A future connecting people and companies, committed to deliver







Integrated Report 2021

Financial Indicators •

Revenues

2021(€847.9 m)

2020 (€745.2 m)

€847.9m

Total revenues in 2021

Mail & other Banco CTT

Financial Services

€444.4 m

€98.9 m

€48.9 m

Express & Parcels - €255.7 m

Portugal

Mozambique

€135.1 m

€3.2 m

Community Indicators



CTT Employees CTT Access points

Sustainability Indicators



fully electric CTT Hub

Ecological Vehicles in fleet

Main **Indicators**

Operational Indicators



Addressed mail volumes



573k

No. of current accounts

Guidance delivered

Recurring

€60.1m





Annual growth in volumes



This document constitutes an unofficial and unaudited version of the official document (ESEF format) of CTT Group financial information, submitted on the CMVM website on 16 March 2022 and published on CTT Group's website.

This document is a PDF version of the 2021 Integrated Report of CTT – Correios de Portugal, S.A.. This version does not include information in accordance with ESEF's Regulatory Technical Standard (Delegated Regulation (EU) 2019/815) . The official and audited version of the ESEF report is available on our website at https://www.ctt.pt/grupo-ctt/investidores/informacao-financeira/contas-consolidadas? language id=1. In case of discrepancies between this version and the official ESEF report, the latter prevails.

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1.5 External Awards and Distinctions

1.6 ESG Commitments (Environmental, Social and Governance)

A future in innovation

ctt





1.1 Statement of the Chairman of the Board of Directors

GRI 102-14, 102-32

Despite the enormous challenges faced, 2021 was a year of great progress for CTT, with solid results in all business areas, and with important steps in preparing for the future.

After a first year of pandemic, the beginning of 2021 brought about a steep rise of infections, limiting the mobility of the population and the activity of companies, especially in the 1st quarter. This had a knock on effect on the stability of our operations and on the evolution of the mail business, compounding the structural decline due to the digitalisation of communications. Halfway through the year, the end of the Value Added Tax exemption on low value extra-EU purchases (de minimis) strongly reduced international inbound flows, adding a new challenge to the profitability of CTT's portfolio of businesses.

In a context of strong headwinds, the performance demonstrated by the Company to find solutions to the challenges it faced and meet its objectives confirms the success of the ongoing transformation program. In the Express & Parcels business CTT consolidated its leadership position in Portugal and developed the operation in Spain, exceeding the goals set out in the strategic plan. The Business Solutions, Financial Services business units and Banco CTT also contributed to the Company's performance. The excellent results in terms of revenue growtn 13% above 2020 and profitability (EBIT of 7.1% vs 5.6% in 2020 confirm the resilience of the business model and justify the market's growing confidence in the Company.

At the same time, CTT maintained a constant investment effort in 2021 to consolidate its platforms and develop new opportunities. Significant investments were made in the Express & Parcels network, both in Portugal and in Spain, and in technology to support the remaining businesses. The partnership with Sonae Financial Services (credit management of the Universo card by Banco CTT), the acquisition of NewSpring Services (strengthening of the Business Solutions unit), and a partnership with YunExpress (development of the leading locker network in Portugal) were concluded with early promising results. This said, above all, the year was marked by the successful conclusion of the new concession contract negotiation with the Portuguese Government. This key milestone opens a new cycle in the provision of the universal postal service under sustainable conditions.

This message must therefore celebrate the protagonists of the successes achieved in 2021. First and foremost are the operational and commercial teams in Portugal, Spain and Mozambique, who assumed first-hand responsibility with customers and embodied CTT's commitment to "total delivery". We must also acknowledge the effort and competence of CTT leadership teams and of the Executive Committee, and congratulate them for the results obtained and the essential contribution they have made to CTT's future.

Throughout the year, the Board of Directors supported the Executive Committee in the definition of strategy and in steering the Company's businesses, including in particular the management of service levels, the negotiation of the new concession contract, and the development of the Company's equity story. As always, the specialised Audit and Corporate Governance committees complemented the role of the Board, supervising the integrity of internal controls and the development of Company policies. In this area, significant progress was made in defining policies for talent development, objectives, evaluation systems and incentives for top managers, as well as the training and functioning of the Board.

If the balance of 2021 is thus clearly positive, the focus of the Company and its staff is already centred on the next stage. The priorities for 2022 include capacity building for the growth of the Iberian Express & Parcels business, the expansion of CTT's offer as an e-commerce enabler for companies, and the consolidation of the operational and technology platforms. It also includes further developing Banco CTT's consumer finance and value-added products using partnerships. Increasingly, the strategy for each of its units will be based on sustainability, an area in which CTT is already a reference in the sector and is intended to become an essential pillar of the business model. On all these fronts, the ambition for excellence and the commitment of the Company's employees and senior staff are the best guarantee for the future of the Company.

Raúl Galamba de Oliveira,

Chairman of the Board of Directors

ctt





1.2 Statement on the CEO

GRI 102-14

Pandemic, resilience, tediversification, e-commerce, growth, concession, and sustainability are some of the words omnipresent for CTT in 2021.

2021 was once again a year strongly marked by the pandemic, whose impact on the daily lives of people and companies, with greater or lesser intensity, remained very present throughout the year. Regardless of those disturbances, the company maintained the continuity of its services while guaranteeing the protection of employees, adapting operations to what turned out to be, apparently for an extended period, the new normal.

The most striking consequences of the prolonged pandemic were undoubtedly the sharp erosion in mail volumes, especially felt in the retail segment and the acceleration of the digital transformation of companies and the economy in general. On the other hand, there was a renewed favourable boost in parcel's volumes due to the continued growth of e-commerce.

Therefore, it may be said that 2021 consolidated a path of continuous transformation, albeit in a pandemic. This path translates into a constant search for the deepening of diversification lines and the strengthening of operational efficiency mechanisms, which are fundamental for short-term success. Above all, the company has returned to the sustainability of the growth trajectory.

Among the many notable aspects of the year, we must highlight the negotiation process of the new universal postal service concession contract, unilaterally extended by the Government at the end of 2020. The continuous follow-up of the process throughout the year leading to a new agreement went through critical stages, with particular emphasis on the interaction with the Working Group created by the Government to analyse the evolution of the universal postal service and, also and above all, on the developments associated to the process of direct award of the concession decided by the Government in September. The Council of Ministers then passed a Resolution that appointed a committee to prepare the specifications and assess the proposal for the new concession contract to be awarded directly to CTT, assuming the approval of a new Postal Law. Although approved at the end of 2021, this Resolution was only promulgated and published in February 2022, given the interposition of the electoral process. The new concession contract for the universal postal service entered into force still in February, following the waiver of approval by the Court of Auditors.

