

# Code of Conduct

CTT and Subsidiaries



# **Code of Conduct**

## CTT and Subsidiaries

## TABLE OF CONTENTS

<b>1 GENERAL OBJECTIVES AND VALUES OF CTT .....</b>	<b>8</b>
1.1 MISSION.....	9
1.2 VISION .....	9
1.3 GENERAL OBJECTIVES.....	10
1.4 VALUES TO PRESERVE .....	10
<b>2 PRINCIPLES OF ACTION .....</b>	<b>11</b>
2.1 CORPORATE GOVERNANCE .....	12
2.2 PROTECTION OF THE SHAREHOLDERS.....	12
2.3 PUBLIC INTEREST AND PROTECTION OF PRIVATE LIFE .....	12
2.4 SAFEGUARD OF COMPANY ASSETS .....	13
2.5 PRODUCT QUALITY AND SAFETY.....	13
2.6 SAFETY AND WELL-BEING AT WORK .....	13
2.7 CUSTOMERS .....	13
2.8 INFORMATION TO THE CUSTOMERS .....	14
2.9 CUSTOMERS' COMPLAINTS .....	15
2.10 SUPPLIERS, PARTNERS AND OTHER INSTITUTIONS .....	15
2.11 EQUAL OPPORTUNITIES AND NON-DISCRIMINATION .....	15
2.12 SOCIAL RESPONSIBILITY .....	16
2.13 SUSTAINABLE DEVELOPMENT .....	16
2.14 HARASSMENT.....	16
<b>3 REGULATOR, MARKET AND COMPETITION .....</b>	<b>17</b>
3.1 INSTITUTIONAL RELATIONSHIPS WITH OTHER ENTITIES.....	18
3.2 COMMUNICATION AND RELIABILITY OF THE INFORMATION.....	18
3.3 LOYAL COMPETITION .....	18
3.4 LAW-ABIDING BUSINESS PRACTICES .....	18
3.5 PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING .....	19
3.6 RELATIONSHIPS WITH THE REGULATORS.....	19
3.7 MARKET MANIPULATION .....	19
<b>4 INDIVIDUAL RULES OF CONDUCT .....</b>	<b>20</b>
4.1 LOYALTY .....	21
4.2 CONFIDENTIALITY, DATA PROTECTION AND PROFESSIONAL SECRECY .....	21
4.3 PROFESSIONAL RESPONSIBILITY, DEVELOPMENT AND TRAINING .....	22
4.4 PROHIBITION OF PRACTICES OF CORRUPTION AND BRIBERY AND EXTERNAL INFLUENCES .....	22

4.5 CONFLICTS OF INTEREST .....	23
4.6 INDIVIDUAL TRANSACTIONS .....	23
4.7 ACUMULATION OR NEW FUNCTIONS .....	24
4.8 RELATED PARTIES .....	24
4.9 INSIDER TRADING .....	25
4.10 SAFETY AT WORK .....	25
4.11 GIFTS, OFFERS, INVITATIONS .....	25
4.12 INTERPERSONAL RELATIONSHIPS .....	26
4.13 RELATIONSHIPS BETWEEN CTT – EMPLOYEES AND MEMBERS OF THE GOVERNING BODIES .....	26
4.14 PROHIBITION OF HARASSMENT .....	27
<b>5 INFORMATION AND COMMUNICATION TECHNOLOGIES .....</b>	<b>28</b>
5.1 RELATIONSHIP WITH THE MEDIA .....	29
5.2 USE OF SOCIAL NETWORKS AND MEDIA IN GENERAL .....	29
5.3 MARKETING AND ADVERTISING PRACTICES .....	29
5.4 SUPPORTS OF INFORMATION .....	30
<b>6 MEMBERS OF THE GOVERNING BODIES .....</b>	<b>31</b>
6.1 SPECIFIC RULES .....	32
6.2 GENERAL RULES OF BEHAVIOUR .....	32
6.3 CONFLICTS OF INTEREST AND RELATED PARTIES .....	32
6.4 ORGANISATIONAL STRUCTURE .....	33
6.5 INTERNAL CONTROL SYSTEM, INTERNAL AUDITING AND COMPLIANCE .....	33
<b>7 IMPLEMENTATION AND MONITORING OF THE CODE .....</b>	<b>35</b>
7.1 DISSEMINATION .....	36
7.2 UPDATE AND REGULATION OF THE CODE .....	36
7.3 CODE BREACH .....	36
7.4 REPORTING IRREGULARITIES / WHISTLEBLOWING .....	36
7.5 MONITORING .....	37

## MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



The Code of Conduct is an instrument of the utmost importance, which represents, within the CTT Group, an internal and external commitment to the pursuit of the highest ethical values, based on guiding principles such as honesty, transparency and integrity. We believe that these references are essential for the sustainable success of the whole CTT group.

The Code of Conduct also reflects our vision that the relationship between CTT Group and all the stakeholders will continue to be based upon the pillars of professionalism, trust and rigour, which are important assets for all and for our identity.

This Code of Conduct has a new version in 2017. Its update results from a healthy practice of periodically analysing the interaction between substance and practice, as well as from the legislative dynamics that created the need to transpose to this Code the legislative alterations occurred since 2015, date of its latest version, regarding gender equality, harassment at work, money laundering and terrorist financing.

I strongly believe that the Code of Conduct will continue to contribute to enable us to strengthen our corporate culture and to disseminate to our Employees the highest ethical standards, thus enhancing the reputation of the CTT Group within the corporate world and the society in general.

This document – Code of Conduct of CTT and Subsidiaries – was approved by the Board of Directors and represents a commitment of each and every Employee to the Company and to the business market. It is a vital element to be added to our Mission, Vision and Values. The principles and procedures contained herein must be adopted and complied with.

