

CORPORATE GOVERNANCE REPORT



Part I

Mandatory Information
on Shareholders
Structure, Organisation
and Corporate
Governance



Introduction

This Corporate Governance report was prepared in accordance and to comply with the Regulation of CMVM (the Portuguese Securities Market Commission) 4/2013 from July 12.

This report follows the model structure published in Annex I of the previously mentioned CMVM Regulation.

The report on remunerations is included in this chapter, point D, as provided for in the Securities Market Code, Article 26-G, nr. 8.

A. Ownership Structure

I. CAPITAL STRUCTURE

1. The capital structure (share capital, number of shares, distribution of capital by shareholders, etc.), including an indication of shares that are not admitted to trading, different classes of shares, rights and duties of same and the capital percentage that each class represents (Article 29-H (1), al. a).

The share capital, fully subscribed and paid-up, amounts to € 180.135.111,43, being represented by 526.225.508 of ordinary, nominative shares with no nominal value.

All shares are admitted to trading on the Euronext Stock Exchange, with the code ISIN PTINA0AP0008, and confer the same right to participate in the Company's results and benefit from the same voting weight: - 1 vote per share, without prejudice to the limitation on voting rights contained in Article

13-A of the Articles of Association, which states that "Votes cast by a shareholder, in his/her own name or as a representative of another, exceeding one third of the total votes corresponding to the share capital will not be considered."

The Company has not established any mechanism that has the effect of undermining the free transferability of shares, free appraisal by the shareholders of the performance of the governing body members or cause the mismatch between the right to receive dividends or to subscribe for new securities and the right to vote for each ordinary share.

On point 7 it is described the information about qualified stakes.

2. Restrictions on the transfer of shares, such as clauses on consent for disposal, or limits on the ownership of shares (Art. 29-H (1) al (a)).

There are no restrictions to the free transfer of ownership of the shares other than the ones arising from the applicable law (namely the obligation to launch a public tender offer when, with the participation acquired, the shareholder exceeds 50% of the total voting rights).

3. Number of own shares, the percentage of share capital that it represents and corresponding percentage of voting rights that corresponded to own shares (Art.º 29-H, n (1) al. (a)).

The company does not hold any own share.

4. Important agreements to which the company is a party and that come into effect, amend or terminated in cases such as a change in the control of the company after a takeover bid, and the respective effects, except where due to their nature, the disclosure thereof would be seriously detrimental to the company; this exception does not apply where the company is specifically required to disclose said information pursuant to other legal requirements (Article 29-H (1)(j)).

The Company is not a party to any agreement that will come into force, be amended, or terminated to which in the event of a mere change in the Company's controlling shareholder. It is not included, on what was previously mentioned, any dispositions of medium / long term financing established with the banking system, in obedience to certain typical clauses of amendment or termination of contracts provisions, whenever a new shareholder structure may not offer the same guarantees of the company's solvency.

5. A system that is subject to the renewal or withdrawal of countermeasures, particularly those that provide for a restriction on the number of votes capable of being held or exercised by only one shareholder individually or together with other shareholders.

Pursuant to the provisions of the statutory amendment of 15 November 2018, referred to in 1, the Board of Directors shall submit, every five years, a proposal for a resolution to the General Meeting to amend or maintain the limiting provision of voting rights, without aggravated quorum requirements for the quorum supplemented by law and in which all votes cast shall be counted, without limiting the voting rights.

6. Shareholder's agreements that the company is aware of and that may result in restrictions on the transfer of securities or voting rights (Article 29-H (1), al. (g)).

The company is not aware of any agreements signed between its shareholders.

II. SHAREHOLDINGS AND BONDS HELD

7. Details of the natural or legal persons who, directly or indirectly, are holders of qualifying holdings (Article 29-H, nr. 1, als. c) and d)) and Article 16), with details of the percentage of capital and votes attributed and the source and causes of the attribution.



The shareholders with qualified holdings on 31 December 2022 were:

	ORDINARY SHARES	% ORDINARY SHARES	% VOTING RIGHTS
Parpública - Participações Públicas SGPS, SA	236,199,384	44.89%	33.33%
Banco Comercial Português SA	71,097,348	13.51%	13.51%
Nova Expressão SGPS, SA	52,625,000	10.00%	10.00%
Novo Banco	34,445,831	6.55%	6.55%
Total Qualified Holdings	394,367,563	74.94%	63.39%
Ordinary Shares	526,225,508		

8. A list of the number of shares and bonds held by members of the management and supervisory boards. (NOTE: the information is being provided to comply with Article 447/5 of the Portuguese Commercial Companies Code).