With the entry into force of the new concession contract, more balanced conditions are restored in the provision of the universal postal service and ensuring the Mail business sustainability. It has always been CTT's objective to continue to be the universal postal service provider, should sustainability conditions be in place. Therefore, the company faces a new cycle that begins with a sense of responsibility and satisfaction.

From the outset, the team I coordinate has given priority to the need to affirm a position of trust, a primary attribute of our brand, seeking to maximize elements of presence and proximity that I consider to be truly unique and, therefore, distinctive. Imbued with this spirit, we assumed and made public, soon after I arrived in office in 2019, the commitment to reopen the 33 post offices in the municipalities served by our presence through postal agencies. This process, which was also affected by the pandemic outbreak, was completed last November. CTT thus objectively and very tangibly reinforced its value proposition of proximity and capillarity and became closer to the Portuguese in these regions, favouring cohesion throughout the territory and boosting the economy in the interior.

Raising the level of abstraction with which we observe reality to the point of being able to identify cycles of social evolution, either associated or marked by trends or changes in behaviour, it is evident that the explosion of e-commerce is one of the most striking outbreaks of a "digital age" and the digitalization of the functioning of the society.

In this context, CTT continued to strengthen its position in e-commerce, supporting Portuguese businesses in their digital transformation and fostering the penetration and adoption of appropriate tools. Several initiatives were launched to enrich the portfolio of services and tools oriented to participating in the e-commerce value chain. In this regard, it is noteworthy the offer of a new service, in partnership with the Omnicom Media Group, aimed at small and medium-sized companies for the creation of online advertising campaigns, enabling campaigns in multiple digital media, from social networks to search engines, autonomously and intuitively. Along the same lines, and to allow our customers of e-commerce solutions to raise the levels of convenience to offer to their customers, a joint venture was set up to execute the creation and management of a parcel locker network with one of the largest Chinese e-commerce parcel



logistics companies – YunExpress, itself a CTT customer. With a network of just over 200 lockers already fully operational, the goal was set to expand it to over 1,000 installations, ensuring more significant levels of operational effectiveness and efficiency and more environmentally sustainable deliveries.

Still, within the scope of the e-commerce offer, CTT also continued to develop other delivery solutions, consolidating some previously tested pioneering offers, a prime example of which is the instant delivery service (up to 2 hours), already in full operation with clients such as Worten, NOS and Zomato.

There are also significant facts in the Express & Parcels (E&P) business area: the turnaround process in Spain consolidated, largely exceeding the goal set for this year - to go from negative to positive monthly EBITDA before the end of 2021. CTT Express increased its market share, which is itself undergoing substantial growth. This was made possible by, among other factors, a significant investment in increasing capacity and automation - 16 sorting centres were opened, and 3 new sorters came into operation. As a result of these facts and various initiatives on the technology front, productivity progressed throughout the year, and operational breakeven was reached, with CTT Express making a positive contribution to the Group's EBITDA. In Portugal, it is worth noting the investment made in increasing parcel handling capacity – 5 new Sorting Centres and 3 new sorters – to correspond with high levels of quality to the expected growth in volumes, with emphasis on the prospects for the peak season. A partnership was also established and made operational with Santos e Vale to provide cargo delivery service, with a view to the turnaround of this segment and the contribution to the Group's margin, already observed in the last quarter of

I cannot conclude this review of the annual performance in E&P without highlighting the progressively successful operation of Corre, our E&P partnership with the Mozambican Post Office. This is even more remarkable given the political and social developments in Mozambique, which went through a period of significant instability over the year.

The year we now report was also a year to affirm and deepen our condition as the preferred partner of companies when it comes to simplifying their physical and digital presence promoting their efficiency. With this in mind, we decided to strengthen this business segment of

solutions for companies by acquiring NewSpring Services, a reference company in the business process outsourcing (BPO) and contact centre sector. The incorporation of New Spring into our offer portfolio led not only to significant productivity gains in contact centre operations already underway but also expanded CTT's capacity in important BPO areas, namely in the financial sector, where CTT's presence is already significant in mailroom projects, document management, and the like. The addition of CTT's highly structured sales force present throughout the territory to NewSpring's new set of competencies is not only promising, but it has already allowed the beginning of concrete results. However, the acquisition was only concluded in the third quarter.

To complete the overview of the main noteworthy aspects in the various business areas, it is essential to mention the renewal of the excellent performance of the retail network in the placement of public debt as the preferred form of saving by the Portuguese. By once again obtaining placements of around 4 billion euros despite the decrease in the average remuneration decided by the Treasury, the merit of the CTT network is reaffirmed as the best place for savings and financial services for retail. On the other hand, the year confirmed Banco CTT as a new source of profitability. The business growth continued at a good pace, strengthening its positioning as a proximity bank with a simple but robust and increasingly digital value offer. A most relevant partnership between Banco CTT and Sonae Financial Services was also started in 2021. Banco CTT became the sole lender of the credit originated by the Universo card, generating a portfolio of approximately €300m of new credit in the bank's assets.

The individual performance of each business area and an increasingly specialized vision and practice for the B2B and B2C segments, under which each client is viewed globally, aiming to maximize share of wallet with CTT, gave rise to a year with very interesting results.

I would like to begin by highlighting one of the most significant aspects: the repeated double-digit increase in Revenues - 14% - by more than €100m. Of even greater importance is the extraordinary performance in results - recurring EBIT and net profit - with growth of 45% and 130%, respectively. At the business unit level, it is important to emphasize the remarkable performance of the Express & Parcels business, contributing to around 60% of the revenue growth by growing close to 33%. This performance of E&P demonstrates how well the



company has been able to take advantage of the e-commerce leap resulting from the progressive digitalization of the economy. In the specific case of Spain, the concrete results of the strategy designed for the turnaround have started to show their merit: revenues grew by approximately 62%, bringing the size of the business closer to that of Portugal, with a relevant gain in market share. But more importantly, as stated above, CTT Express reached the breakeven of accumulated operating profit, leveraged on the increase of scale and operating efficiency, making a positive contribution in terms of EBITDA for the first time in the recent history of CTT in Spain. It is also important noticing the extraordinary result of Banco CTT, which grew c. 20% in revenues, despite the challenging economic context and after the end of the moratoria. In the same defiant context, both due to the lower inflow to the network, for health safety reasons, and the remuneration rate reduction, Financial Services posted an exceptional performance with a strong increase in the placement of savings products. Finally, in terms of business diversification, I would also highlight the reduced reliance on the Mail business, with the contribution to recurring EBIT falling by 10 p.p.

