



SUMMARY

1. OBJECTIVE	2
2. DEFINITIONS.....	2
3. COMPANY SECURITIES TRADING POLICY	3
4. INDIVIDUAL INVESTMENT PLAN	6
5. AMENDING THE TRADING POLICY	6
6. VIOLATIONS AND SANCTIONS	6
7. MISCELLANEOUS PROVISIONS	7
8. TERM	8
ATTACHMENT I	9
SCHEDULE II	10

1. OBJECTIVE

- 1.1. This “*Securities Trading Policy*”, approved at a meeting of the Board of Directors of **C&A MODAS S.A.** (the “Company”), provides a set of rules intended to ensure best practices are followed when trading Securities (as defined below) issued by the Company and avoid improper use of Privileged Information (as defined below), in line with CVM Instruction 358 (as also defined below).

2. DEFINITIONS

- 2.1. When used in this Policy (as defined below), the terms and expressions listed below will be interpreted as follows:

- 2.1.1. “**Controlling Shareholder**”: a shareholder or group of shareholders bound by a shareholder agreement or under common control and directly or indirectly exercising control over the Company, pursuant to the Brazilian Corporations Act.
- 2.1.2. “**Managers**”: Members of the Company’s Board of Directors and Board of Executive Officers.
- 2.1.3. “**Associates with Access to Privileged Information**”: employees and other staff working for the Company, the Controlling Shareholder or the Subsidiaries or affiliates who, as a result of their job, position or function at the Company, the Controlling Shareholder, the Subsidiaries or affiliates, may have knowledge of or access to any Privileged Information.
- 2.1.4. “**Material Act or Fact**”: any decision of the Controlling Shareholder, a resolution from the Company’s shareholders’ meeting or corporate bodies, or any other political/administrative, technical, business or economic/financial act or fact that occurs or is related to the Company’s business and may have a material effect on: **(a)** the price of the Company’s Securities; **(b)** investors’ decisions to purchase, sell or retain those Securities; or **(c)** investors’ decisions to exercise any rights they have as holders of Securities, which may include, but is not limited to, the examples of potentially material acts or facts listed in the attachment to the Disclosure Policy.
- 2.1.5. “**Company**”: C&A Modas S.A.
- 2.1.6. “**Fiscal Council Members**”: sitting members of the Company’s Fiscal Council and their alternates.
- 2.1.7. “**Board of Directors**”: the Company’s Board of Directors.
- 2.1.8. “**Fiscal Council**”: the Company’s Fiscal Council.
- 2.1.9. “**CVM**”: the Brazilian Securities and Exchange Commission.
- 2.1.10. “**Vice-Chief Executive, Administrative, Finance and Investor Relations Director**”: the Company Officer elected to carry out the functions described in the CVM’s instructions and regulations, which includes enforcing, monitoring and implementing this Policy.
- 2.1.11. “**Board of Executive Officers**”: the Company’s Board of Executive Officers.
- 2.1.12. “**Market Entities**”: the group of stock markets and organized over-the-counter market entities where the Company’s Securities are listed for trading, now or in the future, as well as equivalent entities in other countries.
- 2.1.13. “**Former Managers**”: Managers who are no longer part of the Company’s Management.

- 2.1.14. **“Privileged Information”**: any and all information related to the Company or its Subsidiaries that could materially influence the Securities’ prices, as described in CVM Instruction 358 and the Disclosure Policy, and which has not yet been disclosed to investors.
- 2.1.15. **“CVM Instruction 358”**: CVM Instruction No. 358, dated January 3, 2002, as amended.
- 2.1.16. **“Brazilian Corporations Act”**: Law 6,404, dated December 15, 1976, as amended.
- 2.1.17. **“Lock-Up Period”**: any period during which Securities trading is prohibited by regulation or by the Vice-Chief Executive, Administrative, Finance and Investor Relations Director, including the periods listed in Clauses 3.2, 3.4, 3.5, 3.6, 3.7 and 3.8 of this Policy.
- 2.1.18. **“Related Persons”**: persons with the following ties to the Restricted Persons: **(i)** spouses, when not legally separated; **(ii)** companions; **(iii)** any dependent included on annual personal income tax filings; **(iv)** children, siblings (first degree relatives); and **(v)** corporations directly or indirectly controlled by the Managers, Fiscal Council Members, Controlling Shareholder, Associates with Access to Privileged Information or the Restricted Persons.
- 2.1.19. **“Restricted Persons”**: the Controlling Shareholder, the Managers, the Fiscal Council Members, the members of any of the Company’s technical or advisory bodies created by statutory provision or Associates with Access to Privileged Information.
- 2.1.20. **“Plan”**: the individual investment plan approved by the Company.
- 2.1.21. **“Policy”**: this *“Company Securities Trading Policy”*.
- 2.1.22. **“Disclosure Policy”**: the *“Company Material Act and Fact Disclosure Policy”*.
- 2.1.23. **“Subsidiaries”**: corporations where the Company directly or indirectly holds certain shareholder rights that guarantee a permanent majority in corporate decisions and the power to elect a majority of the managers.
- 2.1.24. **“Acceptance Form”**: the form indicating acceptance of this Policy, to be signed as per the template included in the Policy’s **Schedule I**.
- 2.1.25. **“Securities”**: any shares, convertible and non-convertible debentures, securities certificates, warrants, subscription rights and receipts, promissory notes, purchase or sale options or any derivatives, or any other Securities or group investment agreements issued or referenced by the Company which, by law, are considered *“Securities”*.

