

The image features a vertical green bar on the left side. Overlapping this bar and extending to the right are several sets of concentric, semi-circular arcs. These arcs are colored in white, yellow, orange, red, blue, and green. The text 'PLAN FOR GENDER EQUALITY' is positioned on the right side of the image, centered vertically relative to the middle of the page.

PLAN FOR GENDER EQUALITY

SONAE

“THE CONCEPT OF GENDER
EQUALITY TRANSLATES AS AN
EQUALITY OF RIGHTS, LIBERTIES
AND OPPORTUNITIES FOR MEN
AND WOMEN WITH THE GOAL
OF PROVIDING EQUAL
VALORISATION, RECOGNITION
AND PARTICIPATION
IN ALL SPHERES OF PUBLIC
AND PRIVATE LIFE.”



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1. Context

Gender equality is a right established by the 13rd article of the Portuguese Republic's Constitution, regarded as an essential human right for society's development and for the full participation of men and women as individuals.

The concept of gender equality translates as an equality of rights, liberties and opportunities for men and women with the goal of providing equal valorisation, recognition and participation in all spheres of public and private life.

This is a concept that has been given particular attention and relevance by the main international entities over the last years and that has also recently gained greater prominence in Portugal.

The Resolution nº 19/2012 of the Council of Ministers, held on the 8th of March of 2012, firstly stipulated the obligation of adopting a plan for equality in every organisation of the Government's business sector, oriented towards reaching the equality of treatment and opportunities between genders, eliminating discrimination and facilitating the balance between personal, professional and family life.

This obligation was later extended to companies listed on the stock market, through the Law nº 62/2017 of the 1st of August, which approves the regime of balanced representation between genders for the boards of directors and supervisory boards of public and listed companies, stipulating in 7th article the obligation to elaborate and communicate annual plans for equality.

The Law nº 62/2017 also came to establish representation quotas for both genders of 20% for companies listed on the stock market, from the first elective general meeting which occurs after the 1st of January of 2018, and 33,3% from the first elective general meeting which occurs after the 1st of January of 2020, regarding all board members (executive and non-executive).

Considering the relevance of the contribution of business organisations for a fully democratic and inclusive society, as well as the advantages of the integration of a Gender Equality perspective in all areas of the Sonae Group, the following gender equality policy was elaborated contemplating (I) a comprehensive self-diagnosis on the subject, as well as (II) its own equality plan. For the elaboration of this plan, a wide set of internal and external documents on the theme (national and international) was used, with particular attention given to the orientations of the "Guidebook for the implementation of equality plans for companies".

Finally, it is important to highlight that the implementation of the equality plan will undergo regular monitoring and improvement, coordinated by a dedicated work team, to be assembled for the purpose.



2. Scope and Principles

This equality policy and its respective plan cover all companies fully owned, directly or indirectly, by Sonae SGPS, S.A.

It is the responsibility of each sub-holding to create a gender equality plan adapted to their reality, however, they must ensure that it is aligned with this document. In all that has been omitted from the equality plans of the respective sub-holdings, this plan shall be applied.

Regarding the dominated and co-dominated companies, Sonae SGPS, S.A., as a direct or indirect shareholder, will undergo its best efforts in order to guarantee the policy's application.

Sonae applies the principles of its gender diversity policy to its employees and members of the governing bodies.

2.1. COMPANY STRATEGY, MISSION AND VALUES

The values of inclusion and diversity are an integral part of Sonae's matrix since its genesis, being intrinsically related with the evolution, growth and diversification of its businesses and occupying a prominent place on the agendas of top management. Over time, these same values have been actively fostered within the whole organisation, through an unbiased management and evaluation of employees and through the promotion of equal opportunities for everyone, regardless of their role and position within the organization, as well as gender, ethnic group, age, religion or sexual orientation.

