business segment and corresponding reconciliation with the consolidated total on 31 December 2023 are as follows:

2023	Private healthcare services	Infrastructure	Occupational health	Others	Disposals	Consolidated
Assets related to segments						
Goodwill (Note 17)	65,141	13	4,830	-	-	69,984
Net assets, except goodwill	697,624	532,540	10,015	156,812	(471,775)	925,216
Assets	762,765	532,553	14,845	156,812	(471,775)	995,200
Liabilities	683,751	370,771	9,513	228,910	(508,270)	784,675

The Group has opted to finance itself at CUF, S.A., where it can obtain better financial conditions. The financing of the Group's subsidiaries occurs mainly through loans that are remunerated. This business financing model justifies the majority allocation of the total value of loans to the Other segment.

The breakdown by segment of the amounts receivable from the clients which are most significant to the Group is as follows:

	2024	2023
	Weight in amounts receivable by segment	Weight in amounts receivable by segment
Private Healthcare Services		
Private Entities	4%	4%
Government and public entities	29%	34%
Private Insurers	9%	9%
	57%	54%
Infrastructure		
Private Entities	100%	100%
Occupational Health and Medicine		
Private Entities	94%	81%
Government and public entities	1%	2%
Insurers	5%	1%
Private	0%	16%
Others		
Private Entities	51%	74%
Government and public entities	0%	21%
Insurers	0%	5%
Private	49%	0%

The Group considers that it has no other customer accounting for more than 10% of its revenues.

9. Operating Income

In the financial years ended on 31 December 2024 and 2023 the operating income shows the following composition:

	31/12/2024	31/12/2023
Sales and services rendered:		
Sales	25	66
Service provision:		
Provision of hospital and clinical services	884,310	747,009
	884,335	747,075
Other operating income:		
Space rental	1,076	1,587
Clinical tests, examinations, analyses and consumables	1,080	478
Operation rights transfer	966	808
Prompt payment discounts	285	218
Recovery of outstanding debts	47	1,187
Operational subsidies	87	60
Gains on the sale of assets	51	2
Other operating income	2,954	4,458
	6,547	8,796
	890,882	755,871

The financial year ended on 31 December 2024 shows an increase in medical activity compared to the previous financial year, cumulatively resulting in the Group meeting its billing challenges for 2024, with more surgeries and a greater influx to permanent services, as well as strong growth in some areas such as Orthopaedics, Urology and others. On the other hand, the expansion of activity through the acquisition of new hospitals and clinics (CUF Açores Hospital, Preveris Group, Arrifana de Sousa Group and miMed) also justifies the increase in this item (Note 7).

The "Space rental" item predominantly includes the amounts concerning the operation of car parks and the cafeteria areas of the Group's units.

On 31 December 2023, the item "Recovery of outstanding debts" includes the amount of 1,187 thousand euros for which impairment losses had been recorded and whose respective receivables and accumulated impairment losses were derecognised in previous financial years.

On 31 December 2024 and 2023, services were provided to related parties in the amounts of 42 thousand euros and 61 thousand euros, respectively (Note 45).

10. Cost of Sales

During the financial years ended on 31 December 2024 and 2023, the cost of sales was determined as follows:

	31/12/2024	31/12/2023
Inventories on 1 January (Note 27)	13,980	14,411
Cost of sales from continuing operations	(108,071)	(94,798)
Cost of sales from discontinued operations (Note 3)	(9)	(168)
Business combinations (Note 7)	176	536
Settlements	(475)	(849)
Procurement	106,337	94,848
Inventories on 31 December (Note 27)	11,938	13,980

11. External Supplies and Services

During the financial years ended on 31 December 2024 and 2023, the external supplies and services have the following composition:

	31/12/2024	31/12/2023
Fees	282,072	231,630
Specialised work	34,720	30,596
Subcontracts	30,758	30,970
Maintenance and repairs	23,560	20,170
Insurances	1,709	1,444
Advertising	4,307	3,803
Electricity	7,348	4,518
Communication	3,565	3,094
Fuel	2,364	1,864
Rents and leases	3,009	3,370
Air conditioning	1,119	1,376
Waste collection	1,315	1,204
Water	1,231	1,103
Travel and accommodation	1,228	854
Tools and utensils	598	626
Litigation and notary public fees	594	366
Office material	435	228
Cleaning, hygiene and comfort	227	88
Other external supplies and services	3,025	2,499
	403,184	339,803

The External Supplies and Services item recorded a variation of around 19% compared to the previous financial year, which is explained by the growth in medical activity, as mentioned in Note 9. Its main subitems concern:

- Fees (70%) – this item includes the amounts paid to healthcare professionals (doctors, nurses, diagnostic technicians and auxiliary staff) of the various units within the scope of the Company’s operating activities.
- Specialised Works (9%) – this item mostly concerns clinical works.
- Subcontracts (8%) – includes the contracting of specific services such as (i) catering, (ii) cleaning, (iii) patient transport and (iv) Complementary Diagnostic and Treatment Means (“CDTMs”).

On 31 December 2024 and 2023, the External Supplies and Services item includes transactions with related parties totalling 2,617 thousand euros and 2,197 thousand euros, respectively (Note 45).

12. Personnel Costs

In the financial years ended on 31 December 2024 and 2023, the average number of staff in service of the companies included in the consolidation breaks down, by reportable segment, as follows:

	31/12/2024	31/12/2023
Private Healthcare Services	7,597	6,901
Occupational health	216	103
Others	49	65
	7,862	7,069

The personnel costs in the financial years ended on those dates were as follows:

	31/12/2024	31/12/2023
Employee remunerations	159,096	136,647
Charges on remunerations	36,307	30,881
Remunerations of governing bodies members	3,358	3,326
Compensations	757	414
Employee benefits	160	76
Other personnel costs	24,488	24,122
	224,165	195,464

The amount of Employee benefits is deducted from the utilisation of Employee benefit liabilities (Note 36).

On 31 December 2024 and 2023, the item Personnel costs includes transactions with related parties in the amounts of approximately 12 thousand euros and 80 thousand euros respectively (Note 45).

13. Other Operating Costs

Other operating costs for the financial years ended on 31 December 2024 and 2023 were as follows:

	31/12/2024	31/12/2023
Taxes	5,384	4,302
Donations	602	472
Contributions and other expenditure	293	256
Duties, fines and penalties	46	22
Bad debt	469	6
Other operating costs	1,084	531
	7,877	5,589

The Taxes item predominantly includes expenditure with Municipal Property Tax (IMI) and Stamp Duty.

In December 2024 and 2023, the Other operating costs item includes transactions with related parties in the amounts of approximately 278 thousand euros and 207 thousand euros, respectively (Note 45).

14. Financial Results

The financial results of the financial years ended on 31 December 2024 and 2023 have the following composition:

	31/12/2024	31/12/2023
Financial costs and losses:		
Interest costs	(30,089)	(24,642)
Factoring financial charges	(1,997)	(1,688)
Bank fees and services	(3,011)	(3,117)
Unfavourable exchange rate differences	(1)	-
Other financial expenses and losses	-	(91)
	(35,099)	(29,539)
Financial income and gains:		
Interest earned from hedging operations	376	-
Interest earned	1,249	839
Interest earned from loans to subsidiaries	203	173
Other financial income and gains	-	169
	1,828	1,180
Other Financial Gains / (Losses):		
Gains / (losses) on financial investments (Note 21)	46	134
	46	134
Gains / (losses) on other investments (Note 22)	-	155
	-	155

The Interest costs item includes interest concerning: (i) Bank overdrafts, (ii) Debenture loans, (iii) Other bank loans, (iv) Commercial paper, (v) Factoring, and (vi) Leases. This item is broken down as follows:

	31/12/2024	Interest costs and Financial Charges	31/12/2023	Interest costs and Financial Charges
Loans:				
Escrow Accounts	82	-	-	-
Bank Overdrafts (Notes 30 and 35)	45	-	3,008	-
Debenture Loans (Note 35)	164,556	9,458	96,926	7,542
Financing through Factoring (Note 35)	9,231	1,997	12,933	1,688
Other Bank loans (Note 35)	246,699	9,130	264,492	7,533
Commercial paper (note 35)	119,771	5,728	92,820	5,057
	540,383	26,314	470,181	21,820
Leases:				
Lease liabilities (Note 37)	103,964	5,741	92,119	4,510
	103,964	5,741	92,119	4,510
	644,347	32,055	562,300	26,330

The amount of expenses recognised in 2024 related to financial costs for measuring loans by the amortised cost method was approximately 32,055 thousand euros (approximately 26,330 thousand euros in 2023).

On 31 December 2024 and 2023, the Financial income item includes transactions with related parties amounting to approximately 140 thousand euros (Note 45).

The breakdown of the amounts recognised as profit or loss relating to shareholdings in associated companies in the financial years ended on 31 December 2024 and 2023 is as follows:

Subsidiary	31/12/2024		31/12/2023	
	Gains in associated	Losses in associated	Gains in associated	Losses in associated
Greenimolis – Investimentos, S.A.	2	-	5	-
Centro Gamma Knife – Radiocirurgia, S.A.	44	-	129	-
	46	-	134	-

15. Income Tax for the Financial Year

Income tax recognised in the financial years ended on 31 December 2024 and 2023 is as follows:

	31/12/2024	31/12/2023
Current tax:		
Concerning the financial year	(14,335)	(11,951)
Concerning the previous financial year	(223)	3,617
	(14,558)	(8,334)
Deferred tax for the financial year (Note 24)		
Deferred tax	(634)	3,347
	(634)	3,347
Income tax for the year	(15,192)	(4,987)

CUF Group and its domestic subsidiaries owned directly or indirectly in more than 75% are taxed in Corporate Income Tax under the Special Taxation System for Groups of Companies ("RETGS"). The companies included in the RETGS determine and record income tax as if they were taxed individually; the determined responsibilities are, however, recognised as debts to the parent company in the tax group, CUF, which is responsible for the global determination and for the reverse charge of the tax. Concerning the companies not covered by the RETGS, current tax is calculated based on the corresponding taxable bases and on the tax rates in effect, in accordance with the tax rules and schemes applicable in the territory of each company's headquarters.

The Group's companies are subject to Corporate Income Tax at a nominal rate of 21%, under the terms of article 87 of the Portuguese Corporate Income Tax Code, which may be increased by a municipal surcharge of up to 1.5% on taxable profit, resulting in a maximum aggregate rate of 22.5%. Additionally, in the 2023 financial year, taxable profits exceeding 1,500,000 euros are subject to a state surtax, pursuant to Article 87-A of the Portuguese Corporate Income Tax Code, at the following rates:

- 3% for taxable profits between 1,500,000 euros and 7,500,000 euros;
- 5% for taxable profits between 7,500,000 euros and 35,000,000 euros;
- 9% for taxable profits exceeding 35,000,000 euros.

Additionally, for the financial years of 2024 and after, the deduction of net financing costs in determining taxable income is conditioned in each year to the greater of the following limits:

- 1,000,000 euros;
- 30% of the profit before depreciation, net financing expenses and taxes.

In accordance with article 88 of the Portuguese Corporate Income Tax Code, the Group is subject to separate taxation on a set of charges at the rates present in the article.

In the financial year ended on 31 December 2024, the Group estimated the income tax for the financial year concerning the companies in which CUF holds, directly or indirectly, at least 75% of the capital, considering the requirements set out in Article 63 of the Portuguese Corporate Income Tax Code, in accordance with the RETGS, which is headed by CUF. All Group companies with head offices in Portugal were covered by this system.

According to the legislation approved by the State Budget for 2023 ("SB 2023"), tax losses available on the date of entry into force of the SB 2023 become available for deduction without a carry forward period, limited to a deduction of 65% of the taxable profit. In accordance with the legislation in force, the Group's tax declarations are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except when there have been tax losses, when tax benefits have been granted or when inspections, complaints or appeals are ongoing and for which, depending on the circumstances, the deadlines are extended or suspended. Therefore, the tax declarations of the Group's companies headquartered in Portugal for the years from 2021 to 2024, inclusive, may still be subject to review. The Board of Directors considers that these reviews will not result in corrections to the declared taxable income with significant impact on the Consolidated financial statements.

The reconciliation between the average tax rate and the applicable tax rate for the financial years ended on 31 December 2024 and 2023, is as follows:

	31/12/2024	31/12/2023
Income before taxes from continuing operations	58,950	44,752
Profit before tax from discontinued operations	(170)	(1,675)
Profit before tax	58,780	43,077
Income tax in Portugal	21%	21%
Tax on profit at the nominal rate	12,344	9,046
Non-taxable income	16,526	12,449
Non-deductible costs for tax purposes	(5,967)	(5,091)
(Tax loss)/Taxable profit	48,222	35,719
Calculated tax	(10,127)	(7,501)
Separate taxation	(604)	(1,056)
Municipal Surtax	(1,385)	(2,231)
State Surtax	(3,076)	(2,209)
Tax benefits	843	1,047
Effect of (insufficiency)/excess of the estimate for taxes (a)	(223)	3,617
Others	14	-
	(4,432)	(833)
Current tax	(14,558)	(8,334)
Deferred taxes (Note 24)	(634)	3,347
Income tax	(15,192)	(4,987)
Effective tax rate	25.8%	11.1%

a) In 2023, this item includes the amount of income taxes receivable for the previous financial year totalling 2 million euros and 1.4 million euros concerning the award of a tax incentive under SIFIDE.

In the 2024 financial year, non-taxable income refers essentially to the review of untaxed impairments and tax benefits, essentially, from the incentive to the capitalization of companies (ICE). This tax regime, introduced by the State Budget Law for 2023, allows a deduction from taxable profit based on a percentage applied to the net increase in eligible equity. Non-deductible expenses essentially refer to non-fiscally accepted provisions. In the 2023 financial year, and with regard to non-taxable income, the amount received from IRC stands out, which materializes the positive outcome of a process with the Tax and Customs Authority, which is not relevant for tax purposes. In addition, this item is also influenced by a set of tax benefits by deduction from taxable income.

For its part, the Expenses item mostly relates to provisions that are not deductible for tax purposes and impairment losses on loans that are not tax deductible or exceed the legal limits.

16. Earnings per Share

Basic and diluted earnings per share from ongoing operations and discontinued operations, for the financial years ended on 31 December 2024 and 2023, were calculated taking into consideration the following amounts:

	31/12/2024	31/12/2023
Income:		
Profit from ongoing operations attributable to majority shareholders for the purposes of calculating net profit per share	43,758	39,765
Profit from discontinued operations attributable to majority shareholders for the purposes of calculating net profit per share	(170)	(1,675)
	43,588	38,090
Number of shares:		
Weighted average number of shares considered for the purposes of calculating the basic and diluted net profit per share	10,600,000	10,600,000
Basic earnings per share		
From ongoing operations	4.13	3.75
From discontinued operations	(0.02)	(0.16)
Total basic earnings per share of ongoing and discontinued operations	4.11	3.59
Diluted earnings per share		
From ongoing operations	4.13	3.75
From discontinued operations	(0.02)	(0.16)
Total diluted earnings per share of ongoing and discontinued operations	4.11	3.59

On 31 December 2024 and 2023 there were no dilutive effects of earnings per share, so the diluted revenue per share is equal to the basic revenue per share.

17. Goodwill

The change in goodwill during the financial years ended on 31 December 2024 and 2023 was the following:

	31/12/2024			31/12/2023		
	Gross value	Accumulated impairment losses (Note 38)	Net value	Gross value	Accumulated impairment losses (Note 38)	Net value
Goodwill	94,540	(2,010)	92,530	71,994	(2,010)	69,984
	94,540	(2,010)	92,530	71,994	(2,010)	69,984

The change in Goodwill by segment was as follows:

	Private healthcare services	Infrastructure	Occupational health	Others	Total
Balance on 1 January 2023	53,807	13	1,584	-	55,404
Additions (Note 7.2)	11,334	-	3,246	-	14,580
Balance on 31 December 2023	65,141	13	4,830	-	69,984
Additions (Note 7.1)	15,086	-	-	3,825	18,911
Goodwill update (Note 7.2)	(1,592)	-	5,226	-	3,634
Balance on 31 December 2024	78,635	13	10,057	3,825	92,530

The goodwill value in the financial years ended on 31 December 2024 and 2023 concerns the following entities:

Company	Segment	31/12/2024	31/12/2023
Hospital CUF Porto, S.A.	Private healthcare services	22,660	22,660
CUF Arrifana de Sousa, S.A.	Private healthcare services	15,086	-
Hospital CUF Tejo, S.A.	Private healthcare services	14,579	14,579
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A. (a)	Occupational health	10,057	3,246
Hospital CUF Açores, S.A. (b)	Private healthcare services	9,742	11,334
Hospital CUF Coimbra, S.A.	Private healthcare services	7,704	7,704
Hospital CUF Santarém, S.A.	Private healthcare services	7,035	7,035
Centros de Saúde CUF, S.A:	Others	3,825	-
Imo Sag Investimentos Imobiliários, S.A.	Occupational health	-	1,584
SIM-X - Serviço de Imagem Médica, Lda.	Private healthcare services	624	624
Cenes – Centro de Reprocessamento de Dispositivos Médicos, Lda.	Private healthcare services	616	616
Hospital CUF Cascais, S.A.	Private healthcare services	491	491
Hospital CUF Descobertas, S.A.	Private healthcare services	97	97
CUF – Investimentos Imobiliários, S.A.	Infrastructure	13	13
Clínica CUF Belém, S.A.	Private healthcare services	1	-
Clínica de Serviços Médicos Computorizados de Belém, S.A.	Private healthcare services	-	1
		92,530	69,984

- a) The change in Preveris's goodwill stems from the incorporation of the value of the call option as per Note 6 and, additionally, from the entry of assets related to the occupational health and safety services business carried out by CUF SAG Investimentos Imobiliários, S.A. (Note 7).
- b) The variation in the goodwill of CUF Açores Hospital stems from its updating as per Note 7.2.