3. COMPANY SECURITIES TRADING POLICY

3.1. Lock-Up Periods

- 3.1.1. The Restricted Persons are prohibited from trading Securities during the Lock-Period, as provided herein.
- 3.1.2. The Vice-Chief Executive, Administrative, Finance and Investor Relations Director shall inform the Restricted Persons when the Lock-Up Period begins, however, he or she is not required to provide the reasons why a Lock-Up Period has been implemented and the aforementioned persons are prohibited from disclosing this information. The referred information may occur through an

electronic message, or through any other communication channel provided by the Company.

3.2. Trading Restrictions Preceding a Material Fact Disclosure

3.2.1. Restricted Persons who may have knowledge of Privileged Information about the Company are prohibited from trading Securities until this information is disclosed to the market in the form of a Material Act or Fact, as described in the Disclosure Policy.

3.2.2. The rule in Clause 3.2.1 above also applies:

- (i) when: (a) the Company, its Subsidiaries, its affiliates, or another corporation under joint control is trading the Company's Securities; or (b) an option or power of attorney has been issued for this purpose; and
- (ii) when there is an intention to carry out an incorporation, total or partial split, merger, transformation or corporate reorganization of the Company.

3.3. Exceptions to the General Securities Trading Restrictions

3.3.1. Notwithstanding the provision in Clause 4 above, the Policy trading restrictions do not apply to Restricted Persons who may have knowledge of the Privileged Information during the following transactions:

- (i) the purchase of treasury shares, through private trading, after exercising a purchase option in accordance with a stock option plan approved at a shareholder meeting; or
- (ii) when granting shares to managers, employees or service providers as part of a pre-agreed compensation package approved at a Company shareholder meeting.

3.4. Trading Restrictions Following a Material Act or Fact Disclosure

3.4.1. In the foregoing situations, even after a Material Act or Fact has been disclosed, trading shall remain prohibited if it could interfere with the Securities trading conditions to the extent that it could cause harm to the Company or its shareholders, in which case the Vice-Chief Executive, Administrative, Finance and Investor Relations Director will disclose any additional restrictions.

3.5. Quarterly Information Disclosure, Standard Financial Statement Disclosure and Dividend Distribution Disclosure Lockup Period

3.5.1. The Restricted Persons are prohibited from trading Securities in the 15-day period preceding disclosure or publication, where applicable, of: (i) the Company's quarterly information; or the Company's standardized financial statements.

3.5.2. The restrictions in Clause 3.5.1 above do not apply when implementing an investment plan that complies with applicable regulations, as described in Clause 4 below.

3.5.3. The Restricted Persons are also prohibited from trading Securities during the period specified by the Vice-Chief Executive, Administrative, Finance and Investor Relations Director, including the period between the date the competent corporate body decides to increase the capital stock, distribute dividends, stock dividends or derivatives or approve stock splits, and publication of the respective notices and announcements.

3.6. No Resolution to Acquire or Dispose of Company Shares

- 3.6.1. The Board of Directors is prohibited from approving any Company buyback program involving the acquisition or disposal of the Company's Securities until public disclosure of the following events:
- (i) execution of any contract or agreement to transfer shareholder control of the Company;
 - (ii) issuing any option or power of attorney to transfer shareholder control of the Company; or
 - (iii) the existence of an intention to carry out an incorporation, total partial split, merger, transformation or reorganization involving the Company.
- 3.6.2. If an event occurs that can be classified in any of these three circumstances after the buyback program has been approved, the Company will immediately suspend any transactions involving its own Securities until the respective Material Act or Fact has been disclosed.

