



sumol+compal

É da nossa natureza.

REGULATIONS FOR THE BOARD OF DIRECTORS OF SUMOL+COMPAL

Including:

(I) EXECUTIVE COMMITTEE

(II) INTERNAL AUDIT COMMITTEE

These regulations apply to SUMOL+COMPAL, all companies controlled by it being regarded as organisational units thereof.

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BOARD OF DIRECTORS

A. COMPOSITION

The Board of Directors (“Board”) is composed of a minimum of 3 and a maximum of 11 members elected at the Shareholders' General Assembly.

1. The Board shall be composed of executive members, forming an Executive Committee, and non-executive members.

B. FUNDAMENTAL DUTIES OF BOARD MEMBERS

1. Board members must observe:
 - a) A duty of care, demonstrating availability, technical competence and a knowledge of the company's activities appropriate to their duties and employing within this context the diligence of a discerning and organised manager; and
 - b) A duty to act in good faith, in the interests of the company, bearing in mind the long-term interests of the shareholders and considering the interests of others relevant to the company's sustainability, such as its employees, customers and creditors.

C. CHAIR OF THE BOARD

1. The Chair of the Board (“Chair”) may be elected by the General Assembly. If this does not take place, responsibility for selecting the Chair shall fall to the Board, which may replace him/her whenever it deems fit. The General Assembly may also elect one or more Vice-Chairs.
2. The Chair is assigned the casting vote in decisions taken by the Board.
3. When the Board is composed of an even number of members, the casting vote, if the Chair is absent or prevented from attending, shall be exercised by the Board member who has been assigned that right.
4. The Chair is responsible for convening and presiding over Board meetings. When he is absent or prevented from attending, meetings shall be conducted by a Board member designated by him.

D. MEETINGS AND DECISIONS OF THE BOARD OF DIRECTORS

1. The Board shall meet whenever convened by its Chair or by any two of its members.



2. During the meetings, the Board shall deliberate on non-daily management issues listed below in point I.B.1, as well as be informed, by the members of the Executive Committee, about the most important matters related to day-to-day management.
3. The Board must meet at least once a month. Meetings shall take place at the company's registered offices or at any other company premises.
4. Members must be convened in writing, by email with acknowledgement of receipt, at least 5 working days beforehand, except if the dates of the meetings have been pre-scheduled.
5. The meeting agenda and all supporting documentation should be made available a minimum of 5 days beforehand.
6. Any member may act as another's proxy at a Board meeting so long as the chair is informed in writing. No member may act by proxy on more than one occasion.
7. Postal voting is allowed at meetings of the Board.
8. The Board may only take decisions when the majority of its members are present or represented.
9. Decisions shall be taken by majority of votes cast by members present or represented or by those casting postal votes.
10. Failure to attend ten meetings, or five successive meetings, during a single year without due justification accepted by the Board shall result in a board member being considered permanently absent.
11. Minutes shall be taken at each meeting which shall be signed by all members present.
12. The minutes shall be sent, by their taker, within a maximum of one working day to all members present at the meeting, who shall make any comments necessary within two working days. Within a period of five working days following the meeting and after the introduction of any eventual corrections, the minutes-taker shall request their approval by means of those members' signatures.
13. The approved minutes shall be immediately sent by email to all the members of the Board within a maximum period of seven working days after the the respective meeting has been held.
14. Any member of the Board who wishes to add one or more points to a meeting agenda must send details to the Chair with the respective time foreseen for presentation/decision-taking a minimum of 7 working days prior to the date of the meeting. If that does not happen, the Chair may only include the point on the following agenda.
15. The last point on the meeting agenda shall be “Any other business”, in which any member may, in a maximum of 5 minutes, inform the Board about any matters deemed of interest to the company, but not of sufficient importance to have been included on the agenda.



E. REPLACEMENT OF BOARD MEMBERS

In the event of the permanent absence of a Board member, the process should be begun for his/her replacement, in the following terms:

By co-optation, except where the members in office are too few in number for the Board to function;

If co-optation has not taken place within 60 days of the absence, the Supervisory Board shall appoint a replacement;

By election of a new board member by the General Assembly.