Goodwill impairment

For the purposes of the impairment analysis, goodwill was distributed among the operating segments (sets of cash-generating units [CGUs]), considering the benefit generated in them by the synergies resulting from the business combinations that gave rise to it. Each healthcare unit is a cash-generating unit (CGU). However, certain medical care units are analysed jointly as they are part of an integrated, complementary and interdependent management of services and which presuppose a high level of interdependence at the financial level, constituting operational segments as a whole, for which the performance and decisions are taken by the management jointly and inseparably:

- Clínica Dr. Luís Álvares, S.A. and Hospital CUF Tejo, S.A.;
- Hospital CUF Descobertas S.A. and HD – Medicina Nuclear, S.A.;
- Hospital CUF Viseu, S.A. and Sim-X – Serviço de Imagem Médica, Lda.;
- Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A. and CUF SAG Investimentos Imobiliários, S.A. (until the assets were transferred to Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.)

In accordance with IFRS 8 – Operating segments, an operating segment is a component of the Group that:

- Carries out business activities, which generate income and incur expenses;
- Has its results regularly monitored by the Group’s decision-makers when they decide on the allocation of resources and assess the performance of the segment; and
- Has individualised financial information available.

For purposes of impairment analysis, goodwill is assessed annually at the end of each financial year by the Board of Directors vis-à-vis the corresponding recoverable amount determined.

Impairment tests were performed by calculating the enterprise value (EV), using the Discounted Cash Flows (DCF) method. The use of this method requires the estimation of future cash flows from the operations of each Cash-Generating Unit (CGU) and the application of an appropriate discount rate that reflects the risk associated to the business. These tests concluded that there was no impairment in relation to the value of the financial investment recognised.

The explicit period considered in the DCF model was defined individually for each CGU, according to the year in which each one is expected to reach maturity, so that perpetuity is calculated after the CGUs reach their maximum growth, with a minimum period of five years considered for units with maturity under five years.

The key assumptions that underpinned the cash flow projections included in this test were defined by CUF’s management teams and approved by the Executive Committee as part of the annual Budget and Business Plan exercises. In defining the main assumptions, the following items were evaluated:

- Historical data and past experience;
- Future management perspective for each of the units;
- Activity mix per unit;
- Expected evolution of the healthcare market;
- Inflation.

Additionally, the investment in working capital was calculated based on the average terms of historical payments and receipts and on the expected evolution of operating income and costs. Capex was defined based on the specific investment needs of each unit and the analysis of values for the amounts considered recurrent.

The calculation of the discount rates for each of the tests took into account the historical rates of Portugal's treasury bonds, the average cost of CUF's financial debt and the risk level of European companies comparable to CUF. For each cash-generating unit, a risk analysis was also carried out based on the unit's level of maturity, and an additional premium may be attributed.

The analysis made the following assumptions:

2024

Period	Risk-free interest rate	WACC rate	Perpetuity growth rate	Revenue growth rate
Explicit	3.14%	6.00%	-	4.25%
Perpetuity	3.14%	6.00%	2.00%	-

2023

Period	Risk-free interest rate	WACC rate	Perpetuity growth rate	Revenue growth rate
Explicit	3.00%	6.50%	-	5.97%
Perpetuity	3.00%	6.50%	2.00%	-

In order to conclude that there is no goodwill impairment, it is necessary that the EV resulting from the projection of future cash flows exceeds the sum of the Accounting Business Value, which consists of the operating assets discounted of the operating liabilities, and the goodwill of the CGU. The tests performed do not indicate the existence of impairments, as a result of the impairment analyses made in 2024, based on the methodology and assumptions above.

Sensitivity analyses were also performed on the main variables: (i) discount rate (+/- 0.5%) and (ii) perpetuity growth rate (+/- 0.5%).

The Board of Directors considered that in 2024 and 2023, any reasonably possible change in any of the key assumptions mentioned above, used in the impairment analysis carried out, would not give rise to an impairment loss of goodwill, namely considering a positive or negative variation of 0.5% in the nominal growth rate used in the perpetuity or in the discount rate.

18. Intangible Assets

The changes in the value of intangible assets as well as the corresponding amortisations and impairment losses, during the financial years ended on 31 December 2024 and 2023, were as follows:

	Operation right	Software	Other intangible assets	Intangible assets in progress	Total
Gross assets:					
Balance on 1 January 2023	3,960	28,083	635	8,712	41,390
Business combinations (Note 7.2)	-	627	-	-	627
Additions	206	2,855	-	8,571	11,632
Transfers	-	95	-	(95)	-
Balance on 31 December 2023	4,166	31,660	635	17,189	53,649
Balance on 1 January 2024	4,166	31,660	635	17,189	53,650
Business combinations (Note 7.1)	-	486	43	-	528
Additions	-	5,221	-	8,847	14,068
Transfers	-	4,606	-	(4,601)	5
Balance on 31 December 2024	4,166	41,382	678	21,434	67,660
Accumulated amortisations and impairment losses:					
Balance on 1 January 2023	(490)	(13,946)	(623)	-	(15,059)
Business combinations (Note 7.2)	-	(428)	-	-	(428)
Amortisations of the financial year (Note 20)	(201)	(3,753)	-	-	(3,954)
Balance on 31 December 2023	(691)	(18,127)	(623)	-	(19,441)
Balance on 1 January 2024	(691)	(18,127)	(623)	-	(19,441)
Business combinations (Note 7.1)	-	(483)	-	-	(483)
Amortisations of the financial year (Note 20)	(217)	(3,859)	-	-	(4,076)
Recognition and reversal of impairment (Note 38)	-	30	-	-	30
Balance on 31 December 2024	(908)	(22,438)	(623)	-	(23,970)
Balance on 31 December 2023	3,474	13,533	12	17,189	34,208
Balance on 31 December 2024	3,257	19,535	55	21,434	44,282

Operation right

This item includes the amount of 2.4 million euros, corresponding to the right to operate a car park. Initially, a partnership was entered into between Hospital CUF Tejo, S.A., ESLI – Parques de Estacionamento, S.A. and the Lisbon City Council, which awarded the right to operate the car park for a period of 50 years. In 2016, Hospital CUF Tejo, S.A. assigned its contractual position to Infrahealth – Gestão de Infraestruturas, Lda..

The item also includes the following amounts: 150 thousand euros relating to the transfer of CUF São Domingos de Rana Clinic, 350 thousand euros relating to the agreement for the provision of radiology services by CUF Sintra Hospital, 990 thousand euros relating to the transfer of CUF Montijo Clinic (acquisition in 2022) and 206 thousand euros relating to the acquisition of the transfer of Clínica de Saúde do Barreiro (October 2023).

Intangible assets in progress

The acquisitions of 2024 and 2023 concern expenses incurred with the development and implementation of the Go Forward project, which consists of the redesign of the operational systems of the Group's healthcare service units. In the financial year ended on 31 December 2024, our system was already in operation in the various clinics of the CUF network, and it is expected that during 2025 it will be implemented in the medium-sized hospitals.

Operation right

The remaining useful life for the periods ending on 31 December 2024 and 2023, regarding the operation right mentioned above, is detailed below:

	Gross Value		Net Value		Years until the end of the contract	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Operation right and other rights						
Concession and Operation Rights for Car Parks	2,470	2,470	2,071	2,120	41	42
Transfer of the S. Domingos de Rana Clinic	150	150	16	29	3	4
CUF Sintra radiology agreement	350	350	198	233	6	7
Transfer of CUF Montijo Clinic	990	990	792	891	8	9
Transfer of the Clínica de Saúde do	206	206	180	201	9	10
	4,166	4,166	3,257	3,474		

On 31 December 2024 and 2023, the Group's Board of Directors concluded that there were no indications of impairment. For the main asset, corresponding to the Car Park Concession Right, the valuation was based on the existence of a Business Plan for the respective car park construction project, in which it was predicted that its capacity to generate revenue will be sufficient to recover the investment amount.

19. Property, plant and equipment

During the financial years ended on 31 December 2024 and 2023, the changes in the value of other property, plant and equipment, as well as in their corresponding accumulated depreciations and impairment losses, were the following:

	Properties Allocated to the Health Business Activity	Land and natural resources	Buildings and other constructions	Basic equipment	Office equipment	Other property, plant and equipment	Property, plant and equipment in progress	Total
Gross assets:								
Balance on 1 January 2023	538,580	2,851	33,462	133,672	33,667	323	1,650	744,205
Business combinations (Note 7.2)	26,022	-	800	9,151	1,412	1,109	60	38,554
Additions	8,767	124	-	9,607	2,926	196	9,188	30,808
Revaluation surplus	20,943	-	-	-	-	-	-	20,943
Settlements	-	-	295	(185)	(39)	-	(60)	11
Transfers	-	-	3,489	281	784	-	(4,449)	105
Balance on 31 December 2023	594,312	2,975	38,045	152,527	38,751	1,628	6,388	834,626
Balance on 1 January 2024	594,312	2,975	38,045	152,527	38,751	1,628	6,388	834,626
Business combinations (Note 7.1)	6,924	-	3,371	7,375	1,318	864	605	20,458
Additions	5,871	243	3,818	13,900	3,221	404	7,589	35,046
Revaluation surplus	29,099	-	-	-	-	-	-	29,099
Disposals and write-offs	-	-	(9)	-	-	-	-	(9)
Transfers	56	-	72	360	1	-	(391)	98
Balance on 31 December 2024	636,262	3,218	45,297	174,162	43,291	2,897	14,192	919,318
Accumulated depreciation and impairment losses:								
Balance on 1 January 2023	(65,016)	-	(24,156)	(114,363)	(28,368)	(312)	-	(232,214)
Business combinations (Note 7.2)	(1,349)	-	(235)	(3,049)	(891)	(658)	-	(6,182)
Depreciations of the financial year (Note 20)	(11,503)	-	(4,944)	(7,728)	(3,162)	(75)	-	(27,411)
Disposals and write-offs	-	-	(11)	(32)	-	-	-	(43)
Recognition and reversal of impairment (Note 38)	3,275	-	75	-	-	-	-	3,350
Settlements	(210)	-	(117)	107	14	56	-	(150)
Balance on 31 December 2023	(74,802)	-	(29,388)	(125,066)	(32,406)	(990)	-	(262,651)
Balance on 1 January 2024	(74,802)	-	(29,388)	(125,066)	(32,406)	(990)	-	(262,651)
Business combinations (Note 7.1)	-	-	(2,153)	(1,308)	(196)	(64)	-	(3,722)
Depreciations of the financial year (Note 20)	(15,238)	-	(3,058)	(9,491)	(2,694)	(294)	-	(30,774)
Disposals and write-offs	-	-	9	-	-	-	-	9
Recognition and reversal of impairment (Note 38)	4,728	-	-	75	-	-	-	4,803
Balance on 31 December 2024	(85,311)	-	(34,591)	(135,790)	(35,296)	(1,348)	-	(292,336)
Balance on 31 December 2023	519,510	2,975	8,657	27,461	6,345	639	6,388	571,975
Balance on 31 December 2024	550,951	3,218	10,706	38,372	7,995	1,549	14,192	626,983

CUF Group established that the properties allocated to the health business activity, which include the Land and natural resources and Buildings and other constructions items is a separate class, based on the nature, characteristics, usage and risks associated with it. This class is recorded at the re-evaluated amount and the win/loss, net of the deferred tax effect, is recognised in the comprehensive income.

On 31 December 2024 and 2023, the net value of property, plant and equipment valued by the revaluation model was 551 million euros and 520 million euros, respectively (Note 4).

The carrying amount on 31 December 2024 that would have been recognised if the properties allocated to the health business activity had been carried under the cost model was 432 million euros (431 million euros in 2023).

On 31 December 2024 and 2023, the accumulated impairment value for properties used for healthcare services was 473 thousand euros and 5.3 million euros, respectively (Note 38).

Property valuations are carried out annually by management decision and drawn up by two external entities registered with the CMVM. With reference to 31 December 2024, the independent specialised entities that carried out the valuations were Ktesios Appraisal – Consultoria e Avaliação Imobiliária, Lda (“Ktesios”) and Savillis Portugal – Consultoria, Lda (“Savillis”). The evaluations follow different methods, according to the characteristics of each property:

CUF Tejo Hospital, CUF Sintra Hospital, CUF Descobertas Hospital 1 and 2, CUF Almada Clinic, CUF S. João da Madeira Clinic, CUF Belém Clinic, CUF Cascais Hospital, CUF Institute, CUF Torres Vedras Hospital and CUF Porto Hospital.

These properties are valued according to the Income Method. This method is used to value properties with a lease in place, using the DCF (Discounted Cash Flows) valuation model, using the following assumptions:

- Future cash flows are the contractually defined annual rents received for the property.
- Current contract period.
- Rate of return expected by the investor, determined using the CAPM (Capital Asset Pricing Model), reflecting the risk-free interest rate, the sensitivity of the asset’s returns to market returns and the market risk premium.
- Cost of building/restoring the property in its current state.

The Income Method was used to make the evaluation. The income capitalisation method is aimed at determining the value of a property according to its income-producing capacity. It relates future income (in an optimistic assumption and according to economic lifetime) to its present value in order to obtain the market value (in terms of continued use). This method is suited to ascertaining the present value of future income, according to the current market valuation and state of conservation.

In this method, the used capitalisation rates reflect the behaviour of the housing market in Portugal, when analysing the profitability of medium/long-term investment projects. From the analysis of the average capitalisation rates of the Portuguese real estate market, it was concluded that the rate of 6% (6.5% in 2023) reflects the value of the income expected by an investor in the market of spaces for services, for vacant properties (properties that are in the market for lease).

In the income method, the value of the completed property, considering the lease, was estimated taking into account the direct capitalisation of the current rent. The direct capitalisation income method is used in cases in which income can be considered to be perpetual and constant. In real estate the perpetuity of income is considered in scenarios of 20 to 25 years.

CUF Santarém Hospital and CUF Açores Hospital

These properties are the only properties allocated to the health business activity that do not have a lease, as they are owned by the healthcare provider (Hospital CUF Santarém S.A. and Hospital CUF Açores S.A.). For the valuation of these properties, Ktesios used the Cost Method.

The Cost Method is based on “new work” (built using modern technology and materials) identical to that of the asset under evaluation, plus all indirect costs incurred in developing the investment project and a normal margin for the market and the risk of the investment considered.

The cost of construction will be affected by a factor (property conservation factor or coefficient) in order to reflect the property’s status at the valuation date. The application of the Cost method requires the estimation of the values of the built-upon land and unbuilt areas (with infrastructure or vacant). The value of the land is estimated based on the principle of maximum utility (or suitability) and optimal use, as if it were free.

The valuations of the properties identified above were also made taking into account their current state of use. The transaction value of similar properties obtained from market research was used for calculation purposes, after adjusting the characteristics of the properties under evaluation.

CUF Marco de Canaveses Clinic, CUF Paredes Clinic, CUF Paredes Clinic and CUF Penafiel Clinic

The valuations of the properties CUF Marco de Canaveses Clinic, CUF Paredes Clinic (U-4B), CUF Paredes Clinic (U-11) and CUF Penafiel Clinic were carried out by an independent specialised entity registered with the CMVM (Savills Portugal – Consultoria, Lda.), based on the market comparison method. The market comparison method seeks to determine the market value of a property based on the characteristics of the property, its location, and the fact that there is a rental market for this type of property.

Significant changes in unobservable data

A sensitivity analysis was carried out to observe the impact of the models’ variables on the value of the properties valued by the income and cost methods.

For this analysis, the following parameters were tested:

1. Discount rate: through a sensitivity analysis of the risk-free interest rate, sensitivity of asset returns to market returns, and expected market returns, discount rates between 5% and 8% were obtained and used for the test.
2. Construction cost per m2, through a positive and negative variation of 10%.

Since the rents of the properties are contractually established and no changes are foreseen, it was decided to exclude this variable from the sensitivity analyses.

The sensitivity analysis allows us to conclude that at the minimum point of the parameters defined above, that is, a 1.5 p.p. increase of the discount rate and a 10% reduction of the construction cost per m², the value of the property would decrease by 58.6 million euros. On the other hand, at the maximum point (1.5 p.p. reduction of the discount rate and a 10% increase of the construction cost per m²), there would be an increase of 69.2 million euros in the valuation of the properties.

The properties, considered strategic for the private healthcare operation, as indicated in Note 43, were pledged as collateral for loans held by the Group.

The remaining items of Property, plant and equipment concern:

- Buildings and other constructions – this item includes the works and improvements made in buildings belonging to others;
- Basic equipment – this item predominantly concerns the surgical medical equipment acquired and used within the scope of the Group's activity;
- Office equipment – this item predominantly includes administrative/office equipment and furniture.

Capitalised financing expenses

During the 2024 and 2023 financial years, there were no financings contracted by the Group that are directly attributable to the construction of assets.