3.7. Trading Prohibition for Former Managers

- 3.7.1. Managers who have stepped down from management of the Company prior to public disclosure of a Material Act or Fact related to a transaction or event initiated during the term of office are prohibited from trading Securities for 6 (six) months after their departure or until the aforementioned Material Act or Fact has been disclosed, whichever occurs last, subject also to the provision in Clause 3.7.2 below.
- 3.7.2. If trading in the Securities could interfere with related trading conditions and harm the Company or its shareholders after disclosure of the Material Act or Fact, the Former Managers shall be informed by the Vice-Chief Executive, Administrative, Finance and Investor Relations Director that they are prohibited from trading the Securities for at least 6 (six) months after their departure.

3.8. Additional Prohibitions

- 3.8.1. The prohibitions described in this Policy also apply to trading directly or indirectly carried out by the Restricted Persons when trading through:
- (i) Related Persons;
 - (ii) third parties with whom they have signed a trust or Securities portfolio management agreement; or
 - (iii) any other person who has knowledge of the Privileged Information from any of the Restricted Persons, and is aware that information has yet to be disclosed to the market.
- 3.8.2. Trading carried out by investment clubs and/or funds whose members include any of the persons mentioned in Clause 3.8.1 above shall not be classified as indirect trading and is not prohibited pursuant to this Policy, provided:
- (i) the investment clubs and/or funds are nonexclusive; and
 - (ii) the investment club and/or fund manager's trading decisions cannot be influenced in any way by its members.
- 3.8.3. The Company, the Restricted Persons, and the Related Persons are prohibited from: (i) taking part in transactions to lend shares issued by the Company (known as renting stocks); and (ii) contracting options or derivatives involving the Securities.

4. INDIVIDUAL INVESTMENT PLAN

- 4.1. Trading carried out by Restricted Persons in accordance with the Plan will be covered by this Policy, provided it complies with current regulations (article 15-A, paragraph 1 and 2 of CVM Instruction 358 or any subsequent regulations), including:
- (i) the Company carries out any purchases under the share repurchase program intended to cancel the shares will retain them as treasury stock;
 - (ii) Securities are purchased as part of a variable income investment resulting from profit sharing programs operated by the Company or its Subsidiaries; or
 - (iii) share purchases carried out to cancel shares or retain them as treasury stock or treasury stock sales carried out by the Company, through private trading, as a result of exercising a purchase option that is part of a Company stock option plan approved at a shareholder meeting.
- 4.2. Restricted Persons have the option of providing the Vice-Chief Executive, Administrative, Finance and Investor Relations Director with a formal, unified Plan indicating the funds they intend to invest or the volume of Securities issued by the Company they intend to trade and the duration of that investment.
- 4.3. Independent of their respective investment plans, all Restricted Persons adopting the Plan shall continue to comply with this Policy.

5. AMENDING THE TRADING POLICY

- 5.1. The Board of Directors may decide to amend this Policy in the following circumstances:
- (i) when specifically required to do so by the CVM;
 - (ii) in order to implement any necessary amendments when applicable laws and regulations change; or
 - (iii) if, while assessing the effectiveness of current procedures, the Board of Directors concludes the Policy requires amendment.
- 5.2. Notwithstanding any subsequent investigation or disciplinary proceedings, the CVM may order changes or improvements to this Policy if it finds the Policy does not prohibit the use of material information while trading or does not comply with applicable law.
- 5.3. The Vice-Chief Executive, Administrative, Finance and Investor Relations Director shall notify the CVM and the Market Entities, as well as the persons listed in Clause 7.1 below, of any amendment to this Policy; that communication shall be accompanied by a copy of the resolution and full copies of the documents regulating and supporting this Policy, as required by applicable law.

6. VIOLATIONS AND SANCTIONS

- 6.1. In addition to any applicable legal sanctions applied by the competent authorities, the Board of Directors shall apply in-house disciplinary measures within the Company in case of infringement of the Policy's terms and procedures, up to and including removal and dismissal of the offender if the Board of Directors finds a serious violation has occurred.



- 6.2. Third-party violations will be classified as breach of contract and the Company shall be entitled to terminate the respective contract, at no cost to itself, and enforce any fines stipulated in contract, in addition to claiming losses and damages.
- 6.3. If the appropriate measures fall within the legal or statutory jurisdiction of the Company shareholder meeting, the Board of Directors shall call a meeting to vote on the matter.

