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9. Responsible governance

We give more flavor to life by acting transparently, ethically, and responsibly, contributing to a more sustainable Organization and world.





9.1 Governance model

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Our governance model is guided by management practices that are governed with a high regard of business ethics and commitment to various stakeholders.

WE HIGHLIGHT

- 3 Specialized committees: compliance, risk management and sustainability
- 8 Internal Work Groups in the Sustainability unit

Sumol+Compal, S.A. is a private limited company which leads a business group, with the sole subsidiary Sumol+Compal Marcas, S.A. which, in turn, leads a group of companies based in Portugal and Mozambique. It also has local production operations, through partners in Angola and Gabon. It exports its products to more than 50 countries, most of them in Europe and Africa (→ [Chap. 2.2](#)).

The corporate governance of Sumol+Compal, S.A. is ensured by a Board of Directors and a Statutory Auditor. Sumol+Compal Marcas, S.A. is governed by a Board of Directors, an Audit Board, and a Certified Public Accountant. The Company's activity is supervised by the Board of Directors, which thus ensures the complete alignment of the Company with the interests of all stakeholders.



In both companies, the General Meeting elects its chairman and secretary, as well as a Remuneration Committee. Also in each company, the Board of Directors appoints a company secretary and a respective deputy.

A Compliance Committee has been set up in Sumol Compal, whose main responsibility is to monitor the most relevant compliance management activities. The Committee is composed of the Chairman of the Board

of Directors, director(s) appointed by the Board of Directors, the Head of Legal and Compliance and the Compliance Manager.



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Sumol+Compal Marcas

The Board of Directors of Sumol+Compal Marcas, S.A. has delegated the day-to-day management of the Group to an Executive Committee, based on three pillars: Business, Operations and Support. The Board of Directors is supported by a set of corporate functions – Management Advisors, Crisis Management Office, and Internal Auditing.

The Chairman of the Board of Directors coordinates the activities of this body and does not have executive functions. The Internal Auditing Department reports hierarchically to the Chairman of the Board of Directors and functionally to the same Chairman as well as to the Audit Board.

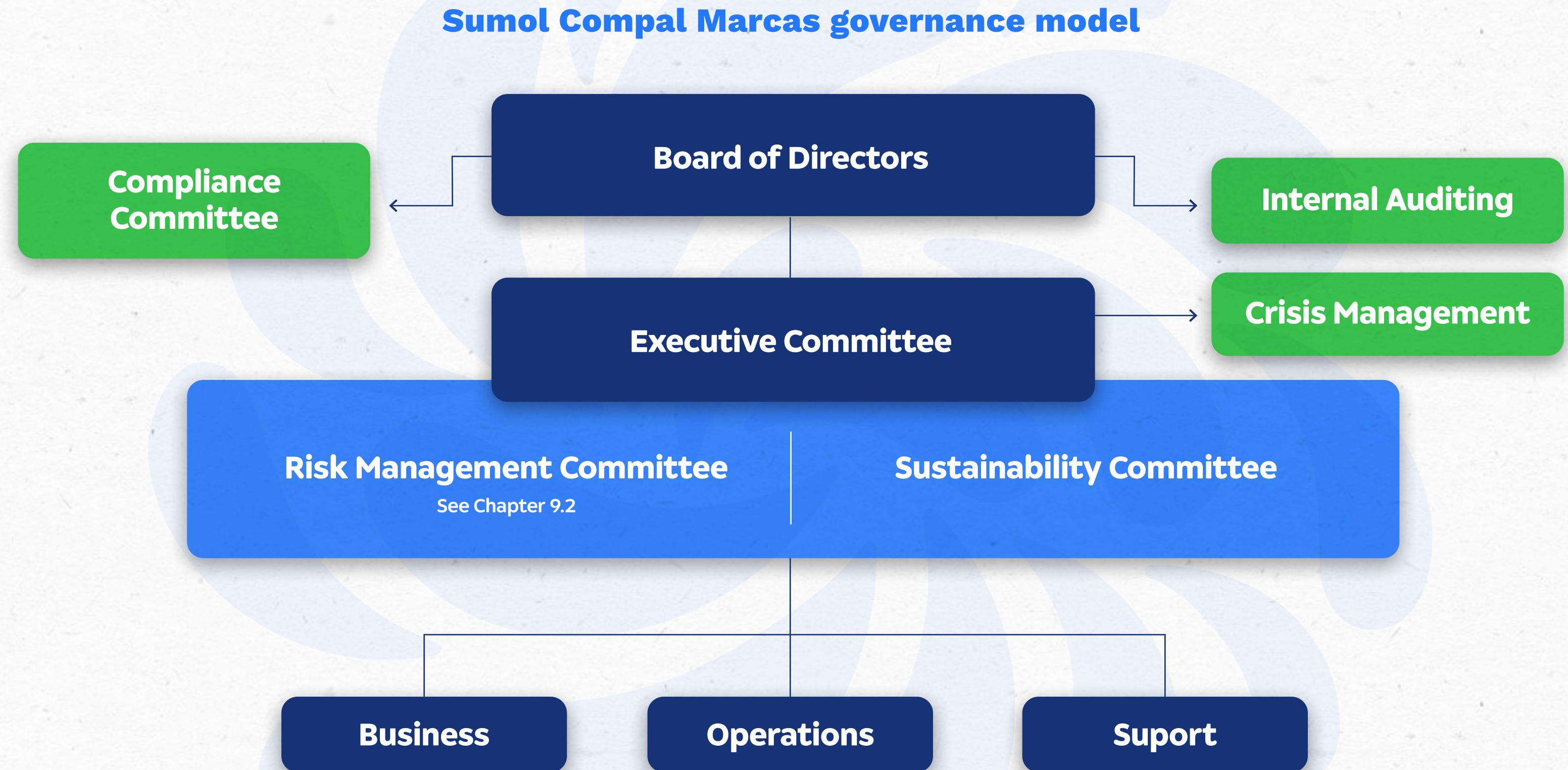
Given the size and complexity of our organization, the role of Chairman of the Board of Directors is separate from that of the President of the Executive Committee. Thus, the General Meeting appoints the Chairman of the Board of Directors, and this Board appoints an Executive Committee and its President.