António Gomes Mota  
**Chairman of the Board of Directors**

## **SCOPE OF THE CODE OF CONDUCT**

To promote the Vision, Mission and Values of this Code, as well as the accomplishment of a totally transparent conduct and social and environmental responsibility, considering the specificities of the business areas where CTT and its Subsidiaries act (mail and corporate solutions, express and parcels and financial services segments).

To this purpose, CTT universe includes CTT – Correios de Portugal, S.A. (CTT) and the companies, that at any given time, are in a parent-subsidiary or group relationship (Subsidiaries), hereinafter jointly named CTT Group, without prejudice of the possible adoption by each Subsidiary of a separate code of conduct, by copying the contents of this Code to its own universe (whereas this Code shall prevail in case any doubt or conflict shall arise).

## **RECIPIENTS**

Members of the Governing Bodies (Governing Bodies) and all Employees of CTT and its Subsidiaries, regardless of this Code having been or not replicated into a separate code of conduct in a Subsidiary, and regardless of the contractual bond and position in the company (hereafter jointly referred to as Recipients). This code should also be a reference to the public and suppliers, service providers and partners of CTT and its Subsidiaries, within the terms contractually defined.

## **REASONS TO HAVE A CODE OF CONDUCT**

To diminish the practice of wrongful acts in the name or on behalf of CTT and its Subsidiaries with negative impacts on its reputation and image, loss of respect from the society in general, customers, suppliers and business partners in particular.

To ensure a service of excellence, quality and efficiency.

To make known the guidelines by which the Recipients should abide, entirely without prejudice to the rights, responsibilities and obligations in force in CTT and/or in any of its Subsidiaries.

To disclose the ethical rules to be observed by Recipients, within the fulfilment of the regulated activities (both in the postal and financial sectors), and to clarify the reference standards of CTT Group to evaluate their level of compliance with the obligations in those activities.

## **OBJECTIVES**

### **TO STRENGTHEN**

The relationship of trust between CTT and its stakeholders (shareholders, clients, depositors, investors, suppliers, business partners and the society in general).

### **TO CLARIFY**

The rules of conduct that all the Recipients must systematically and strictly respect in their reciprocal relationships and in those they establish on behalf of CTT and its Subsidiaries with shareholders, clients, suppliers, other companies and social organisations, regulators and the public in general.

### **TO CONSOLIDATE**

The experience and share of values and rules of conduct, thus strengthening a common culture within the CTT Group.

# 01

## GENERAL OBJECTIVES AND VALUES OF CTT





## **1.1 MISSION**

For its impact on the Portuguese society, its presence all over the national territory and in international markets, the mission of CTT Group is to provide communications and logistics solutions as well as financial products of proximity and excellence, and to establish relationships of trust and innovation either through CTT and/or any of its Subsidiaries, reflected into:

- The ability to connect people and companies through physical and electronic communications.
- Solutions able to provide an integrated response that meets every customer's needs.
- Trust as a company asset but also as an outcome.
- Corporate strategy and sustainable risk profile of CTT and its Subsidiaries.
- Innovation as a guarantee to accomplish the mission today and in the future.

## **1.2 VISION**

In the pursuit of its activity, CTT Group aims at being recognised as a multi-service postal and financial operator and a worldwide reference in quality, efficiency and value creation, characterised by:

- An Iberian market referenced postal operation.;
- A leading operational and delivery platform.
- A comprehensive offer in financial services.
- The capacity to compete internationally in selected geographies.
- A financial performance at the top of the largest European postal operators.
- Sound and prudent management in compliance with the business model and risk profile of CTT and of each Subsidiary.
- Social and environmental liability.



## 1.3 GENERAL OBJECTIVES

### DOMESTIC MARKET

To offer the highest quality and integrity standards to the customers and be the leader in any business areas it is or will be involved in.

### INTERNATIONAL MARKET

To establish and increase its presence in relevant external markets always providing excellence.

### PERFORMANCE APPRECIATION

To promote the motivation, involvement, participation and responsibility of Employees by ensuring adequate training, qualification, personal and social-occupational development and by implementing performance-driven systems of incentive, appreciation and/or compensation.

### TEAM SPIRIT

To create capacities and skills that ensure its continued and lasting presence in the market, and its business development while putting into practice high ethical standards.

## 1.4 VALUES TO PRESERVE

### CUSTOMER ORIENTATION

Your success is our success

To work proactively to meet customers' needs.

### ENTHUSIASM

We all are one (the power of one)

To work with passion and commitment to win as a team, by having the best professionals.

### TRUST

Always deliver

To be an ethical, responsible and reliable partner that daily meets the commitments made.

### EXCELLENCE

Always do better

To provide a service of excellence, with guaranteed quality and efficiency.

### INNOVATION

To create a future

To continuously explore new ideas, processes and solutions.

# 02

## PRINCIPLES OF ACTION



## **2.1 CORPORATE GOVERNANCE**

The management and supervision of CTT and its Subsidiaries and the performance of executive duties must be carried out with accuracy, probity and transparency, promoting equity and dialogue within the Governing Bodies and Senior Officers, namely concerning strategies, objectives, risk analysis and performance evaluation, in strict compliance with the good corporate governance standards of CTT and each Subsidiary.

## **2.2 PROTECTION OF THE SHAREHOLDERS**

To always act in order to protect the interests and rights of all shareholders.

To ensure that the information disclosed to the shareholders is accurate, true and timely.

To safeguard the interests of CTT's minority shareholders by means of a fair and equal treatment, namely by including independent directors who know and monitor the business, by complying with the information duties, and by facilitating the exercise of voting rights in general meetings and the discussion of matters of interest to the shareholders.

## **2.3 PUBLIC INTEREST AND PROTECTION OF PRIVATE LIFE**

To respect mail confidentiality and inviolability, and data protection rights. To contribute to equal and non-discriminatory access to the postal network, and ensure the protection of privacy in the delivery of all services.