7. MISCELLANEOUS PROVISIONS

- 7.1. The Company, the Controlling Shareholder, the Managers, the Fiscal Council Members and any other technical or advisory bodies created by statutory provision, in addition to any employees and third-party contractors with permanent or ad hoc access to Privileged Information, are required to comply with this Policy.
- 7.2. The Company shall send the Restricted Persons a copy of this Policy by registered mail or email with receipt for delivery, requesting that they sign and return the Acceptance Form to the Company using the model included in Schedule I of this Policy. The Acceptance Form will be held on file at the Company's head office.
 - 7.2.1. The Company shall require new managers to sign the Acceptance Form informing them of this Policy at the same time they sign their investiture certificates.
 - 7.2.2. The Restricted Persons shall be notified of the Policy and required to sign the Acceptance Form before they have knowledge of any Material Act or Fact or trade in the Securities.
 - 7.2.3. The Acceptance Form shall be held on file at the Company's head office while the Restricted Persons remain employed by the Company and for at least five years thereafter.
 - 7.2.4. The Company shall keep a list of Restricted Persons and their respective qualifications, including their job or position, address and individual or corporate taxpayer registration number at its head office and shall make that list available to the CVM. The list shall be updated as soon as any changes occur.
 - 7.2.5. In addition to signing the Acceptance Form, the Restricted Persons shall also sign the declaration included in the Disclosure Policy attachment and file it with the Vice-Chief Executive, Administrative, Finance and Investor Relations Director if any of their trading activities changes their shareholding by more than 5% (five per cent).
- 7.3. The Restricted Persons shall cause any third parties that have any commercial, professional or trust-based relationship with the Company, such as consultants, independent auditors, securities analysts, distribution system institutions and advisors, or that require access to the Material Act or Fact, to formally declare they are aware of this Policy and agree not to trade the Securities while serving the Company.
- 7.4. The Controlling Shareholder, Managers, Fiscal Council Members and their alternates, and the members of any other technical or advisory corporate bodies created by statutory provision, and any future persons classified as any of the above, shall sign the Acceptance Form and the declaration as per the template in **Schedule II** if their trading activities increase or reduce their direct or indirect holdings in shares representing the Company's capital stock by 5%, 10%, 15%, and so on successively, subject to the terms in



paragraph 2, article 12 of CVM Instruction 358, filing said declarations with the Vice-Chief Executive, Administrative, Finance and Investor Relations Director.

7.5. If you have any questions about this Policy, please contact the Company Vice-Chief Executive, Administrative, Finance and Investor Relations Director.

8. TERM

8.1. This Policy will take effect on the date it is approved and can only be amended by resolution of the Company Board of Directors. The Policy can be viewed at www.ri.cea.com.br.

* * * *



ATTACHMENT I

C&A MODAS S.A. Securities TRADING Policy Acceptance Form.

[Insert name or Company name] {or} [insert details – nationality, marital status, profession, ID card number for individuals; type of corporation for legal entities], with address at [●], [CPF/MF] {or} [CNPJ/MF] registration No. [●], in their capacity as [indicate their position {or} “Controlling Shareholder” {or} Associates with Access to Privileged Information] at **C&A MODAS S.A.**, a joint stock corporation with principal place of business at Alameda Araguaia, 1.222/1.022, Alphaville, Centro Industrial e Empresarial, in the city of Barueri, state of São Paulo, ZIP 06455-000, corporate taxpayer’s registration (CNPJ/MF) No. 45.242.914/0001-05 (the “Company”), hereby executes this Acceptance Form declaring they have read and understood the “*Company Securities Trading Policy*”, approved at a meeting of the Board of Directors in accordance with CVM Instruction 358, dated January 3, 2002, as amended, and agrees to apply with the rules and procedures in that document and ensure their actions in relation to the Company comply with its provisions.

[include place and date signed]

[NAME OR COMANY NAME]



SCHEDULE II

DECLARATION

I, [name], [job or position], DECLARE that [I have purchased/disposed of] [quantity] [shares or convertible debentures] and my holding in the capital stock of **C&A MODAS S.A.** (the "Company") has changed to [●]%, as described below: **(a)** my shareholding objective [●]%; **(b)** number of shares or purchase or subscription options I directly or indirectly own: [●]%; **(c)** the number of debts convertible into Company shares I directly or indirectly own is equivalent to: [●]%; and **(d)** the contract or agreement regulating or capping the voting power or circulation of aforementioned Securities (declare no such contract or agreement exists, if applicable): [●]%. In accordance with CVM Construction 358, dated January 3, 2002, as amended, I furthermore DECLARE that I will inform the Company Vice-Chief Executive, Administrative, Finance and Investor Relations Director of any reduction or increase in my direct or indirect interest in shares representing the Company's capital stock by 5%, 10%, 15% and so on successively.

[include place and date signed]

[Name]