

In this respect it should also be noted that in 2011 the Audit Committee regulated the commissioning of non-audit services to the External Auditor, as mentioned in point 37, allowing them to be commissioned as long as the independence of the External Auditor was assured and imposing their prior approval as of the moment the global amount of the respective fees in the year surpassed 10% of the global fees of the audit services.

47. DETAILS OF ANNUAL REMUNERATION PAID BY THE COMPANY AND/OR LEGAL ENTITIES IN A CONTROL OR GROUP RELATIONSHIP TO THE AUDITOR AND OTHER NATURAL OR LEGAL PERSONS PERTAINING TO THE SAME NETWORK AND PERCENTAGE BREAKDOWN RELATING TO THE FOLLOWING SERVICES

In 2015, the total remuneration paid to the External Auditor and other individuals or companies' belonging to the same network was 875,015 euros.

In percentage terms, the amount referred to is divided as follows:

	Amount	%
By the Company		
Amount for statutory auditing services (€)	95,390	10.9%
Amount for audit reliability services (€)	-	-
Amount for tax consulting services (€)	-	-
Amount for other non-statutory auditing services (€)	11,720	1.3%
By entities comprising the Group		
Amount for statutory auditing services (€)	735,284	84.0%
Amount for audit reliability services (€)	14,920	1.7%
Amount for tax consulting services (€)	4,902	0.6%
Amount for other non-statutory auditing services (€)	12,800	1.5%

SECTION C INTERNAL ORGANISATION

SUBSECTION I ARTICLES OF ASSOCIATION

48. RULES APPLICABLE TO AMENDMENT OF THE COMPANY'S ARTICLES OF ASSOCIATION

The Articles of Association do not define any rules applicable to the amendment of the Company's Articles of Association, therefore the terms defined by the Law apply to these matters.

SUBSECTION II REPORTING OF IRREGULARITIES

49. REPORTING MEANS AND POLICY ON THE REPORTING OF IRREGULARITIES IN THE COMPANY

Since 2004, the Ethics Committee of Jerónimo Martins has implemented a system of bottom-up communication that ensures that every employee at every level has access to communication channels to contact officers who are recognised within the Company with information on possible irregularities occurring



within the Group. They may also make any comments or suggestions, particularly with respect to compliance with the procedural manuals in effect, especially the Code of Conduct.

This measure clarifies guidelines on questions as diverse as compliance with current legislation, respect for the principles of non-discrimination and equal opportunities, environmental concerns, business transparency and the integrity of relations with suppliers, customers and official entities, among other matters.

The Ethics Committee has informed all the Group employees of the available means to, if necessary, communicate with this body. This is possible by means of letter via freepost or internal or external e-mail with a dedicated address. Interested parties may also request from the respective General Manager or Functional Director any clarification of the rules in force and their application, or they may provide them with information regarding any situation that may question them.

Whichever communication channel is used, anonymity is assured for anyone who requires it.

SUBSECTION III INTERNAL CONTROL AND RISK MANAGEMENT

50. INDIVIDUALS, BOARDS OR COMMITTEES RESPONSIBLE FOR THE INTERNAL AUDIT AND/OR IMPLEMENTATION OF THE INTERNAL CONTROL SYSTEMS

The Internal Audit Department assesses the quality and effectiveness of the internal control and risk management systems that are set by the Board of Directors.

The Internal Control objectives involve the assurance of the operational efficiency, the financial and operational reporting consistency and the fulfilment of applicable laws and regulations. To assure it, the Internal Audit activity plan takes in consideration the evaluation of the operational risks and the critical processes applicable to each company.

The results of the internal audits are made available, on a monthly basis, to the Internal Control Committee and to the Group's Managing Committee. Each quarter these reports are presented to the Audit Committee. With the same regularity a report is prepared regarding the status of the recommendations agreed with the audited areas managers.

During 2015, there were audits performed over stock management, cash collection, management of accounts payable and receivable, supplementary income, investments and information systems, among others.