With a remarkable stock market performance, a clear and explicit message of re-gathering with the Portuguese as a trustworthy brand and a high-profile environmental performance, the strength and credibility of the CTT brand was reinforced and once again received significant recognition: the Corporate Brand Award, with which we were distinguished in the 13th edition of the Marketeer Awards, the winning of the prestigious Prince Michael International Road Safety Award, reinforcing our position in the Portuguese market regarding our commitment to road prevention and safety, the Honourable Mention in the National Sustainability Award with the project "A Tree for the Forest", and, in the context of the capital markets, the notable Transformation Award in the Investor Relations and Governance Awards 2021 and the prestigious Equity Champion in the SME category in the Euronext Lisbon Awards 2022.

I reserve one last word concerning the year that has passed to cover the ESG topic. 2021 was a year of continuity and acceleration in progress on the environmental and social fronts. On the clean energy side, we continued with green investment, emphasizing the expansion of the ecological fleet – today, one of the largest electric fleets in the country – and the installation of photovoltaic energy production units for self-consumption. Still, on the environmental aspect, it is worth

highlighting the already mentioned "A Tree for the Forest'' campaign in partnership with Quercus, which has already planted more than 100,000 native trees since its launch. To encourage the circular economy and launch innovative and truly sustainable solutions, an offer of multiple-uses packaging for e-commerce was launched, allowing its reuse by e-sellers and e-buyers. Banco CTT also took the necessary initial steps in green solutions by launching a Sustainable Investment product with Zurich. This fund invests in the financial assets of companies and institutions that pursue and promote the Sustainable Development Goals. On the social side, proximity support initiatives, in particular through participation in contracts for the free distribution of goods - social donation in postage to the Aboim Ascensão Shelter, support for institutions such as the Serralves Foundation or the National Culture Centre and, through Payshop, the continued support to the protocols of the Portuguese Committee for UNICEF, the Life and Peace Community, the Portuguese Red Cross and Ajuda de Mãe. I would also like to highlight the re-launching of the volunteering project with EPIS, where mentors and volunteers support young people at risk of academic failure, a historic concern and initiative in CTT in which I started to participate as a volunteer.

2022 - the Future

After another year of growth, albeit atypical given the significant impact of the pandemic and the start of the new Universal Postal Service concession, we believe that a new cycle and a path to a more sustainable future is opening. The focus will remain on the idea of transformation and growth in a challenging context, but with significant opportunities, always maintaining our purpose of continuing, better than anyone else, to connect people and companies, committed to delivering.

In **Mail**, we believe that after the new concession agreement comes into force, CTT will be in a more balanced position. By continuing the process of integrating and optimizing the operational networks to increase quality and productivity, we will ensure the sustainability of the business.

In **Business Solutions**, we intend to leverage the increased capacity resulting from the integration of NewSpring Services, reinforcing our role as a supplier of a wide range of services to companies, focusing on specific solutions for SMEs, supporting them in the digital transformation process, with special emphasis on e-commerce, but also with customized solutions for



large companies. We will continue exploring and developing BPO solutions, advertising, e-commerce services and back-office management tools.

In the Express & Parcels area, we want to continue to be a catalyst for e-commerce in Portugal, progressing in affirming our condition as a reference Iberian player, growing in both countries and broadening the scope of action in Spain. We want to have a wide offer of e-commerce services, being present throughout the entire value chain from the display of their products online ("Criar Lojas Online" - create online shops - and local trade app) to their promotion and advertising, payment solutions, multiple delivery solutions, including instant delivery, a unique and innovative network of pick-up and drop off points, which includes an extensive network of lockers, returns management solutions, all displayed in omnichannel, focusing on convenience and promoting impeccable user experiences for the addressees. We want to progress in consolidating an Iberian operational network, leveraging the increase in capacity carried out in 2021 to increase volumes and obtain unparallel service levels in the Iberian market. We will also seek to expand our presence in the value chain, investing in a strong presence in the fulfilment sector in Iberia.

In our **retail network**, we will proceed with the digitalization work by promoting hybrid and complementary interaction experiences with services (e.g., sending mail or parcels) that can be initiated digitally – web or mobile – and complemented with a physical presence in the post office, or through self–service solutions in the post office, ensuring greater convenience and proximity to customers. We will continue to expand the portfolio of financial products, leveraging the extraordinary capacity to place savings, as well as credit and insurance products.

Banco CTT will continue its path of sound positioning as a solid and straightforward bank for retail customers. It will continue a path of progressive monetization of its customer base, focusing on the growth and digitalization of this relationship. It will continue to expand the offer of savings and credit solutions, namely in easily accessible products – such as pre–approved digital credit or offers of buy–now–pay–later (BNPL) solutions, namely by combining credit skills with the tools originated in our payments area – Payshop. This new cycle of profitability should also see the bank opening its capital, as announced long ago, to accelerate growth, mobilizing strategic partners that may wish to join the bank.

The pace and scope at which we intend to transform CTT requires agility and focus unparalleled in the company's history. The transformation process will proceed in a progressively more emphatic manner, organized around four essential pillars – product/customer experience, operations, people and technology – which we consider fundamental to ensure success in achieving the ambition we set while responding to our customers' needs.

The clarification of the USO concession issue makes room for a journey of corporate development initiatives, where efforts towards optimizing the capital efficiency of our business – including real estate optimization – should acquire a new impulse.

I have left to the end our strong and meaningful statement of commitment to continue to be a reference in Portugal and Spain, and within the postal industry worldwide, around sustainability, in its environmental, social and governance (ESG) aspects. Acting in these various dimensions, we want to strengthen our commitment to reducing our carbon footprint, focusing on accelerating the electrification of our fleet and the sustainable generation of electricity for self-consumption, but also on the development and generalization of "greener" products and services. We will add to this agenda the reinforcement of proximity to the populations we serve and to the communities where we are present, a constant and historical concern of CTT, which, combined with a practice that is highly demanding in terms of corporate governance, allows us to face the future with unwavering confidence.

João Bento,

Chief Executive Officer

Executive committee

João Bento

CEO

Executive Director

António Pedro Silva

Executive Director

Guy Pacheco

CFO

Executive Director

João Sousa

Executive Director

João Gaspar da Silva

Executive Director





1.3 Explanation of the Nature of the Integrated Report

Scope and boundary

GRI 102-1, 102-5, 102-10, 102-45, 102-46, 102-48, 102-49, 102-50

CTT publishes its integrated report for the fourth time. This report contains CTT's financial and non-financial information, complying with the individual and consolidated management reporting requirements, namely as stipulated in articles 65, 66, 66-A, 66-B, and 508 to 508-G of the Portuguese Companies Code, with the reporting on CTT's business and performance being directed at all stakeholders.