At the same time, Sonae has been systematically monitoring the evolution of a wide portfolio of indicators that intend to substantiate the discussion concerning diversity and inclusion in internal planning and management forums, as well as the subsequent design of action and development plans in this area.

Having as a statement "being a long living company", it has been fundamental for Sonae the development and implementation of a group strategy with a concern and investment in the meritocratic development of its talents, through an approach that aims at sustainability in human resource management, namely as far as gender balance is concerned.

Specifically, and publicly, Sonae's commitment concerning the theme of gender equality is present in its Code of Ethics and in the Values and Principles which guide its behaviour in life and business, designated "our way", with emphasis on:



– “(...) we establish these relationships according to principles of honesty, integrity and transparency.”



“(...) we incessantly promote meritocracy and we welcome diversity at all levels within the organisation.”



“(...) with merit. We assume merit as maximum criteria for assessment and progression, because only that way can we grow personally and professionally.”



“(...) we are aware of the richness that exists in the heterogeneity of paths and profiles of our people, as well as the plurality of businesses and geographies where we are present. We wish to continue fostering diversity because it is the combination of differences that generates dynamism.”

2.2. HUMAN RESOURCES STRATEGY

In line with Sonae’s strategy and values, the human resources strategy has assumed, as one of its vectors, the promotion of a diverse and inclusive organization, considering the different moments of its employees’ lifecycles and acting in different axis, such as attraction, integration, development and retention of its talent. In the next chapter, and within a context of self-diagnosis, we will go into detail concerning the practices at this level.

3. Self-Diagnosis

For the development of the self-diagnosis process regarding the identification of policies and standards concerning gender equality, a detailed analysis of the human resources strategic management cycle was conducted. In this context, certain axis have been assessed, such as: recruitment and selection, performance management, continuous training, career management, work-life balance, regular employee surveys, internal and external communication, among others.

Also in this scope, and in order to ensure a more complete reading of Sonae’s status quo in this matter, it seemed essential to complement the present self-diagnosis with the systematisation of some key-metrics regarding the current gender distribution within the organisation, as well as the main commitments and goals assumed by Sonae to balance the representation between men and women in the short and mid-term.

3.1. TALENT ATTRACTION, DEVELOPMENT AND RETENTION

Sonae’s commitment, as a diverse and inclusive organisation, able to promote, attract and integrate people of different profiles and experiences, was acknowledged in 2018 by being included in the global ranking of the 100 companies that formed the *Thomson Reuters IX Global Diversity and Inclusion Index*, a tool with the purpose of assessing and acknowledging, in a transparent and independent way, the efforts of companies within this scope.

As far as gender diversity is concerned, Sonae seeks to promote it throughout the whole employee lifecycle, based on 3 different dimensions:



1. **Attract:** investing in the identification and attraction of talent with different academic, professional and personal experiences, bearing in mind the principle of equality and non-discrimination according to gender. In recruitment processes, it is recommended that whenever recruiters present the business with a shortlist, it is balanced as far as the representation of both genders is concerned. Throughout a professional path, it is sought that this diversity of profiles and characteristics is boosted and reinforced, to promote a better preparation of employees as a response to the multiple challenges posed by businesses. In addition, it is suggested that, at the company's different levels, teams exclusively comprised of elements of one of the genders be avoided.
2. **Develop:** being one of the pillars of the talent management model, it is an area of constant investment, absolutely vital to the accomplishment of Sonae's growth and diversification strategy. The culture of meritocracy is actively promoted, in which the differentiation of people's performance and contribution is supported by assessment and recognition processes and tools. Performance evaluations, promotions, salary reviews and voluntary resignments are monitored, according to gender, in order to ensure proper management in all teams. As far as personal and professional training is concerned, it is ensured that access is transversal and equal in the whole organisation, including the several businesses, jobs, generations and geographies where we are present.
3. **Retain:** aims at promoting the alignment between personal and professional expectations of employees and strategic goals of businesses, guiding the organisation's behaviour by the principle of gender equality. Based on the career model, the aim is to support the management of the current talent flow as well as to meet medium and long term talent needs and challenges. This pillar is also inseparable from the policies we will soon approach, namely the Balance between professional, personal and family life, Climate / Employees and Internal and External Communication.