51. DETAILS OF HIERARCHICAL AND/OR FUNCTIONAL DEPENDENCY IN RELATION TO OTHER BOARDS OR COMMITTEES OF THE COMPANY

The head of the Internal Audit Department reports hierarchically to the Chairman of the Board and CEO and functionally to the Audit Committee. The head of Internal Audit Department is also a member of the Internal Control Committee, which in turn reports to the Audit Committee.

See organisational structure in point 21.

52. OTHER FUNCTIONAL AREAS RESPONSIBLE FOR RISK CONTROL

a) Enterprise Risk Management System

The Group, and in particular its Board of Directors, dedicates a great deal of attention to the risks affecting the businesses and their objectives, and is committed to ensure that Risk Management is an effective and fundamental component of the corporate strategy, culture and value-creation process.

The approach to Risk Management is detailed in the Group's Risk Management Policy that sets out the Group's Enterprise Risk Management System and outlines the roles and responsibilities of the persons responsible for its execution.

a.1) Risk Management Objectives

The aim of the Corporate Risk Management System is not to eliminate risk completely from the Group's activities, but rather to ensure that every effort is made to manage risk appropriately, maximizing potential opportunities and minimizing the adverse effects of risk.

The Enterprise Risk Management System has the objectives to structure and consistently organize the way the Group identifies risks, assuring that they are assessed broadly, considering dependencies and correlations within various risks areas. It establishes procedures for reporting that allow for an adequate monitoring of the mitigation measures and the risks control.

Due to the size and geographical dispersion of Jerónimo Martins' activities, successful Risk Management depends on the participation of all employees, who should assume this as an integral part of their jobs, particularly through the identification and reporting of risks associated within

their area of responsibility. Therefore, all activities must be carried out with an understanding of what the risk is, with an awareness of the potential impact of unexpected events on the Company and its reputation.

The Group is committed to ensuring all employees are provided with adequate guidance and training on the principles of Risk Management, on the criteria and processes set by the Risk Management policy and on their responsibilities to manage risks effectively.

a.2) Organisation of Risk Management

The Risk Management Governance Model is defined in order to ensure the effectiveness of Risk Management Framework and is aligned with the Three Lines of Defence Model, which distinguishes among three Groups (or lines) involved in effective Risk Management, namely:

- First Line of Defence (Business Operations: Risk Owners) - responsible for the daily Risk Management activities aligned with the business strategy, and also aligned with existing internal procedures and Risk Management Policy;
- Second Line of Defence (Oversight Functions: Group and Business Unit Risk Managers) - responsible for the Risk Management analysis and reporting,

as well as for future suggestions or policies development that improve or increase the efficiency of Risk Management processes. This second line also includes functions such as Financial Control, Security, Quality & Food Safety, amongst other corporate areas;

- Third Line of Defence (Independent Assurance: Internal Audit and External Audit) - responsible for providing assurance on the effectiveness of governance, Risk Management and internal controls, including the manner in which the first and second lines of defence perform their Risk Management and control objectives.

The Risk Management organisational structure considers the following main roles and responsibilities:

- The Board of Directors is responsible for establishing the Risk Management policy and strategy and for setting goals in terms of risk-taking. It is also the Board's responsibility to provide for the creation of control systems necessary to ensure that the risks effectively incurred are consistent with the goals set;
- The Audit Committee approves the activity plans with regard to Risk Management, monitors their execution and assesses the effectiveness of the internal control, internal auditing and risk management system;