	NUMBER OF ORDINARY SHARES	NUMBER OF PREFERRED SHARES	NUMBER OF BONDS
Diogo Francisco Bastos Mendes Rezende	0	0	0
Inês Patrícia Arêde Simões Louro	0	0	0
Frederico João de Moser Lupi	0	0	0
Victor Maurílio Silva Barros	0	0	0
Emília Noronha Galvão Franco Frazão	0	0	0
Patrícia Isabel Sousa Caldinha	0	0	0
João Miguel Pacheco de Sales Luís	0	0	0

9. Special powers of the Board of Directors, especially as regards resolutions on capital increase (Article 29-H (1), al i) with an indication as to the allocation date, time period, within which said powers may be carried out, the upper ceiling for capital increase, the amount already issued pursuant to the allocation of powers and mode of implementing the powers assigned.

The Board of Directors is not currently authorized to increase the company's capital under the provisions of Article 456 of the Portuguese Companies Code.

Notwithstanding the foregoing, on 10 July 2019, 15,000 bonds convertible into shares were issued, until July 2026, under the terms and conditions approved by resolution on the General Meeting of 15 November 2018, with the nominal value of € 1,000 each, in the global amount of € 15,000,000, fully subscribed and paid by Papyrus GmbH, by payment of part of the price for which Inapa acquired Papyrus Deutschland GmbH & Co. KG and Papyrus Deutschland Verwaltungs GmbH.

In order to accommodate the conversion of such obligations, by the same General Meeting, it was approved a capital increase from the current € 180,135,111,43 to € 195,135,111,43.

On 31 December 2022, the bond loan had been written off to the value of € 3,000,000, from which € 12,000,000 were able to suffer a conversion.

10. Information on any significant business relationships between the holders of qualifying holdings and the company.

There have been no business or operations, outside regular market conditions, between the company and owners of qualified holding or entities that are in any kind of relationship with them, in accordance with Article 20 of the CVM (Securities Code).

B. Corporate boards and Committees

I. GENERAL MEETING

a) Composition of the Board of the General Meeting (throughout the said year).

11. Details and position of the members of the Presiding Board of the General Meeting and respective term of office (beginning and end).

At present, the Board of the General Meeting is as follows:

- Chairman - Ricardo Andrade Amaro
- Secretary - Pedro Capitão Barbosa

The current composition of the Board of the General Meeting was established for the period 2022-2024, together with the other members of the Governing Bodies in the General Meeting held on 20 May 2022.

The Chairman of the Board of the General Meeting has, besides the support of the respective Secretary, the support of the Company's Secretary as well as the administrative services and means of the company, which are deemed sufficient and adequate for the good performance of his duties.

b) Exercising the right to vote.

12. Any restrictions on the right to vote, such as restrictions on voting rights subject to holding a number or percentage of shares, deadlines for exercising voting rights, or systems whereby the financial rights attaching to securities are separated from the holding of securities (Article 29-H(1) al. (f)).

The Company's Articles of Association does not stipulate any minimum number of shares to exercise the voting rights.

Pursuant to the provisions of Article 23-C, nr. 1 of the Securities Code, "any person who, on the date of registration, corresponding to 0 hours (GMT) of the 5th trading day prior to the day the meeting is held, holds shares that confer, according to the law and the Articles of Association, at least one vote, shall have the right to participate in the General Meeting and discuss and vote in whoever", and pursuant to the provisions of paragraph 5 of Article 13, of the Company's articles of association, each share registered in the name of a shareholder counts one vote.

The statutory regulations on the exercise of voting by post are set out in nr. 2 of article 13, of the company's Articles of Association, which stipulate that:

"Shareholders may exercise their voting rights by post. To do so, they should address a registered letter to the Chairman of the Board of the General Meeting, with acknowledgement of receipt, with at least three working days prior to the date of the General Meeting session to which it relates."

The ballot paper and the proxy form are available on the Company's website, and interested shareholders may send such documentation by registered post or via email indicated in the meeting's notice, in order to exercise their voting right with no need to attend physically in order to exercise their vote.

The Company maintains the option of sending

the voting bulletins by email, this way allowing its shareholders to participate in the GM at a distance.

The Company's Articles of Association do not contain any rules regarding detachment system of any equity rights.

The company considers that it is in the best interest of its shareholders not to implement a telematics voting system, given that, in addition to not having received any expression of interest to date from shareholders or potential investors in participating in its meetings by telematic voting means, (i) on past General Meetings there was always a low number of participants and (ii) the implementation of a system allowing voting by telematic means to be carried out in a safe way, would represent a significant cost to the Company, and (iii) makes available to its shareholders the possibility of sending the voting ballot by e-mail.