20. Right-of-Use Assets

During the financial years ended on 31 December 2024 and 2023, the changes in the value of the right of use, as well as in its corresponding accumulated depreciations and impairment losses, were the following:

	Land and natural resources	Buildings and other constructions	Basic equipment	Office equipment	Transport equipment	Surface Rights	Other property, plant and equipment	Total
Gross assets:								
Balance on 1 January 2023	251	45,051	95,565	848	3,859	2,210	201	147,985
Business combinations (Note 7.2)	-	84	1,467	-	-	-	-	1,550
Additions	-	18,986	11,253	-	2,199	364	35	32,836
Settlements	-	-	-	-	-	-	-	-
Disposals and write-offs	-	(1,533)	(2,798)	-	(974)	-	-	(5,304)
Transfers	-	-	140	-	-	-	(35)	105
Balance on 31 December 2023	251	62,588	105,626	848	5,084	2,574	201	177,172
Balance on 1 January 2024	251	62,588	105,626	848	5,084	2,574	201	177,172
Business combinations (Note 7.1)	-	5,184	48	220	457	-	-	5,909
Additions	-	8,629	12,594	-	3,248	-	-	24,471
Disposals and write-offs	-	-	(2,111)	-	(112)	-	-	(2,223)
Transfers	(251)	-	-	-	-	-	-	(251)
Settlements	-	(12)	-	-	-	-	-	(12)
Balance on 31 December 2024	-	76,390	116,158	1068	8,677	2,574	201	205,067
Accumulated depreciation and impairment losses:								
Balance on 1 January 2023	-	(13,895)	(52,846)	(778)	(2,443)	(318)	(201)	(70,481)
Business combinations (Note 7.2)	-	-	(42)	-	-	-	-	(42)
Depreciations for the financial year	-	(3,644)	(12,390)	(69)	(953)	(65)	-	(17,121)
Disposals and write-offs	-	1,375	2,692	-	930	-	-	4,997
Settlements	-	(121)	92	-	-	-	-	(30)
Balance on 31 December 2023	-	(16,285)	(62,494)	(848)	(2,466)	(383)	(201)	(82,677)
Balance on 1 January 2024	-	(16,285)	(62,494)	(848)	(2,466)	(383)	(201)	(82,677)
Business combinations (Note 7.1)	-	(1,544)	(33)	(44)	(111)	-	-	(1,732)
Depreciations for the financial year	-	(4,948)	(12,933)	(37)	(1,355)	(65)	-	(19,338)
Disposals and write-offs	-	-	1,973	-	73	-	-	2,046
Settlements	-	-	(20)	-	-	-	-	(20)
Balance on 31 December 2024	-	(22,777)	(73,506)	(928)	(3,860)	(448)	(201)	(101,721)
Balance on 31 December 2023	251	46,303	43,133	-	2,617	2,191	-	94,495
Balance on 31 December 2024	-	53,612	42,652	139	4,817	2,126	-	103,346

The amounts recorded under the "Buildings and other constructions" item predominantly concern lease contracts of healthcare facilities owned by third parties, in which the Group operates its private healthcare activity. This item also includes lease contracts for other facilities where the Group provides administrative and assistance services (offices where the shared services and call centre operate).

The increases in the Buildings and other constructions item predominantly concerns: (i) a lease contract (6.5 million euros) for a space that will support the various units and where the Logistics Centre and sterilisation centre will operate, (ii) extension of a lease contract for a further 10 years (610 thousand euros), and (iii) rent updates in various unit contracts.

In 2023, the additions to the Buildings and other constructions item predominantly concerns the renegotiation of the lease contract for the CUF Viseu Hospital, which now has more leased units, and which took effect on 1 January 2023. The term of the contract is 17 years, so a further extension would take the contract to 27 years, well above the period that the EC has a mandate to commit to on behalf of CUF. In this sense, it is considered unreasonable to consider an extension period. There is no early termination option, so neither party can terminate the contract early. The city of Viseu has a wide range of facilities with the conditions to house the hospital, so there are no constraints on changing the location. A new 11-year lease was also signed in Carnaxide for shared services.

The write-offs recorded on 31 December 2024 and 2023 are related to the early termination of contracts.

The "Basic equipment" item mostly includes rights of use related to lease contracts for medical equipment. Additions to basic equipment predominantly concern the purchase of various items of medical equipment.

The amount recorded in "Surface Rights" concerns an assignment contract under a surface right regime, from the City Council of Cascais to Hospital CUF Cascais, S.A. This contract concerns the assignment of the surface rights of the former Hospital Ortopédico José de Almeida, composed of two properties located in the municipality of Cascais, and was established for a period of 40 years.

All assets classified as Right-of-use assets are valued at cost.

The Group, on 31 December 2024, concluded that there were no indications of impairment on the assets recorded in Right-of-use assets. The finding took into account the following circumstances regarding the main asset, "Surface Rights": the existence of a Business Plan for the construction of a healthcare unit on the land ceded by the Cascais City Council, which predicts that the capacity of the unit to generate revenue will be sufficient to recover the value of the investment.

The detail of depreciation and amortisation recognised in the statement of income and other comprehensive income for the financial years ended on 31 December 2024 and 2023 is as follows:

	31/12/2024	31/12/2023
Intangible assets (Note 18)	4,076	3,954
Property, plant and equipment (Note 19)	30,774	27,411
Right-of-use assets	19,338	17,121
	54,188	48,487

21. Financial investments

The shares held in associated companies had the following movements in the financial years ended on 31 December 2024 and 2023:

	31/12/2024			31/12/2023		
	Equity holdings	Additional payments granted	Total	Equity holdings	Additional payments granted	Total
Balance on 1 January	907	4,251	5,158	773	4,072	4,845
<u>Equity method application:</u>						
Equity method (Note 14)	46	-	46	134	-	134
Dividends received (Note 44)	(98)	-	(98)	-	-	-
Increases (Note 44.2)	-	2,750	2,750	-	179	179
Others	4	-	4			
Balance on 31 December	859	7,001	7,860	907	4,251	5,158

The Financial investments item on 31 December 2024 and 2023 is broken down as follows:

Associated companies	Headquarters	%	31/12/2024			31/12/2023		
			Equity holdings	Additional payments granted	Balance sheet value	Equity holdings	Additional payments granted	Balance sheet value
Centro Gamma Knife – Radiocirurgia, S.A.	Lisbon	34%	377	-	377	431	-	431
Greenimolis – Investimentos, S.A.	Carnaxide	50%	482	7,001	7,483	476	4,251	4,727
			859	7,001	7,860	907	4,251	5,158

On 31 December 2024 and 2023, no impairment losses on Financial investments were identified.

The main aggregated financial information regarding associated companies in the financial years ended on 31 December 2024 and 2023 is as follows:

Associated companies	Financial information on 31 December 2024							
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity	Operating costs	Operating income	Net profit for the financial year
Centro Gamma Knife – Radiocirurgia, S.A.	1,174	979	490	555	1,109	(1,100)	1,445	321
Greenimolis – Investimentos, S.A.	29,794	3,310	11,473	6,583	15,048	(291)	304	4

Associated companies	Financial information on 31 December 2023							
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity	Operating costs	Operating income	Net profit for the financial year
Centro Gamma Knife – Radiocirurgia, S.A.	1,381	951	576	489	1,268	(1,015)	1,394	379
Greenimolis – Investimentos, S.A.	13,465	45	1,075	2,641	9,794	(305)	315	10

22. Other Investments

Other investments on 31 December 2024 and 2023 are as follows:

	31/12/2024			31/12/2023		
	Equity holdings	Impairment losses accrued (Note 38)	Balance Sheet Value	Equity holdings	Accumulated impairment losses (Note 38)	Balance Sheet Value
Work compensation fund	-	-	-	2,285	(369)	1,916
Centro Clínico Académico de Braga	18	-	18	18	-	18
Lisgarante	51	-	51	52	-	52
José de Mello Residências e Serviços, SGPS, S.A.	978	-	978	978	-	978
	1,046	-	1,046	3,333	(369)	2,964

Other investments include equity instruments, measured at fair value through the statement of comprehensive income. This item recorded the following changes in the financial years ended on 31 December 2024 and 2023:

	Other investments
Gross investment:	
Balance on 1 January 2023	3,011
Business combinations (Note 7.2)	114
Increases/Decreases	204
Fair value gains/(losses) (Note 14)	155
Settlements	(151)
Balance on 31 December 2023	3,333
Discontinued operations	
Business combinations (Note 7.1)	57
Increases/Decreases	(8)
Reclassification (Nota 25)	(2,335)
Balance on 31 December 2024	1,046
Accumulated impairment losses (Note 38):	
Balance on 1 January 2023	(369)
Balance on 31 December 2023	(369)
Reclassification (Nota 25)	369
Balance on 31 December 2024	-
Net value:	
On 31 December 2023	2,964
On 31 December 2024	1,046

On 31 December 2024, the workers' compensation fund in the amount of approximately 1,966 thousand euros, net of accumulated impairment losses, was reclassified from the other investments item to the other debtors item (Note 25), as described in Note 2.3.11.

23. Other Financial Assets and Liabilities

23.1. Other Financial Assets

On 31 December 2024 and 2023, the Other financial assets item concerned loans granted to other related parties. The outstanding balances are detailed in Note 45.

24. Deferred Tax Assets and Liabilities

The Group recorded deferred taxes related to temporary differences between the tax and the accounting base of its assets and liabilities. Deferred taxes considered in the income statement and other comprehensive income relate to: (i) provisions, (ii) impairment of trade receivables, (iii) cash flow hedging derivative financial instruments, (iv) liabilities for retirement benefits, (v) tax losses, (vi) revaluation of property, plant and equipment, and (vii) inventories.

The amounts, by nature, and the changes occurred in deferred tax assets and liabilities in the financial years ended on 31 December 2024 and 2023 were as follows:

24.1. Deferred Tax Assets

	Impairment of trade receivables	Derivative financial instruments	Tax losses carried forward	Employee benefits	Provisions not approved for tax purposes	Revaluations of property, plant and equipment	Inventories	Others	Total
Balance on 1 January 2023	596	-	223	593	4,363	674	-	2,530	8,980
Business combinations (Note 7.1)	-	-	953	-	-	-	-	-	953
Composition:									-
Net profit (Note 15)	35	-	1,950	-	399	-	155	1,070	3,609
Equity	-	193	-	-	-	-	-	-	193
Reversal:									-
Net profit (Note 15)	(217)	-	-	(45)	-	-	-	-	(262)
Equity	-	-	-	-	-	(446)	-	-	(446)
Others	-	-	22	-	-	-	-	(22)	-
Balance on 31 December 2023	414	193	3,148	548	4,763	227	155	3,578	13,027
Business combinations (Note 7.1)	-	-	-	-	-	676	-	317	993
Composition:									-
Net profit (Note 15)	83	-	526	-	34	-	74	1,776	2,493
Equity (Note 41)	-	90	-	-	-	-	-	-	90
Reversal:									-
Net profit (Note 15)	(91)	-	(496)	(52)	(537)	-	-	(1,950)	(3,127)
Equity	-	-	-	-	-	(802)	-	-	(802)
Others	-	-	-	-	-	-	-	11	11
Balance on 31 December 2024	406	283	3,178	496	4,260	101	229	3,731	12,684

Deferred taxes to be recognised as a result of temporary differences between taxable income and accounting income were evaluated. Where these differences originated deferred tax assets, these were only recorded to the extent considered probable that taxable profits will occur in the future, and which can be used to recover the tax losses or deductible tax differences. This evaluation was based on the periodically reviewed and updated business plans of the Group's companies and on the available and identified fiscal optimisation opportunities, in accordance with IAS 12 Income tax.

On 31 December 2024, deferred tax assets for tax losses carried forward concern results generated by the subsidiaries Hospital CUF Coimbra, S.A. ("CUF Coimbra"), CENES – Centro de Reprocessamento de Dispositivos Médicos, Lda. ("CENES"), Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A. ("Preveris"), Cliave – Clínica do Vale do Ave, Lda ("Cliave"), and Expresso à Noite – Serviços Médicos de Urgência, Lda ("Expresso à Noite"). It should be noted that CUF Trindade was merged into CUF Porto Hospital in 2023.

The tax losses carried forward and recoverable, as well as the corresponding recognised deferred tax, are broken down as follows:

Company	Financial year	31/12/2024		31/12/2023	
		Available tax losses	Deferred tax assets	Available tax losses	Deferred tax assets
CUF Coimbra	2014	143	29	143	30
CUF Coimbra	2017	16	3	-	-
CUF Coimbra	2018	2,281	456	2,271	507
CENES	2014	443	89	443	93
CENES	2015	79	16	79	17
CENES	2016	152	30	152	32
CENES	2017	99	20	-	-
CENES	2018	68	14	68	14
CENES	2020	245	49	245	51
CUF Porto (a)	2019	-	-	149	9
CUF Porto (a)	2020	-	-	1,705	358
CUF Porto (a)	2021	1,342	195	1,342	282
CUF Porto (a)	2022	2,370	474	2,370	498
CUF Açores	2017	11	2	-	-
CUF Açores	2018	76	11	76	11
CUF Açores	2019	211	30	211	31
CUF Açores	2020	915	128	915	135
CUF Açores	2021	3,067	429	3,067	451
CUF Açores	2022	2,205	309	2,205	324
CUF Açores	2023	2,198	308	2,081	306
CUF Açores	2024	1,036	145	-	-
Cliave	2023	63	13	-	-
Cliave	2024	109	22	-	-
Preveris	2023	1,767	361	-	-
Expresso à Noite	2023	97	19	-	-
Expresso à Noite	2024	134	27	-	-
		19,126	3,178	17,522	3,148

(a) These amounts refer to the Tax Losses of CUF Trindade, an entity merged into CUF Porto in 2023 (Note 6), relating to financial years prior to that unit's entry into the RETGS.

The companies Hospital CUF Coimbra, S.A. and Cenes – Centro de Reprocessamento de Dispositivos Médicos, Lda. joined the Tax Group in 2019 and 2021, respectively, so until that date the deferred tax assets have not been included in the RETGS.

The balance of the Deferred tax assets item relating to derivative financial instruments was 283 thousand euros on 31 December 2024 (193 thousand euros in 2023), due to the signing of a swap contract in February 2023 (Note 41).

The amount of deferred tax assets concerning Employee benefits relates to an annuity insurance contracted by CUF in January 2016. This insurance enabled complying with a contracting existing since 2000, where CUF was responsible for ensuring a lifetime payment of a rent to an employee who retired via Social Security on 1 January 2016. The corresponding cost is tax deductible as it is paid.

24.2. Deferred Tax Liabilities

Regarding deferred tax liabilities, these concern the revaluation of property, plant and equipment, as well as the temporary differences arising from the amortisations considered for tax purposes:

	Revaluations of property, plant and equipment	Others	Total
Balance on 1 January 2023	15,392	25	15,416
Composition:			
Net profit	-	-	-
Equity	5,268	-	5,268
Reversal:			
Net profit	(88)	-	(88)
Equity	-	-	-
Disposals	-	-	-
Balance on 31 December 2023	20,572	25	20,597
Business combinations (Note 7.1)	412	-	412
Composition:			
Net profit	-	-	-
Equity	5,631	-	5,631
Reversal:			
Net profit	-	-	-
Equity	(414)	-	(414)
Balance on 31 December 2024	26,201	25	26,225

25. Other Debtors

The Other debtors item was broken down as follows on 31 December 2024 and 2023:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Hospital de Vila Franca, EPE	642	-	642	-
Financial investments	-	-	112	-
Personnel	852	-	595	-
Other debtors	5,770	3,645	4,870	-
	7,264	3,645	6,219	-
Accumulated impairment losses (Note 38)	(910)	(369)	(822)	-
	6,354	3,276	5397	-

The item Vila Franca Hospital, EPE includes inventories not returned by this entity, totalling 642 thousand euros (642 thousand euros in 2023), which is included in the final settlement of accounts with ARSLVT, and has been reclassified from the inventories item. This amount has an associated impairment loss of the same amount on 31 December 2024 (642 thousand euros in 2023).

In 2023, the amount recognised under financial investments concerns the contract for the sale of the Group's stake in Campos Costa.

The Other debtors item predominantly includes: (i) 1.5 million euros concerning the amount receivable from Placegard, resulting from the sale of the underground surface rights over a plot of land adjacent to the car park of the Expansion Building of the Descobertas Hospital; (ii) the amount of 1.6 million euros concerning the subsystems and Hepatitis C process. In the financial year ending 31 December 2023, the Court of Appeal decided to request a repetition of the trial in the Arbitration Court, to analyse evidence not examined in the trial of the subsystems and Hepatitis C process, regarding the activity of the Escala Braga entity (which has since been merged into CUF, S.A.). As a result, and under the decision of the Arbitration Court, the Group returned the amount of 1.6 million euros previously paid by ARSN. In view of the above, the Group set up an account receivable and a provision with the same value, of approximately 1,649 thousand euros (Note 38).

The Other non-current debtors item predominantly include the FCT in the amount of 2.3 million euros, which was previously recorded under Other investments (Note 22). As a result of legislation published at the end of 2023, the obligations relating to the FCT were cancelled. Companies that have contributed to the FCT can therefore mobilise these funds. The CUF Group will have until 2026 to redeem these amounts, and will do so by training employees. This item also includes mutual contracts with partners totalling 1.35 million euros, as described in Note 45, which were previously recorded under Other financial assets (Note 23).

On 31 December 2024, there were balances with related parties totalling 1,509 thousand euros (Note 45).

26. Other Assets

On 31 December 2024 and 2023, these items had the following composition:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Income accruals:				
Income from not invoiced production	24,657	-	28,255	-
Interest	167	-	313	-
Rappel	9,220	-	6,502	-
	34,043	-	35,070	-
Accumulated impairment losses (Note 38)	(11,305)	-	(11,305)	-
	22,739	-	23,765	-
Deferred costs:				
Rents	32	-	20	-
Insurances	906	-	989	-
IT	850	-	724	-
Others	557	-	415	-
	2,344	-	2,148	-
	25,082	-	25,913	-

On 31 December 2024 and 2023, the Group had accounts receivable from related parties amounting to approximately 55 thousand euros and 140 thousand euros, respectively (Note 45).

The Income from not invoiced production item concerns medical services rendered but not yet invoiced to clients. These pending invoices result, in general, from the following situations: lack of consent forms, billing only at the end of treatment, lack of confirmation of billing codes. Income from not invoiced production related to the private healthcare services provision by healthcare units amounts to 9,810 thousand euros (13,408 thousand euros in 2023).

The item of Income from not invoiced production includes the accrued income from ARSLVT, stemming from the determination of the actual production of 2013 to 2021 (and that are also ongoing conference and closing), in accordance with the provisions of the Management Contract of Vila Franca de Xira Hospital, as mentioned in Note 2.4, as well as accruals from services rendered and not billed from third parties and, also, medicines to be billed. On 31 December 2024 and 2023, this item had the following composition:

	31/12/2024	31/12/2023
Pending Invoicing		
Production for the financial year of 2013	2,444	2,444
Production for the financial year of 2014	2,770	2,770
Production for the financial year of 2015	116	116
Production for the financial year of 2016	389	389
Production for the financial year of 2017	663	663
Production for the financial year of 2018	3,406	3,406
Production for the financial year of 2019	4,120	4,120
Production for the financial year of 2020	939	939
	14,847	14,847
Accumulated impairment losses (Note 38)	(11,305)	(11,305)
	3,542	3,542

The Group constitutes provisions related to disputes maintained with ARS Norte and ARSLVT as mentioned in Note 38, and which concern risks of recoverability of some of the amounts presented above. The change in impairment losses is presented in Note 38.