The integrated report contains information on the strategy, management and performance of the Group's main business units, with a view to creating sustainable value. The risks inherent to the activity are also analysed and a review is made of the way CTT incorporates the different capitals (financial, human, intellectual, social and natural), following the *Guidelines* proposed by the *International Integrated Reporting Council* (IIRC). Additionally, this report contains information about Corporate Governance, the Individual and Consolidated Financial Statements of CTT and the performance of the main sustainability aspects.

The 2021 integrated report communicates CTT's strategic vision and commitment to generate value over time and promote environmental protection and social integration. It includes information on issues that significantly affect CTT's ability to generate value in the short, medium and long term.

This report discloses the results relative to the financial year ended on 31 December 2021, whenever possible presenting aggregate information on CTT, S.A. and all its subsidiaries, jointly referred to as CTT.

During the reporting period, CTT acquired the company HCCM – Outsourcing Investment, S.A. and its subsidiary NewSpring Services, S.A., and incorporated the companies CTT IMO – Sociedade Imobiliária, S.A. and Open Lockers, S.A., the latter in partnership with YunExpress, the logistics business unit of the Chinese company Zongteng Group. However, these transactions do not significantly change the scope of the reporting in relation to the previous year.

CTT – Correios de Portugal, S. A. – Public Company is a public limited liability company listed on the stock exchange since 2013, with 100% of its capital dispersed among institutional and private shareholders. The Board of Directors was composed of fourteen executive and non-executive Directors as at 31 December 2021. The corporate bodies were elected for the 2020-2022 three-year period at the General Meeting held on 29 April 2020.

Commitment

GRI 102-51, 102-52, 102-54, 102-55, 102-56

CTT complies with the obligations established in article 508-G of the Companies Code, as amended by Decree-Law No. 89/2017, of 28 July, disclosing in an integrated manner the management information and the non-financial information, which CTT publishes annually, relative to the environmental and

social areas, the employees, gender equality, non-discrimination, respect for human rights, the fight against corruption and attempted bribery, as well as information on corporate governance.

This is CTT's seventeenth annual sustainability report and the fourth to include the financial, non-financial and corporate governance reports.

The reporting structure and contents comply with the Global Reporting Initiative (GRI) guidelines as a reference for the preparation of sustainability reports and respective protocols for the calculation of indicators. This report was prepared in accordance with GRI Standards: Comprehensive Option, attributed by the verifying entity Ernst & Young Audit & Associados - SROC, SA.. Whenever a chapter or a section meet a GRI standard, this is indicated in the title of such chapter. In order to access the GRI Table with the location of each indicator, see Annex IV.

The report also complies with the objectives of the new European green taxonomy, a regulation for the qualification of environmentally sustainable economic activities, as well as the recommendations of the Portuguese Securities Market Commission (CMVM) on sustainability.

With regards to its materiality, the report incorporates contributions obtained from a stakeholder survey conducted in compliance with the guidelines of the Standard AA1000SES, which enabled updating the mapping and identification of the relevant topics and critical stakeholders of the Company.

In 2021, as in previous years, based on the reporting model featured in CMVM Regulations and the recommendations of the Portuguese Corporate Governance Institute (IPCG) Code as amended, CTT continues to comply with a significant set of recommendations relative to corporate governance.

The essential principles for the definition of the contents of this report are transparency, relevance, comprehensiveness and completeness, in order to provide a convenient and objective presentation to the stakeholders that will use this document.

1.4 Key Figures

1.4.1 Economic and financial indicators

GRI 102-7

€ thousand or %, except where otherwise indicated

	'20	'21	Δ 21/20
Revenues ¹	745,240	847,870	13.8%
Operating costs EBITDA ²	641,614	729,771	13.7%
EBITDA ³	103,627	118,099	14.0%
Depreciation & amortization ⁴	62,136	58,006	-6.6%
Recurring operating costs	703,749	787,778	11.9%
Recurring EBIT	41,491	60,093	44.8%
Specific items	6,984	(1,779)	-125.5%
Operating costs	710,733	785,998	10.6%
EBIT	34,507	61,872	79.3%
EBT	23,126	50,808	119.7%
Net profit before non-controlling interests	16,767	38,591	130.2%
Net profit for the period ⁵	16,669	38,404	130.4%
Earnings per share (euro) ⁶	0.11	0.26	131.8%
EBITDA margin	13.9%	13.9%	0.0 p.p.
Recurring EBIT margin	5.6%	7.1%	1.5 p.p.
EBIT margin	4.6%	7.3%	2.7 p.p.
Net profit margin	2.2%	4.6%	2.4 p.p.
Capex	33,438	36,147	8.1%
Operating cash flow	42,920	61,761	43.9%
Free Cash flow	21,843	45,334	107.5%
	'31.12.20	'31.12.21	Δ 21/20
Cash and cash equivalents	518,180	877,873	69.4%
Own cash	135,424	142,265	5.1%
Assets	2,894,903	3,585,199	23.8%
Equity	150,275	174,546	16.2%
Liabilities	2,744,628	3,410,653	24.3%
Share capital	75,000	75,000	0.0%
Number of shares	150,000,000	150,000,000	0.0%

¹ Excluding specific items.

² In 2021 and in 2020 (proforma), operating costs (EBITDA) include impairments and provisions; also, the impact of the leases covered by IFRS 16 is presented pursuant to this standard.

³ Excluding depreciation & amortization and specific items.

⁴ Depreciation & amortization were positively impacted in 2021 by the revision of the useful life of some assets.

⁵ Attributable to equity holders.

⁶ Considering the average number of ordinary shares that make up CTT's capital excluding the average number of own shares held by the Group as at 31 December 2021 (855,004).