- The CEO, assisted by the Managing Committee, ensures the implementation of the Risk Management policy and strategy as established by the Board of Directors, as well as promotes a risk awareness culture in the organisation ensuring that Risk Management is embedded in all processes and activities;
- The Risk Committee assists and advises the Managing Committee, as the CEO's assisting body, in assessing and establishing the mitigating measures for the different types of risk, and ensuring the existence of an effective Risk Management framework;
- The Group Risk Management Department (GRM) is responsible for the implementation of the Risk Management framework, coordination of all Risk Management activities and for supporting the Managing Committee and the Risk Committee in the identification of risk exposures that might compromise the Group's strategic and business goals. GRM is also responsible for the coordination and alignment of the practices adopted by the Companies in the Business Continuity Plans (BCP);
- The Business Unit Risk Manager is responsible for the implementation of Risk Management initiatives at the Company level and to support the respective Risk Owners activities;

- The Risk Owners are all employees in charge of the execution and/or control over a given process or activity, within a business unit or a corporate structure, which are responsible for managing the risks involved in those activities;
- The Internal Audit Department focuses its work on the significant risks, as identified by management, and audits the Risk Management processes across the Organisation, providing assurance regarding the effectiveness and efficiency on the Management of Risk and active support in the Risk Management process.

53. DETAILS OF THE MAIN RISKS TO WHICH THE COMPANY IS EXPOSED IN PURSUING ITS BUSINESS ACTIVITY

Strategic Risks

Strategic risk management involves monitoring factors such as social, political and macro-economic trends; the evolution of consumers' preferences, the businesses' life cycle, the dynamics of the markets (financial, employment, natural and energy resources), the competitors' activity, technological innovation, availability of resources and legal and regulatory changes.

The management team uses this information to understand market needs and to identify any

opportunities and threats in the industries and sectors in which it operates, namely in terms of potential profitability and growth, but also in terms of both the strategic alignment and appropriateness of its business model in light of current and future conditions.

Operating Risks

Derives from the execution of normal business functions, across the value chain, and it focuses on risks arising from the processes through which the Group units operate.

The operational risks cover risks related to category management and sourcing, stock management, cash management, logistics and supply chain and the efficiency in the use of resource and assets as well as its safety and security.

Fraud and corruption risks are also considered in the risk assessment for the most relevant operational activities. The adequacy and range of the controls and mitigation measures are also reviewed and reconsidered whenever necessary.

Food quality and safety

The Group seeks to provide healthier products and food solutions, and it seeks to ensure and enforce product safety in strict compliance with food safety standards.

The Quality and Food Safety Departments of the Companies are responsible for the following areas: i. prevention, through selection, assessment and follow-up audits on suppliers; ii. monitoring by following the product throughout the whole logistics circuit, to analyse compliance with best practice and certification requirements; and iii. training by carrying out periodic simulations and awareness initiatives.

The Companies are monitored continuously by quality control technicians, to ensure the implementation of procedures and to assess the efficiency of training and the suitability of the facilities and equipment.

Environment Risks

The efficient management of resources, coupled with environmental preservation, is essential for the sustained growth of the Group's businesses. Jerónimo Martins' Companies develop activities which, either due to the nature of its activities or its dimension, have environmental impacts on ecosystems.

Aware of this fact, the Group has conducted studies on the effects of its activities on ecosystems and the resources they provide. This is the case of the studies: i. Biodiversity Management in Jerónimo Martins; ii. Sustainable Agriculture;

iii. Fish Species Risk Assessment, and iv. Deforestation commodity mapping in Private Label and Perishable products.

The risks of climate change are also addressed by the Group and can be of the following nature:

- Regulatory, which can be a result of increased costs of compliance with new environmental legislation;
- Physical, which may result in shortage of natural resources, such as agricultural products, or in the disruption of the supply chain associated with climatic events;
- Reputational, associated with expectations of the Group's stakeholders to reduce carbon emissions.

The probability of occurrence of these situations and their level of impact are analysed by the Group as part of its risk assessment procedures. Considering the risks posed by climate change, in particular, the Group discloses its review in the annual response to CDP (Carbon Disclosure Project), which is available at www.cdp.net.

Physical Security and People Risks

The Security Department is responsible for ensuring that conditions exist to guarantee the physical security of people and facilities.

