



# Code of Ethics and Conduct





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## MESSAGE FROM THE EXECUTIVE COMMITTEE

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Our ambition for growth is not an end in itself. We strive to grow in order to improve the lives of our customers, our employees and the societies in which we are present. Growth is essential to create more employment, generate more wealth and investments, and to reach more clients in different countries. We will only accomplish our goals if this growth is carried out in a sustainable manner, and if our behaviour reflects our values.

Our behaviour is the sum of all of our actions and, as a consequence, each individual action contributes to Sonae achieving its goal. Our honesty and integrity are fundamental in making the right decisions, on an individual and daily basis, and even when these decisions have to be made under pressure.

Sonae is known for the high value it places on action, for being proactive and anticipating clients' needs, yet we never underrate those who prioritise fair consideration of issues related to ethics or integrity, even when this might take more time.

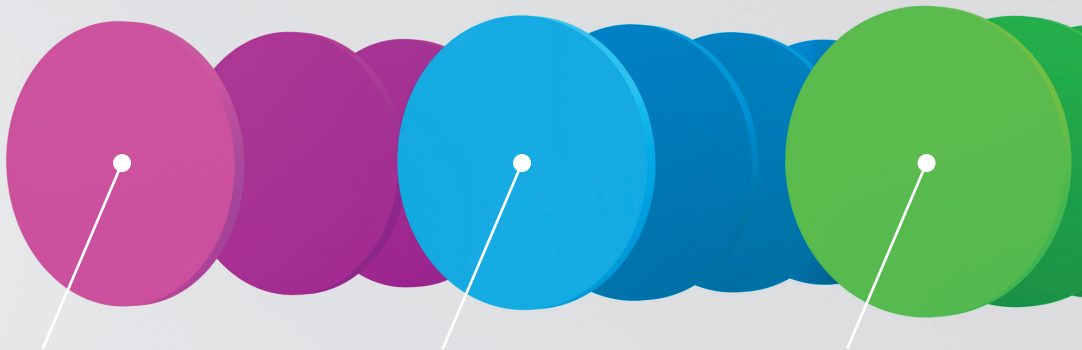
Any doubts arising as regards what constitutes proper conduct must be referred to the Ethics Committee, via the available channels.

Our guiding principle is thus that nothing - be it the pressure of trying to meet targets, competitive instinct, personal ambition, or even a direct order from a superior - should jeopardise our commitment to integrity.

There must be no conflict between excellent performance and respect for high standards of corporate governance.

We expect a serious and sincere commitment to this Code of Ethics and Conduct, by adopting the principles stated herein.

Sonae is an organisation that operates based on trust; trust in our clients, partners, and crucially, trust in each other. We trust that each one of you will observe and uphold our values and principles in the societies in which we live.



01

— OBJECTIVES  
AND SCOPE

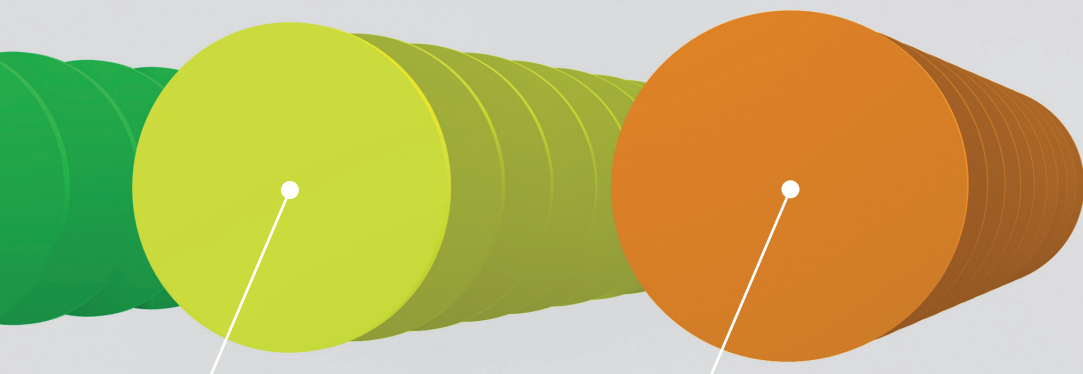
02

— MISSION  
AND VALUES

03

— RELATIONSHIP  
WITH STAKEHOLDERS

Code of Ethics and Conduct



04

— ETHICS COMMITTEE  
AND OBSERVANCE  
OF THE APPLICATION  
OF THIS CODE

05

— DISCLOSURE

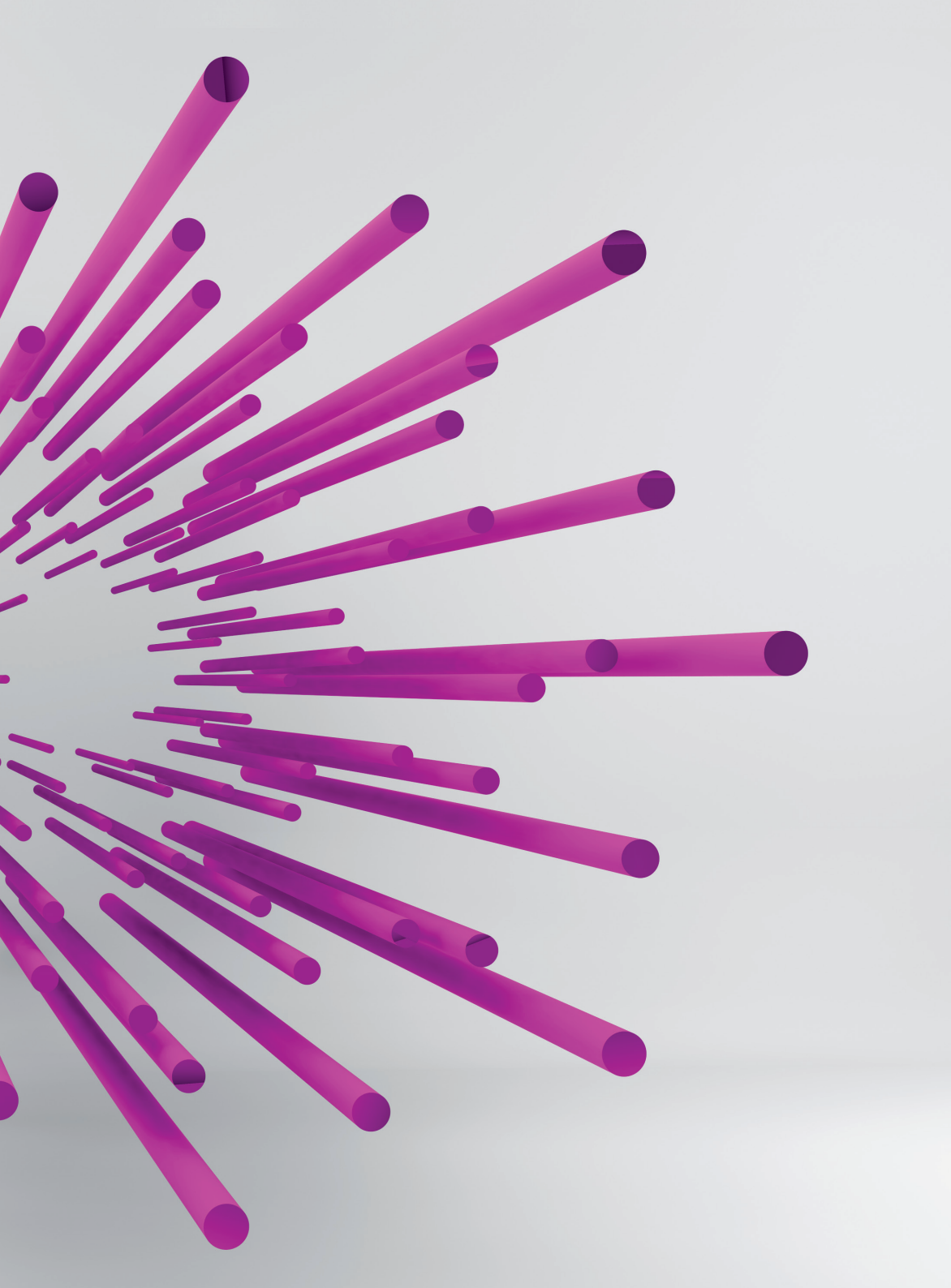
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# 01