The members of the Board of Directors are indicated by the shareholders, based on criteria such as skills, experience, knowledge and diversity. These members are elected for three-year terms at a meeting of the General Assembly.

The President of the Executive Committee (PEC) ensures the coordination of the activities of this committee, as well as being directly responsible for some of the executive areas.

In line with good governance practices, a set of committees have been formed, led by directors:

- Risk Management Committee.
- Sustainability Committee.



The Risk Management Committee is led by the Chief Financial Officer, reporting directly to the Executive Committee. It supports the Executive Committee in the overall assessment of risk, particularly in relation to strategic risks, supports the establishment of communication that facilitates the effective application of risk management, both to the top, with the Top Management, and from

the top, with the Risk Owners (1st line) and considers and issues opinions on the risk reporting and monitoring report.

The Sustainability Committee is chaired by the President of the Executive Committee, who reports directly to the Executive Committee and is composed of eight Heads of Department, a manager and the three

members of the sustainability team. This committee was created with the purpose of promoting, supervising, and ensuring the execution of the Sustainability Agenda, periodically assessing the feasibility of the actions in relation to the Company's context.

[Learn more about who we are](#)



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The compensation of the members of the Executive Committee, approved by the Remuneration Committee, have a fixed component and a variable component, with a view to creating a competitive compensation framework and the implementation of

an incentive system, which ensures the alignment of the interests of the executive directors with the interests of the Company and its stakeholders, from a perspective of medium to long-term economic, social, and environmental sustainability.

In the variable compensation component, annual targets are established, and their evaluation is based on the achievement of five objectives that combine the evolution of the business – Turnover and EBITDA, the financial situation – Net Interest-Bearing Debt and the

performance obtained in the Environmental and Social dimensions, more specifically the circularity index and the employee satisfaction index.

Members of the Executive Committee of Sumol Compal Marcas



Duarte Pinto
President of the Executive Committee



Diogo Dias
Vice-President of the Executive Committee
Chief Comercial Officer



Jaime Alves Cardoso
Chief Operations Officer



Luis Magalhães
Chief Finance Officer



João Nuno Pinto
Chief Marketing Officer

Areas of work

- People
- Sustainability and Communication
- Transformation Projects
- Biotechnology

- Marketing PT
- HORECA & Off-trade PT
- Spain and FSP
- Export MU
- Mozambique MU

- Logistics and Distribution
- Plants
- Quality and Environment
- Purchasing and Fruit Raw Materials
- Continuous Improvement