Physical security and people risk management involves defining and publicising working standards and instructions, carrying out employee awareness initiatives and training, performing audits on the stores, risk assessment in all establishments and performing emergency simulations.

Information Systems Risks

The risks associated to Information Technologies are analysed considering its different components: planning and organisation, development, operations management, information security and continuity. The risk management of Information Security in the Group is the responsibility of an exclusively dedicated Department and consists of implementing and maintaining an information security management system that ensures confidentiality, integrity and availability of critical business information, as well as the recovery of the systems in the event of interruption to the operations.

Regulation Risks

Compliance with legislation is provided by the Legal Departments of the Group Companies. With regard to the Holding Company, the Legal Department guarantees the co-ordination and implementation of strategies aimed at protecting the interests of Jerónimo Martins in legal disputes, and it also manages outside advisers.



In order to ensure the fulfilment of tax obligations, the Holding Fiscal Affairs Department advises the Group's Companies, as well as oversees their tax proceedings.

Financial Risks

Risk Factors

Jerónimo Martins is exposed to several financial risks, namely: market risk (which includes exchange rate risk, interest rate risk and price risk), liquidity risk and credit risk.

The management of these risks is focused on the unpredictable nature of the financial markets and aims to minimize its adverse effects on the Company's financial performance.

Certain types of exposure are managed using financial derivative instruments.

The activity in this area is carried out by the Financial Operations Department, under the supervision of the Chief Financial Officer. It is responsible for identifying, assessing and hedging financial risks, by following the guidelines set out in the Financial Risk Management Policy that was approved in 2012 by the Board of Directors.

Every quarter, reports on compliance with the Financial Risk Management Policy are presented to and discussed with the Audit Committee.

The information concerning financial risks to which the Group is exposed can be found in note 30 - Financial Risks of Chapter III of the Annual Report and Accounts, available at www.jeronimomartins.pt.

54. DESCRIPTION OF THE PROCEDURE FOR IDENTIFICATION, ASSESSMENT, MONITORING, CONTROL AND RISK MANAGEMENT

The Group's Risk Management framework considers a continuous process of risk assessment, which is an integral part of the normal decision-making and management processes.

The Risk Management process is aligned with the ISO 31000 international standard recommendations and seeks mainly to distinguish what is irrelevant from what is material, requiring an active management which involves the assessment of sources of risk, the probability of occurrence of a certain event and the consequences of its occurrence within the context of the control environment.

The Group prepares and maintains an overall risk profile that lists all relevant operational and strategic risks, as well as the corresponding implemented mitigation and control mechanisms. The list is updated regularly with information from the on-going risk assessment processes.

A global review is made under the coordination of the Group Risk Management Corporate Department, as part of the strategic and operational planning processes, so that the information related to the most relevant risks is duly updated and considered during the planning process. This way it triggers the development of the alternatives under analysis as well as the identification of new activities that strengthen the defense of the directed objectives.

55. CORE DETAILS ON THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IMPLEMENTED IN THE COMPANY REGARDING THE PROCEDURE FOR FINANCIAL REPORTING

The Board of Directors is highly committed to assuring the reliability of financial reporting and the preparation of the Group's financial statements. This is done by ensuring that the Group has in place adequate policies that provide reasonable assurance that transactions are recorded and reported in accordance with Generally Accepted Accounting Principles (GAAP), and that expenditures are realized only when properly authorized.

The financial reporting risk is mitigated by enforcing segregation of duties and by setting preventive and detective controls, which involves limiting access to IT systems, and a comprehensive performance monitoring system.

Additional controls are provided by the Audit Committee oversight and Internal Control Committee reliability assessments over the preparation and disclosure of financial information and by the Group's Planning and Control Department monitoring activities over the performance of each business units and in review of the deviations to the approved plans.