## — OBJECTIVES AND SCOPE

Code of Ethics and Conduct







## — OBJECTIVES AND SCOPE



Sonae's Code of Ethics and Conduct is a document which sets out the principles that govern the activities of the Sonae Group and its companies, as well as the ethical and moral conventions that must be followed by all members of our Governing Body and all of Sonae's employees in their relationship with clients, suppliers and other stakeholders.

It also applies to third-party entities, contracted by or acting on behalf of Sonae, whenever the Company may be held accountable for their actions.



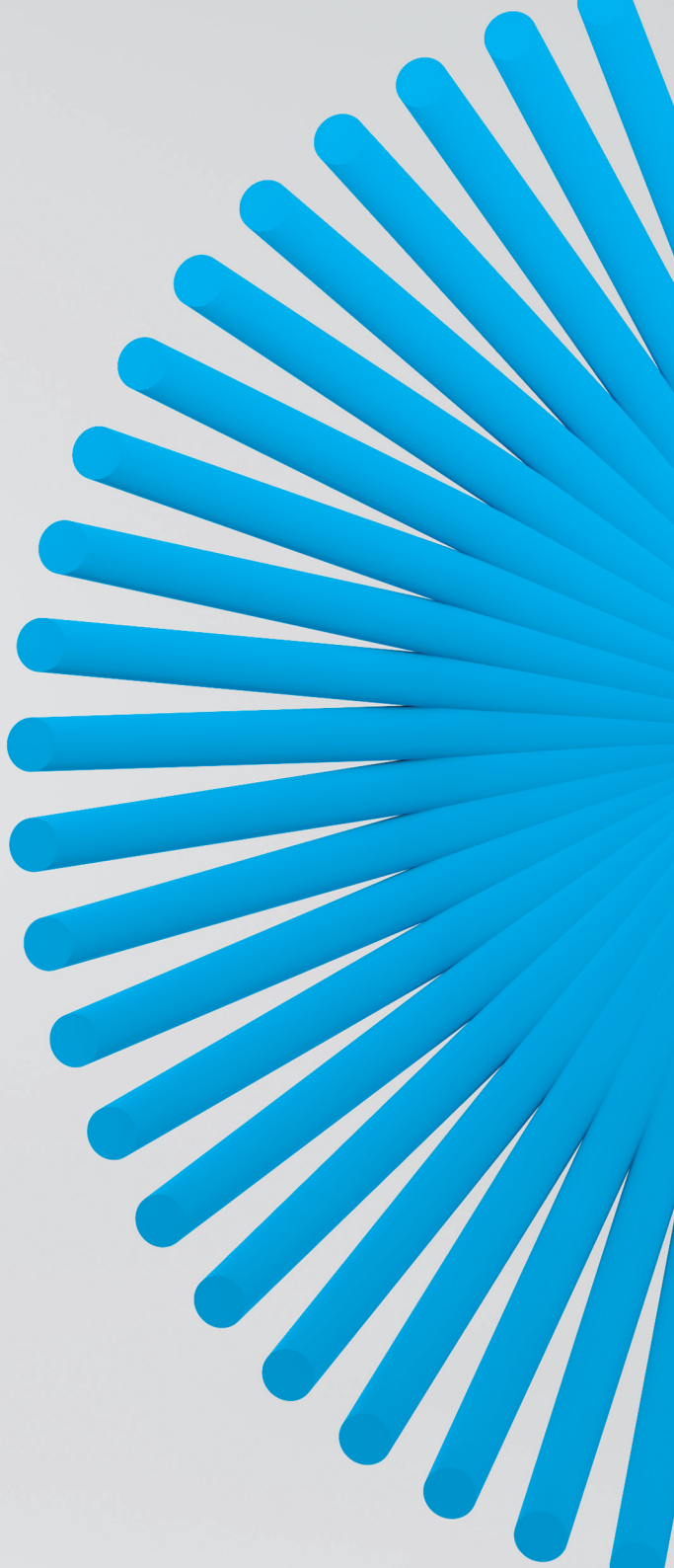
The Code was created with the fundamental objectives of:

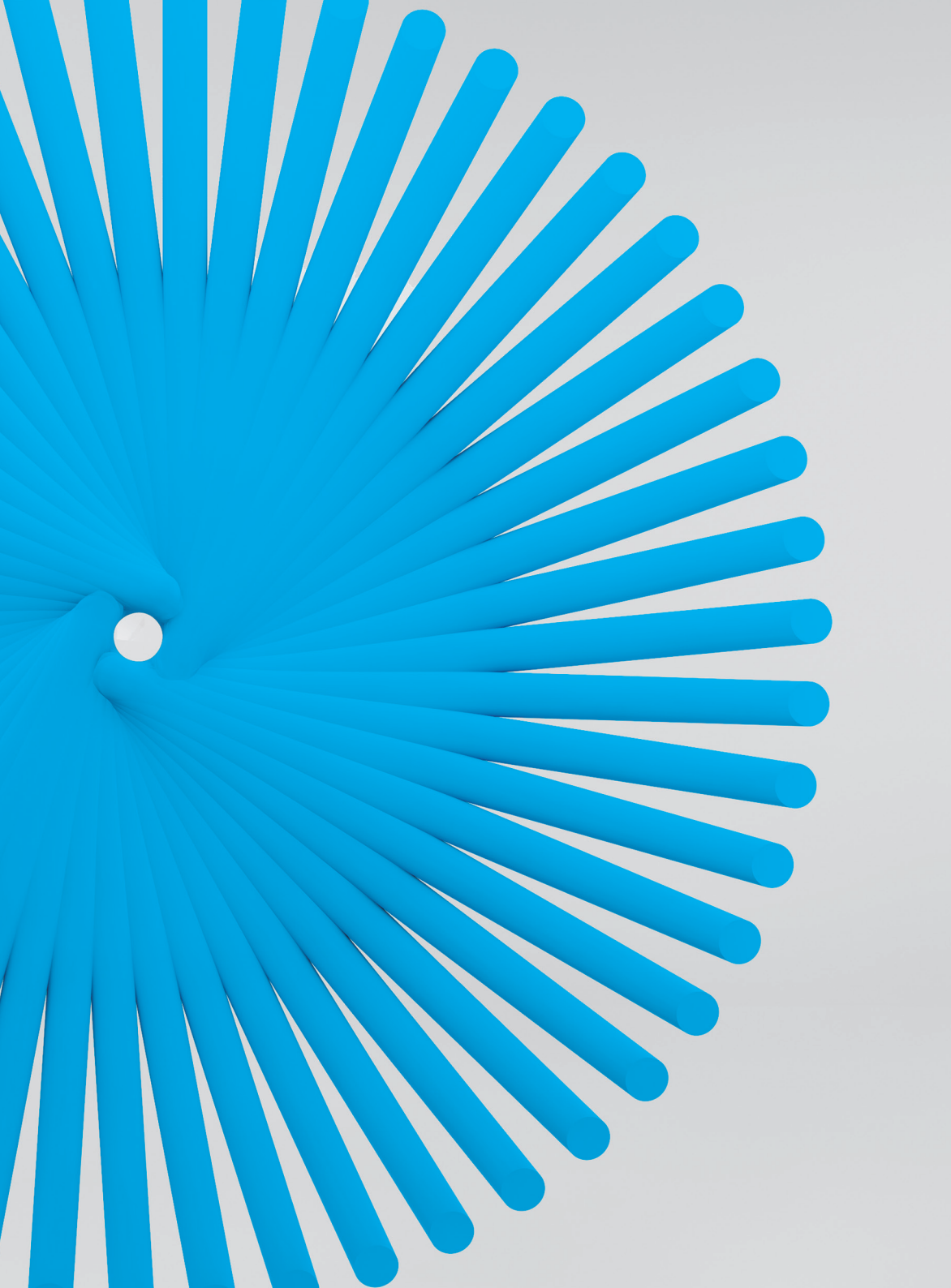
- a) Establishing principles that guide the activities of the Sonae Group of companies, and setting rules of ethical and moral nature that are expected to guide the behaviour of all of its employees and Governing Bodies. It includes promoting the adoption of ethical and moral principles and conventions by our partners;
- b) Promoting and encouraging the adoption of the guiding principles and rules of conduct defined herein, which reflects the Company's values as regards relationships between employees, Governing Bodies, Sonae and its remaining stakeholders;
- c) Consolidating Sonae's institutional image, which is characterised by Determination, Dynamism, Enthusiasm, Creativity and Openness.

# 02

## — MISSION AND VALUES

Code of Ethics and Conduct





## MISSION AND VALUES

# Mission

To create long-term economic and social value, taking the benefits of progress and innovation to an ever increasing number of people.

# Values

Sonae's values represent the principles according to which the company conducts its activities and the relationship with all of its stakeholders.

### Trust and integrity

We are committed to creating economic value in the long term, built on sustainable relationships with all our stakeholders. These relationships are established based on principles of honesty, integrity and transparency.

### People at the centre of our success

Our people are a determining factor in our success. For that reason, we constantly work to improve our employer value proposition to allow us to attract and retain the most talented and ambitious professionals. We invest not only in developing their capabilities and skills, but also in ensuring we provide a thriving and attractive work environment, and facilitate balanced lifestyles. We continuously promote meritocracy and embrace diversity at all levels of the organisation.



## Ambition

Our ambition is founded on continuously establishing goals which will stretch us to our limits, stimulating our energy and strengthening our determination. Ambition drives us and keeps us dissatisfied with the status quo, forcing us to go beyond our past successes. We always set ambitious goals that stretch our current competences and demand a bold and entrepreneurial attitude from our managers.

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## Innovation

Innovation is at the heart of our businesses. We always question our way of thinking, as well as industry orthodoxies, in order to identify new opportunities. We maintain a challenger attitude by continuously improving our value propositions and experimenting with new business models, while managing risks within reasonable limits. We know that we can only grow sustainably by innovating.

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## Corporate Responsibility

We are committed to developing our activities based on the principles of sustainable development, by contributing to society beyond the economic value generated by our business activities. In particular, we aim to improve the communities within which we operate by working together to tackle the most fundamental environmental and social challenges of our times.

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## Frugality and Efficiency

We aim to optimise the use of resources and maximise their return, avoiding any waste or extravagance. As a priority, we focus on achieving operating efficiency, promoting healthy competition, and delivering high impact projects.