Without prejudice to the foregoing, during the validity of Law 1-A/2020, of March 19, amended by Law No. 4-A/2020, of April 6, Law No. 4-B/2020, of April 6, Law No. 14/2020, of May 9, Law No. 16/2020, of May 29, Law No. 28/2020, of July 28, Law No. 58-A/2020, of September 30, Law No. 75-A/2020, of December 30, Law No. 1-A/2021, of January 13 and Law No. 4-B/2021, of February 1, which establishes exceptional and temporary measures to respond to the epidemiological situation caused by the coronavirus SARS-CoV-2 and the disease COVID-19, the telematic participation in the company's general meetings will be governed by the provisions of 1 of its Article 5, which provides that "the participation by telematic

means, namely video or teleconference of members of collegiate bodies of public or private entities in the respective meetings, does not impede the regular functioning of the body, namely with regard to quorum and deliberations, however, it must be registered, in the respective minutes, the form of participation”.

13. Details of the maximum percentage of voting rights that may be exercised by a single shareholder or by shareholders that are in any relationship with him/her as set out in Article 20(1).

At the General Meeting held on 15 November 2018, the Articles of Association that provided for the limitation of the voting rights expressed by one shareholder have been reviewed.

This provision, as amended, provides that votes cast by one shareholder, in his/her own name or in representation of another, exceeding one third of the total votes corresponding to the share capital will not be considered. The voting rights corresponding to shares held by a shareholder, subject to a common domain, are also covered by this statutory provision, being proportionally limited when affecting several shareholders.

It is settled that the Board of Directors has to submit, every other five years, a proposal for resolution by the General Meeting to change or maintain this statutory provision, without aggravated quorum requirements relative to the complementarily quorum established by law. On this deliberation, all votes are

counted, not being applied the limitation of votes.

14. Details of shareholders' resolutions that, imposed by the Articles of Association, may only be taken with a qualified majority, in addition to those legally provided, and details of said majority.

The company's Articles of Association do not contemplate other qualified majorities for the adoption of corporate resolutions besides those provided for by law, namely:

- So that the General Meeting can deliberate at first call on amendments on the Articles of Association, on mergers, asset split, transformation, dissolution or other matters for which the law requires a qualified majority, without specifying it, shareholders must be present or duly represented by those whose holding shares represent at least 1/3 of the share capital; on a second call the General Meeting may deliberate independently of the represented share capital (Art. 383, paragraphs 2 and 3 of the Company's Code - CCC);
- In the resolutions indicated in the previous paragraph, the decision must be approved by 2/3 of the votes cast, irrespective of whether the meeting is held at first or second call; however, if, at second call, shareholders holding at least half of the share capital are present or represented, the resolutions on the referred matters may be taken by a majority of the votes cast.

II. MANAGEMENT AND SUPERVISION (BOARD OF DIRECTORS, EXECUTIVE BOARD

OF DIRECTORS AND THE GENERAL AND SUPERVISORY BOARD)

a) Composition (throughout the year of reference)

15. Details of corporate governance model adopted.

According to the resolution of the General Meeting of 31 May 2007, the company adopted as a model of administration and supervision the contemplated in paragraph b) of nr. 1 of Article 278 of the CCC, namely a Board of Directors, comprising an Audit Committee and Statutory Auditor.

At the Board of Directors meeting of 8 June 2022, the regulations of the Board of Directors were approved, as well as the creation of an Executive Committee, to which the current management of the company was delegated.

Article 4 of the Board of Directors' regulations stipulates that the Board must meet ordinarily once every trimester.

The Company's Articles of Association provide in article 22 that the members of the Audit Committee shall be appointed at a General Meeting, which is composed by three members, one of which will serve as Chairman. The Chairman will be responsible for convening the respective meetings. The Audit Committee will ordinarily meet, at least every two months. In addition, the Executive Committee provides, when requested, the supporting documentation of its deliberations and other documents that it keeps on file.

The minutes of each meeting of the Board of Directors, the Executive Committee and the Audit Committee have been written and are available for consultation by the Governing Bodies at the company's headquarters, and the Chairman of each Body is available to provide any clarification.

The minutes of the Executive Committee meetings are regularly presented to the Audit Committee, and the minutes of the latter's meetings are regularly presented to all the members of the Board of Directors.

Under the provision of the Board of Directors Regulation approved in 8 June 2022, whenever the Chairman of the Board of Directors performs executive functions, the independent directors must appoint a leading independent director from among them to, namely, (i) act, whenever necessary, as interlocutor with the Chairman of the Board of Directors and with other Directors, (ii) ensure that they have the set of conditions and means necessary to perform their duties, and (iii) coordinate them in the performance evaluation by the management body.