27. Inventories

On 31 December 2024 and 2023, the inventories predominantly concern Pharmaceutical Products and Material for Clinical Consumption, and present the following balances:

	31/12/2024	31/12/2023
Material for clinical consumption	7,888	8,338
Administrative consumable material	127	171
Pharmaceutical products	3,805	4,490
Other consumable material	119	161
Others	-	821
	11,938	13,980
Accumulated impairment losses (Note 38)	(1,156)	(693)
	10,783	13,288

These products and materials are used by the Group's various clinical units in their activity to provide clinical services.

In the financial year ended on 31 December 2024, the Group recognised impairment losses on inventories amounting to 1,156 thousand euros (693 thousand euros in 2023).

28. Trade Receivables and Advances to Suppliers

On 31 December 2024 and 2023, the item Trade receivables and advances to suppliers had the following composition:

	31/12/2024			31/12/2023		
	Gross value	Accumulated impairment losses (Note 38)	Net value	Gross value	Accumulated impairment losses (Note 38)	Net value
Trade receivables, current account	90,529	(12,392)	78,137	99,115	(12,789)	86,326
Advances to trade payables	828	-	828	97	-	97
	91,357	(12,392)	78,965	99,212	(12,789)	86,423

The trade receivables presented in the consolidated statement of financial position are net of impairment losses, which were estimated in accordance with the description in Note 46.

The Group has no significant concentration of credit risk, as the risk is diluted over a vast range of clients.

At the end of 2024, trade receivables amounting to 41.2 million euros (43.3 million euros in 2023) were derecognised under factoring contracts entered into with a banking entity, considering that, as a result of the corresponding contractual conditions, the Group no longer retains control over those receivables, not retaining the corresponding significant services and benefits at the date of the statement of financial position.

The change in impairment losses is presented in Note 38.

On 31 December 2024 and 2023, the Group had accounts receivable from related parties amounting to approximately 330 thousand euros and 155 thousand euros, respectively (Note 45).

29. Current Tax Assets and Liabilities and Government and other Public Entities

Current tax assets and liabilities

On 31 December 2024 and 2023, the balances of Government and other public entities were as follows:

	31/12/2024	31/12/2023
Current tax Assets and Liabilities		
Debit balances:		
Payments on account	-	60
Withholdings and others	506	152
	506	212
Credit balances:		
Payments on account	(8,590)	(3,271)
Current tax	14,335	10,543
RETGS, Retentions and others	1,265	1,275
	7,009	8,547

Government and other public entities

	31/12/2024	31/12/2023
Government and other public entities		
Debit balances:		
Value added tax	7,080	6,378
Social security contributions	15	15
	7,095	6,393
Credit balances:		
Withholding of income tax	2,425	2,283
Social security contributions	4,147	3,642
Value added tax	1,230	886
Others	6	6
	7,808	6,818

30. Cash and Cash Equivalents

On 31 December 2024 and 2023, this item had the following composition:

	31/12/2024	31/12/2023
Cash and bank deposits:		
Cash	4,125	4,046
Current accounts	64,377	53,726
Term deposits	50,309	1,231
Other cash investments	3	5
	118,814	59,008
Cash and cash equivalents:		
Bank Overdrafts (Note 35)	(45)	(3,008)
	(45)	(3,008)
	118,769	56,000

On 31 December 2024, the Demand deposits item includes the amount of 9,231 thousand euros (12,933 thousand euros in 2023) concerning loans received from customers assigned to banking entities under factoring contracts.

In the financial year ended on 31 December 2024 and 2023, the Group recorded the following non-monetary financing transactions which are not reflected in the consolidated cash flow statement:

- The Group acquired various assets through lease contracts, as disclosed in Note 20, totalling approximately 24,471 thousand euros in 2024 (32,472 thousand euros in 2023).
- The Group acquired property, plant and equipment, not included in the amount of leases mentioned above, which had not been settled at the date of the financial position, amounting to approximately 29,833 thousand euros in 2024 (21,387 thousand euros in 2023).

31. Share Equity

On 31 December 2024 and 2023, the Share equity in the amount of 53,000 thousand euros, fully subscribed and paid up, was represented by 10,600,000 shares, with a nominal value of 5 euros each.

On 31 December 2024 and 2023, the capital was held by the following entities:

Entity	Number of shares	Percentage of stake
José de Mello Capital, S.A.	6,980,100	65.85%
Farinveste – Investimentos, Participações e Gestão, S.A.	3,180,000	30.00%
Fundação Amélia da Silva de Mello	439,900	4.15%
	10,600,000	100.00%

32. Legal Reserve

On 31 December 2024 and 2023, the Legal reserve amounted to 10,600 thousand euros, and was fully established. Company law determines that at least 5% of the annual net profit calculated in the individual accounts has to be allocated to the reinforcement of the legal reserve until it represents at least 20% of the capital. This reserve is not distributable unless if the Company is liquidated, but may be used to absorb losses after the other reserves are exhausted, or added to the capital.

33. Other Reserves and Other Equity Items

Fair value of hedging instruments

This item includes changes in the fair value of interest rate variability hedging derivative financial instruments, net of the tax effect. In accordance with the legislation in force, the increments resulting from the application of the fair value through equity components are only relevant for distribution when the elements that gave rise to them are alienated.

Revaluation of property, plant and equipment

This item includes changes due to increases or reductions in the fair value of properties allocated to healthcare services (Note 19). In accordance with the legislation in force, the increments resulting from the application of the fair value through equity components are only relevant for distribution when the elements that gave rise to them are alienated.

Retained earnings

In accordance with Portuguese legislation, the amount of distributable retained earnings is determined according to the Company's individual financial statements, presented in accordance with the IAS/IFRS.

The Board of Directors proposed that the Net profit for the 2024 financial year, according to the aforementioned separate financial statements, which was positive in the amount of 17,810,991.38 euros, be applied in its entirety to the distribution of dividends, corresponding to a gross value per share of 1.68 euros.

34. Non-Controlling Interests

The changes occurred in this item in the financial years ended on 31 December 2024 and 2023 were as follows:

	31/12/2024	31/12/2023
Initial balance on 1 January	1,316	2,353
Business combinations (a)	262	120
Dividends	(137)	(172)
Reductions in equity holdings by non-controlling interests (b)	(584)	-
Non-controlling interests attributable to shareholders (c)	(133)	(1,257)
Profit for the financial year attributable to non-controlling interests	225	272
Final balance on 31 December	986	1,316

(a) This amount concerns the acquisition of the Arrifana de Sousa Group (Note 7.1).

(b) This amount concerns the liquidation of companies CardioCMAS, Lda. and Climagiológico, Lda. and the calculation of the fair value of the Preveris Group's non-controlling interests, as a result of the option to purchase all of Preveris's shares, which the Group considers likely to be exercised (notes 34 and 39). Accordingly, the non-controlling interests relating to Preveris were derecognised and a payable to non-controlling interests was recognised at fair value when the call option was exercised (Note 39).

(c) These amounts concern, in 2024 and 2023, the acquisition of non-controlling interests in CUF Belém, as mentioned below.

The detail of the Non-controlling interests item on 31 December 2024 and 2023, by company, is as follows:

Companies	31/12/2024			31/12/2023		
	Percentage not owned	Non-controlling interests	Net profit attributable to non-controlling interests	Percentage not owned	Non-controlling interests	Net profit attributable to non-controlling interests
Clínica CUF Belém, S.A.(a)	-	-	-	3.60%	241	(50)
Digihealth, S.A.	12.00%	19	1	12.00%	13	(2)
HD – Medicina Nuclear, S.A.	30.00%	1,011	(380)	30.00%	768	(143)
Clínica de Serviços Médicos Computorizados de Belém, S.A. (a)	-	-	-	3.60%	177	(110)
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A. (b)	-	-	-	49.00%	116	32
Cliave – Clínica do Vale do Ave, Lda.	56.80%	(31)	44	-	-	-
Clínicas Expresso, Lda.	44.00%	11	14	-	-	-
Expresso à Noite – Serviços Médicos de Urgência Lda.	38.75%	(8)	33	-	-	-
Clínica Médico-Cirúrgica do Marco de Canaveses, S.A.	36.00%	16	15	-	-	-
Medentine – Medicina Dentária, Lda.	32.00%	(14)	16	-	-	-
MultiCMAS, Lda.	40.00%	(19)	33	-	-	-
		986	(225)		1,316	(272)

(a) In November and December 2023, CUF, S.A. signed share purchase agreements for the acquisition of the remaining non-controlling interests in the shares representing the share capital of CUF Belém Clinic, previously held by Montepio Geral, Mundinter and other shareholders, for the sum of approximately 2.9 million euros. During the financial year ended on 31 December 2024, the remaining holdings in Clínica CUF Belém, S.A. were acquired for the sum of 306 thousand euros, and the Group now owns 100% of this entity (notes 6 and 44). With accounting effects from 1 January 2024, the company merged with the subsidiary Clínica de Serviços Médicos Computorizados de Belém, S.A. ("TAC"), thereby incorporating the medical activity previously carried out by that entity.

(b) The figure for 2023 concerns the acquisition of 51% of the company Atlanticare – Serviços de Saúde, S.A. (currently known as Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.), for the sum of 3,233 thousand euros (plus ancillary instalments totalling 87 thousand euros). In addition, in June 2023, a decision was taken to increase the share capital of the subsidiary Sagies – Segurança e Saúde no Trabalho, S.A. (currently called Imo SAG – Investimentos Imobiliários, S.A.) by 53 thousand euros, through the issue of 10,637 new shares for new cash contributions with an overall share premium of 747 thousand euros. In addition, the shareholder agreement gives CUF, S.A. an option to buy all the shares, which can be exercised at any time between 2029 and 2031. The company considers it highly probable that this option will be exercised and has therefore recognised the amount of 4.2 million euros in its accounts for 2024 (Note 39), which is restated to present value.

The assets, liabilities, equity and statutory results of the companies with minority interests on 31 December 2024 and 2023 are as follows:

2024

Companies	Assets		Liabilities		Net profit	Equity
	Current assets	Non-current assets	Current liabilities	Non-current liabilities		
Digihealth, S.A.	138	-	(17)	-	(7)	(7)
HD – Medicina Nuclear, S.A.	3,038	1,515	966	215	1,268	3,371
Cliave – Clínica do Vale do Ave, Lda.	214	35	216	88	(71)	(54)
Clínicas Expresso, Lda.	113	18	72	33	22	26
Expresso à Noite – Serviços Médicos de Urgência Lda.	215	133	322	48	(47)	(22)
Clínica Médico-Cirúrgica do Marco de Canaveses, S.A.	168	22	146	(0)	61	44
Medentine – Medicina Dentária, Lda.	50	1	88	5	(57)	(42)
MultiCMAS, Lda.	1,469	4,701	2,379	2,587	(83)	(14)

2023

Companies	Assets		Liabilities		Net profit	Equity
	Current assets	Non-current assets	Current liabilities	Non-current liabilities		
Clínica CUF Belém, S.A.	3,212	3,644	2,221	1,009	13	3,627
Digihealth, S.A.	119	-	19	-	13	146
HD – Medicina Nuclear, S.A.	1,440	1,531	301	110	478	2,560
Clínica de Serviços Médicos Computorizados de Belém, S.A.	2,595	315	404	345	278	2,162
Atlanticare – Serviços de Saúde, S.A.	2,262	2,232	2,984	2,407	(65)	(897)

35. Loans

On 31 December 2024 and 2023, loans obtained were as follows:

	31/12/2024	31/12/2023
Non-current liabilities:		
Debenture loans	147,790	94,793
Commercial paper	67,574	72,696
Other bank loans	213,792	211,989
	429,155	379,479
Current liabilities:		
Debenture loans	16,766	2,133
Commercial paper	52,197	20,124
Other bank loans	32,918	52,503
Financing through factoring	9,231	12,933
Escrow accounts	70	-
	111,183	87,694
Bank overdrafts (Note 30)	45	3,008
	111,228	90,702
	651,567	470,181

Commercial Paper

The Group has contracted five commercial paper programmes for short-term treasury financing with a limit of 116 million euros, of which 49 million euros had been used at the date of the financial position. The average interest rate on these commercial paper programmes is 0.94%.

The Group has also contracted two long-term commercial paper programmes to finance the CUF Tejo Hospital project at an interest rate of 1.85%, with a limit of 95 million euros, with 71 million euros outstanding at the date of the financial position.

On 31 December 2024, these liabilities had the following detail:

Contracting company	Nominal amount hired	Outstanding amount		Contract	
		Current	Non-current	Maturity	Periodicity
CUF, S.A.			-	Jan/2021	Annual
Hospital CUF Descobertas, S.A.	6,000	6,000	-	Jan/2021	Annual
Hospital CUF Tejo, S.A.			-	Jan/2021	Annual
CUF, S.A.			-	Dec. 2025	Annual
Hospital CUF Descobertas, S.A.	10,000	10,000	-	Dec. 2025	Annual
Hospital CUF Tejo, S.A.			-	Dec. 2025	Annual
CUF, S.A.	50,000	18,025	-	Jun. 2025	Annual
CUF SGPS, S.A.	50,000	14,698	-	Jan/2021	Annual
CUF Investimentos Imobiliários, S.A.	80,000	2,519	58,672	Jun. 2032	-
CUF Investimentos Imobiliários, S.A.	15,000	955	8,902	Jun. 2032	-
	211,000	52,197	67,574		

On 31 December 2023, these liabilities had the following detail:

Contracting company	Nominal amount hired	Outstanding amount		Contract	
		Current	Non-current	Maturity	Periodicity
CUF, S.A.		-	-	Jan/25	Annual
Hospital CUF Descobertas, S.A.	6,000	-	-	Jan/25	Annual
Hospital CUF Tejo, S.A.		-	-	Jan/25	Annual
CUF, S.A.		-	-	Dec/24	Annual
Hospital CUF Descobertas, S.A.	10,000	-	-	Dec/24	Annual
Hospital CUF Tejo, S.A.		-	-	Dec./24	Annual
CUF, S.A.		-	-	Apr/24	Annual
Hospital CUF Descobertas, S.A.	5,000	-	-	Apr/24	Annual
CUF Tejo Hospital S.A.		-	-	Apr/24	Annual
CUF, S.A.	50,000	17,152	-	Nov/24	Annual
CUF Investimentos Imobiliários, S.A.	80,000	(328)	66,341	Jun/32	-
CUF Investimentos Imobiliários, S.A.	15,000	3,300	6,355	Jun/32	-
	166,000	20,124	72,696		

Although there are programmes with maturities exceeding one year, there are annual renewals with no possibility of unilateral renewal by CUF, so Commercial Paper is all classified as current, with the exception of the commercial paper programme of the subsidiary CUF Investimentos Imobiliários, S.A. (contracted with Caixa de Crédito Agrícola to finance the construction of the CUF Tejo Hospital), since there is a firm underwriting by the bank.

These commercial paper programmes provide for financial covenants that are common in financing contracts. The contracts include compliance requirements for the following debt ratios: Net Financial Debt (considered gross financial debt less cash and bank deposits and other financial instruments)/EBITDA (corresponding to the Operating Income plus Depreciation and amortisation and provisions and impairment losses); Debt service coverage ratio (EBITDA/Financial Costs); and Financial autonomy (Equity/Assets). The financial covenants are calculated on the basis of the Group's consolidated financial statements.

On 31 December 2024, the Group was in compliance with all financial covenants in the commercial paper programmes. In 2023, although there were no changes to the contracted amounts or terms, two amendments were signed to the CUF Tejo Hospital financing, which included ESG (Environmental, Social and Governance) covenants, namely the annual measurement of performance with regard to Clinical Quality and Safety, as well as Sustainability indicators in accordance with the GRI indices, with gradual KPIs having been defined from 2023 until the end of the financing programmes, whose non-compliance does not impact debt segregation.

The CUF Tejo Hospital property is pledged as security in the Commercial Paper Programme for a contract value of 95 million euros.

Debenture loans

Debenture loans concern the following issues:

Issue	Interest rate	Maturity	Nominal Value	Amount owed on 31 December 2024		Amount owed on 31 December 2023	
				Current	Non-current	Current	Non-current
José de Mello Saúde 2019/2025	Euribor 6M + 3.75%	May/25	35,000	16,766	-	1,890	33,353
José de Mello Saúde 2019/2027	Euribor 6M + 3.875%	Jan/27	61,710	-	56,044	242	61,440
CUF SGPS S.A. 2024–2029	Euribor 6M + 4.75%	Dec-29	93,500	-	91,746	-	-
				16,766	147,790	2,133	94,793

These issuances were placed with institutional investors and approved for trading in the regulated markets of Euronext Lisbon and Bourse de Luxembourg.

In the financial year ended on 31 December 2024, CUF – Sociedade Gestora de Participações Sociais, S.A. (“CUF SGPS”) issued 120 thousand bonds on the regulated market, with a nominal unit value of 500 euros and a total value of 60 million euros, measured at amortised cost.

Entitled “Obrigações ligadas à sustentabilidade CUF SGPS S.A. 2024–2029” [Bonds linked to sustainability CUF SGPS S.A. 2024–2029], this issue was aimed at the general public. The issue has a term of five years and six months and benefits from a gross interest rate of 4.75% per year. The bonds have been admitted to trading on Euronext Lisbon and repayment will take place on 11 December 2029.

The launch of this offer comes after the rating agency, Ethifinance, assigned CUF SGPS a long-term investment grade rating of BBB- and a stable outlook, a rating supported by the credit quality attributed to the business conglomerate of which CUF, S.A. is part.

The bonds are linked to sustainability criteria, and CUF undertakes to pay an additional remuneration of 1.25 euros per bond on their repayment date if CUF SGPS does not fulfil the sustainability performance targets defined within the scope of this issue: (i) inclusive training and (ii) reaching 40% of electric or hybrid cars in its fleet by 2028.

This bond issue operation had associated costs totalling approximately 650 thousand euros.