1.4.2 Operating Indicators

GRI 102-2, 102-7

Addressed mail volumes (million items) 516.9 484.6 -6.3 Transactional mail 447.2 415.7 -7.0 Editorial mail 30.0 29.0 -3.5 Advertising mail 39.7 39.9 0.4 Unaddressed mail volumes (million items) 412.3 449.9 9.1 Express & Parcels Express & Parcels ————————————————————————————————————		'20	'21	Δ 21/20
Transactional mail 447.2 415.7 -7.0 Editorial mail 30.0 29.0 -3.5 Advertising mail 39.7 39.9 0.4 Unaddressed mail volumes (million items) 412.3 449.9 9.1 Express & Parcels Portugal (million items) 28.4 32.7 15.2 Spain (million items) 28.4 32.7 15.2 Spain (million items) 24.9 41.1 65.0 Financial Services 9 41.1 65.0 Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT 200.00 4,428.0 15.4 Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net	Mail			
Editorial mail 30.0 29.0 3.5.5 Advertising mail 39.7 39.9 0.4 Unaddressed mail volumes (million items) 412.3 449.9 9.1 Express & Parcels Portugal (million items) 28.4 32.7 15.2 Spain (million items) 24.9 41.1 65.0 Financial Services Francial Services Temperature 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) 60,240.6 648,570.0 15.8	Addressed mail volumes (million items)	516.9	484.6	-6.3%
Advertising mail 39.7 39.9 0.4 Unaddressed mail volumes (million items) 412.3 449.9 9.1 Express & Parcels Portugal (million items) 28.4 32.7 15.2 Spain (million items) 28.4 32.7 15.2 Spain (million items) 24.9 41.1 65.0 Financial Services 2 44.9 41.1 65.0 Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT 8 4,27 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT 8 1.6 3.3 Warings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT 8 1.6 3.3 3.2 10.8 2.2 3.201 10.8 2.2 3.2 10.8 2.2 3.2 10.8 2.2 3.2 3.2	Transactional mail	447.2	415.7	-7.0%
Unaddressed mail volumes (million items) 412.3 449.9 9.1 Express & Parcels Portugal (million items) 28.4 32.7 15.2 Spain (million items) 24.9 41.1 65.0 Financial Services Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 72.7 7.9 p. Number of branches 212 212 20.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1	Editorial mail	30.0	29.0	-3.5%
Express & Parcels Portugal (million items) 28.4 32.7 15.2 Spain (million items) 24.9 41.1 65.0 Financial Services Financial Services Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 72.7 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff 212 212 212 0.0 <td>Advertising mail</td> <td>39.7</td> <td>39.9</td> <td>0.4%</td>	Advertising mail	39.7	39.9	0.4%
Portugal (million items) 28.4 32.7 15.2 Spain (million items) 24.9 41.1 65.0 Financial Services Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 72.7 % 7.9 p. Number of branches 212 212 20.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff 3.1 3.1 FTE 2,366 2,356 0.4 </td <td>Unaddressed mail volumes (million items)</td> <td>412.3</td> <td>449.9</td> <td>9.1%</td>	Unaddressed mail volumes (million items)	412.3	449.9	9.1%
Spain (million items) 24.9 41.1 65.0 Financial Services Financial Services Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 20.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff 51 2,366 2,356 0.4 FTE 12,234 12,608 3.1 FTE 12,234 12,608 3.1 Retail, Transport and	Express & Parcels			
Financial Services Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356	Portugal (million items)	28.4	32.7	15.2%
Payments (number of transactions; millions) 1.5 1.6 3.3 Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff 12,234 12,608 3.1 FTE 12,234 12,608 3.1 FRetail, Transport and Distribution Networks 2,366 2,356 -0.4 Retail network (post offices) 562 <t< td=""><td>Spain (million items)</td><td>24.9</td><td>41.1</td><td>65.0%</td></t<>	Spain (million items)	24.9	41.1	65.0%
Savings and insurance (subscriptions; €m) 3,837.9 4,428.0 15.4 Banco CTT Humber of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 72.7 % 7.9 p. Number of branches 212 212 20.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks 2,366 2,356 -0.4 CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 </td <td>Financial Services</td> <td></td> <td></td> <td></td>	Financial Services			
Banco CTT Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5	Payments (number of transactions; millions)	1.5	1.6	3.3%
Number of current accounts 517,431 573,201 10.8 Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222	Savings and insurance (subscriptions; €m)	3,837.9	4,428.0	15.4%
Customer deposits (€k) 1,689,110.3 2,122,817.1 25.7 Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,234 12,608 3.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,39	Banco CTT			
Payments (number of transactions; millions) 44.6 46.2 3.6 Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Number of current accounts	517,431	573,201	10.8%
Mortgage loans book, net (€k) 524,584.1 594,823.3 13.4 Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Customer deposits (€k)	1,689,110.3	2,122,817.1	25.7%
Auto loans book, net (€k) 560,240.6 648,570.0 15.8 Credit cards book, net (€k) — 292,098.5 n.m LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Payments (number of transactions; millions)	44.6	46.2	3.6%
Credit cards book, net (€k) — 292,098.5 n.m. LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Mortgage loans book, net (€k)	524,584.1	594,823.3	13.4%
LTD (including 321 Crédito) 64.8 % 72.7 % 7.9 p. Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Auto loans book, net (€k)	560,240.6	648,570.0	15.8%
Number of branches 212 212 0.0 Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Credit cards book, net (€k)	_	292,098.5	n.m. ⁷
Cost of risk 100.6 b.p. 108.3 b.p. 7.7 b. Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	LTD (including 321 Crédito)	64.8 %	72.7 %	7.9 p.p.
Staff Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Number of branches	212	212	0.0%
Staff as at 31 December 12,234 12,608 3.1 FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Cost of risk	100.6 b.p.	108.3 b.p.	7.7 b.p.
FTE 12,255 12,882 5.1 Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Staff			
Retail, Transport and Distribution Networks CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Staff as at 31 December	12,234	12,608	3.1%
CTT access points 2,366 2,356 -0.4 Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	FTE	12,255	12,882	5.1%
Retail network (post offices) 562 570 1.4 Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Retail, Transport and Distribution Networks			
Postal agencies 1,804 1,786 -1.0 Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	CTT access points	2,366	2,356	-0.4%
Payshop agents 5,133 5,261 2.5 Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Retail network (post offices)	562	570	1.4%
Postal delivery offices 225 222 -1.3 Postal delivery routes 4,648 4,396 -5.4	Postal agencies	1,804	1,786	-1.0%
Postal delivery routes 4,648 4,396 -5.4	Payshop agents	5,133	5,261	2.5%
•	Postal delivery offices	225	222	-1.3%
Fleet (number of vehicles) ⁸ 4,018 3,964 -1.3	Postal delivery routes	4,648	4,396	-5.4%
	Fleet (number of vehicles) ⁸	4,018	3,964	-1.3%

 $^{^{7}\,}$ n.m. - not meaningful.

 $^{^{8}}$ The figure that appeared in the Integrated Report 2020 referred to CTT, S.A., so it was replaced with the Group's figure.

1.4.3 Sustainability Indicators

GRI 203-1, 203-2, GRI 302-1, 302-5, 305-1, 305-2, 306-2, 308-1, GRI 403-9, 405-1

	'20	'21	Δ 21/20
Customers			
Customer satisfaction (%)	83.0	83.5	0.5 p.p.
Staff			
Number of accidents	805	789	-2.0%
Training (hours)	187,598	215,046	14.6%
Women in management positions (1st level) (%)	20.4	12.5	-7.9 p.p.
Community/Environment			
Value chain - contracts with environmental criteria (%)	98.5	98.6	0.1 p.p.
Total CO ₂ emissions, scopes 1 and 2 (kton.) 9	16.1	16.0	-0.7%
Energy consumption (TJ) ¹⁰	362.2	358.3	-1.1%
Eco-friendly vehicles	335	346	3.0%
Weight of Eco product range in Direct Mail line (%) ¹¹	45.7	42.4	-3.3p.p.
Investment in the community (€k)	883	540	-38.8%

⁹ Update of 2020 data. Provisional 2021 figures. Including green energy. ¹⁰ Update of 2020 data. Provisional 2021 figures. Including green energy. ¹¹ Volumes.