16. Articles of association rules on the procedural requirements governing the appointment and replacement of members of the Board of Directors, the Executive Board and the General and Supervisory Board, where applicable. (Article 29-H (1) al. (h)).

In conformity with provision of paragraph 1 of Article 18 of the company's bylaws, the Board of Directors should be composed by

5 to 12 members, elected on the General Meeting.

Paragraph 2 of the same article states that “the shareholders who vote against a motion to elect the Directors have the right to appoint one Director, as long as this minority represents at least 10% of the share capital”.

Paragraph 3 of the same article states that the Director designated by the minority will automatically replace the less voted person of the winning list, or in case of equal votes, the person on the last position of the same list.

In conformity with the provisions of paragraph 7 of Article 18 of its Bylaws, “if the Board of Directors, being composed by a number of members lower than the maximum number provided for in paragraph one of this Article, deems it convenient for the management of the company’s business that the number of Directors be increased, it may appoint two new members up to the first Annual General Meeting of the company, as long as the limit of twelve members set for the Board of Directors in these articles is not obviously exceeded. The first annual General Meeting held after such appointment shall confirm or not the Board of Director’s decision on the number of Directors and, if agreed, will ratify the appointment of new members”.

Paragraphs 8 and 9 from Article 18 of the Articles of Association provide that

the “absence, during a calendar year, from more than two meetings of the Board of Directors, without justification accepted by the Board, will lead to a definitive absence of the Director” and that “the Board of Directors will co-opt substitutes for its members who are permanently absent or, in accordance with the law, have been removed from the position or have resigned. Replacements thus effected shall continue until the end of the period for which the members of the Board of Directors who made the co-optation were elected, unless this has not been ratified before at the first subsequent General Meeting, to which approval must be submitted, as determined in nr. 4 of Article 393 of the Commercial Companies Code.”

Finally, paragraph 5 of Article 18 of the Articles of Association states that “the Board of Directors may delegate the day-to-day management of the company to one or more directors or to an Executive Committee.”

The company has not introduced any type of measure that could imply future payment or assumption of costs by the company in the event of a change of control or changes in the composition of the Board of Directors, that may be liable to impair the economic interest in the transmission of shares and shareholders' appreciation of the Directors' performance.

17. Composition of the Board of Directors, the Executive Board and the General and Supervisory Board, where applicable, with details of the articles of association's

minimum and maximum number of members, duration of term of office, number of effective members, date when first appointed and end of the term of office of each member.

According to the bylaws, the Board of Directors must be comprised of five to twelve members, elected by the General Meeting for a three-year renewable period,

being able to delegate the day-to-day management of the company to an Executive Committee.

In the use of this prerogative, the Board of Directors decided, by resolution dated from 8 June 2022, to delegate the daily management of the company to an Executive Committee, being the composition of each of the two referred bodies as follows:

BOARD OF DIRECTORS AND FUNCTION		EXECUTIVE COMMITTEE AND FUNCTION	DATE OF FIRST APPOINTMENT	END OF TERM OF OFFICE
Diogo Francisco Bastos Mendes Rezende	Chairman	Chairman	29.07.2015	31.12.2024
Inês Patrícia Arêde Simões Louro	Member	Member	23.05.2019	31.12.2024
Frederico João de Moser Lupi	Member	Member	01.10.2015	31.12.2024
Victor Maurílio Silva Barros*	Member		23.05.2019	31.12.2024
Emília Noronha Galvão Franco Frazão	Member		23.05.2019	31.12.2024
Patrícia Isabel Sousa Caldinha	Member		23.05.2019	31.12.2024
João Miguel Pacheco de Sales Luís	Member		07.05.2013	31.12.2024

*Lead independent director



18. Distinction to be drawn between executive and non-executive directors and, as regards non-executive members, details of members that may be considered independent, or, where applicable, details of independent members of the General and Supervisory Board.

The independence criteria that served as a basis to the assessment of the directors' situation were those set out in the Article 414 of the Companies Act and in regulation nr. 4/2013 from CMVM.

In the assessment of independence criteria of non-executive directors, the provisions set out in regulation nr. 4/2013 of the CMVM (namely Article 18.1) and in the Commercial Companies Code (Article 414.5(b)) were taken into consideration.

When the criteria from the IPG code (2018), revised in 2020, were applied there were no discrepancies in the assessment of the independence of Directors.

The Board of Directors has elected for the 2022-2024 term Diogo Francisco Bastos Mendes Rezende as its Chairman, who combines these functions with Chairman of the Executive Committee.

