



CODE OF CONDUCT AND INTERNAL DENOUNCEMENT SYSTEM

PORTOBAY GROUP

December 2024

Preamble

The PortoBay group was born due to the needs and demands of the market, through a group of private investors from the island of Madeira, with the aim of creating hotel units that would meet these needs in terms of facilities, quality of service and positioning.

Our group's investment is spread across the island of Madeira, the Algarve, Lisbon, Rio de Janeiro, Búzios, São Paulo and Porto. Dedicated to four- and five-star segments, which has earned several distinctions over the years.

Pioneer responsible for promoting the hotel sector, the PortoBay Group has implemented new concepts that have consequently generated greater competitiveness.

As a group of companies employing more than 1,000 direct employees in Portugal, and with connections to multiple external companies in the most diverse fields of activity, PortoBay intends, with this Code of Ethics, Conduct and Harassment Prevention, to ensure rigor and transparency, respect for individual rights and guarantees, and diligent achievement within the current legal law, not only within its enterprises, but also in the contractual relations it establishes with external organizations.

The purpose of this Code of Conduct is to inform its recipients, public and private organizations, as well as the community in general, of the principles and values that guide the PortoBay group's activity, thus promoting relationships based on trust and mutual respect.

It represents the PortoBay group's commitment to comply with current legislation and to act correctly towards all our partners and the society in which we operate.

We would like to thank all employees and partners of the PortoBay group companies in advance for reading this code, and we ask that you obey the rules contained therein.

I. Purpose

The PortoBay Group's Code of Conduct and Internal Denouncement System, referred to in this document only as the Code, establishes the set of principles, rules and values, in terms of ethics and professional behavior, to be adopted in the activities carried out by employees and organizations with which the PortoBay Group establishes professional relationships, as well as the means available for reporting breaches.

II. Objective and subjective scope

This Code applies to all the organic units that make up the companies of the PortoBay group.

In addition, the Code applies to relationships established with third-party companies, including employees, trainees, suppliers, service providers, and other companies and professionals who maintain professional relationships with the PortoBay group.

III. General Principles and Duties

The employees of PortoBay group companies, whether they are internally or in external representation, must relate in accordance with the ethical principles and values set out in this Code, adopting behaviors based on responsibility, rigor, and respect for the dignity and rights of individuals and organizations.

This includes attitudes, behaviors and postures adopted in face-to-face terms, as well as in interpersonal contacts that may occur in digital media, particularly in the context of social networks, and which may harm the reputation of the companies of the PortoBay group, as well as any of its managers and/or employees.

The ethical principles and values are summarized as follows:

- a) Principle of customer/guest service - employees must act to serve, exclusively, and to the best of their abilities, the customers/guests of the PortoBay group's hotel units and, in particular the administrative and headquarters units, the external and internal customers who carry out activities in favor of the proper functioning of the hotel units;
- b) Principle of legality - employees must carry out their work in full compliance with the group's internal rules and procedures, as set out in the respective procedure's manual for managers and employees, as well as acting in accordance with the rules set out in the current constitutional and legal structure;
- c) Principle of equality and impartiality - employees must treat all customers/guests, colleagues, managers, superiors and other individuals/companies with whom they come into contact in a work context impartially, in neutral manner, that is, refraining from benefiting or harming any

person or organization, based on their ancestry, gender, race, language, political, ideological or religious beliefs, economic or social status, or any other factor that may result in unequal opportunities or treatment;

d) Principle of integrity and loyalty - employees must act in an honest, professional, loyal, supportive and cooperative manner, and must not adopt any behavior that could harm the image of the PortoBay group, organizations with which it has relationships, its customers or employees; employees may not use, at any circumstances, their professional connection to PortoBay, as a means to obtain advantages or favors, internally, or externally;

e) Principle of competence, responsibility and politeness - employees must act in a confident, responsible and dedicated manner, committed to professional development and strict fulfillment of their duties, while at the same time treating everyone with whom they relate in a cordial and thoughtful manner, contributing to a pleasant, cooperative and healthy working environment;

f) Principle / duty of professional secrecy - employees are subject to the duty of professional secrecy and may not disclose information and data obtained in the course of their duties. The PortoBay group reserves the right to communicate firsthand to the outside world all news, news and new products (only after communication on the brand's official channels can such information be shared by employees, verbally or on social networks). The duty of professional secrecy also applies to interviews, photographs, videos and text. In addition, all information that is transmitted publicly, including professional profiles, must strictly correspond to the truth.