In October 2024, there was also an exchange and new money operation between the CUF SGPS 2024–2029 and CUF SA 2025 and 2027 bonds. The total amount totalled 33.5 million euros, broken down as follows:

- Exchange of CUF, S.A. 2025 bonds in the amount of 18.48 million euros.
- Exchange of CUF, S.A. 2027 bonds in the amount of 4.76 million euros.
- New Money of 10.30 million euros.

The CUF SGPS 2024–2029 bonds now have a nominal value of 93,5 million euros and are recognised at amortised cost in the amount of 91,746 thousand euros.

CUF, S.A. bonds were reduced by 23.14 million euros to 72,810 thousand euros, recognised at amortised cost.

These contracts include compliance requirements for the “Net Financial Debt / EBITDA” debt ratio. On 31 December 2024 and 2023, the CUF Group complied with the financial covenants on all its bond loans.

Other bank loans

On 31 December 2024 and 2023, Other bank loans showed the following make-up:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Mutual loan agreements	32,918	187,176	52,503	188,325
Other financing	9,231	26,615	12,933	23,664
	42,150	213,792	65,436	211,989

On 31 December 2024, the Other financing item includes the amount of 9,231 thousand euros concerning customer receivables assigned under recourse factoring contracts (12,933 thousand euros in 2023).

The reference indexing factor used in the financing contracts is the EURIBOR rate, whose maturity varies between 3M and 12M, plus a spread in line with the market’s practices for similar operations.

There are no financial covenants associated with this bank funding. These loans have associated guarantees and collaterals described in Note 43.

Credit lines available but not used

On 31 December 2024 and 2023, the Group had contracted undrawn credit lines in the amounts of 58,461 thousand euros and 74,100 thousand euros, respectively.

Reconciliation of liabilities resulting from financing activities:

Below are the changes in the Company’s liabilities arising from both cash and non-cash financing activities. Liabilities resulting from financing activities are those whose cash flows have been, or will be, classified as financing in the statement of cash flows:

	01/01/2024	Cash flow		Business combinations (Note 7.1)	Others (ii)	31/12/2024
		Receipts (i)	Payments (i)			
Factoring	12,933	263	(4,357)	392	-	9,231
Debenture loans	96,926	73,710	(24,150)	-	(1,930)	164,556
Commercial Paper	92,819	383,140	(356,200)	-	12	119,771
Other Bank Loans	267,502	28,250	(59,428)	9,698	758	246,780

	Cash flow				31/12/2023	
	01/01/2023	Receipts (i)	Payments (i)	Business combinations (Note 7.1)		Others (ii)
Factoring	15,151	353	(2,570)	-	-	12,933
Debenture loans	114,875	-	(19,050)	-	1,102	92,926
Commercial Paper	117,645	414,930	(439,120)	-	(636)	92,819
Other Bank Loans	204,349	69,478	(29,033)	21,891	817	267,502

- (i) Cash flows arising from debenture loans, other bank loans and other financing make up the net amounts of receipts and payments in respect of loans obtained in the consolidated statement of cash flows.
- (ii) These amounts concern the effect of amortised cost, which is calculated taking into consideration any discount or premium on the acquisition, and the fees and other costs that are an integral part of the effective interest rate are recognised in profit and loss, in financial costs, during the period of the corresponding contract.

36. Employee Benefits

The subsidiary Hospital CUF Tejo, S.A. has the liability of topping-up the retirement pensions of some of its employees with whom this liability was agreed. Although it has not established any fund or insurance to cover this liability, a provision has been set up for this purpose, which is updated annually according to an actuarial study conducted by a specialised and independent entity.

The expiry of the Collective Labour Agreement with the Ministry of Labour was formally, and in accordance with legislation in force, applied for in relation to employees still working. This came into effect on 6 February 2013. The law envisages, according to a legal opinion, no change to the “remuneration, category and respective definition, duration of working hours and social protection schemes, whose benefits are substituted by those of the general social security scheme or by substitution protocol of Portuguese National Health Service”. The pension top-up does not fit in with this requirement and ceases to have effect from February 2013. Thus, the required liability remains in force for retired employees of CUF Tejo Hospital.

According to the valuation report prepared by CFPO Consulting – Soluções Atuariais e Financeiras, approved by the Board of Directors for financial reporting purposes, the present value of the liabilities for past services with retirement pensions, as of the statement of financial position date, is estimated at 758 thousand euros (803 thousand euros in 2023), with the provision for retirement pensions having been adjusted accordingly.

The actuarial evaluation of pension plan liabilities was performed according to the Projected Unit Credit method, taking into consideration the following assumptions:

	31/12/2024	31/12/2023
Discount rate (before retirement)	3.00%	3.00%
Discount rate (after retirement)	3.00%	3.00%
Pension growth rate	0.00%	0.00%
Mortality Table:		
For men	LF 88/90	LF 88/90
For women	LF 88/90	LF 88/90
Number of retired employees	45	45
Average age	80.07	79.07

The movement in employee benefit liabilities during the financial years ended on 31 December 2024 and 2023 was as follows:

	31/12/2024	31/12/2023
Liability on 1 January	803	872
Payment of benefits	(83)	(80)
Actuarial Gains / (Losses)	38	11
Liabilities on 31 December	758	803

The change in the current value of pensions payments is predominantly due to the natural ageing of the population and the variation in the income rate.

Determining pension payment liabilities requires the use of assumptions and estimates, including the use of actuarial projections and other factors that can impact on the costs and liabilities of the benefit plan.

A sensitivity analysis was carried out on the values calculated in the actuarial valuation, taking into account a possible increase and decrease in the following assumptions: Pension Growth Rate, Discount Rate and Mortality Table. The table below presents the sensitivity analysis resulting from changes in assumptions:

	2024		2023	
	Responsibilities	Impact	Responsibilities	Impact
Closing scenario	758	-	803	-
Pension growth rate				
0.5%	780	21	827	24
Discount Rate				
-0.5%	779	21	826	23
0.5%	739	(20)	781	(22)
Mortality Table				
+ 1 ALE	803	45	849	46
- 1 ALE	715	(43)	758	(45)

37. Lease liabilities

The Group has a few lease contracts with a duration of less than 12 months and of low value. In these situations, the Group recognises the corresponding rents as an operating expense when incurred.

In the periods ended on 31 December 2024 and 2023, the following amounts were recognised as expenses:

	31/12/2024	31/12/2023
Depreciation of right-of-use assets (Note 20)	19,338	17,121
Expenses related to short-term contracts	2,199	2,274
Interest on Lease contracts (Note 14)	5,741	4,510
	27,278	23,905

The maturity of the debt from lease creditors is presented in Note 46.

Reconciliation of liabilities resulting from financing activities:

Below are the changes in the Company's liabilities arising from both cash and non-cash financing activities. Liabilities resulting from financing activities are those whose cash flows have been, or will be, classified as financing in the statement of cash flows:

	Cash flow					31/12/2024	
	01/01/2024	Receipts (i)	Payments (i)	Others (ii)	New Leases (Note 20)		Business combinations (Note 7)
Lease Liabilities	92,119	-	(17,195)	246	24,471	4,323	103,964

	Cash flow					31/12/2023	
	01/01/2023	Receipts (i)	Payments (i)	Others (ii)	New Leases (Note 20)		Business combinations (Note 7)
Lease Liabilities	73,890	-	(15,901)	(119)	32,472	1,777	92,119

- (i) Regarding the resulting cash flows, lease liabilities make up the net amounts of receipts and payments in respect of lease liabilities of the consolidated statement of cash flows.
- (ii) This item includes the net effect of accruals and deferrals of interest and Value added tax connected to payments made to lease creditors.

38. Provisions, Impairment Losses, Contingent Assets and Liabilities

Provisions

The change in provisions during the financial years ended on 31 December 2024 and 2023 was the following:

	Legal proceedings	Contractual risks	Other provisions	Total
Balance on 1 January 2023	1,465	622	5,852	7,940
Increase	38	-	-	38
Reversal	(12)	-	-	(12)
Increase in discontinued activities (Note 3)	35	1,649	-	1,684
Transfer	15	-	(15)	-
Debt update	-	-	10	10
Balance on 31 December 2023	1,541	2,271	5,847	9,659
Balance on 1 January 2024	1,541	2,271	5,847	9,659
Business combinations (Note 7.1)	46	-	-	46
Increase	35	-	4,768	4,803
Reversal	(82)	-	-	(82)
Increase in discontinued activities (Note 3)	30	-	-	30
Use	(40)	-	-	(40)
Transfer	6	-	(6)	-
Debt update	-	-	10	10
Balance on 31 December 2024	1,537	2,271	10,618	14,426

The provisioned amounts were based on the Group's experience and on the opinion of its legal advisors, and the Group believes that there are no additional liabilities within the scope of these processes that are not recorded in the consolidated financial statements on 31 December 2024.

The main amounts shown under Provisions item predominantly concern:

Provisions for Legal Proceedings

Provisions arising from legal proceedings brought by clients of the various units against CUF Group in connection with the provision of hospital services. These provisions are recorded based on the assessment and grading of the risk of the processes. On 31 December 2024 there were lawsuits brought against the Group. The liability estimated by the Group is the one not covered by the insurances it contracted. The total value of the legal proceedings amounts to approximately 25 million euros (27.5 million euros in 2023).

Contractual Risks

Provisions for other contractual risks were set up to cover a number of risks arising from the termination of the Public-Private Partnership Management Contracts with companies Escala Braga – Sociedade Gestora do Estabelecimento, S.A. (which has since been merged into CUF, S.A.) and Escala Vila Franca – Sociedade Gestora do Estabelecimento, S.A. In 2023, the Court of Appeal decided to request a repeat of the judgment in the Arbitration Court, to analyse evidence not examined in the judgment of the subsystems and Hepatitis C process, in relation to the activity of the entity Escala Braga (merged into CUF, SA). As a result, and under the decision of the Arbitration Court, the Group returned the amount of 1.6 million euros previously paid by ARSN. In view of the above, the Group recognised a receivable and a provision for the same amount (Note 25).

Other provisions

The other provisions correspond to provisions set aside to cover liabilities to third parties associated with its operating activities.

The increase in this item during the year is justified in order to deal with possible tax risks.

Impairment losses

The changes occurred in accumulated impairment losses during the financial years ended on 31 December 2024 and 2023 were as follows:

Non-current assets

	Goodwill (Note 17)	Intangible assets (Note 18)	Property, plant and equipment (Note 19)	Other investments (Note 22)	Total
Balance on 1 January 2023	2,010	-	8,626	369	11,005
Increase	-	-	-	-	-
Use	-	-	-	-	-
Increase in discontinued operations	-	-	-	-	-
Reversal	-	-	(3,350)	-	(3,350)
Balance on 31 December 2023	2,010	-	5,276	369	7,655
Balance on 1 January 2024	2,010	-	5,276	369	7,655
Business combinations	-	30	-	-	30
Increase	-	-	686	-	686
Use	-	-	-	-	-
Settlement	-	-	-	-	-
Reversal	-	(30)	(5,489)	-	(5,519)
Transfer (Note 25)	-	-	-	(369)	(369)
Balance on 31 December 2024	2,010	-	473	-	2,483

Current assets

	Other debtors (Note 25)	Income accruals (Note 26)	Inventories (Note 27)	Trade receivables (Note 28)	Total
Balance on 1 January 2023	842	11,285	782	12,439	25,348
Increase	-	-	693	1,928	2,621
Reversal	-	-	(262)	(127)	(389)
Use	-	-	(520)	(1,421)	(1,940)
Transfers	(20)	20	-	-	-
Increase in discontinued operations (Note 3)	-	-	-	16	16
Reversal in discontinued operations (Note 3)	-	-	-	(47)	(47)
Balance on 31 December 2023	822	11,305	693	12,789	25,656
Balance on 1 January 2024	822	11,305	693	12,789	25,608
Increase	88	-	929	850	1,867
Reversal	-	-	-	(533)	(533)
Use	-	-	(466)	(713)	(1,180)
Transfers (Note 22)	369	-	-	-	369
Balance on 31 December 2024	1278	11,305	1,156	12,392	26,121

During the 2024 and 2023 financial years, movements in the Impairment losses and Provisions items had the following reflection on results:

Ongoing operations

	31/12/2024			31/12/2023		
	Increase	Reversal	Total	Increase	Reversal	Total
Provisions	4,803	(82)	4,721	38	(12)	26
Impairment of properties allocated to the	-	-	-	-	(3,350)	(3,350)
Impairment on non-current assets	686	(5,519)	(4,833)	-	-	-
Impairment on current assets	1,837	(533)	1,334	2,621	(389)	2,232
			1,222			(1,092)

Discontinued operations

	31/12/2024			31/12/2023		
	Increase	Reversal	Total	Increase	Reversal	Total
Provisions	30	-	30	1,684	-	1,684
Current assets	-	-	-	16	(47)	(31)
			30			1,653

Contingent Assets and Liabilities

Contingent liabilities

On 1 July 2022, CUF was notified by the Portuguese Competition Authority (AdC) of the Decision regarding the administrative offence proceeding raised by this entity on 14 March 2019 against Associação Portuguesa de Hospitalização Privada (APHP) [Portuguese Association of Private Hospitalisation] and the hospital groups CUF, Trofa Saúde, Hospital Particular do Algarve, Lusíadas and Luz Saúde for alleged involvement in an agreement or concerted practice restricting competition in the contracting of private hospital health services by the public health subsystems ADSE [Institute for Protection and Assistance in Disease, Public Institute] and IASFA [Institute for Social Aid of the Armed Forces], and whose Notice of Unlawfulness had been notified on 29 July 2021.

In very brief terms, the AdC closed the administrative offence proceeding concerning possible coordination and/or concerted practice to pressure the settlement of IASFA's debt, namely by Luz Saúde and CUF, as it concluded that there was not enough evidence to allow the defendants to be held responsible.

Conversely, with regard to the negotiations with ADSE, the AdC concluded that the companies in question coordinated their interests and behaviours in the negotiations with ADSE, regarding their price list and rules, as well as the process of settlement of the 2015 and 2016 invoices, mainly through and with the participation of APHP, which constitutes an agreement or concerted practice, pursuant to Article 9(1)(a) and (b) of the Portuguese Competition Law, with the object of preventing, distorting, or appreciably restricting competition.

Under these terms, fines were imposed on all the companies concerned, and in the case of CUF, S.A. the fine amounts to 74,980 thousand euros, with José de Mello Capital, S.A. being jointly liable for payment of the fine.

Convinced of the scrupulous compliance with the Portuguese Competition Law, CUF S.A., and its shareholder José de Mello Capital, S.A., absolutely reject the decision of the AdC and its legal grounds, and therefore appealed to the competent judicial body, seeking to ensure the complete clarification of the truth of the facts and the re-establishment of justice, in a situation that grievously offends its good conduct and good name. In fact, the company has not recognised any provision for the above-mentioned lawsuit. In May 2023, an order was issued by the Competition, Regulation and Supervision Court ("TCSR") conditioning the suspensive effect of the appeal, and consequently the obligation to pay the fine imposed by the AdC, on the provision of a guarantee corresponding to 50% of the amount of the fine.

On 17 April 2024, the TCRS handed down a ruling, which has already become final, essentially determining the following: (i) in accordance with the recent rulings of the Constitutional Court (Ruling No. 687/2021 and Ruling No. 91/2023), which ended the discussion ongoing at the time on whether prior judicial authorisation was required for the search and seizure of electronic correspondence, the removal and return to CUF and the other targets of all the emails seized with the authorisation of the Public Prosecutor's Office at their premises, with the exception of Hospital Particular do Algarve, S. A. (whose authorisation was granted by the examining magistrate); (ii) the declaration of nullity of the notice of unlawfulness and of the AdC's final decision; (iii) the return of the case file to the AdC, resulting in their return to the investigation phase, with this authority being responsible for deciding on the further terms of the process; and (iv) the withdrawal of the guarantees.

39. Other Creditors

On 31 December 2024 and 2023, these items had the following composition:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Acquisition of investments (a)	562	5,053	2,525	1,098
Personnel and trade unions	726	-	612	-
Fees	7,660	-	7,048	-
Surety bonds	-	-	23	-
Investment suppliers	257	-	268	-
Other creditors	1,744	313	812	313
	10,949	5,366	11,289	1,412

(a) The Acquisition of investments item on 31 December 2024 predominantly includes the amounts payable for the option to purchase the remaining 20% of Preveris in the amount of 4.2 million euros, for the acquisition of CUF Trindade (1,049 thousand euros in 2024 and in 2023, less the amortised cost), Clínica Dr. Luis Álvares, S.A. (270 thousand euros in 2024 and 360 thousand euros in 2023), the sale of Montijo (300 thousand euros in 2024 and 2023). On 31 December 2023, the item includes the remaining amount to be paid for the acquisition of ICIL in the amount of 1.35 million euros, which was settled in 2024 (Note 44), two advances on land in Faro and Seixal in the amount of 560 thousand euros, which were settled during 2024. In accordance with the respective acquisition contracts, the corresponding instalments to be settled more than twelve months from the date of the consolidated statement of financial position were considered non-current, as was the corresponding effect of recognising these liabilities at amortised cost.

40. Other Liabilities

On 31 December 2024 and 2023, this item had the following composition:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Accrued expenses:				
Remunerations	49,055	-	43,417	-
Fees	6,361	-	6,117	-
Insurances	3	-	82	-
IT	780	-	880	-
Others	11,878	-	13,510	-
	68,076	-	64,005	-
Deferred income:				
Liabilities towards ARS LVT	4,709	-	4,709	-
Other income to be recognised	2,322	-	1,177	-
	7,031	-	5,886	-
	75,107	-	69,891	-

The Fees item concerns the estimate of values payable to employees without a permanent labour contract. This estimate is based on the monthly payment history, on the agreements established with each service provider and on the duration of the work carried out.

The "Others" item contains the accrued expenses incurred at the closing of the year for Costs of sales, External supplies and services (Complementary Diagnostic and Treatment Means "CDTMs" and Clinical Specialist Works), and Other operating costs.