The Board has elected, for the functions of lead independent director, the Chairman of the Audit Committee, Victor Maurílio Silva Barros, with the mission of (i) acting as the interlocutor with the Chairman of the Board of Directors, (ii) ensuring that the conditions and means necessary for the performance of the functions of independent directors exist, and (iii) coordinating the performance evaluation of the management body.

	NON-EXECUTIVE	INDEPENDENT
Diogo Francisco Bastos Mendes Rezende	No	
Inês Patrícia Arêde Simões Louro	No	
Frederico João de Moser Lupi	No	
Victor Maurílio Silva Barros*	Yes	Yes
Emília Noronha Galvão Franco Frazão	Yes	Yes
Patrícia Isabel Sousa Caldinha	Yes	Yes
João Miguel Pacheco de Sales Luís	Yes	Yes

* *Lead independent director*



19. Professional qualifications and other relevant curricular information of each member of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors, where applicable.



Diogo Francisco Bastos Mendes Rezende

CHAIRMAN

Academic qualifications

- Degree in Economics, NOVA SBE, Universidade Nova de Lisboa
- MBA by INSEAD

Professional qualifications

- CEO - of Ford Lusitana (2004-2014)
- CEO - of Chrysler Jeep in Portugal (1998-2003)
- Assistant professor of Applied Entrepreneurship in the Master's program (2013-2015) and member of the Advisory
- Board (2011-2015) at Nova School of Business and Economics
- Adjunct Professor of Marketing at Nova School of Business and Economics (1996-1998)
- Marketing and Sales Director at Ford Lusitana (1992-1998)
- Strategic Consultant at ESFI - Strategy and Finance (1990-1991)
- Chairman of the Board of Directors / Management Board of subsidiaries from Inapa Group:
 - Europackaging - Investimentos, Participações e Gestão, Lda.
 - Inapa Belgium, SA
 - Inapa ComPlott GmbH
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa España Distribución de Papel, SA
 - Inapa France SAS
 - Inapa Merchants Holding, Ltd
 - Inapa Packaging, GmbH
 - Inapa Packaging, Lda.
 - Inapa Packaging, SAS
 - Inapa Portugal Distribuição- de Papel, SA
 - JJ Loos SAS



Inês Patrícia Arêde Simões Louro

Academic qualifications

- Degree in Business Management by ISEG
- MBA by the Lisbon MBA

Professional qualifications

- Corporate Director of Strategic Planning and Control at ETE Group (2016-2019)
- Director of Strategic Planning and Pricing at Portugal Telecom (2009-2015)
- Director of Strategic Planning and Control at Portugal Telecom (2006-2009)
- Director of Business Development at PT Comunicações (2004-2005)
- Corporate Planning and Control Officer at Portugal Telecom (2002-2003)
- Director of Planning and Control at PTM.com (2001-2002)
- Director/Manager of the following subsidiaries of Inapa Group
 - Europackaging – Investimentos, Participações e Gestão, Lda.
 - Inapa Angola, SA
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa España Distribución de Papel, SA
 - Inapa Portugal – Distribuição de Papel, SA
 - Inapa Shared Center Lda
 - Korda Kağıt Pazarlama Ve Ticaret Anonim Şirketi



Frederico João Moser Lupi

Academic qualifications

- Degree in Economics, NOVA SBE, Universidade Nova de Lisboa
- Three Executive programs by INSEAD (Fontainebleau, France)

Professional qualifications

- CFO of the EIP Group (2015)
- Coordinating director of bancassurance in the BCP Group in Lisbon and Athens, commercial director in Banco Pinto e Sottomayor (BCP Group), coordinating director and member of the Executive Committee in Athens in Millennium Bank, commercial director of the retail network in Millennium BCP and director of the Real Estate business (1996-2014)
- Financial director and deputy director of Lusalite (1993-1995)
- Director/Manager of the following subsidiaries of Inapa Group:
 - Inapa Angola, SA
 - Inapa Belgium, SA
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa España Distribución de Papel, SA
 - Inapa France SAS
 - Inapa Portugal Distribuição de Papel, SA
 - Inapa Shared Center, Lda.
 - JJ Loos SAS
 - Korda Kağıt Pazarlama Ve Ticaret Anonim Şirketi



Victor Maurílio Silva Barros

Academic qualifications

- Executive Program in Advanced Valuation, New York University Stern School of Business
- PhD in Management with specialization in Finance by ISEG - University of Lisbon
- Master's degree in finance by ISEG - University of Lisbon
- Post-graduate diploma in Regional and International Taxation
- Degree in Management, University of Madeira
- Certified Accountant
- CFA® charterholder by the CFA Institute
- Advanced Program for Non-Executive Directors - Portuguese Institute of Corporate Governance