1.5 External Awards and Distinctions

GRI 102-32

Leadership Level A- in the Carbon Disclosure Project 2020

CTT achieved the Leadership A- level, the maximum score in the CDP – Carbon Disclosure Project rating of 2020, the most important international carbon stock market rating. Among 205 participants, there are only four companies in Portugal with this distinction and nine worldwide in the transport and distribution sector. This result is an important recognition of the work that CTT has been developing on matters of carbon management and combat of climate change.

CTT 4th best in the world in sustainability

CTT ranked 4th among 20 postal operators worldwide in IPC - International Post Corporation's sustainability program, the Sustainability Measurement and Management System (SMMS), which is aligned with United Nations' Sustainable Development Goals. One of the most relevant measures in this field was the acquisition of 73 electric light goods vehicles and 84 electric motorcycles.

CTT continues to be a Trusted Brand of the Portuguese

For the 14th time, CTT was distinguished as one of the Trusted Brands of the Portuguese population, in a study carried out by Reader's Digest magazine, achieving first place in the "Postal and Logistics Services" category, with 81% of the votes.

Marketeer Awards 2021

First place in the "Corporate Brands" category of the 2021 Marketeer Awards was attributed to CTT. Already in its 13th edition, this award aims to distinguish what is best done in Portugal in marketing, advertising and communications.

World Philatelic Award

CTT won the prestigious World Post & Parcel Awards 2021, in the category "Best World Philatelic Campaign of the Year" with the Graphene Implant Philatelic Souvenir Sheet that reveals Miguel Torga's poem, "Contágio" (Contagion).

"A Tree for the Forest" distinguished with an honourable mention in the National Sustainability Award

The Project "A Tree for the Forest" was distinguished by the National Sustainability Award 20|30 with an honourable mention, in the category Sustainability Communication. This was the 1st edition of the award, promoted by Jornal de Negócios to distinguish companies and organizations that stand out for their performance and good sustainability practices in the environmental, social and governance areas.

Euronext Lisbon Awards

CTT was distinguished as "Equity Champion - SME", in the Euronext Lisbon Awards. The award recognized the Portuguese company with a market capitalization of less than one billion euros that provided the best return to its investors during the year 2021.

CTT awarded the INOVADORA 2021 Status by COTEC

Due to its positioning in innovation, entrepreneurship and its connection with the business fabric, CTT was awarded the INOVADORA 2021 Status by COTEC. The distinction especially highlights its financial soundness and economic performance, in addition to its innovation DNA.



Transformation Award of Deloitte's IRGAwards

The project "Support for the Digitalization of Local Commerce" saw its work in facilitating the online presence of local traders and small producers recognized with the Transformation Award of the Investor Relations and Governance Awards. An initiative of Deloitte, these awards recognize the best contributions to a more transparent, socially responsible and useful capital market for the Portuguese economy and society.

CTT's Program Viver, finalist in the Coups de Coeur awards

CTT was nominated in the "Employee" category for PostEurop's Coups de Coeur award, with the Program "Viver" (Living). This is a Health and Wellness program, focused on the prevention and monitoring of symptoms or on physical rehabilitation actions. Another important component was the dissemination of internal communication materials on topics such as Allergies, Cancer, Cholesterol or Obesity.

CTT wins Prince Michael International Road Safety Award

CTT's Road Safety Program received the Prince Michael Award, a British award dedicated to all road users that make the road safer, from pedestrians to cyclists, motorcycle or car drivers. CTT was awarded in the special category created to commemorate the 20th anniversary of the UK National Road Safety Council.

CTT Road Prevention among the best in Europe for DEKRA

CTT's Road Safety Program was one of the 17 nominees at European level for the Road Safety Award 2021, in the Safety on the Road category. The automotive consulting and services provider thus distinguished CTT, placing the Portuguese postal operator as the only organization with its own fleet to appear in this exclusive list.

CTT Contact Center wins two trophies at the APCC Conference

CTT maintained the APCC Quality Seal for CTT's operations in 2021, after a follow-up audit in February. The APCC Quality Seal, established in 2010, distinguishes the best contact centre services operating in Portugal. Moreover, the CTT Customer Support Line, in partnership with Reditus, was awarded the Silver classification during the 18th International Conference of the Portuguese Contact Center Association - APCC. For its part, the CTT Support Line for Companies received the Bronze classification.

NewSpring Services also distinguished at the APCC Conference

Newspring Services, a subsidiary that joined the CTT Group in 2021, was also distinguished at the 18th APCC International Conference. The awards received were the Gold classification for the Multicare service and Bronze for Fidelidade.

Banco CTT wins the Five Stars award again

Banco CTT was considered "Five Stars" by the Portuguese, in the category "Banking - Customer Service", with a 73.7% satisfaction rate. This award was given by U-Scoot Lda, which evaluated Banco CTT together with five other banking institutions.

Right Choice Award

Banco CTT was awarded the "Right Choice 2021" by Deco Proteste (consumer association) for its mortgage loans offer. Each year, this consumer organisation gives product recommendations that it distinguishes as Best of Test, Right Choice, Green Choice, Most Affordable and Don't Buy.

1.6 ESG Commitments (Environmental, Social and **Governance**)

GRI 103-2, 103-3

Accomplished (≥ 95%)	Not accompli	shed • In pro	gress/p	partially achieved
Topic	Commitment 2021	Accomplishment 2021	Prog.	CTT Commitments for 2022 and following ¹²
POLICY & STRATEGY				
UN Global Compact (UNGC)	Analyse participation	Subscription of the 10 UNGC principles and membership of GCNP - Global Compact Network Portugal	•	Maintain membership and subscription of the 10 UNGC principles
Carbon Disclosure Project - Climate Change	Disclosure in 2021 (Leadership position)	Position Leadership A-	•	Disclosure (Leadership position)
Non-financial reporting	GRI4 - Comprehensive	Integrated Report 2021 Comprehensive GRI Standards	•	GRI Standards, Comprehensive reporting and alignment with EU Taxonomy
Sustainability Committee	Regular activity	Meetings with the CGENC to analyse sustainability issues and de-carbonisation strategy. Sustainability Committee did not meet ¹³	•	Regular activity
UN Sustainable Development Goals	Alignment (continuous)	Accomplished	•	Alignment (continuous)
Engagement with Stakeholders	Revision of Stakeholder engagement strategy. Segmented communication	Assessment and update of Stakeholder engagement strategy. Segmented disclosure of results to employees.		Segmented disclosure of results. Promotion of open, trusted communication channels with stakeholders.
ETHICS				
Code of Conduct (e-learning and on-the- job training)	Overall internal training: Expansion: +3,500 employees	760	•	Expansion: ±2,500
Code of good conduct to prevent and fight harassment at the workplace	Overall internal training: Expansion: +1,000 employees	485	•	Expansion: ±250
Prevention of money laundering and terrorist financing	Training to employees who handle monies: +250; Law 58/2020: +1,800	Initial training: +230: Update. 636 Law 58/2020: +1,808	•	Expansion to employees who handle monies: +150; Update: +1,700
ENVIRONMENTAL MAN	AGEMENT			
Environmental Training Green Planet	Launch in 2021; 90% of the staff by 2025	158 employees (1.3%)	•	90% of the staff by 2025
Paper consumption (except Production and Scanning)	0%	16%	•	Maintain office paper consumption (0%)
Waste recovery	Recovery rate above 75%	97.7% rate (-0.2%)	•	Recovery rate above 75% ¹⁴