## **2.4 SAFEGUARD OF COMPANY ASSETS**

To ensure the protection and conservation of the physical, financial and intellectual property and of the information concerning CTT and its Subsidiaries and, whenever possible, to look for interactions inside CTT Group.

To use CTT resources efficiently and not for personal purposes; in particular, to use the equipment and premises, regardless of their nature, for official purposes only (except if the use for private purposes was explicitly authorized in accordance with the internal rules and procedures or within the exercise of discretionary powers).

To take all appropriate measures to limit CTT Group costs in order to allow a more efficient use of the resources available, thus minimizing the environmental impact of its activities and ensuring the future sustainability of CTT and its Subsidiaries.

To act with loyalty and in a spirit of collaboration when accessing the benefits, perks and other advantages, either financial or not, refraining from making use of those advantages improperly or to the detriment of CTT Group, subverting the purposes to which they were created.

## **2.5 PRODUCT QUALITY AND SAFETY**

To ensure the strict compliance with the contractual conditions established as regards the quality of the product or service rendered, as well as the defined guarantees.

## **2.6 SAFETY AND WELL-BEING AT WORK**

To ensure the compliance with the rules applicable in terms of occupational safety, hygiene and well-being in the workplace.

To strictly comply with the laws and regulations, and corporate instructions on this matter.

## **2.7 CUSTOMERS**

To act with diligence, neutrality, loyalty, discretion, transparency and conscientious respect in the relationship with the customers, in compliance with the interests entrusted to CTT, while ensuring the absolute independence of CTT and its Subsidiaries' interests vis-à-vis their customers and among clients.

To ensure every customer equal and non-discriminatory treatment.

To deal with customers with professionalism, respect, honesty, good-faith and sensitivity.

To provide an efficient counter service and assistance based on precision and excellence.

To ensure the management or custody of the assets entrusted, regardless of the ownership: customers, CTT or the Subsidiaries, keeping the necessary records and accounts.

To comply with the instructions given by the customers, as well as to provide the services required according to their instructions, with full respect for their interests.



## **2.8 INFORMATION TO THE CUSTOMERS**

To ensure the provision of complete, true, up-to-date, clear and objective information on the features of the products, applications and services provided, including the corresponding price and other charges to be paid by the customers.

The provision of false, incomplete, exaggerated or subjective information on the features of the products that may mislead the customers when evaluating services and products of CTT and each one of its Subsidiaries, is absolutely forbidden.

To provide all information required by customers in accordance with the internal rules and procedures in full compliance with the professional secrecy and ensure that they are informed accordingly to make a grounded, conscious and clear decision namely as far as potential risks and corresponding financial consequences are concerned.

To do so, bear in mind the knowledge and experience of the customer, the financial situation and the impact on the performance of the operations or the provision of the services required, according to the customer risk profile.

To respect the interests of the customer by refraining from selling products or services with the sole aim of obtaining commissions or profit.

To ensure the provision of services or sale of products in strict compliance with the internal procedures and the applicable laws and regulations, obtaining and maintaining the required documentation and delivering, where applicable, a copy of it to customers.

## **2.9 CUSTOMERS' COMPLAINTS**

To ensure all customers the right to submit complaints and promote the necessary conditions to enable to effective and timely responses to customer complaints and a diligent analysis, impartial and equitable thereof.

To strictly respect the internal mechanisms and procedures for customer complaints appreciation in accordance with the rules approved by CTT and by each one of its Subsidiaries and disclosed to customers within the legal and regulatory terms.

## **2.10 SUPPLIERS, PARTNERS AND OTHER INSTITUTIONS**

To negotiate with the suppliers and partners within good-faith principles and fully honour the commitments undertaken as well as monitor the full compliance with contractual rules. To act with diligence, neutrality, loyalty, discretion in the relationship with other institutions and respect the interests entrusted to CTT Group.

To select suppliers and partners in accordance with market conditions, the financial and economic indicators, commercial and technical conditions, as well as the supplier or partner's ethical behaviour perceived by the general public.

To ensure that suppliers, service providers and partners accept the ethical, environmental and social values (confidentiality of the information and conflicts of interest) laid down in this Code.

## **2.11 EQUAL OPPORTUNITIES AND NON-DISCRIMINATION**

To respect the principle of equal opportunities and to evaluate the performance of the CTT team on the basis of individual merit effectively shown, and to value the careers according to these criteria.

To promote the professional development of the Employees throughout their working life in the framework of an internal culture of excellence, accountability and profitability.

To exclude any form of individual discrimination not compatible with human dignity, namely on the grounds of ancestry, age, gender, sexual orientation, gender identity, marital status, family situation, economic status, education, origin or social condition, genetic inheritance, nationality or citizenship, ethnic origin or race, territory of origin, language, religion, political or ideological beliefs and trade union membership.

To respect the principle of gender equality between women and men, and the right to privacy.

## **2.12 SOCIAL RESPONSIBILITY**

To be a driver of progress and well-being of the communities where it develops its business activities, thus assuming its corporate social responsibility.

To participate in environmental policies such as waste segregation and energy efficiency, to manage scarce resources and use preferably recyclable and biodegradable materials.

To ensure that CTT Group activities do not cause any direct or indirect aggression or harm to the communities' heritage.

## **2.13 SUSTAINABLE DEVELOPMENT**

To contribute to sustainable development by proactively managing the environmental, social and economic impacts of CTT activities.

To achieve economic growth and contribute towards a more evolved society, preserving the environment and the non-regenerative resources to future generations.

## **2.14 HARASSMENT**

Not to tolerate any kind of behaviour categorised as harassment at work, in all its forms, by any Employee or Member of the Governing Bodies towards any colleague, customer, partner or any other person with whom they interact, under the terms of the law and the "Code of good conduct to prevent and fight harassment at work".





