

*(Translation from the Portuguese original)*

## INTERNAL REGULATION OF THE BOARD OF DIRECTORS OF SONAE COM SGPS, SA

### **Article 1**

#### **Board Composition**

1. The Company is directed by a Board of Directors that may be constituted by an even or odd number of members, with a minimum of three members and a maximum of twelve members, elected by the Shareholders' General Meeting, having the Chairman of the Board of Directors a casting vote.
2. The Board of Directors appoints its Chairman, from among its members.
3. The Board of Directors may also, at its discretion, delegate to an Executive Committee the powers to manage the day-to-day operations of the company and, whenever the size of the company and the Board of Directors deems necessary, create specialized committees to ensure the effectiveness of the main Board of Directors meetings, namely an Board Audit and Finance Committee, a Board Nomination and Remuneration Committee and the Board Ethics Committee.
4. The Board of Directors regulates how the Executive Committee will operate and how its delegated powers will be exercised. The Executive Committee, if applicable, will be composed by a maximum of four members: the respective Chairman (CEO) and three executive members.
5. The Board of Directors is also responsible for regulating how any specialized committees it deems necessary will operate.

### **Article 2**

#### **Powers and duties**

1. The Board of Directors is responsible for the management of the business and for carrying out all operations related to fulfilling the Company's objectives, and for that purpose, the Board is given the widest powers, including the following:
  - a) To represent the Company, in or outside court, proposing or contesting any legal proceedings, deciding to continue and abandon legal actions, and deciding on their settlement through arbitration proceedings. To that end, the Board of Directors can delegate its powers to a sole mandated person.
  - b) To approve the annual budget and the financing of the Group's business plan;
  - c) To decide on the strategy and on the main policies of the Company;

- d) To assess its performance annually and that on the appointed committees, in light of the Company's strategic plan and budget, risk management, internal procedures and relationship between other governing bodies and the committees of the Company;
  - e) To rent or lease, purchase, sell, pledge or charge any property, financial or other assets of the company including shares, quotas or bonds;
  - f) To decide to associate the Company with any other person or entity under the terms of Article four of the Company's Articles of Association;
  - g) To decide to issue bonds and to contract loans in national and or in international financial markets;
  - h) To appoint third parties, individuals or corporate entities, to exercise offices in other companies;
  - i) To decide that the Company will give technical and financial assistance to companies in which the Company holds equity;
  - j) To define, with the approval of the Statutory Audit Board, the threshold above which certain transactions between the Company and a related party, shall be subject to the prior approval of the Statutory Audit Board;
  - k) To decide on any transactions in an amount greater than 10 million euros, to be executed between the Company and any of its qualified shareholders or any related party, after obtaining the approval of the Statutory Audit Board;
2. The members of the Board of Directors shall among their remaining duties imposed by law and corporate governance best practices develop their respective qualifications and improve their knowledge with the goal of ensuring a rigorous, diligent and informed performance of their role and fulfilment of their duties.

### **Article 3**

#### **Delegation of Powers – Executive Committee**

1. The Board of Directors may delegate to an Executive Committee the powers to manage the day-to-day operations of the Company and, will regulate how the Executive Committee will operate and how these delegated powers will be exercised, which will, in any case, exclude the following:
- a) To appoint the Chairman of the Board;
  - b) To co-opt a member to the Board;
  - c) To convene Shareholders' General Meetings;
  - d) To approve the annual report and accounts;

- e) To grant any pledges, guarantees or charges over the assets of the Company;
- f) To decide to change the Company's registered office or to approve any share capital increases;
- g) To decide on mergers, de-mergers, modifications to the corporate structure of the Company;
- h) To approve the portfolio management strategy and respective policies;
- i) To approve the Company's annual budget and the financing of the Group's Business plan and any significant change thereto;
- j) To define the organization and coordination of the Company's business portfolio structure;
- k) To approve any matters that accordingly with the respective amount, risk assessment or any other specific characteristics, shall be considered strategic;
- l) To define the human resources policies applicable to senior management (level G3 and above), in areas that are not within the competence of the General Assembly or the Remuneration Committee.

2. Where it is necessary to decide on the matters referred to in paragraphs above, and it is not possible to convene the Board of Directors in due time, the Executive Committee, when appointed, will have the necessary powers to decide on these matters, except for those which by law may not be delegated (paragraphs a) to g)). The Executive Committee shall inform the Board of Directors of the resolutions taken, as soon as possible.

#### **Article 4**

##### **Rules of Operation**

1. The Board of Directors meets normally at least once every quarter and, in addition, whenever the Chairman or two Board Directors convene a meeting, and always for the approval of the Company's annual budget and the financing of the Group's business plan.
2. Any member of the Board of Directors can be represented at meetings by another member of the Board by means of an appointment letter, addressed to the Chairman of the Board, indicating the day and hour of the meeting to which it refers to, such letters to be recorded in the minutes of the meeting and duly filed.
3. The members of the Board of Directors can vote by post, at the request of the Chairman of the Board.
4. Meetings of the Board of Directors may be held using telecommunications technology within the terms of the law.

