



# **SANCTIONS POLICY**

March 2024

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## CONTENTS

1. FRAMEWORK AND SCOPE .....	4
2. DEFINITIONS.....	4
3. PROCEDURES AND MECHANISMS IMPLEMENTED.....	6
4. TRAINING.....	8
5. PERIODIC EVALUATION .....	8
6. SKILLS .....	8
7. DISCLOSURE.....	9
8. APPROVAL AND ENTRY INTO FORCE.....	10

## 1. FRAMEWORK AND SCOPE

The purpose of this Sanctions Policy (the "Policy") is to establish the set of principles and procedures adopted by Sonae Sierra, SGPS, S.A. ("Sierra") to ensure the diligent and timely fulfilment of legal duties regarding the enforcement of Sanctions.

Sierra is a stock company that manages shareholdings in other companies and is therefore the center of a business group composed of several companies that operate in different jurisdictions. It is therefore essential that the Group has effective procedures in place to guarantee the immediate and full implementation of Sanctions validly adopted by the competent authorities.

This Sanctions Policy applies to Sierra, its Subsidiaries and, whenever possible, its Affiliates.

Regarding Affiliates, Sierra assumes the duty to endeavor to apply this Sanctions Policy, or equivalent principles of integrity, without prejudice to the fulfilment of specific legal and regulatory duties to which such entities may be bound.

This Sanctions Policy must be observed by all employees of Sierra and its Subsidiaries and, whenever possible, of its Affiliates, when carrying out their assigned duties, in particular when establishing business relationships or carrying out occasional transactions with Counterparties.

## 2. DEFINITIONS

For purely interpretative purposes, the concepts listed below, when used with a capital letter and regardless of whether they are used in the singular or plural in this Policy, have the following meaning:

- a. Beneficial Owners: the natural person or persons who ultimately own or control the Counterparty and or the natural person or persons on whose behalf an operation or activity is carried out, in accordance with the criteria established in the applicable Legislation.
- b. Competent Authorities: the authorities which, in the various countries where Sierra, its Subsidiaries and Affiliates operate, always have competence in this area.

- c. Counterparties: any natural or legal persons or other non-personalized legal structures, regardless of the jurisdiction of incorporation or effective headquarters, with which Sierra or any of its Subsidiaries and Affiliates establishes business relations within the scope of its economic activity, which may be long-lasting or merely occasional.
- d. Employee: any person, regardless of their relationship, who provides any professional services to Sierra or to any of its Subsidiaries and Affiliates, namely members of the management bodies, employees and service providers whose services are relevant for the purposes of complying with this Sanctions Policy.
- e. Sanctions: means any sanctions or restrictive measures applied by the European Union, the United Nations Security Council, the United Kingdom and/or the Office of Foreign Assets Control of the Department of the Treasury of the United States of America (OFAC), framed as instruments of a political-diplomatic nature and whose objectives are the maintenance or re-establishment of international peace and security, the protection of human rights, the democracy and the rule of law, the preservation of national sovereignty and independence and other fundamental interests of the State and/or the prevention and repression of terrorism, and which restrict the exercise of rights by imposing prohibitions or obligations and others of a similar nature, and may be aimed at governments of third countries, non-state bodies (groups or organizations) and natural and legal persons.
- f. Affiliates and Subsidiaries: companies or other legal structures regardless of where their head office is located, and which fulfil the following requirements:
  - i) Affiliates: any entity in which Sierra holds, directly or indirectly, an interest equal or less than 50% of the shares with voting rights;
  - ii) Subsidiaries: any entity in which Sierra holds, directly or indirectly, an interest of more than 50% of the shares with voting rights.

### **3. PROCEDURES AND MECHANISMS IMPLEMENTED**

To ensure compliance with legal obligations regarding Sanctions, Sierra and its Subsidiaries, and whenever possible its Affiliates, must observe the procedures listed below and use the mechanisms described therein.

#### **a. Compliance - Sanctions Lists**

To be aware of the Sanctions in force at any given time, Sierra and its Subsidiaries, and whenever possible its Affiliates, must have:

- i) The appropriate means to ensure immediate and full understanding of the content of the Sanctions, in particular and when applicable, the lists of persons and entities issued or updated under those measures; and
- ii) The consultation mechanisms necessary for the immediate application of those Sanctions.

Without prejudice to the possibility of consulting the official lists that are publicly available, Sierra will use, for itself and for its Subsidiaries and Affiliates, suitable IT tools that aggregate lists of Sanctions and that allow Counterparties to be automatically and quickly checked against the names included in such lists. These IT tools are provided by reputable service providers recognized in the market.

Sierra and its Subsidiaries and Affiliates do not participate in any operation involving the export or import of services to jurisdictions subject to Sanctions.

#### **b. Verification/Acceptance and Maintenance of Counterparts - Sanctions Screening**

Sierra and its Subsidiaries and Affiliates do not establish prohibited relationships with persons or entities included in official Sanctions lists. In the case of Counterparties that are not natural persons, commercial relations will also not be established with such entities if their corporate bodies or list of shareholders, representatives or beneficial owners includes natural persons covered by Sanctions.

Whenever Sierra or its Subsidiaries and, whenever possible, its Affiliates intend to establish business relations or carry out new transactions with Counterparties, they must first carry out the Screening procedure provided for by Sierra, in order to determine, among other things, whether the Counterparty (including members of its governing bodies, representatives, shareholders or beneficial owners) is subject to any Sanctions.