IV. Workplace harassment

A. What is harassment and its procedures?

According to Article 29 of the Labor Code, harassment is defined as "unwanted behavior, in particular based on a factor of discrimination, practiced when accessing employment or in employment itself, work or professional training, with the purpose or effect of disturbing or embarrassing the person, affecting their dignity, or creating an intimidating, hostile, degrading, humiliating or destabilizing environment.

Sexual harassment constitutes unwanted behavior of a sexual nature, in verbal, non-verbal or physical form with the aim or effect of the previous paragraph."

B. How to identify a potential harassment situation

Harassment is a set of unacceptable behaviors of one or more individuals, and can take various forms, some more easily identifiable than others.

Harassment occurs when one or more employees or managers are repeatedly and deliberately threatened, humiliated or intimidated in work-related circumstances.

Harassment can be practiced by one or more employees or managers, with the effect or purpose of affecting the dignity of another employee or manager, with consequences for their health and/or creating a hostile working environment.

It also constitutes moral and/or sexual harassment if there is continuous and unwanted contact, in person or through intermediaries, by digital means or through social networks, with the intention of disturbing the person being harassed.

Workplace harassment includes the following behaviors, among others:

- Deliberately circulating images, offensive materials, rumors, in electronic, printed or verbal form
- Making advances, requests, suggestions or touches of an inappropriate and/or sexual nature
- Displaying shameful, embarrassing, humiliating, intimidating, insulting or offensive behavior
- Prevent normal professional performance or sabotaging work (this includes the loss of functions, changes in hierarchical reporting with the intention of causing feelings of diminishment and/or humiliation, and reducing work responsibilities)
- Target an individual, with different treatment, based on discriminatory and/or humiliating condition

On the other hand, the following behaviors do not constitute harassment:

- Operational decisions or changes arising from work organization
- Carry out authority and disciplinary power
- Performance management, including compliments or reprimands
- Requests for clarification or explanations regarding professional performance
- Authoritative tone of voice, unless it is extreme, repetitive or has long-lasting, serious or harmful effects.

V. Interpersonal relationships in the organizational environment and with the outside world

Employees of the PortoBay group should promote healthy interpersonal relationships that result in a good general working environment, promoting mutual help and teamwork, cordiality, honesty and professionalism.

Contacts, whether formal or informal, with other employees, managers, clients/guests, suppliers/service providers and other people or organizations with whom they have professional relationships, must reflect the principles listed above, ensuring the PortoBay group's image of excellence.

The language used must be correct and carefully selected. Slang or offensive expressions are not acceptable.

Still on an individual basis, employees must respect at all times the rules and regulations of the PortoBay group, as well as the procedures set out in this Code.

VI. Protection of personal data and responsible use of resources

Employees of the PortoBay group must carry out their professional activity in strict compliance with the general data protection regulations and cannot use them except for the purposes legally imposed or inherent to the functions they perform.

The use of the human resources, equipment and/or technological resources made available to its employees is exclusively for professional purposes and with the aim of resulting profit for the companies of the PortoBay group. They may not be used, directly or indirectly, for personal benefit or for third parties.

Employees must take the following into consideration in all their professional activities:

- Ensure that access to personal data is limited to authorized people and is motivated by the legitimate needs of the company, to guarantee its operation.
- Ensure that, when transmitting personal data, the respective regulations (GDPR - General Data Protection Regulation) are complied with, and that the transmission corresponds to the purposes agreed to by the data holders
- Never store personal data for longer than necessary, or after the respective consent has expired
- Never search for or have access to personal data when you are not authorized to do so.

VII. Accumulation of functions and conflict of interest

The accumulation of functions in the PortoBay group and third-party companies, public or private, for-profit or non-profit, is possible, provided that it is expressly authorized by the Board of Directors.

For the purposes of this Code, a conflict of interest exists whenever an employee or manager has a personal or private interest in a certain matter that could influence the impartial and objective performance of their duties.

Personal or private interest is understood as any potential advantage for oneself, one's spouse or partner with whom one lives under similar conditions, relatives or family members, as well as one's circle of friends and/or acquaintances.

In the event of a situation that could constitute a conflict of interest, employees or managers must inform the company of its existence.

Employees of the PortoBay group may not request, receive or accept for themselves, related people or third parties in general, any offers, benefits, gifts, compensation or advantages which may affect the impartiality and integrity of the performance of their duties.

VIII. Preventing bribery and corruption

Corruption can involve bribery, fraud, embezzlement, forgery, conspiracy or abuse of power.

Any of the above actions are contrary to the spirit of human and social development and progress, which is why we will not participate in them, or allow others to do so on behalf of the PortoBay group.