Professional qualifications

- Chairman of the Audit Board of Rádio e Televisão de Portugal, SA (since 2021)
- Member of the Audit Board of IDEFE / ISEG Executive Education (since 2017)
- Assistant Professor of Finance at ISEG - Universidade de Lisboa (since 2016)
- Faculty Advisor of ISEG in the CFA Institute Research Challenge (since 2015)
- Invited Assistant Professor at ISEG - University of Lisbon (2013-2016)
- Researcher at ADVANCE/CSG - Research in Social Sciences and Management (since 2011)



Emília de Noronha Galvão Franco Frazão

Academic qualifications

- Degree in Business Administration and Management by Universidade Católica
- Advanced Programme for Non-executive Directors - Portuguese Institute of Corporate Governance

Professional qualifications

- Member of the Board of Directors of Associação - Fundo de Assistência do Crédito Agrícola Mútuo (FACAM) (since 2020)
- Member of the Audit Board of Monte d'Alva - Alimentação, SA (since 2020)
- Member of the Fiscal Council of SGEHR - Sociedade Gestora e Exploradora de Hotéis e Resorts, SA (since 2019)
- Non-executive Member of the Board of Directors of FUNDIESTAMO - Sociedade Gestora de Organismos de Investimento Coletivo, SA (from 2019 to April 2022)
- Coordinating Director at Novo Banco (2013-2017)
- Non-Executive Director Espírito Santo Capital - Sociedade de Capital de Risco (2013-2015)
- Executive Director of Espírito Santo Capital - Sociedade de Capital de Risco (2000-2013)
- Executive Board Member at IAPMEI (1999-2000)
- Director at Banco Espírito Santo de Investimento, SA (1991-1999)
- Lecturer at Catholic University (1988-1991 and 1994-1998)



Patrícia Isabel Sousa Caldinha

Academic qualifications

- Degree in Business Management by Universidade Autónoma de Lisboa
- Chartered Accountant
- Certified Economist and Accountant

Professional qualifications

- Substitute of the Supervisory Board of VICTORIA - Seguros Vida, SA (since March 2022)
- Substitute of VICTORIA - Seguros, SA (since March 2022)
- Member of the Fiscal Council of Águas do Tejo Atlântico, SA (since 2021)
- Member of the Fiscal Council of Insight Venture - Sociedade de Capital de Risco, SA (since 2021)
- Member of the Board of Directors of the Order of Statutory Auditors (since 2021)
- Chairman of the Board of Auditors Registration Committee (since 2021)
- Member of the Fiscal Council of EPAL - Empresa das Águas Livres, SA (since 2018)
- Alternate member of the Fiscal Council of Simarsul - Sanitation of the Peninsula of Setúbal, SA and Águas do Centro Litoral, SA (since 2017)
- Alternate member of the Fiscal Council of Águas do Tejo Atlântico, SA (from 2017 to 2021)
- Provides individual activity of Statutory Auditor and related services (since 2012)
- Member of the Board at Auto Jardim do Algarve - Rent a Car, SA (2005-2007)
- Member of the Board at JMTC - Sociedade Gestora de Participações Sociais, SA (1998-2005)
- Manager at Auto Jardim do Algarve - Automóveis de Aluguel, Lda. (1997-2012)
- Manager at Auto Colibri - Auto Repairs, Lda. (1997-2012)
- Auditor at António Borges & Associados, Audit Firm (1995-2015)
- Consultant at António Borges & Associados - Consultores Associados, SA (1995-2004)



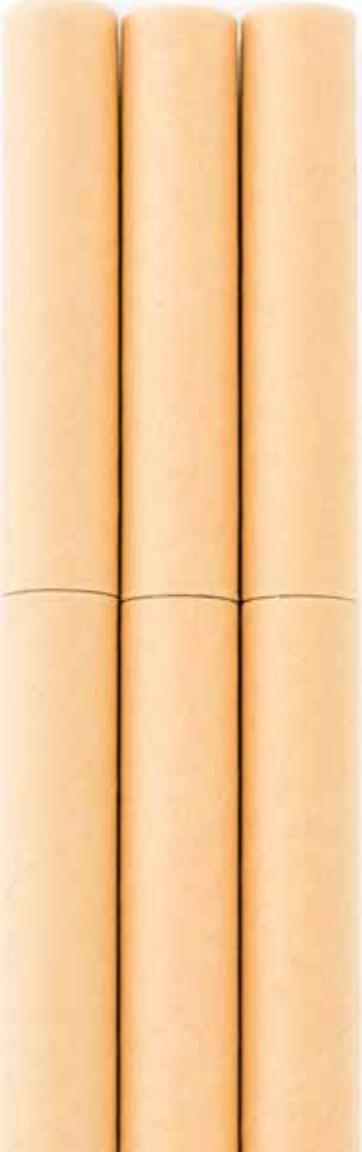
João Miguel Pacheco de Sales Luís

Academic qualifications

- PADE (Top Management Program) of AESE (1999/2000)
- MBA by Universidade Nova de Lisboa (1997)
- Technical Accounting Officer
- Degree in Business Administration and Management by Universidade Católica Portuguesa (1981)