3.2. BALANCE BETWEEN PROFESSIONAL, PERSONAL AND FAMILY LIFE

The issue of gender equality must be understood within a wider perspective, encompassing equal opportunities for both genders, women and men, in different contexts – professional and personal. At Sonae, we have been developing transversal programmes to recognize issues that impact different moments of the employee life cycle of our employees, acting as tools that boost reflection and the continuous improvement of the balance between the various spheres of life: professional, personal and family.

The celebration of themed days, as Man's Day and Woman's Day, as well as other actions which seek to involve and celebrate family, namely during Christmas, Carnival and summer, inside and outside the organisation, are a few examples of that investment.

With our action, we promote maternity and paternity as well as family assistance, namely through the supply of information on the rights and duties of parenthood and the incentive of an active participation of parents in family life.

In the scope of our corporate responsibility policy, we act in two dimensions: external social responsibility, in which, through *Sonae Activshare*, our volunteering programme, we give Sonae families the possibility of participating in volunteering initiatives within the community; internal social responsibility, through the *Somos Sonae* programme, developed in partnership with *Cruz Vermelha Portuguesa*, in which we provide assistance to employees and families in especially vulnerable socioeconomic situations.



Another sphere of action has to do with the development of a set of initiatives and contents specifically oriented towards the reflection and promotion of a more balanced life, namely in terms of health and wellness: nutrition and healthy food workshops, partnerships in the area of fitness, seminars promoting mindfulness, efficiency and focus, among others.

Finally, it is important to note Sonae's benefits and rewards system – *Mais Sonae* – which has the fundamental goal of providing the employees with a set of benefits and advantages, through a wide network of partners in several spheres of action – health, wellness, retail, tourism and leisure, among others.

3.3. CLIMATE / EMPLOYEES

Sonae periodically performs a survey of its employees, in order to know their opinion on a set of dimensions deemed relevant for their satisfaction and commitment: culture and values ("our identity"), development opportunities ("our growth"), job and responsibilities ("our job"), 360° interpersonal relationships ("our people") and wellness and balance ("our wellness"). These dimensions include a set of issues concerning gender diversity, which, besides the global analysis of results, includes a holistic and comparative analysis according to gender. This results in the design and implementation of measures that allow for the mitigation of aspects referred to as less positive and, simultaneously, the enhancement of the points signalled as positive.

3.4. COMMUNICATION

Sonae establishes its communication and image on inclusive and not-discriminatory language and contents, both from the institutional and corporate communication point of view, as well as in the promotion of its activity or even in the relationship with its employees and other stakeholders.

In addition, Sonae has been associating with events, studies, national and international networks and other external initiatives which have the purpose of promoting gender equality, for instance, the participation in the Women Initiative by ERT (European Roundtable of Industrialists), the LEAD Network (Leading Executives Advancing Diversity) or the Women Matter research by the consulting company McKinsey. In these initiatives, among other strategies, role models (internal and external) with a strong potential to change behaviours are showcased, as well as the broadcast of good practice.

3.5. SUBSCRIBED INDICATORS, GOALS AND COMMITMENTS

3.5.1. INDICATORS TO DESCRIBE THE CURRENT SITUATION

Statistical data on gender in Sonae's labour context, based on the information collected on the 31st of December of 2018, translate as follows:

| Organisational Level | Total | female | male |
|------------------------|-------------|---------------|---------------|
| Strategic / Management | 3,72% | 33,62% | 66,38% |
| Operational | 96,28% | 65,58% | 34,42% |
| Total | 100% | 64,39% | 35,61% |

* Also includes controlled societies which have adhered to the policy



Amongst the total of Sonae's effective employees, the percentage of women is significantly superior (64%) compared to men (36%). This distribution is supported by the operational level and is inverted at the strategic/management levels, associated to the exercise of leadership positions, in which the female gender is under-represented.