The Deferred income item predominantly concerns liabilities recognised towards ARSLVT as a result of the difference between the amounts advanced during the 2021 and 2020 financial years and the actual production. This situation results from the closure of the invoiced value, which is the contracted value, being higher than the actual production value calculated by the Group.

41. Derivative Financial Instruments

As part of the financial risk management policy, a financial instrument was contracted in February 2023 to minimise the risk of exposure to interest rate variations in the form of an interest rate swap, to cover 33.8 million euros of CUF Tejo Hospital's commercial paper. The derivative financial instrument contracted respects the characteristics of the commercial paper in question in order to be considered a hedging product.

There is a relationship between the hedged item and the hedging instrument, as the conditions (period and reference rate) of the financing and hedging instruments are the same. The Group sets a 1:1 coverage ratio for the hedging ratio. Effectiveness tests are conducted at the inception of the hedge and thereafter: the hedge is expected to be highly effective in achieving offsetting changes in cash flows attributable to the hedged risk for which the hedge was designated. This expectation is shown by the high statistical correlation between the cash flows of the hedged item and those of the hedging instrument.

On 31 December 2024 and 2023, the fair value of the contracted financial derivatives can be presented as follows:

	31/12/2024		31/12/2023	
	Current	Non-current	Current	Non-current
Derivatives classified as cash flow hedging:				
Initial balance	-	(862)	-	-
Composition	-	(309)	-	(862)
Final Balance	-	(1,171)	-	(862)
Deferred tax movement of the derivative financial instruments				
Initial balance	-	193	-	-
Establishment (Note 24)	-	90	-	193
Final Balance	-	283	-	193
Impact on Equity	-	(890)	-	(669)

The characteristics of derivative financial instruments contracted in relation to financing operations were as follows:

Cash flow hedging derivatives	Notional	Currency	Economic goal	Maturity	Fair value	
					31/12/2024	31/12/2023
Interest rate swaps	33,800	Eur	Commercial paper	Jun/32	1,171	862
	33,800				1,171	862

The fair value of the hedging derivatives is classified as non-current when the maturity of the hedging transaction is greater than 12 months, and as current when the maturity of the operation being covered is under 12 months.

42. Trade Payables and Advances from Clients

On 31 December 2024 and 2023, these items had the following composition:

	31/12/2024	31/12/2023
Advances from clients	3,318	2,914
Trade payables, current account	94,507	83,254
Suppliers, invoices in reception and under verification	6,618	6,329
	104,444	92,497

On 31 December 2024 and 2023, the Group had accounts payable to related parties amounting to approximately 374 thousand euros and 629 thousand euros, respectively (Note 45).

43. Guarantees

Financial guarantees provided in favour of third parties

On 31 December 2024 and 2023, the companies included in the consolidation had not provided guarantees in favour of third parties.

Real guarantees provided in favour of third parties

On 31 December 2024 and 2023, the Group had provided real guarantees to financial institutions by mortgaging the following properties of the Group:

- CUF Sintra Hospital
- CUF Santarém Hospital
- CUF São João da Madeira Clinic
- CUF Porto Hospital
- CUF Institute
- CUF Descobertas Hospital (Expansion)
- CUF Descobertas Hospital
- CUF Almada Clinic
- CUF Tejo Hospital

- CUF Cascais Hospital
- CUF Torres Vedras Hospital
- Multicmas Property

Additionally, in the financial year ended on 31 December 2022, CUF Cascais set up a first-degree mortgage in favour of financial institutions on the Surface Rights it holds, free of encumbrances or charges, until full payment of the obligations arising from the financing contract between the LHEA Association for Lifelong Health Education in the amount of 1.35 thousand euros, of which CUF Cascais is a partner, and Caixa Central – Caixa Central de Crédito Agrícola Mútuo, C.R.L., Caixa de Crédito Agrícola Mútuo de Entre Tejo e Sado, C.R.L., and Caixa de Crédito Agrícola Mútuo de Loures Sintra e Litoral, C.R.L.

Other Guarantees provided

- CUF, S.A. is a guarantor under the financial leasing contracts for medical equipment signed by the Group's various companies, totalling 36.6 million euros.
- Blank promissory note subscribed by CUF – Investimentos Imobiliários, S.A. and guaranteed by CUF, S.A. and Hospital CUF Tejo, S.A. specifically for the commercial paper contracted by CUF – Investimentos Imobiliários, S.A., in the amount of 73.3 million euros, was presented as a consignment guarantee for the rents paid by Hospital CUF Tejo, S.A.
- The consignment of any and all income from lease contracts for the CUF Cascais Hospital and CUF Sintra Hospital properties was presented as collateral for the loans taken out by Imo Health Cascais – Investimentos Imobiliários, S.A. and Simplygreen – Investimentos Imobiliários, S.A., whose outstanding amounts on 31 December 2024 were 9.2 million euros and 9.5 million euros, respectively.
- Two blank promissory notes subscribed by Hospimob Imobiliária, S.A. and endorsed by CUF, S.A. and Hospital CUF Porto, S.A., in the amount of 47.6 million euros.
- Two blank promissory notes subscribed by CUF – Investimentos Imobiliários, S.A. and endorsed by CUF, S.A. as part of the contracting of two loans with mortgages, totalling 32.2 million euros.
- As part of the 8.0 million euro loan, CUF – Investimentos Imobiliários, S.A. subscribed to two blank promissory notes, guaranteed by CUF, S.A.
- Hospital CUF Santarém, S.A. subscribed a blank promissory note, as a form of guarantee for the mutual financing entered into with a banking institution, whose outstanding amount on 31 December 2024 was 10.2 million euros.
- Blank promissory note, subscribed by Hospital CUF Tejo, S.A., Clínica CUF Alvalade S.A., Hospital CUF Santarém, S.A., Hospital CUF Descobertas, S.A., Clínica CUF Belém S.A., Hospital CUF Cascais S.A., Hospital CUF Torres Vedras S.A., Hospital CUF Coimbra S.A., Hospital CUF Porto S.A., Hospital CUF Viseu S.A., Hospital CUF Açores, S.A. and CUF Arrifana de Sousa, S.A., under various lease contracts.
- Within the scope of Contracted Commercial Paper, for each contract, a blank promissory note was signed by the issuing entities, CUF, S.A., Hospital CUF Descobertas, S.A. and Hospital CUF Tejo, S.A., to guarantee the debt up to 16 million euros. On 31 December 2024, all the lines were used.
- As part of the Commercial Paper, a blank promissory note was subscribed for each contract by the issuer, CUF, Investimentos Imobiliários S.A., to guarantee the outstanding amount, which, on 31 December 2024, was 73.3 million euros.

- Guarantee provided by CUF, S.A. and Hospital CUF Descobertas, S.A. under the mutual loan agreement contracted by CUF, Investimentos Imobiliários, S.A., in the amount of 21.6 million euros.
- Blank promissory note subscribed by CUF – Investimentos Imobiliários, S.A., as part of the mutual loan agreement, with an outstanding amount of 23.4 million euros on 31 December.
- Blank promissory note subscribed by CUF Sociedade Gestora de Participações Sociais, S.A. within the scope of mutual financing, whose amount outstanding on 31 December was 39.8 million euros.
- Three blank promissory notes subscribed by Hospital CUF Açores S.A., within the scope of mutual financing contracts, whose outstanding amount on 31 December 2024 was 9.3 million euros.
- As part of the mutual financing and leasing contracts, blank promissory notes were signed by Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A., to guarantee the overall debt, which to date stands at around 0.7 million euros.
- Blank promissory note subscribed by Greenimolis – Investimentos, S.A. and 50% guaranteed by CUF, S.A. as part of the loan agreement for the construction of the CUF Leiria Hospital, amounting to 23.6 million euros.

44. Explanatory Notes of the Statement of Cash Flows

44.1. Receipts from Financial Investments:

The most significant inflows related to financial investments occurring during the financial years ended on 31 December 2024 and 2023 are:

	31/12/2024	31/12/2023
Dr. Campos Costa – Consultório de Tomografia Computorizada, S.A. (Note 25)	120	120
Dividends received (Note 21)	98	0
	218	120

44.2. Payment from Financial Investments and Other Investments:

The most significant payments related to financial investments occurring during the financial years ended on 31 December 2024 and 2023 are:

	Classification	31/12/2024	31/12/2023
Hospital CUF Açores, S.A.	Acquisition of business (a)	74	21,000
Hospital CUF Açores, S.A.	Cash and cash equivalents acquired (Note 7.2)	-	(475)

Clínica Dr. Luís Alvares, S.A.	Acquisition of business	-	90
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.	Acquisition of business	-	3,233
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.	Acquisition Additional payments	-	87
Preveris – Prevenção, Saúde e Segurança no Trabalho, S.A.	Cash and cash equivalents acquired (Note 7.2)	-	(204)
Clínica CUF Belém, S.A.	Acquisition of business (Note 34)	306	2,889
Hospital CUF Trindade, S.A.	Acquisition of business	-	456
Greenimolis – Investimentos Imobiliários, S.A.	Additional payments	2,750	179
ICIL	Acquisition of business (Note 39)	1,355	-
CUF Arrifana de Sousa, S.A.	Acquisition of business (Note 7.1)	23,223	-
CUF Arrifana de Sousa, S.A.	Cash and cash equivalents acquired (Note 7.1)	(1,967)	-
Centros de Saúde CUF, S.A:	Acquisition of business (Note 7.1)	5,633	-
Centros de Saúde CUF, S.A:	Cash and cash equivalents acquired (Note 7.1)	(463)	-
		30,913	27,255

(a) Earnout concerning the acquisition of Hospital CUF Açores, S.A., amounting to 103 thousand euros. Of this amount, 74 thousand euros were paid out during the year, leaving the remainder in the Other creditors item.

44.3. Payments from Financing Activities:

The most significant payments related to financing activities during the financial years ended on 31 December 2024 and 2023 concern the following movements:

	Classification	31/12/2024	31/12/2023
José de Mello Capital, S.A.	Payment of Dividends	18,767	18,767
Farminveste – Investimentos, Participações e Gestão, S.A.	Payment of Dividends	8,550	8,550
Fundação Amélia da Silva de Mello	Payment of Dividends	1,183	1,183
HD – Medicina Nuclear, S.A.	Payment of Dividends	137	77
Clínica de Serviços Médicos Computorizados de Belém, S.A.	Payment of Dividends to Non-Controlling Interests	-	62
Clínica CUF Belém, S.A.	Payment of Dividends to Non-Controlling Interests	-	33
		28,637	28,672

45. Related Parties

45.1. Type of Relationship with Related Parties

The nature of the relationships between the Group and its associated companies, its shareholders and other related parties is shown in the following table:

Transactions

Related Party	Location	Operating income	External supplies and services	Financial costs	Financial income
Shareholders					
José de Mello Capital, S.A.	Portugal	-	Specialised Work	-	-
Farminveste – Investimentos, Participações e Gestão, S.A.	Portugal	Specialised work	-	-	-
Associated companies					
Greenimolis – Investimentos Imobiliários, S.A.	Portugal	Specialised work	Personnel transfer	-	-
Centro Gamma Knife – Radiocirurgia, S.A.	Portugal	Specialised work	Personnel transfer	-	-
Other related parties:					
M Dados – Sistemas de Informação, S.A.	Portugal	Occupational health	Data Management Fees	-	-
Brisa – Autoestradas de Portugal Group	Portugal	Occupational health	Parking commissions	-	-
Bondalti Group	Portugal	Occupational health	-	-	-
Farminveste Group	Portugal	Occupational health	-	-	-
L.A.R.F. – Imobiliária, S.A.	Portugal	-	-	Loans	-
Sociedade Agrícola D. Diniz, S.A.	Portugal	Specialised work	-	-	-
S.P.S.I. – Sociedade Portuguesa de Serviços de Apoio e Assistência a Idosos, S.A.	Portugal	Specialised work	Personnel transfer	-	-
José de Mello Residências e Serviços, SGPS, S.A.	Portugal	Specialised work	Personnel transfer	-	-
LHEA – Association For Lifelong Health	Portugal	-	-	Loans	-

The terms or conditions are almost identical to those that would normally be drawn up, accepted and practiced between independent entities in comparable operations.

45.2. Transactions and Balances with related parties

Related Party	Year	Sales and services rendered (Note 9)	External supplies and services (Note 11)	Personnel costs (Note 12)	Other operating costs (Note 13)	Financial income (Note 14)
Shareholders						
José de Mello Capital, S.A.	2024	18	(6)	-	-	-
	2023	17	-	-	-	-
Farminveste – Investimentos, Participações e Gestão, S.A.	2024	-	-	-	-	-
	2023	4	-	-	-	-
Associated companies						
Greenimolis – Investimentos Imobiliários, S.A.	2024	23	(254)	-	(38)	18
	2023	12	(315)	(13)	-	5
Centro Gamma knife – Radiocirurgia, S.A.	2024	-	(1,039)	-	-	-
	2023	-	(1,098)	(54)	-	12
Other related parties:						
M Dados – Sistemas de Informação, S.A.	2024	-	(622)	-	-	-
	2023	-	-	-	-	-
Brisa – Autoestradas de Portugal Group	2024	-	(687)	-	-	-
	2023	-	(784)	-	-	-
Bondalti Group	2024	19	1	-	-	-
	2023	26	-	-	-	-
Farminveste Group	2024	-	-	-	-	-
	2023	-	-	-	-	-
L.A.R.F. – Imobiliária, S.A.	2024	-	-	-	-	-
	2023	1	-	-	-	-
Sociedade Agrícola D. Diniz, S.A.	2024	-	(10)	(12)	-	-
	2023	-	-	(14)	-	-
S.P.S.I. – Sociedade Portuguesa de Serviços de Apoio e Assistência a Idosos, S.A.	2024	-	(6)	-	-	-
	2023	-	-	-	-	-
José de Mello Residências e Serviços, SGPS, S.A.	2024	-	-	-	-	123
	2023	-	-	-	-	123
Amélia de Mello Foundation	2024	-	-	-	(240)	-
	2023	-	-	-	(207)	-
	2024	42	(2,617)	(12)	(278)	140
	2023	61	(2,197)	(80)	(207)	140

Related Party	Year	Debit balances			Credit balances	
		Other financial assets (Note 23)	Other debtors (Note 25)	Other assets (Note 26)	Trade receivables (Note 28)	Trade payables (Note 42)
Shareholders						
José de Mello Capital, S.A.	2024	-	-	-	2	-
	2023	-	-	-	2	-
Farminveste – Investimentos, Participações e Gestão, S.A.	2024	-	-	-	0	-
	2023	-	-	-	-	-
Associated companies						
Greenimolis – Investimentos Imobiliários, S.A.	2024	-	147	-	241	20
	2023	-	-	140	87	19
Centro Gamma knife – Radiocirurgia, S.A.	2024	-	-	36	34	97
	2023	-	-	-	8	355
Other related parties:						
M Dados – Sistemas de Informação, S.A.	2024	-	-	-	-	256
	2023	-	-	-	-	-
Brisa – Autoestradas de Portugal Group	2024	-	12	-	31	-
	2023	-	-	-	37	-
Bondalti Group	2024	-	-	-	22	-
	2023	-	-	-	21	-
Sociedade Agrícola D. Diniz, S.A.	2024	-	-	-	-	1
	2023	-	-	-	-	1
S.P.S.I. – Sociedade Portuguesa de Serviços de Apoio e Assistência a Idosos, S.A.	2024	-	-	-	-	-
	2023	-	-	-	1	-
José de Mello Residências e Serviços, SGPS, S.A.	2024	5,774	-	19	-	-
	2023	5,406	-	-	-	255
LHEA – Association For Lifelong Health	2024	-	1,350	-	-	-
	2023	1,350	-	-	-	-
	2024	5,774	1,509	55	330	374
	2023	6,755	-	140	155	629

No expenses were recognised in relation to bad or doubtful debts owed by related parties.

Additionally, no guarantees were given to or received from related parties.

45.3. Remunerations of Key Management Personnel

The wages of the Group's key management personnel are discriminated in the table below:

	31/12/2024	31/12/2023
Fixed remuneration	3,888	2,563
Variable remuneration	3,157	6,055
	7,045	8,618

In the context of transactions with related parties, no commitments were entered into nor were any guarantees given or received. Directors' remuneration includes all remunerations due for the exercise of roles in management bodies of companies of the CUF Group.

In the CUF Group, no other system of remuneration payment to directors is established in the form of benefits or profit sharing and/or premium payments, in addition to the amounts relating to premiums recognised in the financial statements. The remuneration of these key members is determined by the Remuneration Committee of CUF, S.A., taking into account parameters related to the Group's performance.

No compensation was paid or owed to former executive directors in relation to the termination of their duties during the financial year of 2024.

Therefore, no amounts were paid on any basis other than the remuneration disclosed in paragraph "Information on shareholder structure, organisation and corporate governance" to the Group's management bodies.

Additionally, there are no outstanding balances or other commitments to disclose.

46. Financial Instruments

On 31 December 2024 and 2023, the balance sheet of value of the major financial assets and liabilities held at amortised cost were as follows:

	31/12/2024	31/12/2023
Financial assets		
Cash and bank deposits (Note 30)	118,814	59,008
Accounts receivable from third parties (Notes 25 and 28)	95,690	91,820
Other financial assets (Note 23)	5,775	6,755
Other assets (Note 26)	22,738	30,158
	243,017	187,741
Financial liabilities		
Accounts payable to third parties (Notes 29.39 and 42)	135,576	112,016
Other liabilities (Note 40)	68,076	64,005
Lease liabilities (Note 37)	103,964	92,119
Loans obtained (Note 35)	540,383	470,181
	847,999	738,321

On 31 December 2024 and 2023, as mentioned above, the Group's financial assets and liabilities predominantly concern accounts receivable from third parties, cash and cash equivalents, loans and accounts payable to third parties which are measured at amortised cost.

Regarding investments and financial assets, current accounts receivable and accounts payable and cash and cash equivalents, the Group considers, in view of the specific characteristics of these financial instruments, that the fair value does not differ significantly from their book value and therefore it is not necessary, under IFRS 13 – Measurement at fair value, to present their fair value by measurement levels.