Professional qualifications

- Member of the Supervisory Board of Banco Caixa Geral de Angola (since 2022)
- President of the Fiscal Council of the International Bank of São Tomé Príncipe (since 2019)
- President of the Foundation Social Work of the Irish Dominican Sisters (since 2015)
- President of the Fiscal Council of Unicre - Credit Financial Institution, SA (2013-2018)
- Managing Director of the retail network at BCP (2008-2012)
- Retail Commercial Director at BCP (2003-2008)
- Managing Director of the Stock Brokerage Business at BCP Investment (2001-2003)
- Coordinating Director of Private Banking in the South Zone (2000-2001)
- Coordinating Director of the "International Private Banking" (1998-2000)
- Marketing Director of the Western Insurance Company (1997-1998)
- Commercial Director of Nova Rede (1995-1997)
- General Manager of BCPI (BCP Asset Management Company) (1991-1994)
- Technical of BCP Millennium Studies and Planning Department (1986-1991)
- Technical at Planning and Control Department at Sorefame (Metalworking and Railway Industry) (1986-1991)



The lists proposed for the election of the Board of Directors are accompanied by a curriculum vitae of the candidates, to assess the suitability of the members for the exercise of their mandate, including academic qualifications and a description of the professional activities during their careers. This information is made available to shareholders within the deadlines established by law for convening elective General Meetings.

The company's management and supervisory bodies show a diverse representation in terms of age, gender, and professional background, which contributes to achieving a greater range of understanding and depth of analysis, as well as a more comprehensive view of the multiple implications of adopted decisions.

The average age of the members of the Board of Directors is 53 years old. The maximum age is 63 and the minimum age is 36, which represents an age range of 27 years.

Regarding the distribution in terms of gender of the members of the Board of Directors, the Executive Committee and the Audit Committee, there is a balance, with the underrepresented gender being at least 1/3 in the different management and supervisory bodies.

The following tables provide additional information regarding the distribution in terms of age and gender of the company's management and supervisory bodies.

Board of Directors

Age Group	Women	Men	Total	% women	% men
< 30 years old	0	0	0		
30-50 years old	1	1	2		
> 50 years old	2	3	5	43%	57%
Total	3	4	7		

Executive Committee

Age Group	Women	Men	Total	% women	% men
< 30 years old	0	0	0		
30-50 years old	1	0	1		
> 50 years old	0	2	2	33%	67%
Total	1	2	3		

Audit Committee

Age group	Women	Men	Total	% women	% men
< 30 years old	0	0	0		
30-50 years old	0	1	1		
> 50 years old	2	0	2	66%	37%
Total	2	1	3		

The qualifications and professional background of the 7 members of these bodies are described in points 19, 26 and 36 of this report.



20. Customary and meaningful family, professional or business relationships between members, where applicable, of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors with shareholders that are assigned with a qualifying holdings that are greater than 2% of the voting rights.

At the present date, there are no family, professional or commercial relationships between members of the Board of Directors and shareholders that are attributable to a qualifying holding greater than 2% of the voting rights.

21. Organisational structure or flowcharts concerning the allocation of powers between the various corporate boards, committees and/or departments within the company, including information on delegating powers, particularly as it regards the delegation of the company's daily management.

GENERAL MEETING

REMUNERATION COMMITTEE	BOARD OF DIRECTORS		
Ricardo Andrade Amaro Chairman	NON-EXECUTIVE	EXECUTIVE	
Pedro Vilas Boas	Victor Barros	Diogo Rezende Chairman	
Tiago Estevinho	Emília Frazão	Inês Louro	
	Patrícia Caldinha	Frederico Lupi	
	João Sales Luís		
AUDIT COMMITTEE	EXECUTIVE COMMITTEE	CORPORATE CENTER	
Victor Barros Chairman	Diogo Rezende Chairman	David Pedroso	Internal Audit (*)
Emília Frazão	Inês Louro	António Alvim	Legal
Patrícia Caldinha	Frederico Lupi	João Alvarinho	IT
		Miguel Loureiro	Investor Relations
		Carlos Alves	Consolidation
		Sofia Picoto	Finance and Planning
		Gilbert Trepmann	Graphic
		Antoine Lequitte	Office
		Jean Philippe Folly	Sustainability
GERMANY	FRANCE	SPAIN	PORTUGAL
Thomas Schimanowski	Afonso Chaby	Ginés Ramírez	Ginés Ramírez
Martin Tewes	Marc Gautier	Pedro Huidobro	Luís Ferreira
Carsten Schodel	Alexis Dormoy	Miguel Moreira	Miguel Moreira
Alexander Herbst			
Achim Thörner			
Jürgen Luzar			
	TURKEY	BELUX	ANGOLA
	Suzi Matat	Chris Luyten	António Franco