- Administrative and Financial
- Management Planning and Control and Business Information
- IT & Digital Transformation
- Legal and Compliance
- MIS and Information Security

- Research & Development
- Category Managements

Education

- Bachelor's degree in Business Administration (Universidade Católica Portuguesa)
- MBA in International Management (Universidade Católica Portuguesa)
- Postgraduate course in Business Management (INDEG/ISCTE)
- Advanced Management Program (Católica Kellog)

- Bachelor's degree in Business Administration (Universidade Católica Portuguesa)
- Postgraduate course in Business Management (INDEG/ISCTE)

- Bachelor's degree in Industrial Engineering (Universidade Nova de Lisboa)
- General Management Course (Universidade Nova de Lisboa)
- Postgraduate course in Business Management (INDEG/ISCTE)
- Business Logistics Specialisation Course (Instituto Superior da Qualidade)
- Industrial Organisation and Management Course (Centro de Formação do Laboratório Nacional de Engenharia e Tecnologia Industrial)
- Advanced Negotiations Course (AESE-Escola de Direção e Negócios)

- Bachelor's degree in Business Organisation and Management (ISCTE)
- Postgraduate course in Financial Analysis (ISEG)
- Intensive Digital Transformation program (NOVA SBE)

- Bachelor's degree in Economics (ISEG)
- Postgraduate course in Business Management (INDEG/ISCTE)

Experience in the food industry

29 years

25 years

35 years

26 years

25 years

Personal data

Torres Novas, 58 Years old
1 son and 2 daughters

Lisbon, 56 Years old
2 sons and 1 daughter

Porto, 64 Years old
3 daughters and 1 son

Lisbon, 49 Years old
1 son and 1 daughter

Lisbon, 51 Years old
2 daughters and 1 son



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Our sustainability governance model

The Sustainability and Communication Area reports directly to the executive committee president – Duarte Pinto – and is responsible for proposing the objectives and commitments for sustainability, as well as identifying risks, opportunities, and areas for improvement. It works with different areas of the support, operations, and business pillars, to raise the integration of sustainability into the company’s day-to-day operations.

In order to, ensure the implementation of the Sustainability Agenda, facilitate collaboration, and support decision-making, in 2023 we implemented a new sustainability governance model through the creation of the Sustainability Commission, a body that provides strategic guidance to ensure that the implementation of the Sustainability Agenda is aligned with the company’s Strategy. The Sustainability Committee is chaired by Sumol Compal executive committee president, secretariat for the Sustainability Area, and is composed of complementary leaders and representative areas of the various topics on the agenda.

The materialization of the strategic axes of sustainability is achieved through a holistic approach and multidisciplinary mobilization of internal resources. Hence, we have formed internal groups – Working Groups, Project Groups and Sustainability Ambassadors – with the global mission of developing projects, monitoring indicators, and fostering Sumol Compal’s culture of sustainability.

To strengthen internal skills for sustainability topics, in 2023 we held a training with BCSD, for the top team (Board of Directors and

Department Heads), which covered topics such as sustainability in the world and in companies, including the presentation and discussion of some solutions and tools for companies. At the end of this training, the 2030 Sustainability Agenda was formally presented. Also at the end of 2023, following the revision of the 2030 Sustainability Agenda (→ [Chap. 6.2](#)), we launched a digital training,

which aims to raise awareness among employees about these matters. It should be noted that by December, about 30% of employees had completed this training. In 2024, we intend to reinforce the importance of this training and develop new complementary content.



Working Groups for Sustainability

The Working Groups (GT) are composed of professionals from various fields, whose mission is to implement, execute, and monitor projects that contribute to the objectives at hand. These projects, which may have short or medium durations, have a designated leader responsible for driving the defined plan to its effective implementation, along with at least one member from the sustainability area serving as a moderator and group aggregator. The currently active Working Groups consider the priority axes and commitments outlined in the 2030 Sustainability Agenda (→ [Chap. 6.2](#)). In 2023, we accounted for eight active Working Groups, with the participation of 21 professionals.