Besides the headcount distribution according to gender, we present, in the following tables, the distribution according to gender based on age distribution, as well as academic qualifications.

| Age Distribution | Total | female | male |
|------------------|-------------|---------------|---------------|
| 25 or under | 25,18% | 59,61% | 40,39% |
| 26-35 | 28,38% | 61,08% | 38,92% |
| 36-55 | 42,33% | 69,12% | 30,88% |
| Older than 55 | 4,11% | 67,89% | 32,11% |
| Total | 100% | 64,39% | 35,61% |

| Academic Qualifications | Total | female | male |
|-------------------------|-------------|---------------|---------------|
| Higher education | 19,98% | 60,68% | 39,32% |
| Basic and secondary | 80,02% | 65,32% | 34,68% |
| Total | 100% | 64,39% | 35,61% |

3.5.2. SUBSCRIBED GOALS AND COMMITMENTS

Sonae considers that the diversity of women and men in decision-making roles is a critical factor for the balance of organisations, having defined ambitious goals.

For that matter, it has been celebrating several relevant deals in this area:

1. Commitment Portuguese Government

In October 2015, Sonae signed an agreement with the Portuguese Government committing to diligently continue developing its best efforts to maintain the representation level of the under-represented gender in the executive board above 30%. This commitment stipulates the internal staff development of the under-represented gender throughout the several leadership levels at Sonae, so that its shareholders may maintain, in the future, the representation level in the executive board above 30%. The referred agreement conforms to the Counsel of Ministers' Resolution 11-A, of the 6th of March of 2015.

2. ERT - Women Initiative

In the context of the European Round Table of Industrials (ERT), in 2013, Sonae adhered to the Women Initiative, which materialises the concern of the organisation regarding gender parity with the establishment of voluntary targets which facilitate the promotion of more gender diversity until the 2020 horizon: (i) 30% of the under-represented gender for boards of directors and supervisory boards; (ii) 21% of the under-represented gender in

executive positions; (iii) 30% of the under-represented gender in senior and intermediate management positions (targets available for consultation on <https://www.ert.eu/document/more-women-leadership-positions>).

In this context, the subscribing companies, aiming at going beyond the mere target and implementation level reporting as far as gender diversity is concerned, have suggested the creation of a forum, specifically dedicated to discussing and sharing practices implemented by the member companies of this forum.

3. ERT – Pledge Embrace Difference (Diversity & Inclusion)

In November 2018, Sonae signed the first European agreement for inclusion and diversity, transversal to several industries, the *Pledge Embrace Difference* (Diversity & Inclusion). This commitment aims at fostering the creation of adequate work conditions and environment for all employees of the organisation to be able to achieve their maximum potential, through: inclusive culture and leadership, definition of goals and objectives, clarification of responsibilities, equal opportunities and social involvement and responsibility.

4. Plan for Gender Equality

The theme of gender equality has been publicly and notoriously sponsored by Sonae's leaders and main decision-makers, becoming clearly relevant within the company.

The self-diagnosis allowed us to define our current positioning with objectivity, allowing for the identification and design of a plan that is compatible with our ambition in this matter.

In this context, Sonae has defined and prioritised a multi-level intervention plan, which included processes already under way, as well as initiatives to be implemented in the short and mid-term. In this plan, the focus is on HR management policies, the leaderships responsible for its execution, the monitoring of its implementation, as well as the alignment in matters of institutional communication.