SUBSECTION IV INVESTOR ASSISTANCE

56. DEPARTMENT RESPONSIBLE FOR INVESTOR ASSISTANCE

Composition

The Investor Relations Office of Jerónimo Martins is comprised as follows:

Office Manager: Cláudia Falcão
Team: Ana Maria Marcão, Hugo Fernandes and Raquel Freitas

Main Roles

The Investor Relations Office of Jerónimo Martins is responsible for communication with all investors - institutional and private, national and foreign - as well as the analysts who formulate opinions and recommendations regarding the Company. The Investor

Relations Office is also responsible for matters related to the Comissão do Mercado de Valores Mobiliários (Portuguese Securities and Exchange Commission).

Communication Policy of Jerónimo Martins for the Capital Markets

Jerónimo Martins' policy for communicating to the capital markets aims to ensure a regular flow of relevant information, which respects the principles of symmetry and simultaneity and creates a faithful image of the Company's business performance and strategy for investors, shareholders, analysts and the general public.

Jerónimo Martins' communication policy regarding the financial market is designed to ensure that material information - history, current performance and outlook for the future - is available to all its stakeholders, in order to provide clear and complete information about the Group.

The financial communication strategy outlined for each year is based on the principles of transparency, rigour and consistency. This ensures that all relevant information is transmitted in a non-discriminatory, clear and complete manner to stakeholders.

Information Provided

Annually, and based on the above-mentioned principles, the Office draws up a Communication Plan for the Financial

Market, which is included in the global communication strategy of Jerónimo Martins.

With the objective of transmitting an updated and clear vision of the strategies of the different business areas of Jerónimo Martins to the market, in terms of operational performance and outlook, the Investor Relations Office organises a series of events so that investors can learn about Jerónimo Martins' various businesses, its strategies and prospects for the future, and simultaneously follow the progress of activities during the year, by clarifying any doubts.

Throughout 2015, actions were carried out that allowed the financial markets to dialogue not only with the Investor Relations Office, but also with the Jerónimo Martins management team. The following are highlighted:

- Meetings with financial analysts and investors;
- Responses to e-mail questions addressed to the Investor Relations Office;
- Telephone calls;
- Release of announcements to the market through the CMVM (Portuguese Securities and Exchange Commission) extranet, through the Jerónimo Martins and Euronext Lisbon web sites and mass mailings sent to all the Company's investors and financial analysts listed in the database created and updated by the Office;
- Presentations to the financial community: presentation of results, roadshows, conferences, Annual General Shareholders' Meeting.

In order to make information easily accessible to all interested parties, the communications issued regularly by the Office are available in full on the Jerónimo Martins' institutional website, at www.jeronimomartins.pt.

The site not only provides mandatory information, but also general information about the Group and the Companies that form it, in addition to other information considered relevant, namely:

- Announcements to the market about privileged information;
- Annual accounts, including the Annual Report on the activities of the Audit Committee, six-month and quarterly reports of the Group;
- Economic and financial indicators and statistical data, updated every six or twelve months, in accordance with the Company or business area;
- Jerónimo Martins' most recent presentation to the financial community and historical collection;
- Information about share performance on the stock market;
- The annual calendar of Company events, released at the beginning of every year, including, among others, General Shareholders' Meetings and the disclosure of annual, half-yearly and quarterly results;
- Information regarding the General Shareholders' Meetings;
- Information about Corporate Governance;
- Code of Conduct of Jerónimo Martins;
- Company Articles of Association;

- Current Internal Regulations;
- Minutes of the General Shareholders' Meetings, or respective extracts, which are available within five days of the meeting's date;
- Historical agendas and decisions taken at the General Shareholders' Meetings held over the seven previous years.

The website also has all this information, with no exception, in English and was a pioneer in its accessibility for people with visual disabilities, using a tool specially designed for this purpose.

Contacts

The Office may be contacted through the Market Relations Representative and the Investor Relations Office Manager, Cláudia Falcão - and via the e-mail address: investor.relations@jeronimo-martins.pt.