# 03

## REGULATOR, MARKET AND COMPETITION



### **3.1 INSTITUTIONAL RELATIONSHIPS WITH OTHER ENTITIES**

To maintain a participative and cooperative relationship with other entities or organizations, whether national or international, public or private, supporting initiatives that can be integrated in the scope of its activities and that may value CTT Group and its Employees and Members of the Governing Bodies, as well as society in general.

### **3.2 COMMUNICATION AND RELIABILITY OF THE INFORMATION**

To produce and disclose information that complies with the applicable laws and regulations and is precise, complete, timely and reliable.

To accurately present the financial situation and the results of the operations, in all aspects materially relevant to an adequate knowledge financial condition and performance of the CTT Group, while strictly complying with the applicable laws and regulations.

### **3.3 LOYAL COMPETITION**

To carry out an active and fair competition practice.

To abide by the best market rules and criteria, by not engaging in any forms of unfair competition, namely in any kind of market-sharing or price-fixing agreements or collusions in order to get advantages over the competitors and obtain commercial information by illegal means. To respect the material and intellectual property rights.

### **3.4 LAW-ABIDING BUSINESS PRACTICES**

To ensure full compliance with the legal and regulatory rules applicable to the activity of CTT and each of its Subsidiaries, particularly regarding the postal, financial and insurance sectors and the securities market, with special focus on information duties, and not engage in breaching any legal provisions.

Neither accept, nor make use of payments and/or favours from or to customers or suppliers, nor colluding or be an accomplice in getting advantages over the competitors that distort the good business practices, and refrain from resorting to illegal means to obtain commercial information.

### **3.5 PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING**

To promote a prevention culture and ensure the respect for the applicable laws and regulations, approving and complying with the internal policies and rules regarding the prevention of fraud, the prevention of using the financial system for money laundering or terrorist financing, and applying and executing restrictive measures approved by the United Nations and the European Union.

To provide and participate in appropriate training activities to detect operations that may be related to money laundering or terrorist financing.

To act with due skill, care and diligence in the identification, acceptance and knowledge of the customers and in the continuous follow-up of the business relationship established, in particular by applying rigorous internal control and risk management procedures, by assessing the operations performed during such business relationship and by verifying the existence of any conduct, activity or operation that, in the light of professional diligence criteria and suspicion indicators disclosed by the authorities, are deemed to be related to criminal activities or related to terrorist financing, refraining from participating in those activities or declining to perform those operations.

To cooperate with the authorities and communicate within the legal terms situations where there are reasonable grounds to suspect that the funds or other assets, regardless of the amount or value involved, derive from criminal activities or are related to terrorist financing.

### **3.6 RELATIONSHIPS WITH THE REGULATORS**

To cooperate with the regulatory, supervisory and monitoring authorities providing them with the required information as well as not acting in a way that prevents those authorities from performing their duties.

### **3.7 MARKET MANIPULATION**

The disclosure of fake, incomplete, exaggerated or biased information is absolutely forbidden, as well as fictitious operations or other fraudulent transactions likely to artificially influence the normal functioning of the securities or other financial instruments market.

The facts considered capable of artificially altering the regular functioning of the market are, in particular, those that are likely to modify the conditions of price formation, the normal conditions of supply or demand of securities or other financial instruments or the normal launch and acceptance of a public offering.

# 04

## INDIVIDUAL RULES OF CONDUCT



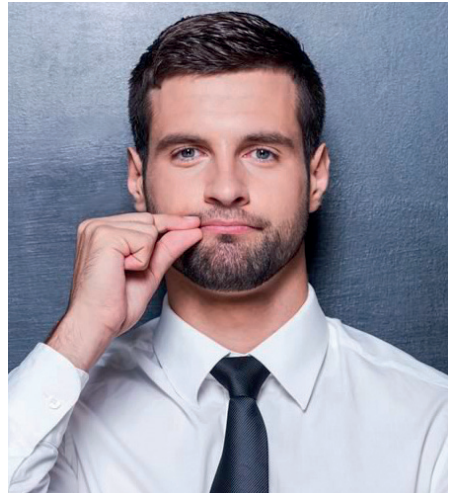
## 4.1 LOYALTY

To adopt a loyal behaviour towards all Employees, Members of the Governing Bodies and CTT Group companies where they carry out their activities in full compliance with the internal rules established, by striving to safeguard their credibility, good image and prestige.

## 4.2 CONFIDENTIALITY, DATA PROTECTION AND PROFESSIONAL SECRECY

To maintain professional secrecy, especially in matters that due to a Company decision or the legislation in force must not be disclosed.

To abstain from disclosing or conveying confidential information acquired in the performance of duties, even after those duties have ceased, to any third party outside the CTT Group (including family members), as well as to any Employee and Member of the Governing Bodies of CTT or of any of its Subsidiaries that do not need that information to perform their duties or should have no access to it, in accordance with the laws and regulations or internal rules.



Information on facts or elements related to the financial activity (including banking activity) or arising from business relationships with customers of CTT Group in that line of business, whose knowledge results exclusively from the exercise of their activities or the rendering of their services, namely names of customers, deposit accounts and respective transactions and other financial operations, are specifically bound to professional secrecy. To ensure adequate caution and accuracy when sending information to the customers by previously verifying their identification and address. The disclosure of information to third parties (either family members, authorized representatives, customer's employees) requires written authorization from the customer. The information covered by professional secrecy may only be disclosed by means of a written authorization from the person concerned or as expressly provided for in the law.

To observe the rules of confidentiality of information laid down in CTT and each Subsidiary particularly as regards data protection.

To take all the necessary measures within their power to prevent any practices that may lead to abusive use of information.

## **4.3 PROFESSIONAL RESPONSIBILITY, DEVELOPMENT AND TRAINING**

To strictly comply with the rules and regulations and internal rules in force and their professional responsibility limits.

To use the power assigned in a non-abusive way and focused on meeting the CTT Group companies objectives where they perform their duties in accordance with the internal rules established, refraining from obtaining any personal advantages.

