Sonae

Press Release

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Sonae implements pioneering solution in Portugal and Spain for sustainability-linked supply chain finance

- **This solution allows eligible suppliers to receive their invoices in advance, with sustainability-linked conditions.**
- **Sustainability-linked supply chain finance line of 50 million euros celebrated with Banco Santander Portugal and with EcoVadis' support.**
- **It includes financial incentives for good sustainability practices within Sonae's supply chain, which has globally reached approximately 5.6 billion euros in 2021.**

Sonae has established an innovative deal with Banco Santander Portugal, which will allow for the group's suppliers included in this agreement to be offered preferential conditions on their invoice payments, which consider sustainability criteria. The implemented solution, which is a pioneer in Portugal and Spain, will guarantee more attractive conditions for suppliers with best environmental, social, and corporate government (ESG) performance. The solution is also aligned with Sonae's sustainable development goals and the purpose of working today for a better tomorrow for all.

To support suppliers in managing their collections, Sonae has implemented agreements with financial institutions, through which they can freely establish agreements that will allow them to anticipate revenues. The new confirming protocol with Banco Santander Portugal will also ensure that suppliers with good performance in ESG standards will obtain even more attractive conditions. Santander is a global leader in both Supply Chain Finance and embedding Sustainability into its Banking Products.

João Dolores, Sonae CFO, states: "At Sonae, we see our suppliers as partners with whom we walk with on a common path, namely in the implementation of sustainable ways of using resources and fostering innovative solutions for environmental and social challenges that, together, we face along the value chain. This confirming protocol is a way of awarding that effort and financially acknowledge the best practices".

The ESG suppliers' performance rating will be reviewed by an external party, EcoVadis, a leading global platform in the measure of company sustainability standards performance. The agreement will initially include Continente, Worten, MO and Zippy suppliers, and will mean a significant step to both encourage them and also bring awareness on the growing relevance of maintaining a sustainability practice on their operations, whilst at the same time receiving a relevant financial benefit from such practices.

Sonae exists to create lasting positive impact in business, people, communities and the planet. As the owner of a diversified portfolio of businesses in the sectors of retail, financial services, technology, investment, shopping centres and telecommunications, it takes advantage of its skills and challenges itself to create the future we all need and look forward to. Working today for a better tomorrow for everyone.
Read more on www.sonae.pt

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