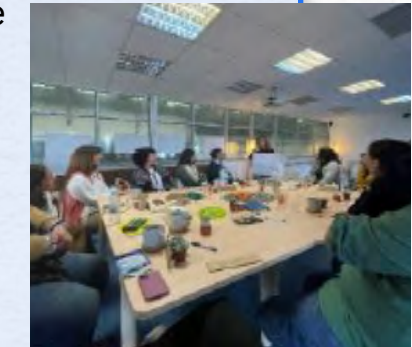
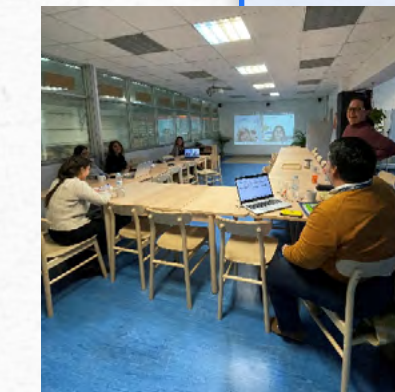
Prioritized Axes / Material Topic	Working Groups (WG)
Decarbonization	WG Energy
	WG Mobility – Light Fleet
	WG Mobility – Distribution Fleet
Circular Economy	WG Local MPFV
	WG Packaging
Nutrition & Well-being	WG Waste
	WG Nutrition & Well-being
People	WG People



Sustainability Ambassadors

Sustainability Ambassadors role was established in March 2023 with the mission of fostering a culture of sustainability within Sumol Compal. The individuals invited to join this group come from diverse areas and share a common profile considered necessary to drive sustainability actions and best practices, as well as to contribute to identifying improvement opportunities.

In total, we have 10 Sustainability Ambassadors. One of the missions of the Ambassadors in 2023 involved distributing coffee cups across all centers, accompanied by a news article and a video explaining the impact of switching from disposable to reusable in three dimensions: waste quantity, water consumption, and carbon emissions.



Next steps

Activation of the Water and WasteWater, and Waste Work Groups

2024





9.2 Risk management and business continuity

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In order to face future uncertainties and leverage opportunities associated with an increasingly volatile world, we have developed a risk management model that is based on generating value for our stakeholders.

WE HIGHLIGHT ★

5 Main risk groups

1 Risk Management Committee

An effective risk management model is essential to protect Sumol Compal's interests and long-term success. As a reflection of its importance, we regularly monitor the five main risks related to our business.

Market risks	Geographic concentration of the business; Competition
Operational risks	Dependence on suppliers (supply chain); Food safety; Prolonged disruption of production; Environmental damage
Compliance risks	Legislative framework
Technological risks	Information security
Financial risks	Credit risk; Liquidity; Interest rate; Foreign exchange



At the same time, in 2023, we continued specific actions to manage emerging risks.

With a strategic approach to sustainability issues, these have naturally become related

to the Environmental, Social and Governance (ESG) dimensions, particularly climate change (E), talent retention (S) and cybersecurity (G).

In order to respond to the volatility of our environment, increased regulatory requirements and with a view to greater internal alignment, we decided to review our risk management approach.