16. The permanent absence of a Board member shall be announced by the Board.
17. Replacement Board members, under the terms of point 1, shall remain in office for the remainder of the term for which their predecessors were elected.
18. Temporary replacements shall only be appointed in the event of the suspension of a Board member, in which case point 1 shall apply.

F. SUSPENSION OF BOARD MEMBERS

1. The Supervisory Board may suspend Board members when:
 - a) They are temporarily prevented from performing their duties on health grounds;
 - b) Other personal issues hinder them from performing their duties for a presumable period of more than 60 days and they request the Supervisory Board for temporary suspension of duties or the latter regards that such action is in the company's interests.

G. COMPETENCE OF THE MANAGEMENT BOARD

1. It is the responsibility of the Board to manage the company's activities, subordinating itself to the decisions of the shareholders and the interventions of the Supervisory Board only in those cases where the law or the memorandum of association so determine.
2. The Board has full and exclusive powers to represent the company.

H. MANAGEMENT POWERS

It is the responsibility of the Board to decide on any issue related to the management of the company that has



not been delegated to the Executive Committee.

I. DELEGATION OF MANAGEMENT POWERS

Under the terms of the memorandum of association and the law, the Board decided, at a meeting on 24 December 2008, to delegate the day-to-day running of the company to an Executive Committee (“Committee”).

The regulations governing the Committee's composition and modus operandi is presented below.

I.A. COMPOSITION

1. *The Committee is composed of a number of members appointed by the Board, which may alter its composition at any moment.*
2. *Responsibility for choosing one of the members for Chief Executive Officer (“CEO”) belongs to the Board.*
3. *Each member of the Committee may be assigned responsibility for one or more company areas or departments, the assignment of which is the responsibility of the Board acting upon the advice of the CEO.*
4. *In the permanent absence of the CEO, it is incumbent upon the Board to indicate a replacement. In the temporary absence of the CEO, s/he shall appoint another Committee member as replacement, which may vary depending on the matter in question.*

I.B. DUTIES

1. The sole duty of the Committee is to ensure the day-to-day running of the company.

The following matters are not considered to be related to the day-to-day running of the company:

- a) The selecting of a CEO, unless this is done at the Shareholders' General Assembly ;
- b) The co-optation of Committee members;
- c) Requests to convene the Shareholders' General Assembly, as well as proposals to be presented therein;
- d) Annual reports and accounts;



- e) The acquisition, sale or transfer of immovable property;
- f) The company's provision of sureties and personal or real guarantees;
- g) The opening or closure of premises or important parts thereof;
- h) Important extensions to or reductions in the company's activities,
- i) Important changes to the organisational structure of the company, particularly at the top;
- j) The establishment or termination of important and long-lasting cooperation with other companies, particularly via joint group contracts, subordination agreements and franchise, production and distribution deals;
- k) Changes in the location of the registered office and increases in capital stock, under the terms of the memorandum of association;
- l) Company merger, de-merger and transformation projects;
- m) Analysis and approval of the Strategic Plan and Operating Plan (including targets for business divisions and units), annual running and investment budgets, as well as their eventual revision;
- n) The subscription, acquisition, sale or transfer of equity interests in other companies, where these exceed 1,000,000 euros in value;
- o) The acquisition, sale or transfer of movable assets, where a transaction (including equipment contained as part of the same economic utility) exceeds 3,000,000 euros;
- p) The redeeming of shares;
- q) The discontinuation of brands or sub-brands where not foreseen in the Operating Plan or where, in the last year, they have achieved sales volumes of over 1 million litres;
- r) The sale of brands or sub-brands with volumes in the preceding year of more than 20 million euros or 20 million litres;
- s) The establishment or termination of commercial relations with customers whose annual purchases, real or foreseen, exceed 15 million euros, on the food & beverage channel, and 1.5 million euros, on the hospitality channel. Excluded here are contract renewals that are substantially similar in conditions to those already in force;
- t) The approval of brand or sub-brand identities, plus any changes to them, if real sales volumes for the preceding year, or foreseen for the 3rd year after their launch, are in excess of 10 million euros or 10 million litres;