To permanently seek to update and improve their knowledge, skills and qualifications aiming at maintaining, developing and improving their personal and professional skills and performances to provide a better service to the customers, with competence and diligence.

To diligently participate in the training courses offered by CTT and its Subsidiaries aiming at providing them with the necessary technical skills and deontological knowledge required to fully fulfil their duties.

## **4.4 PROHIBITION OF PRACTICES OF CORRUPTION AND BRIBERY AND EXTERNAL INFLUENCES**

All active and passive forms of corruption are prohibited, whether they are carried out through acts and omissions or through the creation and maintenance of irregular or favour situations.

It is forbidden to make, on behalf of CTT Group, any contributions either monetary or not, to bribe or influence matters.

To act to the benefit of CTT and each one of its Subsidiaries according to the internal rules, in particular by not requesting or receiving instructions from an entity or person outside the CTT Group.

To communicate to their superior if, in the course of their functions or because of such functions, they learn of any attempt by any entities or third parties to unduly influence Employees or Members of the Governing Bodies of CTT and/or of any of its Subsidiaries.

## **4.5 CONFLICTS OF INTEREST**

To always act in a way that personal, family or third party interests do not prevail over the interests of the CTT Group and its customers.

To abstain from taking part in the assessment and decision-making process concerning operations where the Employee himself/herself, the spouse or domestic partner, 1<sup>st</sup> degree family members or relatives, has a direct or indirect interest or when the operation concerns any legal person that is directly or indirectly controlled by any of those persons.

To carry out the necessary efforts to prevent conflict of interests between CTT and each one of its Subsidiaries, between the latter and their customers and between customers, in full compliance with the internal policies and rules in force. In case of failure to prevent conflicts of interest to occur, measures shall be taken to solve them by means of a fair application of the internal rules and policies of CTT and each Subsidiary.

To refrain from being assigned the representation of third parties, customers or not, in business negotiations and contacts with CTT Group, nor accept any mandate from customers without previous authorization of the Board of Directors of CTT or of the CTT Group companies where he/she carries out duties.

## **4.6 INDIVIDUAL TRANSACTIONS**

To refrain from entering into or keep any contract or transaction with a CTT business partner under conditions other than the market conditions, namely when negotiating loans, obtaining discounts, negotiating payment deadlines or sales of goods or services, that may interfere with the institutional or business relationships between those business partners and the CTT Group or between Employees and Member of the Governing Bodies benefiting from these transactions and those business partners.

To refrain from requesting credit, on his/her behalf or through an intermediary, to customers, suppliers and/or shareholders of the CTT Group that are not credit institutions (this request must be duly authorized and comply with the applicable internal rules).

Deposit accounts held by CTT Post Offices' Managers or by their related parties as defined in 4.5, regardless of the accountholder, may be domiciled in the Post Office where the Post Office Manager works, provided that he/she has no intervention in the process of opening and validating the account, nor in its movement when made at the referred Post Office and the internal rules related to these accounts are complied with.

Employees are prohibited to process movements, extend credit limits or to execute any activity regarding the creation, maintenance, authorization, approval, validation or check of accounts where they are involved (as accountholders, representatives or beneficial owners) themselves, or any person related to them as referred to in paragraph 4.5 or to whom they are authorized representatives, heirs or beneficiaries, unless there is no alternative and there is a previous reasoned opinion of their superior in accordance with the internal policies and rules.

## **4.7 ACUMULATION OR NEW FUNCTIONS**

To abstain from having any professional activity outside the CTT Group, either academic, scientific or other, remunerated or not, whenever that risks the fulfilment of their professional duties and functions at CTT Group or creates a conflicts of interest.

To refrain from holding any other professional activity outside CTT Group that may collide or interfere with CTT Group's activity or may negatively affect its reputation.

To communicate to the Human Resources department the intention to hold a professional activity outside CTT Group so that any conflicts of interest or incompatibility may be verified, namely concerning the nature of the professional activity and the working schedule, under the terms of the applicable internal rules. The Employees may be members of academic institutions and engage in research, deliver lectures, write books or articles of a technical and scientific nature and develop other activities of the same content. If the activities are related to the CTT Group or to his/her functions, they must be preceded by the approval of CTT and developed at a personal level.

To behave with integrity and discretion in negotiations for a future occupation outside the CTT Group, informing the Human Resources department whenever this is likely to create a conflict of interest or may constitute an abuse of his/her position in CTT Group.

## **4.8 RELATED PARTIES**

To comply with legal provisions and internal policies and rules (particularly regarding evaluation, monitoring and disclosure) applicable to transactions with related parties.

To comply with the rules and internal policies (in particular commercial, credit, conflicts of interest, compliance and risk management policies) when granting loans or providing other banking or financial services to Employees and Members of the Governing Bodies to CTT Group or its shareholders as well as when remunerating the corresponding deposits or other financial applications that should not reflect any form of commercial advantage or benefit to such persons / entities.

Act in accordance with the criteria of impartiality and objectivity regarding evaluation, decision and monitoring of the transactions mentioned in the previous paragraphs.



## **4.9 INSIDER TRADING**

It is absolutely forbidden to disclose and / or use (including for their own benefit or third parties) information to which Employees and Members of the Governing Bodies have access in the course of their duties or due to it and that has not been made public or is not accessible to the public.

It is forbidden to those who have access to inside information to transmit it to any person or entity outside the normal scope of their duties or use it before it is made public, inter alia, for negotiating or counseling on trading securities or other financial instruments, and order their subscription, purchase, sale or exchange, directly or indirectly, for themselves or others.

For this purpose, inside information means all non-public information that, being precise and referring, directly or indirectly, to any issuer or securities or other financial instruments, would be likely, if it were made public, to influence significantly their price, as well as any other change to inside information made public.

## **4.10 SAFETY AT WORK**

To comply with the safety rules in place.