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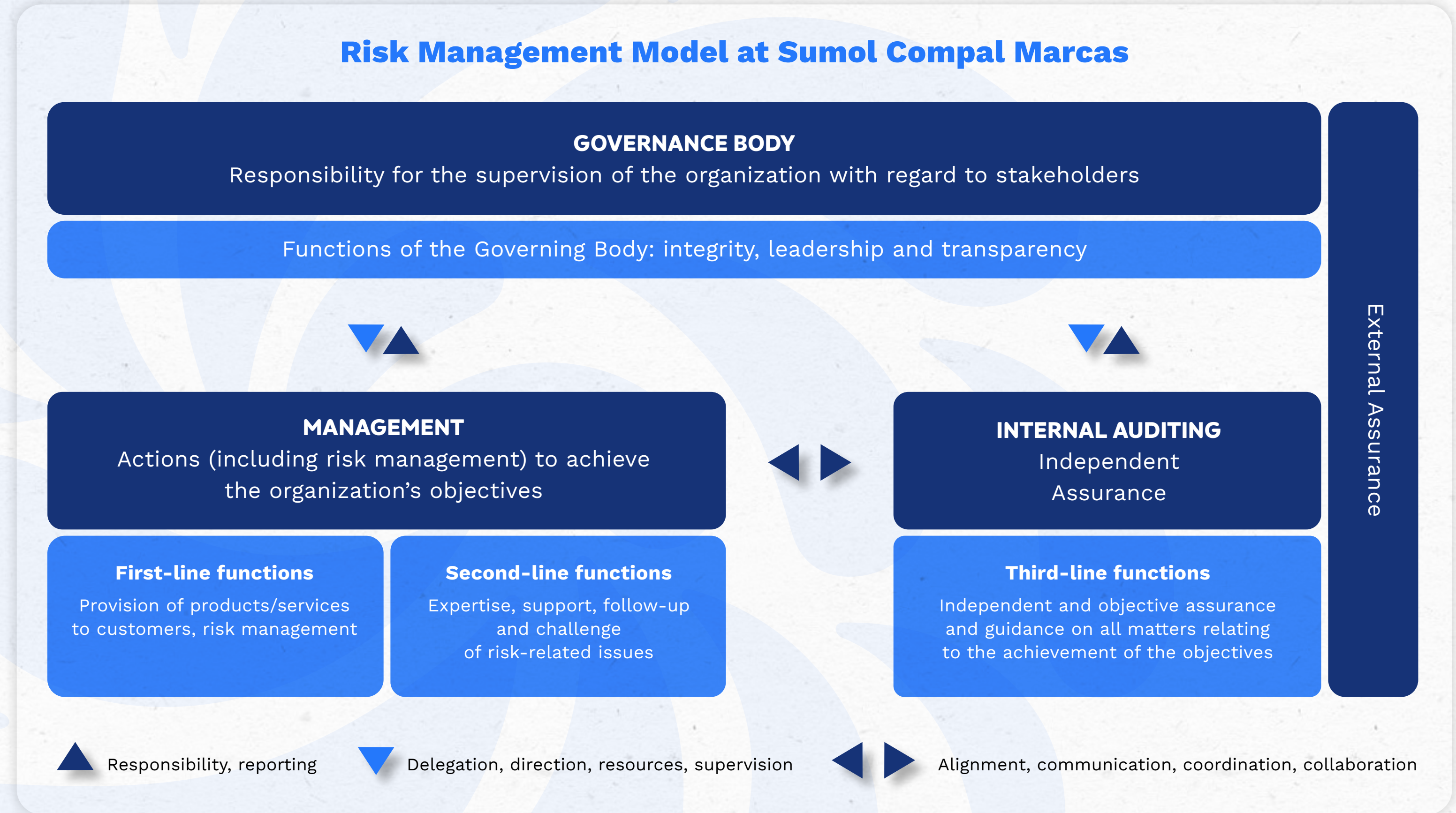
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Supported by the Institute of Internal Auditors' (IIA) three-line model, which will allow us to identify structures and processes that help achieve objectives and the strong involvement of our governance in risk management, we have created a Risk Management Committee (→ [Chap. 9.1](#)) – an advisory body of the Top Management responsible for supporting the understanding of significant risks and with the competence to issue opinions or recommendations on them. This Committee, which works closely with the Sustainability Committee, is composed of a director, nine Heads of Departments and three managers.

Also in 2023, a project to revise the current risk management process was initiated and is expected to be completed by the end of the 1st semester of 2024.

The first challenge of this Commission will be the selection of the partnering entity and the new methodology that will support the revision of the risk management model, to be developed in 2024.

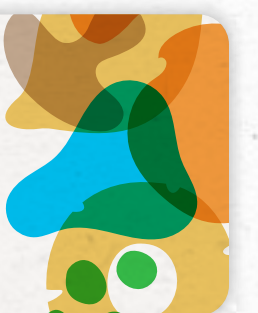
Risk Management Model at Sumol Compal Marcas



» Next steps

Revision of the Risk Management Model

2024





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9.3 Responsible business conduct

We are governed by a set of rules, principles and values that define the conduct and the behavior of our people in their relationship with external entities.

WE HIGHLIGHT ★

- 89** % Employees with training in Reporting of Irregularities
- 0** Irregularities identified in the areas of corruption, human rights, and labor

Commitment to Compliance

Our commitment to ethics and compliance is based on conformity with applicable laws, regulations, and standards, as well as our policies, internal procedures, and obligations to third parties.

We have adopted a strategy of preventive action that considers responsible management practices, such as the prevention of corruption and respect for human and labor rights.

The Legal and Compliance Department is responsible for, among others, ensuring compliance with law and all commitments



made to employees, partners, customers, consumers, suppliers and/or other entities, through compliance with internal policies, signed contracts or other commitments (self-regulation). Internal Auditing is a third line of defense, assessing compliance with guidelines

and processes and reporting directly to the Chairman of the Board of Directors and the Audit Board.