¹² Except Corre.

 ¹³ CGENC - Corporate Governance, Evaluation and Nominating Committee
 ¹⁴ Sectoral target proposed by IPC - International Post Corporation.

Topic	Commitment 2021	Accomplishment 2021	Prog.	CTT Commitments for 2022 and following 12
ENERGY EFFICIENCY				
Energy audit and PRE implementation for buildings	Continuous implementation	PRE in progress for production & logistics centres (Lisbon and Maia)	•	Implementation of the PRE for both premises (1.2% potential savings in overall CTT consumption)
100% LED lighting	Expansion to 10 operational facilities	7 facilities	•	Increase of 3% per year until 2030 (up to 100k m²)
Specialized monitoring of energy consumption in buildings ¹⁵	10% annual reduction in consumption. Facility expansion	Annual savings of 13% in premises covered. Expansion in 44 sites	•	Annual savings of 10% Facility expansion
Electric power consumption	-1%	-5%	•	-5%
PRCE of the CTT vehicle fleet – specific consumption	Improve efficiency (5% by 2023)	Actions planned in the PRCE were maintained, with an estimated gain of 2%	•	Improve efficiency by 5% in the period of the new PRCE
Fuel consumption	-1%	1%	•	-1%
MOBILITY				
Fleet of electric and less pollutant vehicles (incl. operational, for personal use and general services vehicles)	Continuation of fleet electrification	Acquisition of 82 electric motorcycles; 72 electric light goods vehicles awarded. Acquisition of 13 hybrid plug-in vehicles for personal use	•	Start assessment of possible replacement of 650 operational passenger vehicles to take place in 2023. Continuation of fleet electrification. Give conditions for subcontractors to join electrification.
Investment in the conventional operational fleet	Reinforcement of fleet renewal to guarantee its safety and efficiency	Reinforcement of the fleet with 134 combustion motorbikes procured in 2021, acquired with the provision for fleet renewal and 63 light goods vehicles that started contract in 2021 (in Operational Lease)	•	Reinforcement of fleet renewal to guarantee its safety and efficiency
Car Pooling Platform	Reactivation of new solution (in post-pandemic period)	Discontinued platform	•	Reactivation of new solution (in post-pandemic period)
Drivers' Challenge	International participation	National competition held. International competition postponed due to pandemic	•	International participation in 2023 (date to be confirmed). National competition held.
Road safety - number of accidents per km travelled ¹⁶	-5%	-6.7% work-related accidents; -7.2% in related absenteeism	•	-5% (occupational accidents and absenteeism)
Efficient driving and road safety	Program + Prevention 66,000 participations (3,000 employees) + Safety Days Activity	36,686 participations (4,460 employees) + Safety Days Activity	•	25,000 participations (3,000 employees); Safety Days Activity
RENEWABLE ENERGY				
Acquisition of electricity of renewable origin	Maintain full coverage	100% green energy	•	Maintain full coverage
Production of photovoltaic energy for own consumption		787,064 kwh	•	1,662,576 kwh

¹⁵ Includes CTT buildings with higher consumption (approx. 75% of total consumption). ¹⁶ Road accidents with material damage and occupational accidents.

Topic	Commitment 2021	Accomplishment 2021	Prog.	CTT Commitments for 2022 and following 12
COMBATING CLIMATE	CHANGE			
CO ₂ emissions for	-5% until 2025			Maintain (-5% until 2025)
scopes 1+2 (until 2030)	-60% until 2030	-0.7%	•	Maintain (-60% until 2030)
CO ₂ emissions for scopes 1+2 (annual)	-1%	-0.7%	•	-1%
CO ₂ emissions for scopes 1, 2 and 3 (until 2030)	-30%	Accumulated var.: -18.7%	•	Maintain (reduce 12% until 2025)
CO ₂ emissions for scopes 1, 2 and 3 (2005-30) ¹⁷	-30%	Accumulated var.: -20.2%	•	Maintain (reduce 10% by 2030)
Idem (annual)	-1.2%	6.6%	•	-1%
CO ₂ intensity/postal item scopes 1, 2 and 3 (2013-25)	-20%	Accumulated var.: 15.8%	•	2025 goal (monitoring)
Idem (annual)	0%	9.8%	•	
PROTECTION OF BIODI	VERSITY			
Awareness actions for the preservation of biodiversity	Continuous activity	Participation in the Act4Nature programme. Promotion of internal and external awareness- raising actions (e.g. support for the Portugal Chama campaign) and release of philatelic issues on the theme	•	Continuous activity
Active promotion of the reforestation of the national territory	8 th edition of "A Tree for the Forest" and expansion of the offer with a digital Kit	Launch of the 8 th edition with sale of physical kits in CTT post offices countrywide and at the online store including digital offer for business customers	•	9 th edition of "A Tree for the Forest" (physical and digital offer)
QUALITY OF SERVICE A	AND CERTIFICATIONS			
Certification of CTT access points	Maintain certification	400 certified CTT access points	•	Maintain certification with expansion to another 120 CTT access points, totalling 520 certified points
Certification of CTT Operations	Maintain certification	Maintain	•	Maintain
Certification of subsidiaries	Maintain certification	Maintain certification of CTT Expresso and CTT Contacto	•	Maintain
Corporate certification (references ISO 14001, 9001, 45001)	Maintain certification	Maintain	•	Maintain
Certification as Family- responsible Company				Reconciliation work- family-private life: obtain certification in 2022 and renew it every 3 years ¹⁸
Energy management system (ISO 50001)	Launch of the project	Working Group created. Training and start of implementation postponed.	•	Training provided by the WG. Start implementation

¹⁷ Scope 3 includes only subcontracted road transport.