5. The minutes of all meetings of the Board of Directors or of the Executive Committee, when existent, will be prepared by the respective Secretaries and will subsequently be approved and signed by the members present.

## **Article 5**

### **Quorum and Deliberations**

1. The Board of Directors, the Executive Committee, and the respective specialized committees, when existent, may only deliberate if a majority of their members is present or represented.
2. The decisions will be taken by a majority of votes casted by members present, represented, or voting in writing.

## **Article 6**

### **Rules of Conduct**

1. The members of the Board of Directors and of the committees appointed by the Board should, when exercising their respective role, and additionally to their legal duties, comply with:
  - a) The Sonaecom's Code of Ethics and Conduct;
  - b) The approved Regulation on Related Party Transactions;
  - c) The approved regulation on Conflict of Interest;
2. The policies and internal proceedings pertaining to transactions with related parties, conflicts of interest and dealings in Sonaecom shares will remain in force.

## **Article 7**

### **Related Parties' Transactions Reporting**

1. The Board of Directors shall notify the Statutory Audit Board of any transaction, in an amount greater than ten million Euro, executed between the Company and any of its Qualified Shareholders<sup>1</sup> or any entities or persons (Related Parties<sup>2</sup>):
  - a) who hold voting rights on behalf of the Qualified Shareholder;
  - b) who are in a control or group relationship with the Qualified Shareholder;
  - c) who have entered into a voting agreement with the Qualified Shareholder, except if, by virtue of this same agreement, the Qualified Shareholder is bound to follow a third party's instructions;

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<sup>1</sup> Holding a percentage equal or higher than 2% of the Company's share capital or voting rights, pursuant to articles 16 and 20 of the Portuguese Securities Code.

<sup>2</sup> As defined pursuant to Article 20, paragraph 1, of the Portuguese Securities Code.

- d) who are members of the Qualified Shareholders' statutory management and auditing bodies;
- e) who have executed an agreement with the Qualified Shareholder for the acquisition by the latter of shares they hold;
- f) who have attributed to the Qualified Shareholder the voting rights of Company's shares which have been given as security or are deposited with the Qualified Shareholder, or in relation to which the Qualified Shareholder has been appointed escrow-holder;
- g) who have granted discretionary powers to the Qualified Shareholder to exercise their voting rights;
- h) who have entered into any agreement with the Qualified Shareholder aimed at either acquiring control of the Company or frustrating any changes to its control or otherwise constituting an instrument of concerted exercise of influence over the Company in which they own shares;
- i) who are related to any of the people identified in one of the previous paragraphs by application, with due adaptations, of the criteria described in any of the other paragraphs.

2. Together with the notification set forth above in paragraph 1 above, the Board of Directors shall provide the Statutory Audit Board with the planned steps to meet market comparability tests and to manage any potential conflict of interest.

3. The Statutory Audit Board shall have an eight-day period (or longer, if so required according to the complexity of the transaction) to request information in order to pre-clear the execution of the transaction and, if deemed necessary, exchange opinions as to the terms of the transaction under scrutiny.

4. Additionally, all the transactions executed between the Company and any Related Parties exceeding one million Euro shall be reported to the Statutory Audit Board on a quarterly basis. The report shall cover all the recurring transactions or transactions closed in the previous quarter or still in course at the end of such quarter to the extent that appropriate information is available.

## **Article 8**

### **Disclosure of Conflicts of Interest**

1. The members of the Board must, as set forth in clause 6, paragraph 1, subparagraph c) above, periodically inform the respective body or committee of any facts that may constitute or create a conflict of interest between their individual interests and the Company's interest.

2. The members of the Board that, pursuant to the set forth in the previous paragraph, represent to have a conflict of interest, shall not interfere with the decision-making process, without prejudice of their duty to provide any information and clarification as may be requested by the body, the committee or their respective members.

## **Article 9**

### **Information Sharing**

The Chairs of the Board of Directors and of the appointed committees, when applicable, shall timely and suitably ensure the proper flow of information for the exercise of the legal and statutory role of all the remaining governing bodies and committees, by articulating the necessary information resources (through documentation and human resources) for, including but not limited to, making available the notices of convening, the meetings' minutes and respective supporting documentation.

## **Article 10**

### **Final Dispositions**

Any amendment to these Rules and Regulations is of the exclusive competence of the Board of Directors.

*Approved by resolution of the Board of Directors on 3 May 2012, with the amendments approved by resolution of the Board of Directors on 2 November 2015, 13 March 2017 and 12 December 2019.*