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## Cooperation and Independence

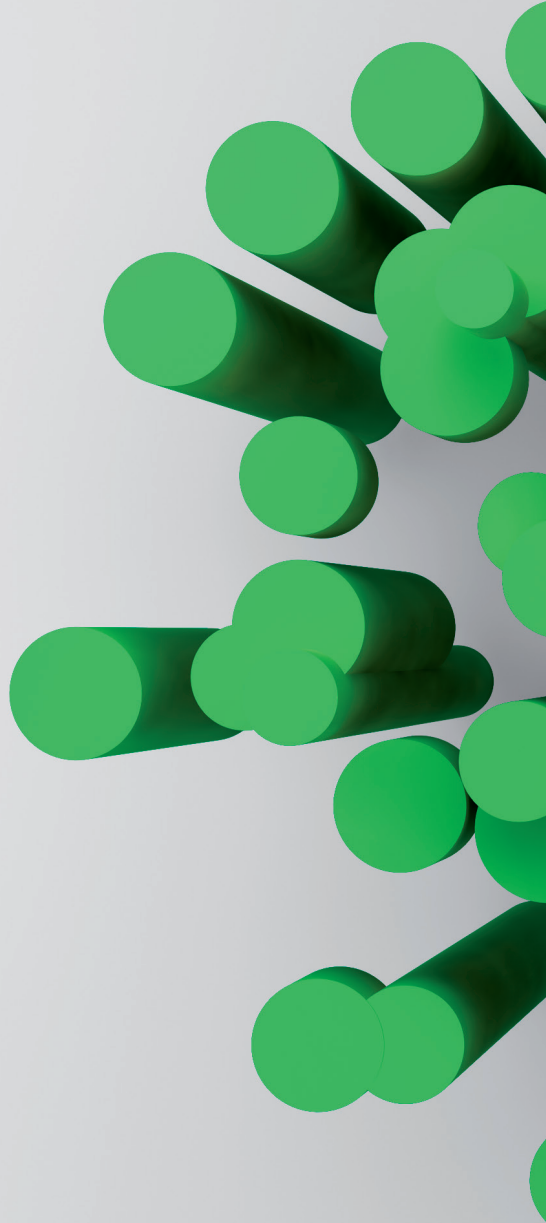
We are ready to cooperate with central and local governments, to improve regulatory, legal and social frameworks, and to ensure the best solutions for the communities within which we operate, but we are also careful to maintain our independence in relation to all such entities.

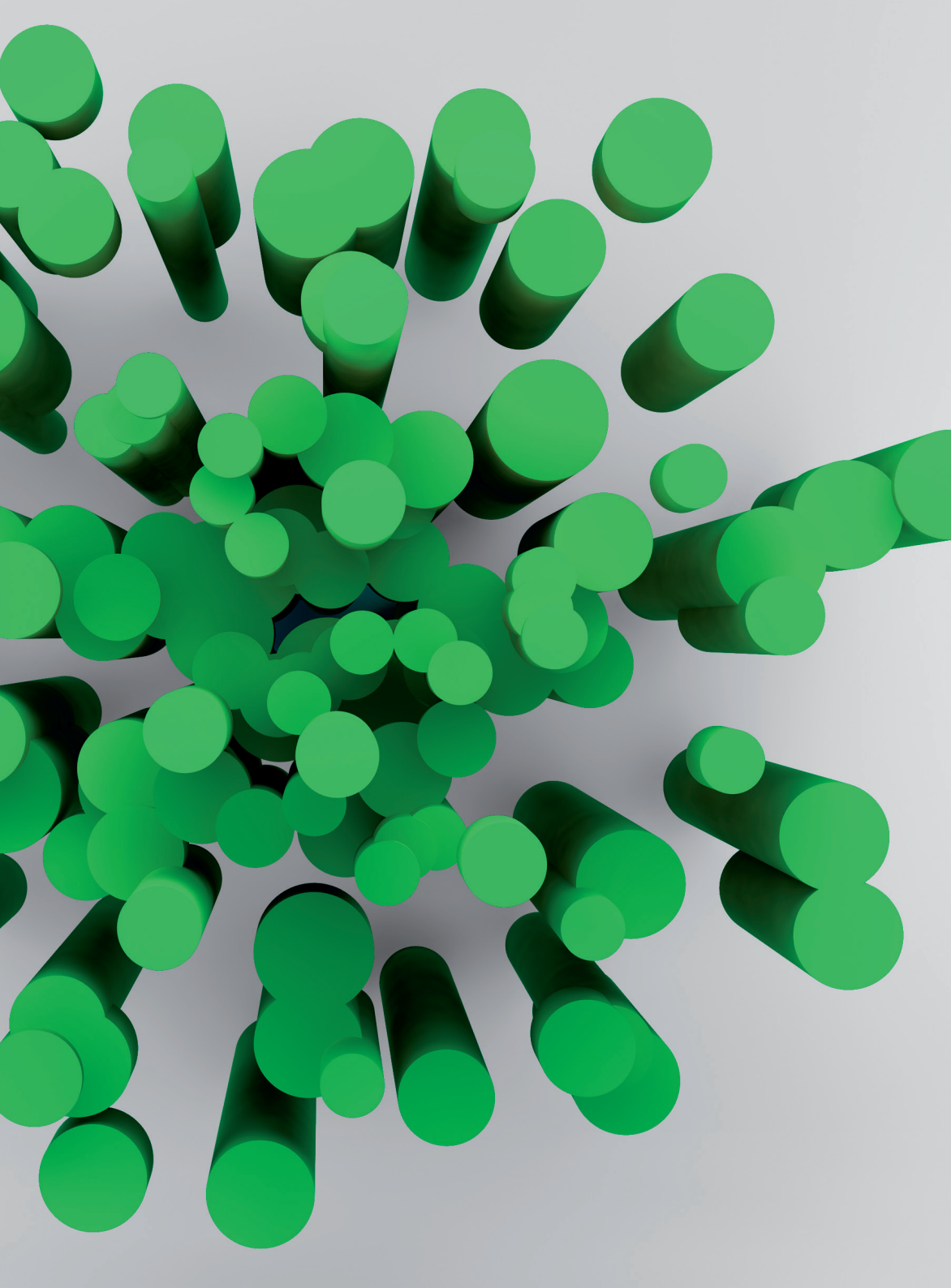
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# 03

## — RELATIONSHIP WITH STAKEHOLDERS

Code of Ethics and Conduct





## RELATIONSHIP WITH STAKEHOLDERS

- **Privacy:** Sonae is committed to ensure the privacy and security of the processing of personal data, as well as to enable the owners of personal data to exercise their rights.

# Clients

All of Sonae's employees and Governing Bodies, regardless of their position, should be focused on developing relationships with consumers based on empathy and trust. Such trust should be underpinned by the best value proposal, so as to ensure our clients' satisfaction.

When dealing with customers, employees must carry out their activities in compliance with the commitments assumed by Sonae, by:

- Earning the clients' trust;
- Being transparent and truthful when imparting information, in particular with regard to advertising and communication;
- Adopting an attitude that is worthy of an organization dedicated to the provision of services;
- Treating clients with professionalism, respect and loyalty;
- Providing clients with excellent products and services;
- Providing clients with the information they need to make informed decisions and ensuring rigorous compliance with agreed terms and conditions;
- Respecting Clients' data protection and complying with the legislation in force.



# Employees

The norms herein must be accepted, understood and adopted by all employees, regardless of where they conduct their activities, their position within the Organisational Structure, or their specific functions and responsibilities.