18 Certification of the companies CTT SA, CTT Expresso and CTT Contacto attributed by Fundación Másfamilia.

Topic	Commitment 2021	Accomplishment 2021	Prog.	CTT Commitments for 2022 and following 12
Road traffic safety system (ISO 39001)				Launch of the project: creation of a Working Group and start analysis with implementation until 2023.
Average Response Time to Universal Service	National: 25 days	16 days	•	National: 25 days
Complaints ¹⁹	International: 56 days	75 days	•	International 56 days
International QoS ²⁰	Improve/maintain the positioning in the IRA-E, K+1 ranking	20th (position)	•	Improve/maintain the positioning
miomatorial Q oo	Maintain the inbound GMS result above the target	68.9%	•	Maintain the result
SUSTAINABLE OFFER				
Participatory carbon offsetting model	Voting process for express offer (in Portugal)	Accomplished	•	Voting process for green" mail
Offsetting unavoidable carbon emissions		5,474.6 tonnes of CO ₂ to be offset		Offsetting direct carbon emissions from the Green and Express Mail offers in Portugal
Mail, Parcels and Express products made from recycled material				Incorporation of 60%
Green Deliveries Service (100% of the deliveries made in electric vehicles)		Available in the cities of Lisbon and Porto, based in dedicated routes for selected business customers		Increased number of express items delivered through Green Deliveries. Progressive migration to the green delivery model integrated in the base offer.
Implementation of social business /inverse logistics services	Evaluate expansion to new businesses and implementation	Survey of requirements and design of the pilot project in partnership with the regulatory authority	•	Implementation of the pilot. Evaluate possible expansion of the service and its deployment (continuous action)
Philatelic issues and thematic publications	10 philatelic issues	14 philatelic issues, 2 issues of franking labels, 2 editions	•	8 philatelic issues, 2 issues of franking labels 3 editions
RESPONSIBLE PROCUR	EMENT			
Pre-contractual procedures with environmental criteria ²¹	70%	99%	•	99%
Contracts concluded with environmental criteria ²²	70%	99%	•	99%
Qualification and assessment of suppliers	Supplier qualification on the electronic platform	99%	•	Maintain supplier qualification level (99%; continuous process)
accessment of suppliers	Assessment of critical suppliers			30% critical suppliers assessed
HYGIENE, HEALTH AND	SAFETY			
Work-related fatalities (own liability)	0 deaths	0 fatal accidents	•	0 fatal accidents
Occupational accidents	-5%	-2%	•	-5%

¹⁹ Average response time for complaints related to the CTT universal service (between the date of entry in the company and the date of response to the customer - calendar days).

²⁰ IRA (IPC Interconnect Remuneration Agreement) and GMS (UPU Global Monitoring System) results strongly impacted by the

constraints associated with the pandemic and being determined at the close of reporting.

²¹ Contracts processed on the supplier qualification platform (Ariba).

²² Contracts processed on the supplier qualification platform (Ariba).

Topic	Commitment 2021	Accomplishment 2021	Prog.	CTT Commitments for 2022 and following 12
Days lost	-5%	3%	•	-5%
Indoor Air Quality (IAQ)	Conducting IAQ audits	0 (IAQ assessments in progress)	•	Phased plan for the next (years (2022-2027)
	Viver - Living (health & screenings	Launch of monthly campaigns to increase worker literacy on the topic, online sessions and seasonal flu vaccination	•	Continued
	Estrela - Star (absenteeism)	Monitoring of workers with absences due to illness, work accidents and personal reasons by the Social Workers team (+3,000 workers); Signalling of workers for mobility and retirement; Implementation of attendance procedures to act quickly on absenteeism; Training to reinforce leadership skills, standards and rules; Reinforcement of internal communication	•	Continued monitoring of employees with absences due to illness, accidents a work and personal reasons by the Social Workers team; Signalling employees for mobility and retirement. ²³
Promotion and prevention of health and well-being (3 programmes)	Vitória - Victory (health at work)	Start of detailed clinical evaluations of the workers with higher work limitations; Definition and execution of a new classification matrix of conditioned workers, with the application of specific actions per worker; Classification of all conditioned workers in terms of productivity and continuity, preparation of scripts and initial contact with them and respective supervisors; Readaptation of functions and tasks to these workers; Evaluation of working conditions and risks in various facilities; Definition of a risk mitigation plan for work accidents and occupational diseases.	•	Continued, with a view to reducing workers with limitations.
TRAINING AND QUALIF	ICATION			
Training effort ²⁴	Training rate: 1.0%;	1.1%	•	1%
Training offort	Rate of trained staff: 90%	93%	•	90%
Self-development of skills	Promote autonomy and continuous development: update of resources and increased offer	PAD Programme with development opportunities available (on a free access platform) to all employees	•	Maintain the updating of the resources available. Increase the offer. Integration into the worke support platform.

²³ Number of days of sick leave, or due to work-related accidents and other personal reasons. ²⁴ Associated to CTT full-time employees.

Topic	Commitment 2021	Accomplishment 2021	Prog.	CTT Commitments for 2022 and following ¹²
Welcome and integration	Boost employee experience: apply to all new hires	667 people; 8,062h	•	Apply to all new hires
Staff satisfaction and experience	Assessing employee satisfaction: quarterly survey	Survey conducted for the 1 st half of the year - NPS (net promoter score) CTT employees	•	Quarterly survey
COMMUNITY SUPPORT				
Volunteering actions (social and environmental) and social support	6 actions	11 actions	•	6 actions
Long-term voluntary work	Maintain EPIS partnership	Launch of the 2 nd year of the 3 rd edition of EPIS mentoring and encouraging employees to be school tutors of young people at risk of school failure	•	Maintain EPIS partnership
DIVERSITY AND INCLUS	SION			
Professional occupation for disabled persons	13 people	0 people (due to the pandemic)	•	Evaluate reactivation of the protocol with CERCI post-pandemic
Equal opportunities and non-discrimination	E-learning training for managers (±800)	0	•	E-learning training for managers (±800)
Plan for Gender Equality	Phased implementation of the 2021 Plan	10 ongoing measures (company strategy, equal access to employment and working conditions, parental protection, reconciliation of professional, family and personal life)	•	Phased implementation of ongoing actions and new measures foreseen in the 2022 plan. Publication of the 2023 plan
Wage gap analysis	Completion	Not accomplished	•	Accomplishment
Raising awareness on equality issues and the prevention and fight against violence		Adherence to the Pact Against Violence promoted by the CIG (Commission for Citizenship and Gender Equality) and support to the communication of the #EUSOBREVIVI campaign. Publication of awareness-raising content aimed at workers	•	Strengthen internal and external communication and awareness-raising, increasing knowledge on the subject

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