In this context, Sierra or its Subsidiaries, and whenever possible its Affiliates, in addition to collecting the Counterparty's identification data, will use the aforementioned IT tools to automatically and rapidly determine whether it is included on any official list of Sanctions.

**c. Periodic verification - Sanctions lists**

Sierra and its Subsidiaries, and whenever possible its Affiliates, must also periodically verify, using the above-mentioned IT tools, whether the Counterparty (including members of its governing bodies, representatives, shareholders or beneficial owners) has been included in any official Sanctions list.

The periodic verification of Counterparties (including members of their governing bodies, representatives, shareholders or beneficial owners) is designed to ensure compliance with any Sanctions.

The frequency of verification must be defined according to the risk of the Counterparty and the risk of the business relationship established.

**d. Enforcement of Sanctions**

In situations where there is any doubt as to whether the person or entity on the list of Sanctions coincides with the Counterparty, the Company, its Subsidiaries and its Affiliates may not establish any business relationship with the Counterparty in question until such doubt is resolved. To this end, enhanced identification and due diligence measures may be adopted to gather additional information to resolve such doubts.

Sierra and its Subsidiaries, and whenever possible its Affiliates, must ensure that they have swift mechanisms in place that could assure the immediate compliance with the relevant Sanctions, whenever the verification tools generate an alert of a possible match with a person or jurisdiction subject to Sanctions.

If Sierra and its Subsidiaries, and whenever possible its Affiliates, as part of the above-mentioned Screening procedure, verify the existence of Sanctions, or in fulfilment of the duty to update, that a Counterparty is covered by a Sanction, they immediately proceed to enforce it and refrain from entering into any relationship with that Counterparty or immediately terminate the relationship when it already exists, under the terms of the applicable Legislation.

**e. Duties of Communication**

In the event of enforcement of Sanctions, Sierra and its Subsidiaries and Affiliates shall, as the case may be, immediately comply with the Duty to Communicate to the Competent National Authorities.

**4. TRAINING**

Sierra guarantees that its Employees (including those of its Subsidiaries and whenever possible of its Affiliates) whose functions are relevant to the fulfilment of duties relating to the enforcement of Sanctions, are aware of and adequately understand the procedures required for this purpose. In this context, in addition to publicising this Policy and providing the necessary clarifications, Sierra guarantees, whenever necessary, specific training related to this matter.

**5. PERIODIC EVALUATION**

Sierra and its Subsidiaries, and whenever possible its Affiliates, periodically carry out evaluations to determine the adequacy and effectiveness of this Policy and the procedures put in place to implement it. This exercise must consider the activities carried out, the type of counterparties and the risks involved.

Following such assessments (to be carried out directly or through a qualified third party) the Compliance Department may make recommendations aimed at adjusting this Policy.

**6. SKILLS**

This Policy must be complied with by all employees of Sierra and its Subsidiaries and, whenever possible, of its Affiliates. However, the proper fulfilment of this Policy requires the attribution of increased responsibilities to certain Employees.

**6.1 Compliance Department**

In the context of this Policy, the Compliance Department is responsible for:

- i) Ensure, when necessary, the revision of this Policy and its implementation by Sierra, its Subsidiaries and, whenever possible, its Affiliates;
- ii) Drawing up other regulations and formulating recommendations that may be relevant for the purposes of complying with obligations regarding the enforcement of Sanctions;



- iii) Test the procedures and mechanisms implemented to guarantee the enforcement of Sanctions;
- iv) Draw up prior analyses, issuing opinions on the information made available to it, on operations that show signs of being related to Sanctions;
- v) Ensuring compliance with the duty to report to the Competent National Authorities, under the terms of the applicable Legislation;
- vi) Ensure that this Policy is publicized to Sierra, its Subsidiaries and, whenever possible, its Affiliates, provide any clarification requested and promote training actions that are relevant to ensuring the enforcement of Sanctions;
- vii) Monitor the implementation of this Policy and periodically evaluate it, carrying out the relevant tests, directly or through third parties;
- viii) Ensure that an archive is kept, for the legally established period, of all documentation produced or obtained in fulfilment of this Policy.

## **6.2 Business areas**

In the context of this Policy, the business areas are responsible for:

- i) Ensure that the names of Counterparties are sent to the Compliance Department in good time, so that the Screening can be carried out before the transaction is concluded;
- ii) Informing the Compliance Department of any suspicious action/fact on the part of the Counterparty;
- iii) Co-operate with the Compliance Department in obtaining all information on the Counterparty that may be requested as part of the Screening process.

## **7. DISCLOSURE**

This Policy must be directly disclosed to all Sierra and its Subsidiaries' Employees, and whenever possible of its Affiliates, as well as on Sierra's website.

## **8. DATA PROTECTION**

All data processing activities relating to this Policy are carried out in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR) together with any other EU and national laws applicable.

### **8.1 Decision-making process**

The use of IT tools for the performance of Screening activities relating to data subjects does not entail fully automated decision-making procedures as the Compliance Department shall always verify any negative or dubious outcomes before any restrictive measures, i.e. enforcement of Sanctions, are applied.

## **9. APPROVAL AND ENTRY INTO FORCE**

This Policy was approved on 7<sup>th</sup> of March 2024 by Sierra's Board of Directors and shall enter into force immediately.

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