Bribery consists of offering, providing or receiving values, including gifts, hospitality or entertainment, with the aim of inducing someone to perform their function improperly.

Any request or offer of bribery of any kind must be rejected and reported immediately to your superior.

Employees and managers of the PortoBay group must always:

- Refrain from participating in any form of corrupt behavior
- Refrain from making payments on behalf of the PortoBay Group to political candidates or parties or supporting political activities
- Refrain from offering, making, promising or authorizing a bribe or illegal payments
- Refrain from offering or receiving money, gifts, bribes or commissions in connection with obtaining business
- Comply with the Anti-Corruption Policy set out in Decree-Law 109-E/2021 of December 9th
- Keep books and records accurately so that payments are reported honestly

- Refuse facilitation payments, even if these payments are made in par value
- Verify that the rates charged by third parties are intended for legitimate business purposes and are consistent with the services provided
- Never provide lodging at a rate lower than the market rate unless they are part of an institutional promotional campaign properly authorized.

IX. Equal opportunities and fair treatment, human rights

All employees have the right to be treated impartially, with courtesy and respect.

The PortoBay group does not tolerate any form of abuse or harassment against customers/guests, employees, managers, suppliers or service providers, or other third parties with whom it comes into contact.

Therefore, employees must ensure that they do not discriminate against individuals, in aspects that do not influence their work performance, that they support diversity and promote a work environment free from harassment, and also report breaches of this policy.

Inappropriate behavior, such as denigrating or humiliating employees/colleagues, directly or indirectly (including on social networks), spreading personal information or malicious rumors, distributing or displaying offensive materials and/or images, jokingly addressing issues related to socioeconomic status, ethnicity, age, sexual or religious orientation, are unacceptable.

The PortoBay group is also a defender of the rights and freedom of all individuals, and there is a policy of total intolerance towards practices of abuse, slavery or human trafficking, in particular minors and children.

A. Policy on Integrating the Disabled

The adoption of a Convention on human rights at the beginning of this century resulted from the widespread consensus within the international community (Governments, NGOs, and citizens) on the need to effectively ensure respect for the integrity, dignity, and individual freedom of people with disabilities, and to strengthen the prohibition of discrimination against these citizens through laws, policies, and programs specifically addressing their characteristics and promoting their participation in society.

In this context, within its internal policy, the PortoBay group foresees the integration of candidates with disabilities in areas and functions where their abilities can be developed fluidly and normally, ensuring their non-discrimination and a sense of full integration.

Given the physical demands of most hotel functions, a special emphasis is placed on the potential integration of people with hearing, intellectual, and/or visual disabilities. However, reduced mobility is only applied in administrative areas, particularly within the PortoBay group's consulting and services company.

The principles that guide the group's policy in this context include:

- Good lighting conditions, adapted workstations (whenever applicable), good accessibility, and support from a colleague if necessary.
- Friendly communication and behaviour, naturally and without prejudice, avoiding overly paternalistic attitudes or commitments.
- Participation in leisure and entertainment activities.
- Priority treatment in case of emergency.
- Use of symbols that are easy to understand.

To ensure that job opportunities are communicated to candidates with disabilities, the group advertises all openings through employment centers (IEFP) and guarantees that applications are treated impartially, justifying the selection with arguments based on the ability to perform the role and qualifications, regardless of their physical or intellectual condition.

X. Safety, health and environment

The PortoBay group is committed to providing its clients/guests and employees with a healthy, safe, socially responsible and sustainable environment.

Employees and managers must ensure that they understand their responsibility in terms of health, safety and environmental protection, and must collaborate in identifying risks and opportunities for improvement.

When observing any risk, occurrence (accident, incident, non-compliance) or other situation that may jeopardize health, safety and sustainability, they must be immediately reported, through the appropriate channels.

According to the PortoBay group's internal policy, it is expressly forbidden:

- Accept work while under the influence of alcohol, drugs, or other substances (for example. medication) that may compromise the performance or safety of oneself and/or others
- Threatening, intimidating or using other forms of violence, physical, verbal or non-verbal
- Possessing, using or transferring alcohol or other illicit substances on company premises
- Carry out work that may pose a risk, or be contrary to legal provisions, towards oneself and/or third parties

The PortoBay group is always committed to protecting the environment by managing its operations efficiently and sustainably.

The PortoBay group seeks, in its daily management, to dispose of waste responsibly and promote reuse wherever possible.

Employees and managers of the PortoBay Group must act in accordance with the following requirements:

- Collaborate with suppliers and third parties to reduce waste and achieve a more efficient use of resources
- Identify opportunities and provide local support for initiatives and projects that aim at optimizing sustainability and protect the natural environment
- Respecting the local environment
- Be vigilant, consider the environmental consequences and operate in an ecologically sustainable way.