| Level | Measure | Horizon |
|-------------|--|-----------|
| HR Policies | Establish national / international strategic partnerships with stakeholders from different sectors of the community. | 2020-2021 |
| | Encourage the application and selection of men or women for positions/jobs in which they are under-represented. | 2020-2021 |
| | Ensure the continuous implementation of short lists of 50:50 applicants in the recruitment process for leadership positions. | 2020-2021 |
| | Make explicit the principles of equal opportunities according to gender in the internal and external recruitment processes, as well as in relevant employer branding actions. | 2020-2021 |
| | Develop and include in the training plan modules related to the theme of equality between men and women (unconscious bias), also including this concern in the remaining general and technical training. | 2020-2021 |
| | Create new career opportunities and paths which foster diversity in talent attraction and retention (role models). | 2021-2022 |
| | Develop career management programmes for the under-represented gender, comprehending more personalised specific monitoring. | 2021-2022 |
| | Foster the review of succession plans, seeking to make them comprehend a diverse pipeline of potential applicants. | 2020-2021 |
| | Accelerate the adoption of flexi-work practices, namely the creation of conditions for remote work, flexible schedules and new forms of organization at work. | 2020-2021 |
| | Strengthen the portfolio of benefits for employees in order to facilitate a more effective parenthood support. | 2021-2022 |
| | Formalise and widely communicate the ombudsman as a privileged channel to receive and manage the suggestions and complaints of employees regarding gender equality. | 2020-2021 |



| | | |
|------------------------------------|--|-----------|
| Leaderships | Establish management forums at different levels, which formalise the follow-up of the implementation of gender equality policies, making leaders responsible and committing them to the success of their execution, namely through the consideration of specific KPIs. | 2020-2021 |
| | Develop and implement training sessions, awareness raising activities and mentoring initiatives that prepare leaders to manage team diversity and gender equality. | 2021-2022 |
| | Develop a communication / activation strategy with the aim of fostering the impact of Sonae leaders as role models to spread inclusive standards that promote gender equality. | 2021-2022 |
| | Develop and implement communication, debate and exchange channels about gender equality in its different dimensions. | 2020-2021 |
| | Stimulate exchange and networking tools that promote equal visibility and access to top management for the different genders. | 2020-2021 |
| Monitoring and Reporting | Regularly monitor and report to ExCom / Sonae Board indicators concerning gender equality, throughout the employee's life cycle in the company, comprehending all human resource policies. | 2020-2021 |
| | Periodically conduct surveys to employees at different organisational levels, with the aim of evaluating the perception on different dimensions of gender equality within the organisation. | 2020-2021 |
| | Recurrently conduct benchmarking studies which allow for the follow-up on the evolution of relevant metrics in the domain of equality between men and women in the face of national, international and sectorial peer groups. | 2020-2021 |
| | Share with employees relevant indicators in the domain of gender equality, through designated channels for the purpose. | 2020-2021 |
| | Publish, with external visibility, the plan for equality, as well as its annual follow-up, to stress the executive commitment to the theme. | 2020-2021 |
| | Measure the public participation of elements of the different genders in national and international events, in order to act on possible asymmetries. | 2020-2021 |
| Institutional Communication | Integrate and divulge the principle of gender equality and non-discrimination in corporate publications, for example: our way, code of ethics and strategic documents. | 2020-2021 |
| | Include a web page on Sonae's websites (intranet and internet) dedicated to the theme of Diversity and Inclusion, addressing gender equality as one of its scopes of intervention. | 2021-2022 |

The execution of Sonae's equality plan will be subject to a systematic monitoring process to follow-up on the efficiency of activities and the accomplishment of goals, identifying potential improvements or new measures to implement.

For this purpose, Sonae suggests creating a permanent and dedicated reflection committee within the Human Resources Advisory Group, with multidisciplinary skills, which shall take an active role in the debate and the exchange of trends and good practice concerning gender equality, as well as in the promotion, awareness and monitoring of specific improvement initiatives, providing the theme with visibility within the organisation.

To conclude, we should stress that Sonae, as an agent with an active and intervening part in society, believes that the ambition expressed in the present document must go beyond organisational borders, seeking to positively influence the different players it works with, to boost a change that is sustained by the existing paradigm.