- u) The abandonment (non-renewal) or cancelling of trademark or domain registration, while still being used (includes trial usage), as well as the reduction in scope, namely, classes of registration;
 - v) The presentation of proposals for submission to the General Assemblies of companies controlled by SUMOL+COMPAL, as well as the indication of its representative at these assemblies.
2. The Committee is responsible for the presentation and implementation of plans and budgets, without prejudice to that stated in point 1(m).
 3. The Committee must draw up proposals on subjects unrelated to day-to-day management, which shall be subject to appraisal and deliberation by the Board.
 4. The Committee is responsible for drawing up, approving, implementing and controlling company policy in its various functional areas and business units. It also falls to the Committee to choose measures that contribute to carrying through the aforementioned Operating Plan.
 5. It is the responsibility of the Committee, and of the member responsible for each functional area and business division, to oversee the centres, managers, departments and respective functional services.
 6. It is the responsibility of all the members of the Committee to strive to fulfil the duties listed above.
 7. It is the responsibility of the CEO to ensure the coordination of the Committee and, in general, to make sure that it functions efficiently.

I.C. MEETINGS

1. It is the responsibility of the CEO to convene the members for the Committee meetings.
2. The Committee shall meet, at the minimum, every fortnight and be notified by email with details about the time and location.
3. The notification of the meeting shall contain an agenda indicating the points to be discussed and accompanied by all the respective supporting documentation.
4. Any member of the Committee who wishes to add one or more points to a meeting agenda must send details to the CEO with the respective time foreseen for presentation/decision-taking a minimum of 2 working days prior to the date of the meeting. If that does not happen, the CEO may only include the point on the following agenda.
5. The CEO is responsible for chairing Committee meetings.



6. The Committee may not deliberate or meet unless (i) the majority of its members or (ii) two members, one of which being the CEO, are present.
7. Decisions shall be taken by majority of votes cast by members present.
8. If there is equality of votes cast, the CEO's vote shall be deemed decisive.
9. Minutes shall be taken at every Committee meeting which shall be filed after being submitted for appraisal by all those members present at the meeting in question.
10. The minutes shall be distributed, at the latest, with the notice of the next meeting to be held. At the latter, the minutes shall be submitted for approval and, if such is the case, all necessary amendments required for its approval introduced.
11. The minutes shall be succinct, written in electronic format, and should contain all decisions taken and information distributed.
12. Each member of the Board shall be provided with a copy of the Committee meeting minutes, and shall also have access to the supporting documentation used.
13. The last point on the meeting agenda shall be “Any other business”, in which any member may, in a maximum of 5 minutes, submit for approval or inform the Committee of matters deemed of interest to the company, but not of sufficient importance to have been included on the agenda.

J. INTERNAL AUDIT COMMITTEE

An Internal Audit Committee (IAC) shall be created governed by the following rules.

1. The IAC shall be composed of three members who do not sit on the Executive Committee, one of whom shall be the Chair of the Board and two others chosen by him.
2. The IAC is responsible for the careful and systematic evaluation of the Group's activities, reviewing the internal control system and contributing to adapting the said activities and said system to suit the Group's interests.
3. In the exercise of its duties, the IAC may, upon its own initiative, meet with the Executive Committee, or individually with each of its members, to obtain all of the information or clarifications about the course of the company's operations, activities or businesses that it deems necessary.
4. The IAC may also, depending on the case, propose to the Board of Directors and Executive Committee the adoption of measures that it deems convenient in order to exercise its functions.
5. The IAC shall provide information about its work to any company director who requests it.



6. The IAC shall perform its duties with assistance from the Internal Audit Office, which shall be equipped with all the independent financial, human and material resources it requires to conduct its work.
7. The IAC shall draw up internal regulations establishing its organisational structure and modus operandi.

Portela de Carnaxide, 29 January 2009