## Sonae's Code of Conduct

- **Personal Development and Career Advancement:**

Sonae attributes a great deal of importance to its employees' professional and personal development, promoting continuous training as a driving force for better performance and motivation. The Company's selection, remuneration and career advancement policies are guided by merit and market benchmark practices.

- **Protection of Individual Rights:** Sonae complies with the principles and values defined in national and international legislation relating to Human and Social Rights. Discriminatory conduct based on gender, race, ethnic group, religious beliefs, political party affiliation or any other consideration is not permitted. Equal opportunities are promoted and integrity and dignity in the workplace are assured.

- **Harassment:** Sonae rejects all forms of harassment and any other type of attack on the dignity of its employees.
- **Bribery or corruption:** Sonae condemns the offering or accepting of any reward or benefit which may influence the behaviour of others, in the sense of obtaining personal advantages, or advantages which may benefit the Company.
- **Health and Safety:** Sonae provides a healthy, safe and pleasant work environment, and promotes well-being and productivity amongst its employees.
- **Participation:** Sonae nurtures and encourages employee participation, promoting efficient communication, research and knowledge transfer processes. Sonae respects and values employee presence on the web as a means of personal and professional development, in line with the Company's mission and values.
- **Creation of value:** Sonae conducts its businesses with the intention of creating value in the long run. In so doing, Sonae respects the principles of Sustainability, as well as Corporate Social and Environmental responsibility.

## Employee Code of Conduct

- **Training:** Employees commit to updating their knowledge and skills, by attending training opportunities provided and recommended by the Company.
- **Innovation and Initiative:** To achieve collective goals, employees should adopt a committed and proactive attitude, implementing innovative solutions where they exceed the value created if traditional solutions were applied.
- **Interpersonal relationships:** The relationship between all employees and Governing Bodies must be guided by mutual respect, loyalty, cooperation, honesty and clear communication, in the collective pursuit of excellent results.

- **Integrity and Loyalty:** Employees and Governing Bodies must not use their position, image, name or the Sonae brand for personal gain, nor for the gain of their family members or any other third parties. Whilst conducting business, and when dealing with people from within or outside the Group, employees and Governing Bodies should adopt appropriate and dignified behaviour, upholding the prestige of the Company and its brands. Sonae employees must apply this rule with particular attention to their online relationships, always referring to the Company with respect, loyalty, common sense and in accordance with the general guidelines of this Code of Ethics and Conduct.
- **Responsibility:** Employees and Governing Bodies must conduct their business in a responsible and professional manner, protecting the Company's assets by using resources wisely and rationally.
- **Confidentiality:** Employees and Governing Bodies are obliged to protect the confidentiality of any information to which they have access when performing their duties. They may not use such information for personal gain, or for the benefit of third parties.
- **Privileged Information and Insider Trading:** Employees and Governing Bodies that have access to privileged information of any kind are expressly forbidden to disclose it outside the scope of their duties, or to use and provide such information to third parties for their own advantage.
- **Sustainability:** Sustainability is viewed as a joint responsibility, which is shared by all employees.
- **Conflict of interests:** Employees and Governing Bodies must not exert their influence on decision-making processes that directly or indirectly involve organisations with whom they cooperate, or may have cooperated in the past, or people with whom they have, or may have had ties of family or friendship. In any case where such relationships are present, and where they may influence any decision-making process, employees must inform their respective line manager of the existence of such ties. Employees must also refrain from participating or holding office in organisations whose business activity may clash with the fulfillment of their duties at Sonae or whose purpose may conflict

- **Non-competition:** Employees and Governing Bodies must not participate in activities that compete with those operated by Sonae or its subsidiaries.

### Ethics of Gifts and Hospitality

Sonae does not encourage offering or receiving gifts, services or hospitality. Employees and Governing Bodies must not accept, for their own account, goods, services or any other benefits with an individual value greater than €100 (including Christmas gifts) from clients, suppliers, service providers or any other individual or collective organisation that has, or has had, or wishes to have a business relationship with Sonae. However, if declining or returning such offers proves to be unfeasible, the gifts are considered Company property, and should be delivered to the Human Resources Department. Such gifts will then be forwarded to the Belmiro de Azevedo Foundation. Should this course of action be deemed impractical, the Ethics Committee will be requested to suggest a better alternative. The abovementioned restriction is not applicable to offers and payment of goods and services - such as travel, meals, accommodation or entertainment - that may be given by third party organisations to employees during the course of business, as part of their function in representing Sonae and acting in its interests. Such exceptions must be communicated in advance to the respective line manager. A Sonae employee may only offer gifts to external entities as long as this is done in the name of the Company, is relevant to his/her job function, and corresponds to industry practice.

Prior approval from line managers must be sought at all times. It is expressly forbidden to offer or receive money, cheques or any other goods subject to legal restrictions, regardless of circumstances and monetary value.

## Protection of Assets

Sonae's assets are to be used exclusively for professional purposes and may not be used for personal or other people's benefit.

All Sonae employees must ensure that the Company's physical, financial and intellectual assets are protected and preserved, ensuring that resources are always used efficiently. Whenever possible and recommended, the Company's intellectual assets should be protected by registering and establishing patents.

Employees must act in accordance with the safety guidelines, to prevent accidents and not jeopardise the Company's assets. Employees must protect the Company's financial resources with diligence, preventing their loss, theft or misuse.

Employees are not permitted to gain personal advantage, or assist third parties, by making use of know-how and information pertaining to Sonae's businesses. Sonae's fixed assets may not be sold to the Company's employees. Exceptions to this rule must be approved by the Board of Directors.

# Shareholders

- **Value Creation:** Sonae is committed to maximising and sustaining any value created for its Shareholders, in strict compliance with the Company's values.
- **Accuracy:** Financial and management information will faithfully, timely, fully and truthfully convey the Company's financial position, results and liabilities, as well as disclose the most relevant policies adopted.
- **Privileged Information and Insider Trading:** Sonae has a commitment to respect and not abuse privileged information. Consequently, employees are required to comply strictly with the laws and regulations in force.

# Suppliers

- **Responsibility in Selection Processes:** Sonae selects service providers and suppliers based on clear and impartial criteria. One of the criteria for selection is the suppliers' compliance with rules of conduct that do not conflict with those established in this Code.
- **Integrity:** Sonae acts with loyalty and good faith in its relationships with its business partners, establishing clear and objective communication with them, with the aim of consolidating a relationship of trust in the long-term.
- **Transparency:** Sonae adopts procedures guided by principles of economic rationality and efficiency. Its business practice is transparent and equitable, and no form of abuse, bribery, corruption or money laundering is tolerated.