We have a Compliance Program since 2021, it is our main instrument of commitment to

compliance, which is ensured by the Board of Directors and encompasses all the measures and activities developed in order to comply with the laws, applicable regulations and commitments to which we voluntarily adhere.



APPROACH TO COMPLIANCE AND PREVENTION

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ETHICS AND CORRUPTION PREVENTION

Implementation of measures aimed at promoting behavioral norms and principles to be adopted inside and outside the organization

- Employee Code of Conduct
- Supplier Code of Conduct (→ [Chap. 7.4](#))
- Compliance Policy
- Plan for the Prevention of Risks of Corruption and Related Infractions (“PPRCRI”)



PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

Definition of measures that safeguard the ethics, integrity, and transparency of the business

- Competition Policy

PROTECTION OF PERSONAL DATA

Definition of measures that protect the processing of personal data

- Privacy Policy
- Personal Data Processing Manual
- Privacy Line



REPORTING OF IRREGULARITIES

Provision of internal and external channels to prevent or remedy irregularities

- Reporting of Irregularities Policy
- Channels for reporting irregularities

Our policies and practices for a responsible business conduct are listed on the intranet – accessible to all employees – and we provide training at the Sumol_Compal Academy on

the associated topics. In the policies, it is our practice to mention the entity/area and the respective contact that will clarify any doubts regarding the content addressed.

Ethics and prevention of corruption

We govern our activity based on a set of rules, principles and values that define the conduct of all our employees and the behavior to be adopted in the relationship between the Company and any other entity with which we relate.

We have two codes of conduct that guide our culture of ethics and integrity in the workplace and in the management of business relationships. In this context, it is established that employees and suppliers must sign the documents before the activation of the contractual relationship. Mandatory training is given to employees on the Code of Conduct and is available in the Integrated Management System (IMS) on the intranet. The Suppliers Code of Conduct is available on the main channel of communication with this party, the [suppliers' portal](#).

In addition to these documents, we have a Plan for the Prevention of Risks of Corruption and Related Infractions (PPRCRI), which formalizes a set of rules aimed at preventing corruption in the development of our business. These rules specifically prohibit our Board Directors, Heads of Departments and all employees, customers, consumers, suppliers of goods and contracted service providers from engaging in any act of corruption.

To prevent the likelihood of the occurrence of risks associated with corruption, awareness-raising actions and mandatory annual

Ethics and corruption training in 2023
91% of the employees at the headquarters in Carnaxide

training are also developed, and in 2023, 91% of the employees at the headquarters, in Carnaxide, attended training on ethics and corruption.

It should be noted that, in 2023, no occurrences of corruption were identified in our organization.

“**2023 was a year of consolidation of several initiatives that contribute to the existence of a true culture of Compliance at Sumol Compal. I would like to highlight the training courses carried out on several and relevant subjects, which were attended by a very large number of employees, who were very participative and visibly consequential. We leave for 2024 with the certainty that much can still be done, with the ambition to increasingly strengthen this culture of compliance.**”



Filipa Salazar Leite
Legal and Compliance Director



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Prevention of money laundering

The prevention of money laundering and terrorist financing is an increasingly present concern in various international legal systems. There is a wide range of legislation and regulations on this subject.

The Policy for the Prevention of Money Laundering and Terrorist Financing is an appropriate instrument for our Company to conduct its business in an ethical, truthful, and transparent manner, applying it to relevant national and international markets. To complement this Policy, we have introduced internal tools to carry out identification duties, as well as internal training on the Policy, which presents the responsibilities, duties to act in these matters and how to identify situations that may configure these types of crime, according to the risk analysis carried out by Sumol Compal.

Personal data protection

We are committed to protecting the privacy of our customers, suppliers, and employees, as well as the users of our digital platforms. Thus, in addition to the Privacy Policy and the Personal Data Processing Manual, we also have a Privacy Line exclusively dedicated to the internal treatment of these issues and in the relationship with external entities and product consumers.



Money laundry training in 2023
366 employees from sales teams

Reporting of irregularities

Although all the areas in our Company have the possibility to identify critical concerns that arise within the scope of their specific functions, or in others, to the governance body, these can also be reported through the hotline provided for reporting of irregularities.

Communication can be addressed to the person in charge of the Legal and Compliance Department, via letter, telephone, or email. These communications can be made anonymously, but always with sufficient detail so that the topic can be analyzed and properly addressed.

Concerns and irregularities are analyzed by the compliance area and reported quarterly (if no other urgency is required) to the Chairman of the Board of Directors and the Audit Board. In 2023, we did not record any incidents on this line.