Timely inform superiors or the responsible services of the occurrence of any anomaly liable to endanger the safety of people, premises, equipment and assets of the CTT Group or under its custody.

## **4.11 GIFTS, OFFERS, INVITATIONS**

To refrain from any practices able to compromise the irreproachability of his/her behaviour, particularly with regard to offers to or from third parties, including clients or suppliers.

Not to accept bonuses, compensations, commissions, payments or favours from third parties in the exercise of their functions as well as to refrain from obtaining any gain resulting from the position or functions held.

Not to accept gifts, invitations or similar benefits related to the professional activity held within the CTT Group unless such offers do not exceed reasonable limits according to social uses, (that is, if the corresponding value does not exceed 150 Euro, and there is no clear evidence of intent or aim on the side of the offeror to affect the Employee's or Member of the Governing Bodies impartiality or that might indicate any unclear intentions) and are granted in festive occasions.

To report any offers to his/her superior and, if any, to the Compliance department of the Subsidiary or Subsidiaries where the Employee carries out his/her functions.

## 4.12 INTERPERSONAL RELATIONSHIPS

To contribute to creating and maintaining a good working environment, promoting unity, trust and excellence, especially through mutual collaboration and cooperation.

To implement the decisions of his/her superior, taken in accordance with the company policies of CTT Group where the Employee carries out its functions.

To base mutual relationships by a friendly, respectful and professional behaviour, by not getting personal benefits at the expense of colleagues.

To act and dress properly in the workplace and perform duties diligently, with care and integrity.

Behaviours that harm the reputation of colleagues, namely through prejudiced judgments, rumours or unsupported information, are not admissible.



## 4.13 RELATIONSHIPS BETWEEN CTT - EMPLOYEES AND MEMBERS OF THE GOVERNING BODIES

### THE MEMBERS OF THE GOVERNING BODIES AND EMPLOYEES DISCHARGING MANAGERIAL DUTIES SHALL:

Act as diligent and prudent managers according to the principle of risk diversification and the safety of services, products and applications and shall consider the interests of depositors, investors, other creditors and all customers in general.

Build trust among their coworkers by acting and making decisions guided by ethical principles showing integrity, quality and excellence, refraining from power imposition attitudes, leading their coworkers to feel engaged, supported and motivated about their work.

Respect their subordinates as persons and crucial tools to attain the objectives of the CTT Group, treating them as they would like to be treated, setting challenging but achievable goals and tasks and keeping a permanent and loyal relationship with them.

Instruct Employees working with them in a clear and understandable manner, orally or in writing.

## EMPLOYEES SHOULD:

Execute adequately the tasks they are assigned with, maintaining high levels of courtesy, respect, transparency and open mind towards their superiors, Members of the Governing Bodies and other Employees.

It is considered a breach of loyalty to conceal from superiors or other Employees information that may affect the execution of works, as well as to convey false or inaccurate information and refuse to collaborate with other Employees. This behaviour is also reprehensible when performed to obtain a personal gain.

Respect their superiors as top management representatives and commit themselves to reach the goals and carry out the tasks assigned by them within the scope of the CTT Group mission.

Work in close cooperation with the organic structure of CTT and its Subsidiaries, providing to the Governing Bodies (and respective departments and internal units) any requested information in accordance with the applicable laws and regulations and the applicable internal rules.

Have a diligent, transparent and cooperative relationship with the Employees in control functions, such as internal auditing and compliance, with the external auditors and the supervisory authorities.

### **4.14 PROHIBITION OF HARASSMENT**

To refrain from the practice of acts that may be considered as harassment within the terms of the law and the “Code of good conduct to prevent and fight harassment at work”.

Members of the Governing Bodies and Employees discharging managerial duties are obliged to comply with a special duty of conduct, always weighing possible consequences of their behaviour, even if unintentional.

# 05

## INFORMATION AND COMMUNICATION TECHNOLOGIES



## **5.1 RELATIONSHIP WITH THE MEDIA**

To contribute to CTT Group's cohesive and dignifying image and to the creation of value by providing true and accurate information in full respect of the cultural and ethical standards of the community and those of human dignity.

To manage with diligence and discretion information pertaining to CTT and its Subsidiaries in accordance with the respective internal rules, the disclosure of such information being subject to the validation of the management when released by an Employee without authority to act as a representative or spokesperson of CTT Group.

## **5.2 USE OF SOCIAL NETWORKS AND MEDIA IN GENERAL**

To respect, comply with and reflect the principles, values and rules of conduct laid down in this Code of Conduct when using the social network and media.

To abstain from disclosing confidential information or other internal information related to the CTT Group, and always carefully consider the implications of the disclosure of such information concerning the companies of the CTT Group where you carry out your activity.

To care for CTT Group image by not publishing content that could be considered unlawful, offensive, defamatory or threatening or that could result in damage to the image and reputation of the CTT Group. The use of the social networks during working hours should not interfere with the professional duties but rather work as an information tool.

## **5.3 MARKETING AND ADVERTISING PRACTICES**

To disclose true, correct and accurate information on CTT Group products and services, their technical features, after-sales services, price and payment conditions.

To comply with the regulations in force, particularly the Advertising Code, and the specific rules concerning the institutional campaigns on financial services or the advertising and promotion campaigns of products and services.

To safeguard the interests of the current or potential clients during promotion and advertising actions ensuring that such actions are developed following the principles of lawfulness, veracity, objectivity, clarity and opportunity.