# Public Authorities

- **Cooperation:** Sonae cooperates with public authorities and local communities, guided by rules of transparency and independence, and is always open to improving the legal framework within which its businesses operate.
- **Independence:** Sonae carefully maintains its independence in relation to public institutions and political parties, without jeopardising professional relationships. As such, Sonae will not, under any circumstance, fund political parties, or organisations whose mission is essentially political.
- **Respect/Compliance with obligations:** National and international legislation which applies in countries where the Company carries out its business activities are strictly observed, and all legal and contractual obligations are fulfilled. Public organisations and regulatory authorities will be given accurate, adequate and timely information pursuant to legislation in force.

# Communities

Sonae implements an active Social Responsibility policy, which contributes towards improving communities where the Company is present, with a focus on environmental awareness, economic and social well-being, and the development of human knowledge.

The Company believes that continual dialogue between the different entities that constitute a community makes it easier to identify the main areas for improvement. Such dialogue is essential for the long-term success of the Company's operations in any community. The Company hopes to contribute to the training and education of consumers, encouraging the adoption of healthier lifestyles and promoting social responsibility practices.

# Competitors

- **Courtesy and Mutual Respect:** Sonae respects legal rules and market criteria, promoting fair and healthy competition. Relationships with competitors obey rules of courtesy and mutual respect.



# External Communication

- **Disclosure of Information:** Sonae implements a rigorous communication policy, guided by standards of ethics, integrity, and transparency with regard to media, whilst keeping information confidential within the Company.

The Company acts in such a way as to ensure symmetry in the access to information, in full compliance with the applicable legal rules and regulations, to prevent mistakes, overstatement and suppression of relevant information.

Sonae avoids releasing any information regarding its companies and Group activities to the media without prior authorisation.

# Environment

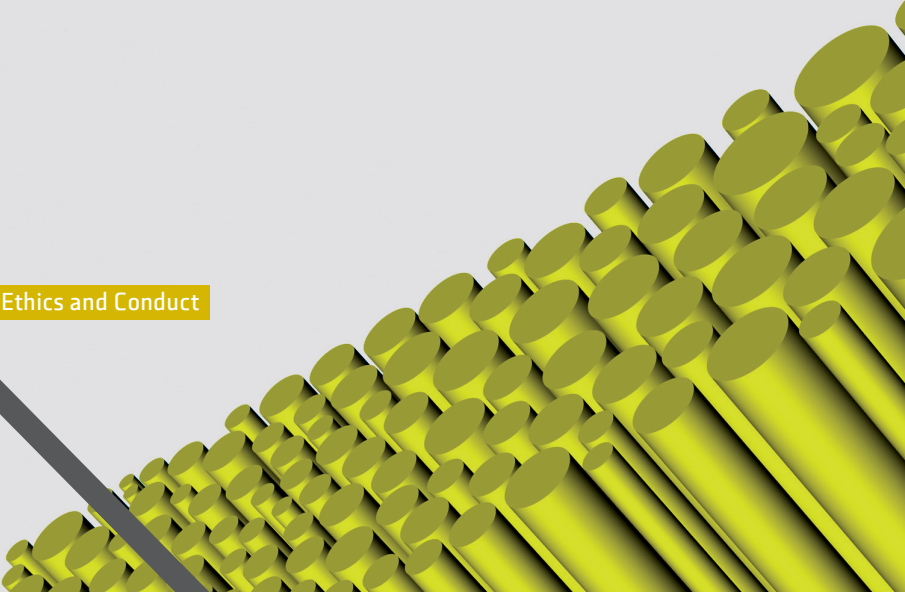
- **Environmental Awareness:** Sonae adopts and endorses the responsible use of natural resources and protection of the environment. In particular, Sonae promotes an eco-efficient management that minimises any environmental impact resulting from the Company's activities.

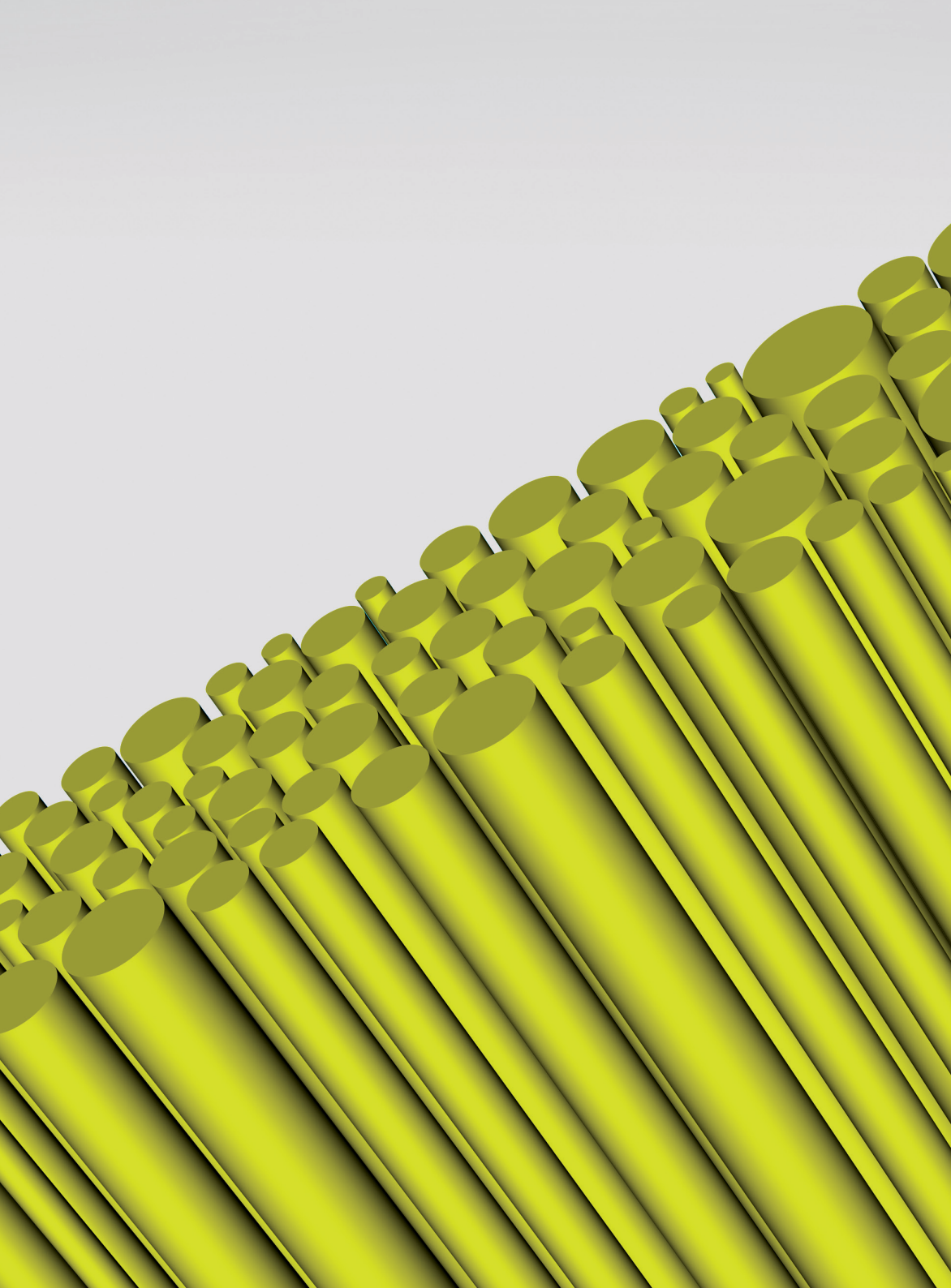
- **Impact of Climate Change:** Sonae monitors the effects of climate change, identifying the measures necessary to adapt to the changes occurring.