The main contact information for the Investor Relations Office is as follows:

Address: Rua Actor António Silva, n.º 7, 1649-033, Lisboa
Telephone: +351 21 752 61 05

57. MARKET RELATIONS OFFICER

The Jerónimo Martins' market relations representative is the Investor Relations Officer, Cláudia Falcão.

58. EXTENT AND DEADLINE FOR REPLYING TO THE REQUESTS FOR INFORMATION RECEIVED THROUGHOUT THE YEAR OR PENDING FROM PRECEDING YEARS

Within the scope of issues addressed to the Office, sent via email, or through telephone contact, during the course of 2015, the Investor Relations Office recorded 408 requests for information, the majority of which were given an immediate reply to or were responded to within an appropriate time for the type of request. At the end of the year there were no pending requests for information.

SUBSECTION V WEBSITE

59. RELEVANT ADDRESSES

The Company's institutional website is available in Portuguese and English and can be accessed using the following address www.jeronimomartins.pt or www.jeronimomartins.com.

60. PLACE WHERE INFORMATION ON THE FIRM, PUBLIC COMPANY STATUS, HEADQUARTERS AND OTHER DETAILS REFERRED TO IN ARTICLE 171 OF THE COMMERCIAL COMPANIES CODE IS AVAILABLE

Information concerning Article 171 of the Commercial Companies Code is available on the Jerónimo Martins institutional website through the following link: www.jeronimomartins.pt/o-grupo/contactos-corporativos.aspx

61. PLACE WHERE THE ARTICLES OF ASSOCIATION AND REGULATIONS ON THE FUNCTIONING OF THE BOARDS AND/OR COMMITTEES ARE AVAILABLE

The Articles of association and regulations on the functioning of the Boards and/or Committees are available on the Jerónimo Martins institutional website through the following link: www.jeronimomartins.pt/investidor/governo-da-sociedade/estatutos-regulamentos.aspx.

62. PLACE WHERE INFORMATION IS AVAILABLE ON THE NAMES OF THE STATUTORY BODIES' MEMBERS, THE MARKET RELATIONS OFFICER, THE INVESTOR RELATIONS OFFICE, RESPECTIVE FUNCTIONS AND CONTACT DETAILS

The information in question is available on the Jerónimo Martins institutional website and may be accessed through the following links:

Names of the Statutory Bodies' members:

Board of Directors

www.jeronimomartins.pt/investidor/governo-da-sociedade/orgao-social/conselho-de-administracao.aspx.

Audit Committee

www.jeronimomartins.pt/investidor/governo-da-sociedade/orgao-social/comissao-de-auditoria.aspx.

General Shareholders' Meeting

www.jeronimomartins.pt/investidor/governo-da-sociedade/orgao-social/assembleia-geral.aspx.

Statutory Auditor

www.jeronimomartins.pt/investidor/governo-da-sociedade/orgao-social/revisor-oficial-de-contas.aspx.

Name of the Market Relations officer

www.jeronimomartins.pt/investidor/contactos_investidor.aspx.

Information concerning the Investor Relations Office, respective functions and contact details

<http://www.jeronimomartins.pt/investidor/gabinete-relacoes-com-investidor.aspx>.

63. PLACE WHERE THE DOCUMENTS RELATING TO FINANCIAL ACCOUNTS REPORTING ARE AVAILABLE, AND THE HALF-YEARLY CALENDAR ON COMPANY EVENTS PUBLISHED AT THE BEGINNING OF EVERY SIX MONTHS

The above information is available on Jerónimo Martins institutional website through the following links:

Financial accounts reporting

www.jeronimomartins.pt/investidor/relatorios.aspx.

Half-yearly calendar on Company events

www.jeronimomartins.pt/investidor/calendario-financeiro.aspx.

64. PLACE WHERE THE NOTICE CONVENING THE GENERAL SHAREHOLDERS' MEETING AND ALL THE PREPARATORY AND SUBSEQUENT INFORMATION RELATED THERETO IS DISCLOSED

The place where the notice convening the General Shareholders' Meeting and all the preparatory and subsequent information related thereto is disclosed on Jerónimo Martins institutional website through the following link: www.jeronimomartins.pt/investidor/assembleia-geral.aspx.