XI. Internal System for Reporting Infractions and Protection of Complainants

This paragraph indicates how internal reports of potential infractions committed within any company of the PortoBay Group can be made, and the guarantees given to complainants.

Employees, service providers, contractors, subcontractors, suppliers, or any person acting under their supervision and direction, holders of shareholdings, administrative and/or management bodies of legal organizations may submit complaints (including non-executive members), volunteers and trainees.

The protection afforded to the complainants extends to union representatives or employee representatives, co-workers or family members of the complainants who may be the target of retaliation in a professional context.

A. How to identify an infraction

An infraction may be an act or omission contrary to national or community legal standards, and for which a crime or administrative offense is foreseen, namely in the following areas:

- public acquisition;
- money laundering and terrorism;
- product safety and compliance;
- environmental protection;
- protection of privacy and personal data;
- network and information systems security;
- employee rights and guarantees, including the prohibition of harassment;

It may also include an act or omission that is contrary to and harmful to the rules and standards referred to in Articles 26(2) and 325 of the Treaty on the Functioning of the European Union, namely rules on competition, state aid or corporate taxation, and violent crime, especially violent

and highly organized crimes and the crimes provided for in Article 1(1) of Law 5/2002 of 11.01. on organized and economic-financial crime.

B. Guarantees of the internal reporting system

The report is submitted in a secure manner and limited to the persons and/or organizations that can receive and process it, in order to guarantee confidentiality.

At the PortoBay Group, the report is submitted to the Human Resources Director, and to the respective Managers and Board of Directors, if justified. In an electronic form, it will also be possible to choose, through a predetermined selection, the recipient of the report within the organization.

The report may be anonymous or with the identification of the complainant.

Regardless of the manner, it is important to ensure that sufficient elements are provided for the correct analysis of the complaint.

The identity of the complainants or any information that directly or indirectly allows their identity is of a confidential nature and is restricted to the person responsible for receiving or following up on the reports and extends to anyone who has received information about these reports.

The above information will only be disclosed as a result of a legal obligation or court decision and will always be preceded by written communication to the complainant, stating the respective reasons, provided that this prior consultation does not compromise the investigation or related legal proceedings.

The complainant must refrain from acts or omissions that are not related to or are necessary to the report under penalty of civil, criminal and/or disciplinary liability. Personal data that is not relevant to the investigation of the report will be deleted.

C. How to present the internal report and its follow-up

For the purposes of Article 10 of Law 93/2021 of December 20 - Protection of Complainants, reports may be made to the following email address:

denuncias@portobay.pt

It will also be possible to submit a report via the PortoBay group's institutional website, or by post (via CTT), to the following address:

- Direção de Recursos Humanos do grupo PortoBay
- Rua do Gorgulho, nº2
- 9004-537 Funchal

The addresses indicated must be used solely and exclusively within the scope of this legislation and must not be used for other purposes (any messages sent unrelated to complaints will be deleted).

If anonymity is desired, an unusual email address should be used (possibly that of a third party unrelated to the organization, in the case of a complainant who is in contact with it or performs functions within it).

Within 7 days of receiving the report, the identified complainant will receive the following information:

- (In) Admissibility of the external complaint;
- External reporting requirements;
- Competent Authorities to receive him or her;
- How to submit the report

Upon receipt of the internal complaint, all appropriate efforts and procedures will be taken to investigate the allegations, which may include opening an internal investigation and/or notifying the competent authority, to continue the respective investigation.

Within a maximum period of 3 months, the measures planned or adopted to follow up on the complaint and the respective reasons will be communicated to the complainant who has been identified.

Finally, the complainant may request, at any time and after 15 days of the respective conclusion, the result of the analysis of the complaint (or complaints).

D. Prohibition of retaliation

Retaliation is considered to be an act or omission that occurs in a professional context and is motivated by an internal or external complaint or public disclosure, and that aims to threaten or cause a feeling of exposure, humiliation, intimidation, or other, on the part of the complainant.

The practice of acts of retaliation against the complainant is forbidden and subject to civil, criminal and/or disciplinary liability.

E. Registration and conservation of complaints, omitted cases

Reports received are subject to their own registration and will be kept for a minimum period of five years by the person responsible for receiving and processing them, or during the pendency of legal or administrative proceedings relating to them.

Any omissions are governed by the provisions of Law no. 93/2021 of 20.12. and Directive (EU) 2019/1937 of the European Parliament and of the Council of 23.10.

Funchal, December 06th, 2024

Board of Directors

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