Regarding financing obtained, the Group considers that its fair value will depend significantly on the level of risk attributed by the financing entities and the conditions that CUF Group would be able to obtain at the date of the statement of financial position, if it went to the market to contract financing of a similar amount and term to that which it has in progress on 31 December 2024. However, in the opinion of the Group's Board of Directors, its book value does not differ significantly from its fair value, therefore it is not necessary, under IFRS 13 Fair value measurement, to present its fair value by measurement levels.

In the development of its activities and business, CUF Group is exposed to a number of financial risks that may alter its net worth, which, according to their nature, are as follows:

- Market risks, mainly based on interest rate risk;
- Liquidity risks, arising from its financial liabilities; and
- Credit risk, which results from its operational and treasury activities.

The Group's Financial Risk Management Policy seeks to ensure proper identification of risks associated with the business undertaken as well as to adopt and implement the necessary measures to minimise the negative impacts that adverse developments of the factors underlying these risks may have on the financial structure of the Group and on its sustainability.

Under the risk management process, the Group identified a set of risks associated with the financial performance of each company included in the consolidation considered materially more relevant, among which stand out the market (exposure to variations of interest rates), credit and liquidity risks.

The Group has a risk management model that seeks to minimise the potential adverse effects, using the instruments suited to cover the risks to which it is exposed.

Analysed below in more detail are the main financial risks that the Group is exposed to and the main measures implemented to manage those risks.

a) Market risk

The market risk is the risk of the changes in the markets' prices, such as interest rates, foreign exchange variations or evolution of the stock markets, affecting the Group's results and its financial position.

The Group is only exposed to risks stemming from changes in interest rates, thus the management of market risks is mostly focused on monitoring the evolution of the interest rates, which influence the remunerated financial liabilities (contracted on the basis of interest rates indexed to the evolution of the markets) and their impact on the consolidated financial statements.

- Risk of exposure to variations in interest rates

The management of the interest rate risk aims to minimise exposure to changes in interest rates and their impact on the financial statements within the established limits.

Through control policy adopted, it seeks to select suitable strategies for each business area in order to ensure that this risk factor does not adversely affect the operational capacity. On the other hand, the exposure to interest rate risk is also monitored via the simulation of adverse scenarios with a certain degree of probability which can negatively affect the Group's results.

Whenever expectations of changes in interest rates so justify, the Group seeks to contract fixed interest rate loans.

The table below provides a sensitivity analysis of the impact of a potential increment of the Euribor rates in CUF's financial costs in 2024 and 2023:

	31/12/2023		31/12/2023	
	Variation in the rate (p.p)	Impact in financial costs (euros)	Variation in the rate (p.p)	Impact in financial costs (euros)
Non-current loans	+0.5	+1,389	+0.5	1,277
Current Loans	+0.5	+ 188	+0.5	35
Current Leases	+0.5	+172	+0.5	163
		1,750		1,475

Analysis notes:

- Funding contracted at a fixed rate was excluded, namely the debenture loans mentioned previously;
- The variation in the impact of a potential increase in Euribor rates on financial costs stems from the acquisition of new units, which had already been financed at variable interest rates.

b) Credit risk

The credit risk is the risk of a counterparty failing to comply with its obligations under the cover of a financial instrument, thus resulting in a loss. CUF Group is subject to credit risk in relation to the following activities:

- Operating activities – Trade receivables, trade payables and other accounts receivable and payable;
- Financing activities.

In addition to cash and bank deposits, the following table shows the Company's maximum exposure to credit risk:

	31/12/2024	31/12/2023
Other assets	22,738	30,158
Trade receivables and advances to suppliers (Note 43)	86,060	86,423
Other debtors (Note 25)	9,631	5,397
Other financial assets (Note 23)	5,775	6,755
	124,204	128,733

For assets in the Statement of Financial Position, the defined exposure is based on its recorded amount on the face of the financial position.

Accounts receivable

Credit risk is mainly related to credits of services provided to customers. This risk is tracked as follows:

- Following previously established policies, procedures and controls;
- Establishing credit limits for the clients, based on internal assessment criteria (average collection period);
- Impairment analyses on the values to be received on a regular basis;
- The outstanding amounts are regularly monitored.

CUF Group has in place non-recourse factoring contracts whereby it assigns the receivables and whereby control of the receivables and portions of the risks and rewards are transferred to the factoring entity.

The Group presents no significant credit risk with any specific client, insofar as the accounts receivable stem from a high number of clients.

The change in Impairment losses of accounts receivable is disclosed in Note 38.

It is the understanding of the Board of Directors that, on 31 December 2024, the estimated impairment losses on accounts receivable are adequately reported in the financial statements.

Other investments

The balances shown under item Other investments in 2023 predominantly concerned (i) the Labour Compensation Fund, which was guaranteed by Instituto de Gestão de Fundos de Capitalização da Segurança Social, I.P. and by the Institute for Financial Management of Social Security (Instituto de Gestão Financeira da Segurança Social, I.P. (IGFSS, I.P.); (ii) stake in the company José de Mello Residências e Serviços, SGPS, S.A.

It should be noted that, according to Note 2.3.11, Law No. 13/2023 of 3 April amended the Portuguese Labour Code and related legislation, suspending contributions to the Labour Compensation Fund [*Fundo de Compensação do Trabalho*] and to the Labour Compensation Guarantee Fund [*Fundo de Garantia de Compensação do Trabalho*]. In effect, the obligations relating to the FCT have been cancelled and those relating to the FGCT are suspended. Companies that have contributed to the FCT can therefore mobilise these funds. They will have until 2026 to redeem the amounts held in the Fund. As a result, the amounts under this item were reclassified to Other debtors.

In 2024, the Other investments item only includes the shareholding in the company José de Mello Residências, e Serviços, SGPS, S.A, whose activity is monitored by management, making it possible to monitor the risk.

c) Liquidity risk

Liquidity risk stems from the potential inability to finance the Group's assets, or to meet the contracted liabilities on the expiration dates.

The management of the liquidity risk seeks to permanently track the treasury forecasts in order to ensure the fulfilment of all of the Group's liabilities toward the entities with which it deals in its activity. Through active management of the business plan and

comprehensive mapping of needs or future cash surpluses, it also seeks to reduce the risk of financing by having a permanent relationship with the financial partners.

The table below presents the Group's liabilities according to intervals of contractual maturity at the end of 2024 and 2023. The amounts represent the non-discounted cash flows to be paid in the future:

	31/12/2024			
	<1 year	1-5 years	>5 years	Total
Financial Debt:				
Debenture loans	16,766	147,790	-	164,556
Pledge current account	70	-	-	70
Other bank loans	42,150	138,028	75,764	255,941
Commercial paper	52,197	22,116	45,458	119,771
Bank overdrafts	45	-	-	45
	111,228	307,933	121,222	540,383
Leases:				
Lease liabilities	21,612	45,203	37,148	103,964
	21,612	45,203	37,148	103,964
	132,841	353,137	158,370	644,347

	31/12/2023			
	<1 year	1-5 years	>5 years	Total
Financial Debt:				
Debenture loans	2,133	94,793	-	96,926
Other bank loans	65,437	100,787	111,203	277,426
Commercial paper	20,124	21,468	51,229	92,820
Bank overdrafts	3,008	-	-	3,008
	90,702	217,048	162,431	470,181
Leases:				
Lease liabilities	18,270	35,127	38,722	92,120
	18,270	35,127	38,722	92,120
	108,972	252,175	201,153	562,300

47. Statutory Auditor's Fees

The total fees for the financial years ended on 31 December 2024 and 2023, of the Statutory Auditor and its network, are detailed as follows:

	31/12/2024	31/12/2023
Audit and statutory audit	507	402
Other services	244	65
	751	467

48. Approval of the Financial Statements

The financial statements were approved, and authorised for issue, by the Board of Directors on 4 April 2025.

The financial statements will be subject to approval at the General Shareholders' Meeting and the Board of Directors expects them to be approved without significant changes.

49. Subsequent events

In November 2024, CUF signed an agreement with José de Mello Residências e Serviços and with the Ageas Portugal Group to acquire 100% of the share capital of S.P.S.I. - Sociedade Portuguesa de Serviços de Apoio e Assistência a Idosos, S.A. ("SPSI"), an organisation that provides services and solutions to the senior population under the Domus Vida brand (residences located in Parede and Junqueira/Lisbon), for the amount of 3 million euros plus the net value of cash and cash. On 15 January 2025, the Portuguese Competition Authority decided not to oppose the acquisition, which is expected to be completed on 30 April 2025.

On 7 March 2025, CUF signed a partnership agreement with the shareholders of the HPA Health Group to acquire a 75% stake in that hospital group, by a maximum estimated value corresponding to the ratio of 7.5%, calculated on its consolidated assets, by reference to 30 June 2024. Founded in 1996, the HPA Health Group is a leading operator in the Portuguese hospital context. Consisting of five hospitals and 17 clinics in Alentejo, Algarve and the Autonomous Region of Madeira, the HPA Health Group has high-quality installed capacity, a comprehensive offer and differentiated clinical teams, based on technical rigour and technological innovation. This operation represents not only the union of two companies with vast experience in the healthcare sector, but also an opportunity to strengthen and expand the quality of the services provided. We believe that this partnership will bring significant benefits to those who entrust us with their health, as well as to the professionals of both institutions, who will be able to grow in an environment of collaboration, development and knowledge sharing. This is also a very significant step in CUF's growth strategy at a national level, providing access to healthcare with differentiation and quality in all geographies. As is usually the case in a transaction of this nature, the completion of the process to acquire this stake, which will be reinforced over a four-year period, depends on the fulfilment of all the conditions set out in the agreement (including preceding conditions), as well as its prior notification to the Portuguese Competition Authority and the non-opposition of this entity.

Lisbon, 4 April 2025

The Statutory Auditor,

The Board of Directors



Declaration of Compliance of the Board of Directors

Declaration of Compliance of the Board of Directors

In accordance with provisions in Article 29-G(1)(c) of the Securities Code, the members of the Board of Directors of CUF, S.A. ("CUF") declare that, to the best of their knowledge, the management report, the consolidated and individual annual accounts and the other accounting documents, i) were prepared in accordance with current accounting standards and give a true and fair view of the assets and liabilities, financial situation and results of CUF and of the companies included in the consolidation scope; ii) they faithfully describe the development, performance and position of CUF business activity and of the companies included in the consolidation scope; and iii) they contain a description of the main risks CUF faces in its activity.

Lisbon, 4 April 2025

Information on the Shareholding Structure, Organisation and Corporate Governance

Information on the Shareholding Structure, Organisation and Corporate Governance

Qualifying holdings in the company’s share capital

Entity	Number of shares	Percentage of stake
José de Mello Capital, S.A.	6,980,100	65.85%
Farminveste – Investimentos, Participações e Gestão, S.A.	3,180,000	30.00%
Fundação Amélia da Silva de Mello	439,900	4.15%
	10,600,000	100.00%

Identification of shareholders with special rights and description of these rights

There are no special rights granted to any company shareholder.

Number of shares and bonds held by members of the management and supervisory boards, under the terms and for the effects of provisions in article 447(5) of the Portuguese Commercial Companies Code

The members of the Company’s management bodies do not hold shares or bonds in CUF, S.A. No transaction has taken place on these securities during the financial year of 20243.

Possible restrictions on voting rights, such as limits on voting depending on the ownership of a number or percentage of shares, time limits imposed for exercising these rights or systems for equity rights

There are no restrictions of this nature.

Applicable rules on appointment and replacement of members of the administrative board and on the changes to the articles of association

Under the terms of articles of association of CUF, S.A., there are no special rules on the appointment and replacement of members of the management body and on the change of CUF, S.A.’s bylaws. With regard to these matters, the corresponding provisions of the Portuguese Commercial Companies Code apply.

The powers that the administrative board enjoy, namely with regard to deliberations on capital increases

Under the terms of articles of association of CUF, S.A., there are no special rules on the powers of the management body. With regard to these matters, the corresponding provisions of the Portuguese Commercial Companies Code apply.

The Board of Directors of CUF, S.A. delegated the following competences to an Executive Committee:

- a) Carrying out the day-to-day management of the Company, with the ability to deliberate on all matters concerning the performance of the Company's activity, following its corporate purpose, the resolutions made by the Board of Directors and by the General Meeting that are under their purview, within the limits of this delegation.
- b) Preparing and submitting to the Board of Directors, for approval, the Company's Business Plan ("Consolidated Business Plan") and Budget ("Consolidated Annual Budget") for the relevant year, as well as to propose any subsequent changes to these documents.
- c) Preparing and submitting to the Board of Directors for approval, the main policies of the Company and its Subsidiaries, namely, the remuneration policy applicable to all employees who are not members of the governing bodies, the personnel management policy and the commercial and pricing policy.
- d) Carrying out the coordination and permanent monitoring of the day-to-day management of the Subsidiary Companies, issuing, in the case of fully owned Subsidiary Companies, binding instructions.
- e) For the purposes of the provisions of the preceding paragraph, in compliance with the Consolidated Business Plan and/or the Consolidated Annual Budget, the Executive Committee may decide on the following matters:
 - (i) Defining the affiliate companies' economic planning and financial strategy, namely:
 - opening and/or expansion of establishments;
 - development of new activities (e.g. new medical specialties) or significant alteration/reorganisation of existing activities;
 - signing of commercial agreements, conventions with insurance companies and scientific and academic subsystems and protocols;
 - choice of holders of top management positions, namely production, clinical and nursing management;
 - monitoring and supervision of relevant projects through a Steering Committee.
 - (ii) Approving any Business Plan, in accordance with the Consolidated Business Plan and with the Consolidated Annual Budget, and any amendments and updates thereto;
 - (iii) Approving the annual budget and any updates to it, in accordance with the Consolidated Business Plan and with the Consolidated Annual Budget;

- (iv) Executing relevant contracts, namely labour or services contracts, assumption of responsibilities, acquisitions or sales of any assets, including stakes in other companies, regardless of their value, that are provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget or, if not, that represent an amount equivalent or inferior, on an individual basis, to €2,500,000.00 (two million five hundred thousand euros);
- (v) Approving any financing, loans and/or any financial liabilities, regardless of their amount, that are provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget or, if not provided for, that represent an amount equivalent or inferior, on an individual basis, to €7,000,000.00 (seven million euros);
- f) Entering into the acts and contracts inherent to the Company's activity that are not expressly indicated in subsequent sub-paragraphs g), k), l), e), q), r) and s), provided that their value does not exceed the equivalent to €2,500,000.00 (two million five hundred thousand euros), and all those resulting from the Consolidated Business Plan, from the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value.
- g) Contracting financing, bank loans or similar operations and/or any financial liabilities, as long as the corresponding amount does not exceed the equivalent to €7,000,000.00 (seven million euros), and all those resulting from the Consolidated Business Plan, from the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value.
- h) Conducting banking transactions, such as open and operate any credit or debit bank accounts, withdraw and endorse cheques and withdraw, accept and endorse letters, promissory notes and other debt securities.
- i) Making receipts and payments on behalf of the company, grant discharge and issue the required accounting documents.
- j) Signing employment or service contracts for company personnel, to exercise or be able to discipline and promote, if necessary, the dismissal of any worker, in addition to recruiting employees or special experts, where appropriate.
- k) Carrying out investments or divestments, including the acquisition or disposal of shareholdings in other companies, provided that their value does not exceed €2,500,000.00 (two million five hundred thousand euros), and all those resulting from the Consolidated Business Plan, from the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value.
- l) Carrying out the necessary transactions for the issue of any securities convertible into shares, including convertible bonds and issue of stock options and issue of shares by the Subsidiary companies provided that it is determined by the Board of Directors and/or is provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget.
- m) Carrying out the necessary transactions to acquire, sell, redeem or encumber own shares or to acquire or sell majority stakes in Subsidiary companies, as long as they are determined by the Board of Directors and/or are included in the Consolidated Business Plan and/or in the Consolidated Annual Budget.

- n) Carrying out the necessary operations to establish, modify or terminate public-private partnerships as long as they are determined by the Board of Directors and/or are included in the Consolidated Business Plan and/or in the Consolidated Annual Budget.
- o) Terminating or assigning activities under the terms of the Consolidated Business Plan and/or of a resolution of the Board of Directors.
- p) Assuming third party obligations provided they are previously approved by resolution of the Board of Directors.
- q) Entering into any transaction or contractual relationship to be entered into between, on the one hand, the Company or its Subsidiary Companies and, on the other hand, a Related Party or an individual who does not qualify as an Independent, provided that it is provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget or has been previously approved by the Board of Directors or does not concern the provision of healthcare services outside the conditions currently adopted by the Company or its Subsidiary Companies.
- r) Renewing contracts or signing new contracts with customers and/or suppliers.
- s) Entering into any type of insurance contracts inherent to the exercise of the Company's activity as provided for in the Consolidated Business Plan and/or in the Consolidated Annual Budget.
- t) Entering into leases and selling, encumbering or acquiring real estate for the Company valued at or below €2,500,000.00 (two million five hundred thousand euros) and all those resulting from the Consolidated Business Plan or the Consolidated Annual Budget or from a previous resolution of the Board of Directors, regardless of their value.
- u) Carrying out provision of all movable property and equipment essential for the exercise of the Company's activity.
- v) Proposing the company's organigram to the Board of Directors and keep it informed on the subsequent adjustments that prove to be necessary.
- w) Establishing proxies to represent the company in the execution of specific acts through issuing the appropriate instrument for that purpose.
- x) Establishing forensic proxies to represent the Company in any litigations in which it may be involved, granting them sufficient powers to acknowledge, desist and compromise.
- y) Representing the Company in court and in arbitration as well as appointing arbitrators in any litigation in which it may be involved.
- z) Proposing to the Board of Directors the members of the governing bodies of companies in which the Company has shareholdings, in whose management bodies all or part of the members of the Company's Executive Committee should participate.

In the cases contemplated in paragraphs e)(iv.), f), k), and t), when the value of the transaction exceeds 1,500,000.00 euros (one million, five hundred thousand euros), and in the cases contemplated in paragraphs e)(v.) and g), when the value of the transaction exceeds 5,000,000.00 euros (five million euros), the Executive Committee shall, prior to making any decision, provide adequate information on the transaction, in writing or at a meeting of the Board of Directors.