## **5.4 SUPPORTS OF INFORMATION**

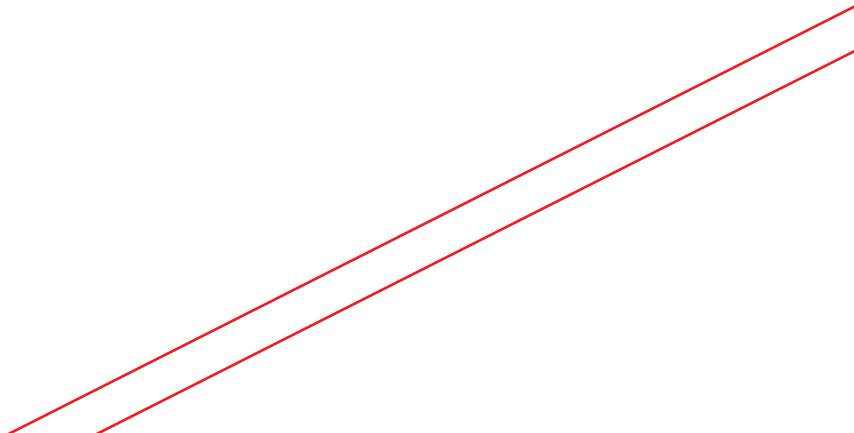
To ensure that document files and other information media to which you were given access in the course of your duties are duly organized and systematized in accordance with the internal rules, ensuring their good identification and handling in order to safeguard the full compliance with the duties of cooperation and provision of information contained in the legal and regulatory provisions.

To abide by the internal rules regarding safety and privacy, including accesses and passwords in the scope of the activity of CTT and its Subsidiaries.

Respect the applicable laws and regulations and internal rules on data protection with respect to such information support, access and databases, in particular by keeping the data subjects informed of their rights.

# 06

## MEMBERS OF THE GOVERNING BODIES



## **6.1 SPECIFIC RULES**

In addition to the rules under other chapters of this Code of Conduct and the legal, regulatory and internal rules applicable to them, the members of the Governing Bodies of the CTT Group are subject to the rules under this chapter 6, which apply only to holders of such positions in the context of their specific duties.

## **6.2 GENERAL RULES OF BEHAVIOUR**

To act in accordance with the highest standards of ethics and loyalty, in the interests of CTT Group companies where the position is held, preventing situations likely to impair their integrity, independence and impartiality under the internal rules applicable.

To act diligently and carefully namely by ensuring the availability and dedication expected in the performance of their functions, by obtaining the adequate information and skills and by continuing the sound and prudent management of the CTT Group companies in which they carry out their duties.

To take into account the long-term interests of the shareholders and consider the interests of other stakeholders, such as Employees, customers, depositors, investors and other creditors, as well as to safeguard the postal and/or financial systems where CTT Group companies operate.

To respect and promote the absolute compliance with the laws and regulations and any applicable internal rules within CTT Group, providing the supervisory bodies and internal and external auditors with the necessary collaboration, as well as to promote the adequate training actions within the CTT Group to foster a culture of excellence.

## **6.3 CONFLICTS OF INTEREST AND RELATED PARTIES**

To act at all times in full compliance with the interests of CTT Group companies in which duties are carried out in accordance with any applicable internal rules, putting those above personal, family or third parties' interests.

To promote the implementation of rules and policies within the CTT Group and comply with them in terms of preventing and managing any conflicts of interest in the relationship with shareholders and with members of the Governing Bodies, customers and suppliers, particularly in matters such as the evaluation policy of the Governing Bodies members, appraisal, monitoring and disclosure of related party transactions, risk management policy and commercial and credit policies.

To abide by, in defining those rules, the applicable legal and internal regulations, the market practices and the principles of this Code regarding independence, integrity, impartiality, objectivity and pursuit of the corporate interest.



## **6.4 ORGANISATIONAL STRUCTURE**

To promote the adoption, implementation and supervision within CTT and each Subsidiary of a well-defined and transparent organizational structure, based on a coherent, clear and objective definition of the competences and responsibilities of each structure unit and/or function, of the reporting and authority lines as well as the degree of cooperation between the different structure units or functions.

To ensure that the defined organizational structure relies on IT systems that comply with the required security, privacy and segregation rules set forth in the applicable laws and regulations, as well to ensure that it is properly documented, reviewed and revised periodically to safeguard its permanent adequacy.

To provide the organic units of CTT and each Subsidiary with material and human resources means adequate to the fulfillment of appropriate service levels, particularly in terms of technical expertise, availability and knowledge of the activity and the implementation of an internal control system capable of ensuring that the management and control of the operations are carried out in a prudent manner.

To adopt the organizational measures essential to prevent conflict situations and improper use of information between CTT and its Subsidiaries, within the terms of the applicable laws and regulations, namely by segregating control functions related to the activity of CTT and each Subsidiary, as required.

## **6.5 INTERNAL CONTROL SYSTEM, INTERNAL AUDITING AND COMPLIANCE**

To promote the implementation and maintenance of (i) adequate internal control systems to ensure the efficient use of assets and resources, the prudent management and control of risks, the existence of complete, relevant, reliable and timely financial and management information, and compliance with the applicable rules, as well as of (ii) sound and independent control functions (particularly in terms of internal audit, compliance and risk), as required by the applicable laws and regulations.

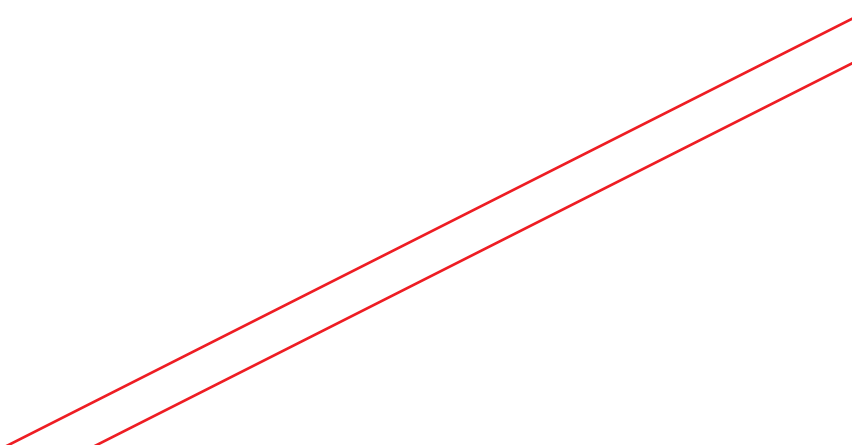
To detail the objectives and principles underlying the internal control system by integrating these in the strategy and policies of CTT and each Subsidiary, ensuring at the same time the existence of material and adequate human resources and the necessary training activities.