# 04

— ETHICS COMMITTEE  
AND OBSERVANCE  
OF THE APPLICATION  
OF THIS CODE

Code of Ethics and Conduct

A decorative graphic in the bottom right corner consisting of numerous yellow cylinders of varying heights and widths, arranged in a dense, overlapping pattern that creates a sense of depth and texture. A dark grey diagonal line extends from the bottom left towards the center, passing behind the yellow cylinders.



## ETHICS COMMITTEE AND OBSERVANCE OF THE APPLICATION OF THIS CODE

4.1 Following a proposal from the Executive Committee, Sonae's Board of Directors appointed an Ethics Committee to guarantee the observance of, and compliance with, the Code of Ethics and Conduct. This Committee, acting independently and impartially, will aim to:

- Assure the existence of means to disseminate the Code of Ethics and Conduct to its target audience;
- Consider and answer questions sent by the members of the Governing Bodies of the Group's companies, as well as those sent by employees, partners or third parties which fall within its scope, making recommendations it deems appropriate to the nature of each case;
- Check the existence of internal mechanisms to report irregularities, making sure they comply with the law, particularly in terms of confidentiality, the handling of information, and the non-existence of reprisals for participants;
- Propose to the Board of Directors, after consulting with Sonae's Executive Committee, the approval of changes to the Code of Ethics and Conduct, whenever considered appropriate;
- Issue clarifications regarding the interpretation of provisions in the Code of Ethics and Conduct, on its own initiative, or after being requested to do so by members of Governing Bodies or employees;

- Receive, evaluate and forward founded reports of irregularities, received by the Ethics Committee, to the respective responsible Governing Bodies, whenever they consider such irregularities as violations of the rules in this Code of Ethics and Conduct;
- Regulate its operation and regularly report its activities to the Board of Directors, and the entities it is legally bound to report to, according to legislation or the Corporate Governance model adopted.

The Ethics Committee has responsibility for receiving and forwarding reports involving members of the Governing Bodies, the Ombudsperson, Investors in a broad sense, and any other matter considered to be worthy of investigation. The Ombudsperson has responsibility for receiving and forwarding reports involving employees, clients or suppliers and other service providers to the relevant bodies.

Any report of irregularities must be sent to the email address of the Ethics Committee. Anonymous and unfounded reports are discouraged to avoid the risk of slander or any other accusations which are unproven or based on rumours.

Confidentiality is guaranteed to any irregularities reported, which relate to financial management, under the terms approved by the “Comissão Nacional de Proteção de Dados”.

The report must be reputable and plausible, stating the name, address and contact details of the sender, as well as a detailed description of the issue reported.

Ethics Committee composition:

José Neves Adelino (Chairman) – Independent Non-Executive Member of the Board of Directors

João Günther Amaral – Head of Human Resources

Marta Cordeiro Cunha – Ombudsperson

Luzia Gomes Ferreira – Head of General Counsel & Corporate Governance

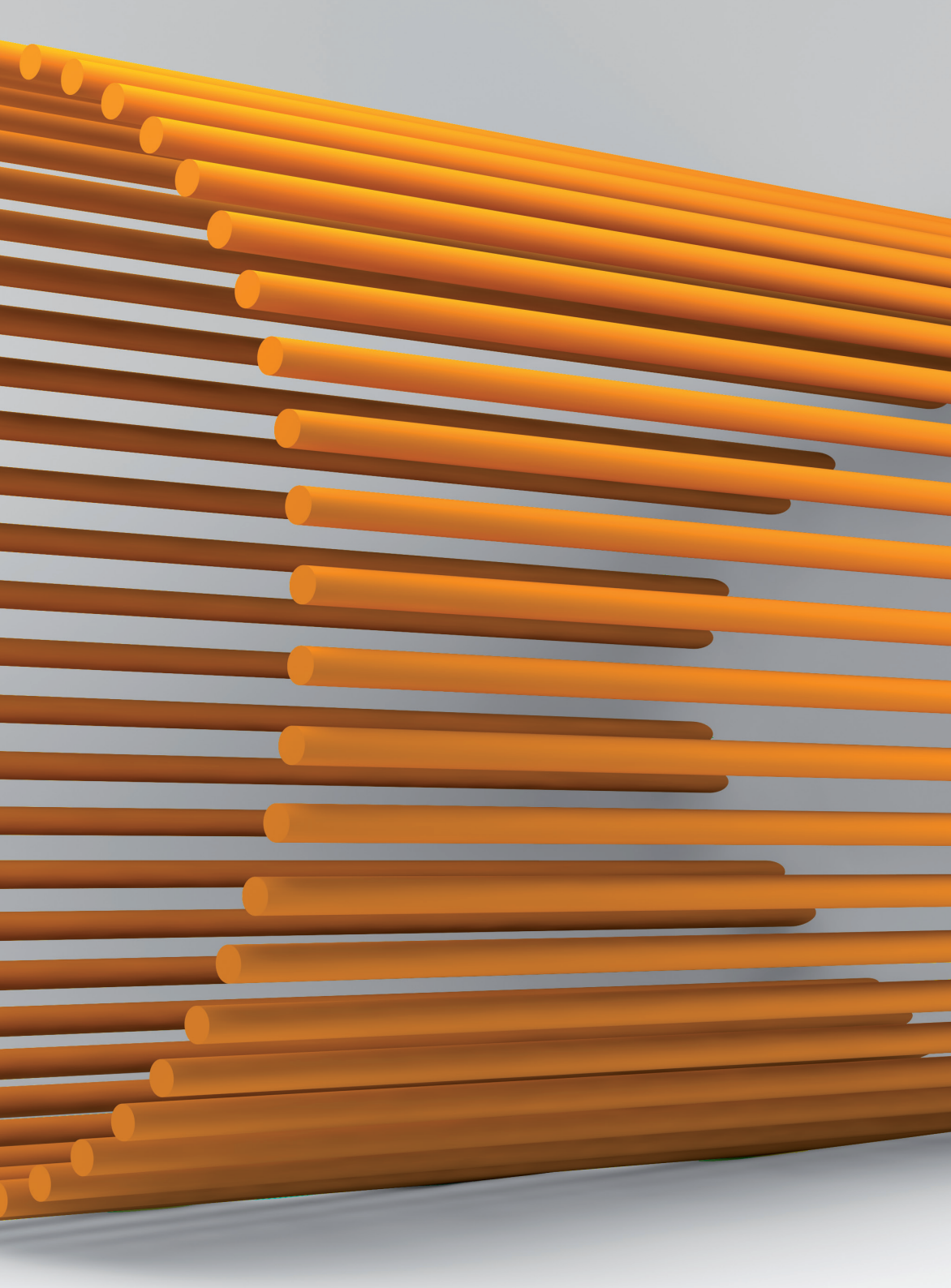
David Bain (Secretary) – Board & Corporate Governance Officer