65. PLACE WHERE THE HISTORICAL ARCHIVE ON THE RESOLUTIONS PASSED AT THE COMPANY'S GENERAL SHAREHOLDERS' MEETINGS, SHARE CAPITAL AND VOTING RESULTS RELATING TO THE PRECEDING THREE YEARS ARE AVAILABLE

The place where the historical archive on the resolutions passed at the Company's General Shareholders' Meetings, share capital and voting results relating to the preceding years, including the last three, is available on the Jerónimo Martins institutional website through the following link: www.jeronimomartins.pt/investidor/assembleia-geral/arquivo-assembleias-gerais.aspx.

Taking into account the election of Andrzej Szlezak (partner in the firm of lawyers Sołtysiński Kawecki & Szlezak (SK&S), one of the Jerónimo Martins Group's External Legal Counsels) for the position of Director of Jerónimo Martins for the term 2013-2015, the Board of Directors authorized since 2013, within the terms of paragraph 2 of Article 397 of the Commercial Companies Code and following the favourable opinion of the Audit Committee, the maintenance of the contract between the Companies and its subsidiaries and the above-mentioned firm for the provision of legal services.

Business between the Company and Other Related Parties

The Board of Directors adopted the procedure and criteria approved by the Audit Committee in the scope of business with other related parties. See point 91.

90. DETAILS OF TRANSACTIONS THAT WERE SUBJECT TO CONTROL IN THE YEAR OF REFERENCE

In 2015, there were no transactions subject to control.

91. DESCRIPTION OF THE PROCEDURES AND CRITERIA APPLICABLE TO THE SUPERVISORY BODY WHEN SAME PROVIDES PRELIMINARY ASSESSMENT OF THE BUSINESS TO BE CARRIED OUT BETWEEN THE COMPANY AND HOLDERS OF QUALIFYING HOLDINGS

As mentioned on point 10 ("Information on Any Significant Business Relationships Between the Holders of Qualifying Holdings and the Company"), no business was carried out by the Company with the shareholders with Qualifying Holdings or entities in any type of relationship with the owners of such holdings, outside of normal market conditions.

In this regard, it should be noted that in terms of procedure the Audit Committee, according to its regulations, is responsible for issuing prior opinion on transactions of significant importance between the Company and its shareholders with Qualifying Holdings - or entities with them related under the terms of Article 20, no. 1 of the Portuguese Securities Code -, establishing the procedures and criteria necessary to define the level of significant importance.

The Audit Committee approved the procedure and criteria applicable to these situations.

Thus deals between the Company or Companies within Jerónimo Martins Group and shareholders with a Qualifying

Holdings or entities with which the same are linked, shall be subject to the assessment and prior opinion of the Audit Committee, whenever one of the following criteria is fulfilled:

- a) Having an amount equal to or higher than 3 million euros or 20% of the sales of the respective shareholder;
- b) Despite having an amount lower than the one resulting from the criteria mentioned in the previous paragraph, the addition of that amount to the amount of the previous deals concluded with the same shareholder with a qualifying holding, during the same fiscal year, equals or exceeds 5 million euros;
- c) Regardless of the amount, they may cause a material impact on the Company's name concerning its independence in the relationships with shareholders with Qualifying Holdings.

SUBSECTION II DATA ON BUSINESS DEALS

92. DETAILS OF THE PLACE WHERE THE FINANCIAL STATEMENTS INCLUDING INFORMATION ON BUSINESS DEALINGS WITH RELATED PARTIES ARE AVAILABLE, IN ACCORDANCE WITH IAS 24

The information concerning business dealings with related parties may be found on note 26 – Related Parties of Chapter III of the Annual Report, available at www.jeronimomartins.pt.