To promote internal procedures that enable the reporting of situations Employees may become aware of or that they have reasonable suspicion regarding money laundering, terrorist financing, insider trading, fraud or corruption in the performance of professional activities by another Employee or supplier of goods or services.

To promote mechanisms to ensure that, whenever necessary and applicable, suppliers, providers of services and partners follow the principles of this Code regarding confidentiality of information and conflicts of interest

# 07

## IMPLEMENTATION AND MONITORING OF THE CODE



## **7.1 DISSEMINATION**

The Code of Conduct is an important tool to strengthen CTT culture and the positioning of CTT and its Subsidiaries towards the new challenges of a sustainable future.

A durable medium, either a hard or a digital copy of this Code of Conduct, shall be provided to all Employees, and shall also be available on the internet and intranet. All Employees are required to understand and accept the content of this Code, undertaking to comply with its rules.

## **7.2 UPDATE AND REGULATION OF THE CODE**

This Code of Conduct may be updated, where and when appropriate, and it may also be developed, regulated and complemented by policies and other regulatory instruments of CTT and/or each one of its Subsidiaries. It is expected that all Employees know and follow the Code at all times.

CTT and each one of its Subsidiaries, particularly Banco CTT, may adhere to conduct codes established by regulatory entities or associations of the sectors where they operate, which shall be disclosed and made available to all Employees who undertake to comply with their content.

## **7.3 CODE BREACH**

The breach of this Code of Conduct by any of the Employees shall be reported and carefully investigated by the competent Governing Bodies of CTT Group, and can result, depending on the nature and severity of the breach, in disciplinary action as well as legal proceedings.

## **7.4 REPORTING IRREGULARITIES / WHISTLEBLOWING**

The Employees must report to the Compliance department of the Subsidiary or the Subsidiaries where they carry out their functions, whenever they become aware of, or have reasonable suspicion of actions that breach the standards of this Code, namely those regarding the duty of professional secrecy, the duty to provide accurate information to the customers, the competition rules, the rules on conflicts of interest and individual transactions.

Should this department not exist, the breach of the Code of Conduct shall be reported to CTT's Ethics Committee through one of the following channels:

- E-mail: [comissao.etica@ctt.pt](mailto:comissao.etica@ctt.pt) (mailbox COMISSÃO DE ÉTICA)
- Address: Remessa Livre 19239, Loja Gare do Oriente, 1991-963 LISBOA.

The communication of irregularities regarding accounting, internal accounting controls, risk management, insider dealing, fraud or corruption, banking and financial crime, money laundering or terrorist financing by shareholders, Employees, customers, suppliers or others, is also subject to specific rules defined by CTT and by each one of its Subsidiaries.

These irregularities shall be reported through one of the following channels:

- E-mail: [irregularidades@ctt.pt](mailto:irregularidades@ctt.pt) (mailbox IRREGULARIDADES)
- Address: Remessa Livre 8335, Loja de Cabo Ruivo, 1804-001 LISBOA

The communications referred to in the preceding paragraphs shall be treated according to the rules and procedures in force at CTT and its Subsidiaries.

CTT and its Subsidiaries assume not to retaliate against any person claiming/whistleblowing, as well as to grant a fair treatment to the targeted person. In particular, the person communicating or preventing any illicit activity, within prudent and righteous criteria, shall not be harmed in any way.

Confidentiality of the communications is also guaranteed, and they cannot in themselves be used to establish a disciplinary, civil or criminal proceeding to the person reporting a suspected violation of the Code, unless they are clearly and deliberately unfounded.

## **7.5 MONITORING**

In order to ensure the monitoring and compliance with the rules of this Code, the Ethics Committee shall act independently and impartially and undertakes to:

- Promote the dissemination of the Code of Conduct to the Employees, as well as to carry out training actions and communication of information regarding ethics and conduct.
- Appreciate and answer any questions submitted by the Employees related to the compliance with this Code, namely by delivering an opinion on whether a specific conduct complies with the rules laid down in this Code.
- Check the existence of internal instruments for the communication of irregularities / whistleblowing, ensuring that these comply with the applicable legal rules, namely in terms of confidentiality, information processing and non-retaliation upon whistleblowers.
- Receive, assess and convey to the competent Governing Bodies the irregularities reports as laid down in this Code.
- Appreciate situations of potential non-compliance with the rules laid down in this Code by any Employee and, if there is a well-founded suspicion, to report to the Human Resources department for purposes of disciplinary measures.

The Ethics Committee shall also implement controls and preventing mechanisms as well as carry out regular or random compliance checks to reduce risks of non-compliance of this Code, as well as to update and develop conduct rules if needed.

In any case, in the Subsidiaries where there is a department with compliance functions, (i) the monitoring of the implementation of and compliance with the Code of Conduct is entrusted to that department, which may coordinate itself for this purpose and, when deemed appropriate or necessary, with the Ethics Committee of the CTT Group and (ii) any doubts as to the interpretation or application of the CTT Group Code of Conduct by the Employees of any given Subsidiary should be directed to the referred Compliance department.

All the communications between the Employees and the Ethics Committee of CTT and/or the Compliance department, if any, of each Subsidiary are considered confidential and their content is to be kept secret.

CTT - Correios de Portugal, S.A. – Sociedade Aberta

Production: CTT/MC/CIC/Artes Gráficas

Design: Samuel Trindade



# **Code of Conduct**

CTT and Subsidiaries

2018