Also, under the powers delegated to it, the Executive Committee is able to define responsibilities and operational areas of each member, in terms of the Company's internal structure, operation, coordination and monitoring of its business areas, in general, and of affiliate companies in particular.

Key elements of the internal control systems and risk management implemented in the company on the process of disclosing financial information

The subject of the CUF group's internal control and risk management systems is described in Report Management.

Amount of annual remuneration paid by the company and/or by legal persons in control or group relationship to the auditor and to other natural or legal persons and specification of the percentage for each type of service.

	31/12/2024	31/12/2023
Value of auditing and statutory auditing services	507	402
Other services	244	65
	751	467



Legal Accounts Certificate

STATUTORY AUDITOR'S REPORT AND AUDITOR'S REPORT

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

REPORT ON THE AUDIT OF THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying separate and consolidated financial statements of CUF, S.A. ("the Entity") and of its subsidiaries ("the Group"), which comprise the separate and consolidated statements of financial position as at 31 December 2024 (showing a total of 1,425,142 Thousand Euros and 1,145,381 Thousand Euros, respectively and equity attributable to the Entity's shareholders of 927,973 Thousand Euros and 246,785 Thousand Euros, respectively, including a net profit of 17,811 Thousand Euros and a consolidated net profit of 43,363 Thousand Euros, respectively), the separate and consolidated statements of profit and loss and other comprehensive income, the separate and consolidated statements of changes in equity and the separate and consolidated statements of cash flows for the year then ended, and the accompanying notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view, in all material respects, of the separate and consolidated financial position of CUF, S.A. as at 31 December 2024 and of its separate and consolidated financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the separate and consolidated financial statements" section below. We are independent from the entities that constitute the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Ordem dos Revisores Oficiais de Contas 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 separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the most significant risks of material misstatement identified	Summary of the auditor's responses to the most significant assessed risks of material misstatement
<p>Private provision of health care services</p> <p>As referred to in Notes 2.3.1, 8 and 9 of the consolidated financial statements, the recognised revenue related with Hospital and clinical activity in the amount of 884,335 Thousands of Euros resulting, essentially, from the private provision of a diversified range of health care services carried out in the various units operated by the Group is based on the application of price lists defined for the different health care specialties provided. As stated in Note 26 of the consolidated financial statements, the Group recognised revenue related to the provision of medical services performed and not yet billed to customers in the amount of, approximately, 9,810 thousand Euros as a result, essentially, of the existence of pending terms of responsibility, of amounts to be invoiced only at the end of the treatment or that lack confirmation of the corresponding applicable billing codes.</p> <p>In view of the relevance of recognized revenue, the significant volume of transactions, the complexity of the calculation of revenue and the terms of the agreements entered into with the various payer entities, we concluded that the determination of the recognized revenue is a key audit matter.</p>	<p>Our procedures for mitigating this risk included, among other:</p> <ul style="list-style-type: none"> ▪ Evaluation of the policy adopted for the recognition of revenue relating to the private provision of health care services by reference to the applicable accounting standards; ▪ Obtain an understanding of the revenue calculation process related to the private provision of health care services and evaluation of the respective implemented controls considered to be relevant; ▪ Execution of analytical review procedures of revenue related to the private provision of health care services, including analysis of determined variations compared to the previous year; ▪ Verification of the correspondence between transactions recorded in the captions Sales and services provided with those recorded in Customers and Accrued income for unbilled medical services and with the corresponding cash receipts; ▪ Tests of detail of the bank reconciliations prepared by the Group as of 31 December 2024; ▪ Assessment of the adequate integration of revenue in the accounting system that supports financial reporting; ▪ Tests of detail to recognised revenue related to the provision of unbilled and/or uncollected medical services as of the date of financial reporting, including the assessment of the effects of its subsequent regularisation. ▪ Analysis of the adequacy of disclosures made in Notes 2.3.1, 8 and 9 of the consolidated financial statements.
<p>Measurement of real estate related to health care services</p> <p>As referred in Note 19 to the consolidated financial statements, the Group's tangible fixed assets include real estate related to health care services ("IASS") in the amount of 550,951 Thousand Euros. The Group measures the IASS at its revalued amount, which results from real estate valuations made annually by an external entity, given its operating conditions, discount rate and respective replacement value.</p>	<p>Our procedures for mitigating this risk included, among other:</p> <ul style="list-style-type: none"> ▪ Evaluation of the controls considered relevant, implemented in the Group, related to the revaluations performed; ▪ Evaluation of the competence, capacity, objectivity and independence of the appraisers hired by the Group;

<p>Given the relevance of the referred amount and the subjectivity of the judgments necessary in the definition of the assumptions used in determining the revalued value of those assets, we concluded that the measurement of IASS is a key audit matter.</p>	<ul style="list-style-type: none"> ▪ Obtaining the appraisal reports used in the measurement of IASS and its discussion with the referred appraisers; ▪ Analysis of the reasonableness of the methodology used by the appraisers and evaluation of the source information and of main assumptions used, namely of estimated future income, discount rate and replacement value used; ▪ Assessment of the adequacy of disclosures made in Notes 2.3.7 and 19 of the consolidated financial statements.
<p>Financial investments in subsidiaries and associates and Goodwill</p> <p>Financial investments in subsidiaries and associates measured at cost and loans granted to subsidiaries presented in the separate statement of financial position as at 31 December 2024 amount to 996,760 Thousand Euros and 300,375 Thousand Euros, respectively.</p> <p>Additionally, the Group's goodwill presented in the consolidated statement of financial position as at 31 December 2024 amounts to 92,530 Thousand Euros, being tested for impairment, at least, annually, for financial reporting purposes.</p> <p>As referred to in Notes 15 and 17 of the separate and consolidated financial statements, respectively, the impairment analysis of the referred investments and of goodwill is carried out by management, based on discounted cash flows models, taking into account the stage of maturity considered of the various health care units, which incorporate certain assumptions, that result from an evaluation of historical data and past experience, future perspectives for each of those units and their mix of activities, including the discount and growth in perpetuity rates used.</p> <p>In view of the relevance of these amounts and the subjectivity and complexity of the judgments necessary for the definition of the above-mentioned assumptions, we concluded that the analysis of the impairment of the referred assets is a key audit matter to the separate and consolidated financial statements as at 31 December 2024.</p>	<p>Our procedures for mitigating this risk included, among other:</p> <ul style="list-style-type: none"> ▪ Assessment of the controls considered relevant, implemented in the Group, regarding the impairment analysis carried out by management; ▪ Analysis of the reasonableness of the method adopted by management to determine investment in subsidiaries and investees recognition in the separate financial statements and the recoverable value used in the impairment analysis prepared; ▪ Comparison of relevant information considered in the financial cash flows projections used with the budgets approved by management; ▪ Evaluation of the reliability of estimates prepared by management, by reference to the comparison of current performance with estimates made in previous periods; ▪ Comparison of key assumptions used in the impairment analysis by management with external information, when that was determined to be applicable; ▪ Test of the arithmetic accuracy of the cash flows financial projections used by management; ▪ Assessment of the adequacy of disclosures made in Notes 2.2.9 and 15 and Notes 2.2, 2.5 and 17 of the separate and consolidated financial statements, respectively.

Responsibilities of management and supervisory body for the separate and consolidated financial statements

Management is responsible for:

- the preparation of separate and consolidated financial statements that give a true and fair view of the Entity's financial position and of the entities included in the consolidation and their separate and consolidated financial performance and cash flows in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union;
- the preparation of a management report, corporate governance report and consolidated statement of non-financial information, in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or to error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Entity's and the Group's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's and the Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatements, whether due to fraud or to 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 skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or to 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 and 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 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 separate and consolidated 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 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 separate and consolidated financial statements, including the disclosures, and whether those financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we planned and performed our audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or units within the Group as a basis to form an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the performance of the work performed for the purposes of the Group audit and are ultimately responsible for our audit opinion;
- communicate with those charged with governance, including the supervisory body, 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;
- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the separate and 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;
- provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our responsibility also includes the verification that the information contained in the management report is consistent with the separate and consolidated financial statements and the verification of the requirements as provided in numbers 4 and 5 of article 451.^o of the Portuguese Companies' Code in respect to the corporate governance report, as well as the verification that the consolidated statement of non-financial information was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European Single Electronic Format (ESEF)

The Group's separate and consolidated financial statements as of 31 December 2021 must comply with the requirements established in the Delegated Regulation (UE) 2019/815 of the Commission, of 17 December 2018 ("ESEF Regulation"). Management is responsible for the preparation and disclosure of the annual report in accordance with the ESEF Regulation.

Our responsibility consists in obtaining reasonable assurance whether the separate and consolidated financial statements, included in the annual report, are presented in conformity with the requirements established in the ESEF Regulation. Our procedures considered the guidance issued by the Portuguese Institute of Statutory Auditors on the Reporting under ESEF (“Guia de Aplicação Técnica da Ordem dos Revisores Oficiais de Contas (OROC) sobre o relato em ESEF”) and included, among others:

- obtaining an understanding of the financial reporting process, including the presentation of the annual report in the valid XHTML format, and
- identification and evaluation of the risks of material misstatement associated to the tagging of the information of the consolidated financial statements in XBRL format, using the iXBRL technology. This assessment was based on the understanding of the process implemented by the Entity to tag the information.

In our opinion, the separate and consolidated financial statements included in the annual report are presented, in all material aspects, in conformity with the requirements established in the ESEF Regulation.

On the management report

Pursuant to article 451.º, n.º 3, al. e) of the Portuguese Companies’ Code (“Código das Sociedades Comerciais”), we concluded that the management report was prepared in accordance with the applicable legal and regulatory requirements, the information contained therein is consistent with the audited separate and consolidated financial statements and, having regard to our knowledge and assessment over the Entity and the Group, we have not identified any material misstatements.

On the corporate governance report

Pursuant to article 451.º, number 4, of the Portuguese Company’s Code (“Código das Sociedades Comerciais”), we concluded that the corporate governance report includes the elements required to the Entity under the terms of article 29.º-H of the Portuguese Securities Code (“Código dos Valores Mobiliários”), and we have not identified any material misstatements on the information disclosed therein, which, accordingly, complies with the requirements of items c), d), f), h), i) and l) of number 1 of that article.

On the consolidated statement of non-financial information

Pursuant to article 451.º, n.º 6 of the Portuguese Companies’ Code (“Código das Sociedades Comerciais”), we inform that the Entity has prepared a separate report from the management report, that includes the consolidated statement of non-financial information in accordance with article 508.º-G of the Portuguese Companies’ Code (“Código das Sociedades Comerciais”), which was published together with the management report.

On the additional matters provided in article 10 of Regulation (UE) 537/2014

Pursuant to article 10 of Regulation (UE) 537/2014 of the European Parliament and of the Council of 16 April 2014, in addition to the key audit matters mentioned above, we also report on the following:

- We were appointed as auditors of the Entity for the first time in the shareholders’ general assembly held on 26 June 2020 to complete the ongoing mandate in respect to 2020 and 2021. We were appointed in the shareholders’ general assembly held on 9 May 2022 for a second mandate between 2022 and 2024.

- Management has confirmed to us that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the financial statements. In planning and executing our audit in accordance with ISAs, we maintained professional scepticism and we designed audit procedures to respond to the risk of material misstatements in the separate and consolidated financial statements due to fraud. As a result of our work, we have not identified any material misstatement on the separate and consolidated financial statements due to fraud.
- We confirm that the audit opinion issued is consistent with the additional report that we prepared and delivered to the Entity's supervisory body as 23 April 2025.
- We declare that we have not provided any prohibited services as described in article 5, number 1, of the European Union Regulation No 537/2014, of 16 April 2014, and that we have remained independent from the Entity and the Group in conducting the audit.

Lisbon, April 23, 2025

Deloitte & Associados, SROC S.A.
Represented by Pedro Miguel Argente de Freitas e Matos Gomes, ROC
Registration in OROC n.º 1172
Registration in CMVM n.º 20160784

Report and Opinion of the Supervisory Board Concerning the Consolidated Accounts

Report and Opinion of the Supervisory Board Concerning the Consolidated Accounts

Dear Shareholders,

In accordance with legal and statutory terms, the Supervisory Board of CUF, S.A., with headquarters at Av. do Forte 3, Edifício Suécia III, Piso 2, 2790-073 Carnaxide, presents its supervisory report and provides an opinion on the management report and on the consolidated accounts submitted by the Board concerning the financial year ended on 31 December 2024.

In accordance with legal and statutory terms, we have:

- approved the plan of activities for 2025;
- supervised the actions of the Board of Directors through meetings with the financial department, strategic planning, management control and innovation department, information systems department and quality and safety department;
- verified compliance with the law and fulfilment of the company's articles of association;
- evaluated whether the accounting policies and valuation/measuring criteria adopted by the company are in agreement with the generally accepted accounting principles and lead to a proper evaluation of the assets and results;
- evaluated the effectiveness of the internal control system implemented by the Board of Directors;
- supervised the process of preparation and disclosure of the financial information;
- verified the accuracy of the Statement of Financial Position, the Statement of Income and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Financial Statements for the 2024 financial year;
- evaluated the Management Report issued by the Board of Directors and the proposal for the appropriation of results it introduced;
- evaluated the work carried out by the Statutory Auditor leading to the legal review and additional services;
- verified the terms of the Legal Certification of the Accounts, the Audit Report and the Additional Report to the Supervisory Body, issued by Deloitte & Associados, SROC S.A., having concluded that its content deserves our agreement.

From our work, we highlight the following:

- We would emphasise the increase in EBITDA to 147.6 million euros, +23% on the previous year, which shows a growth in medical activity compared to the previous financial year. The operating performance resulted in a Consolidated Net Profit of 43.4 million euros, an increase of 5.6 million euros compared to the same period last year.
- Monitoring of the procedures for closing the processes on the Vila Franca de Xira Hospital public-private partnership operation.
- Non-current assets grew by 100 million euros as a result of: (i) the acquisition of the Arrifana de Soua Group and the miMed company; (ii) an increase in right-of-use assets resulting from the acquisitions made during the year and from the lease of facilities to support the units (logistics, imaging, sterilisation centre).

- Monitoring of the development of the Go forward project, which consists of reformulating the operating systems of the Group's healthcare service provision units. The year 2024 was marked by the implementation of the Go forward project in CUF clinics, which is expected to have been implemented in all medium-sized CUF hospitals in 2025.
- Monitoring of the acquisition of the entire share capital of José de Mello Residências e Serviços.
- CUF's debenture loans placed in financial markets include the obligation for the ratio Net Financial Debt/EBITDA to be at a level below 6.0x, as regards the audited annual accounts.
- Compared to 2023, gross debt increased by 82 million euros to a value of 644 million euros at the end of 2024. Net debt increased by 22 million euros to 525 million euros, below the limit agreed with bondholders.

The Supervisory Board has accompanied CUF's financial sustainability policy, namely with regard to managing the debt profile, both regarding diversification of funding sources and reducing the refinancing risk and extending the average maturity of the debt. This goes hand in hand with the importance of limiting future financial risk by using fixed-rate financing, which is especially important in the current context of rising Euribor rates.

The conducted supervisory action allows us to conclude that:

- the actions of the Board that we have knowledge of safeguard compliance with the law and with the company's articles of association;
- we are not aware of any situations that can call into question the suitability and effectiveness of the internal control system implemented by the Board in controlling the risk to which the company is exposed;
- the accounting and the accounts comply with the applicable legal, statutory and regulatory provisions, reflect the activity carried out and lead to a correct evaluation of the company's assets and results;
- the Management Report is in agreement with the accounts presented and faithfully shows the evolution of the activity and of the business during the financial year;
- the published Report includes the elements listed in Article 29-H of the Securities Code on the structure and practices of corporate governance;
- the Statement of Financial Position, the Statement of Income and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Financial Statements of the 2024 financial year meet the applicable legal and accounting requirements;
- the audit of the financial statements performed by the Statutory Auditor was suitable to the circumstances, and the additional services did not compromise its independence;
- the proposal for the appropriation of profits is appropriate and is properly grounded.

We can thus state:

- our agreement with the content of the Legal Accounts Certificate issued by the Statutory Auditor;
- our agreement with the Management Report and accounts for the 2024 financial year presented by the Board of Directors;
- that to the best of our knowledge, the disclosed financial information has been drafted in accordance with current accounting standards and give a true and fair view of the assets and liabilities, financial situation and results of the company, and that the Management Report faithfully describes the business development, financial performance and position of the company, containing a description of the main risks and uncertainties it faces.

Accordingly, taking into account the actions carried out, we consider that:

- the Management Report and the consolidated accounts of the 2024 financial year presented by the Board of Directors should be approved.
- Finally, we would like to thank the Board and all Employees in the service of the Company who we contacted, for all the cooperation we received when performing our duties.

Lisbon, 23 April 2025

The Supervisory Board

Manuel Ravara Caldeira Castel-Branco Cary
Chairperson

José Luís Bonifácio Lopes
Member

Ana Rita Barreira Duarte Bessa
Member

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Declaration of Compliance of the Supervisory Board

Declaration of Compliance of the Supervisory Board

In accordance with the provisions of Article 29-G(1)(c) of the Securities Code, the members of the Supervisory Board of CUF, S.A. ("CUF") declare that, to the best of their knowledge, the management report, the consolidated annual accounts, the legal certification of accounts, and the remaining accounting documents, i) were prepared in accordance with current accounting standards and give a true and fair view of the assets and liabilities, financial situation and results of CUF and of the companies included in the scope of consolidation; ii) they faithfully describe the development, performance and position of CUF business activity and of the companies included in the consolidation scope; and iii) they contain a description of the main risks CUF faces in its activity.

Lisbon, 23 April 2025

The Supervisory Board

Manuel Ravara Caldeira Castel-Branco Cary
Chairperson

José Luís Bonifácio Lopes
Member

Ana Rita Barreira Duarte Bessa
Member

Annual Report
2024