In this context, we also have training content on the Reporting of Irregularities Policy on our internal platforms, and in 2023, 89% of employees were trained on these matters.



In 2023, we obtained the ISO 14001 certificate – Environmental Management System, for the Vila Flor and Gouveia plants.

Certifications

Our Integrated Management System (IMS) also holds a fundamental role for our responsible business conduct, allowing us to elevate our practices and promote continuous improvement. For this reason, we have an area responsible for the coordination and promotion of content platform, as well as for the activities leading to regulatory compliance with **certification**, audits and other commitments assumed by the organization.

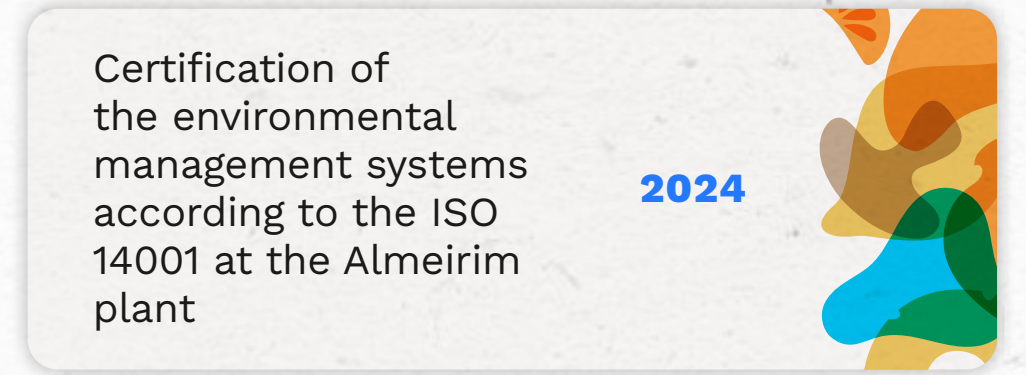
Including Sumol+Compal Marcas, S.A. and Sumol+Compal Moçambique, S.A., we are certified by ISO 9001 - Quality Management System and BRCGS for Food Safety - Brand Reputation through Compliance Global Standards, which ensures that the Company complies with high quality and food safety criteria in all our plants ([→ Chap. 8.2](#)).

We are also certified by ISO 14001 - Environmental Management System, in the Pombal, Gouveia and Vila Flor plants. Work is underway to extend this certification to Almeirim for 2024.

In order to reinforce good practices or to comply with a requirement relevant to some of our stakeholders, we have adopted other certifications of general or specific scope.

In 2023, we carried out a maturity assessment of our procurement, having started to invite the first suppliers to join the EcoVadis platform ([→ Chap. 7.4](#)).

>> Next steps



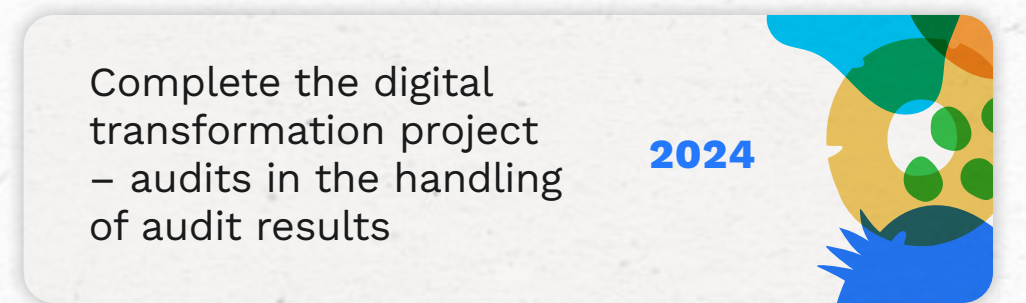
Certification of the environmental management systems according to the ISO 14001 at the Almeirim plant **2024**

Internal auditing

Regarding our Internal Auditing Program, in 2023 we carried out 44 audits, split between six distinct typologies. Concerning its implementation, no specific changes compared to 2022 have been recorded.

The digital transformation project – audits was also continued, through which it is intended to achieve efficiency gains in the audit management process. There was a main focus on the follow-up phase of the recommendations, with a view to streamline this phase of the process and obtain an integrated view of the recommendations of all audit service providers.

>> Next steps



Complete the digital transformation project – audits in the handling of audit results **2024**