05

— DISCLOSURE

Code of Ethics and Conduct





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## DISCLOSURE

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This Code is published on Sonae's website – [www.sonae.pt](http://www.sonae.pt) – and on the Company's intranet, as well as other internal channels.

When formalising his/her work contract, each employee must sign a statement declaring that they are fully aware of the Code and are committed to complying with the Code. Any queries regarding the interpretation or application of this Code should be directed to the Ethics Committee ([comissaoetica@sonae.pt](mailto:comissaoetica@sonae.pt)).

This document revokes the following document: – SONAE Holding Corporate Governance: Guidelines on Business Gifts, approved on 2.02.2009 and Sonae Distribuição's Code of Ethics and Conduct.

The documents SONAE Holding Corporate Governance: Related Party Transactions and SONAE Holding Corporate Governance: Conflicts of Interest, are still in force and may be consulted if the need to learn more on any of these subjects arises.





## — ANNEXED DOCUMENTS

Code of Ethics and Conduct





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## — ETHICS COMMITTEE (ETHCOM) – TERMS OF REFERENCE (“MODUS OPERANDI”)

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# Introduction

The Sonae Ethics Committee (“EthCom”) was created to guarantee that the highest standards of business practice are upheld by the Sonae Group (the “Group”).

# Scope of activity

The scope of activity of the EthCom includes:

- Safeguarding and monitoring the implementation of the Code of Ethics and Conduct in a timely and appropriate manner;
- Updating the Code of Ethics and Conduct, whenever deemed necessary;
- Monitoring ethical standards to facilitate the elimination of any corrupt or unethical business practices from the Group, by making recommendations to improve control mechanisms and safeguards, and taking any other steps deemed appropriate;
- Evaluating the relevance of any alleged irregularities reported and forwarding them to the relevant governing bodies, when they fall within their authority to investigate and report conclusions.

The Ethics Committee may suggest a recommended action plan, notwithstanding the legal competence of other governing bodies;

- Following up all investigations and the reporting of conclusions and ensuring the resolution of issues and the implementation of action plans;
- Liaising with the Sonae Ombudsperson to avoid duplication of processes, and, at the same time, ensuring that all irregularities which are reported are investigated.

## Composition

The EthCom shall be made up of individuals whose academic background, professional experience, skills, and impartiality are appropriate for carrying out the functions of the EthCom.

The EthCom shall be made up of five members appointed by the Board of Directors, as follows:

1. A member of the Board of Directors from amongst its independent NEDs, who shall be the Chairman of the EthCom;
2. The Board & Corporate Governance Officer, who shall be secretary of the EthCom;
3. The General Counsel;
4. The Head of Human Resources; and
5. The Sonae Ombudsperson.

# Meetings

The Chairman of the EthCom shall be responsible for convening the meetings of the EthCom, setting the agenda, and directing discussions.

The EthCom shall normally meet once every half-year and whenever the Chair or two of its members call a meeting with minimum prior notice period of 5 working days. Meetings may take place via conference call or video conference, but the physical presence of the members is required at least one EthCom meeting per year.

The EthCom may only take decisions if a majority of its members are present (in person, via conference call, or video conference). Decisions require that a majority of the votes cast are in favour. The Chair shall have a casting vote.

Minutes shall be taken of all EthCom meetings by the secretary of the EthCom. Copies of the minutes of EthCom meetings will be distributed to all BoD members after they are approved by the members of EthCom.

An Annual Report on the activity of the EthCom will be prepared in January of the following year. This report will be submitted to the Board of Directors and to the Statutory Audit Board in the first quarter of the following year.

# Procedures on alleged irregularities reported

The main procedures followed in relation to the disclosure and investigation of any alleged irregularity reported, are as follows:

- A response confirming receipt of the communication must be sent to the participant. This acknowledgment can be sent by post or email;
- All communications of alleged irregularities received by email or by post addressed to the EthCom, should be immediately shared with all members of the EthCom;
- The EthCom should use all means at its disposal, including recommending the use of specific internal or external resources, to ensure that any alleged irregularities, within the scope of its role, are subject to a thorough and timely investigation, and to allow the EthCom to reach its own independent opinion. Additionally, the EthCom should make sure that the statutory and non-statutory governing bodies are kept informed, so that they can also fulfil their roles and carry out their duties;

- During investigations, or on their partial or final conclusion, the EthCom may issue recommendations, including indicating who should action them. This falls within the EthCom's role of ensuring that the Code of Ethics and Conduct is applied effectively;
- On completion of the investigation, a notification should be sent to the persons involved in the process.

Subject to any legal limitations, a record of all alleged irregularities reported, and cases investigated as well as findings will be made available for consultation, upon request, by the Company's statutory and non-statutory governing bodies and, in particular, by the Statutory Audit Board and the Statutory External Auditor.

Maia, Portugal on 13 March 2018

A handwritten signature in black ink, appearing to read 'José Neves Adelino', with a stylized, cursive script.

José Neves Adelino (Chairman of the Sonae Ethics Committee)





#### **Code of Ethics and Conduct**

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Code of Ethics and Conduct