* IT ALSO REPORTS TO THE AUDIT COMMITTEE

By resolution of the Board of Directors dated 8 June 2022, the following powers were delegated to the respective Executive Committee, pursuant to the provisions of article 407, paragraphs 3 and 4, of the Portuguese Companies Code, without prejudice to the power of the Board of Directors to adopt resolutions on the same matters pursuant to paragraph 8 of the same legal provision:

- a) The day-to-day management of the Company;
- b) Monitoring and coordination of subordinate companies, including the definition of management and control guidelines;
- c) Setting out plans for the implementation of policy, objectives, and strategy of the Company and the Group for approval by the Board of Directors;
- d) Setting out general guidelines concerning the Company's internal organisation, including internal control and risk management systems, for approval by the Board of Directors;
- e) Preparing the Company's operational budgets and medium and long-term investment and development plans, for approval by the Board of Directors;
- f) Approving contracts for the procurement of goods and services by the Company up to a limit of € 500,000;
- g) Negotiating and concluding short-term financing agreements for the Company, under such terms and conditions as it deems most appropriate to protect the interests of the Company;
- h) Negotiating and celebrating agreements to change, replace or renew Company financing contracts, including commercial paper programmes, under such terms and conditions as it deems more appropriate to protect the interests of the Company;
- i) Negotiating new financing contracts for more than one year and a day of the Company, bond issues and commercial paper programmes, provided, however, that binding the Company, in this type of operation, is expressly conditional upon a prior resolution of the Board of Directors;
- j) Provide financial support to subordinated companies, in the manner and under the conditions that it deems most appropriate to defend the interests of the Company;
- k) Purchasing, selling and pledging goods or assets accounted for as fixed assets of the Company in accordance with budgets approved by the Board of Directors;
- l) Purchasing, selling and pledging goods or assets accounted for as fixed assets of the Company not included in budgets approved by the Board of Directors up to a value of 1.5% of the realized share capital per item;
- m) Purchasing, selling or pledging shares in other companies, provided the transactions in question do not exceed 2.5% of the realized share capital per item, above which limit prior approval from the Board of Directors shall be required;

- n) Deliberate on the realization of investments, divestitures and restructuring in and by the Subordinate Companies;
- o) Renting or letting out any buildings or sectional title properties;
- p) Representing the Company in court and out of court, either as plaintiff or as defendant, as well as proposing and filing any legal suits, admitting guilt, withdrawing or settling out of court and committing to abide by arbitration proceedings;
- q) Entering into, amending and terminating employment contracts and exercising powers of discipline over the staff;
- r) Opening, transacting and closing bank accounts;
- s) Appointing duly mandated representatives of the Company.

In the resolution mentioned, the Board of Directors clarified that the powers contained in paragraph h) should be understood as being restricted to non-substantial amendments to the financing agreements contemplated therein.

The following are non-delegable competences of the Executive Committee:

- Deliberate on matters stated in paragraphs a) to m) of Article 406 of the Commercial Companies Code;
- Deliberate, under the terms and limits established in article 503 of the Portuguese Companies Code, on binding instructions to

Subordinated Companies;

- Deliberate under the proposal from the Executive Committee, on the budget and plan of the Company and the Group;
- Deliberate on the acquisition and disposal by the Company of majority or controlling shareholdings, as well as those subject to a special acquisition or disposal process under the terms of the Portuguese Securities Code (CMVM);
- Deliberate, under proposal of the Executive Committee, on the setting of the Company's strategic goals regarding risk-taking and on the respective internal control and risk management systems;
- Approve, with a previous and binding opinion of the Audit Committee, the regulation on transactions with related parties and/ or its amendments, as well as approving transactions with related parties under the terms established in such regulation.

It should also be noted that all Directors, including those belonging to the Audit Committee, in addition to assessing and approving the budget and strategic plan for the three-year period, monitor its progress on at least a quarterly basis.

The strategic plan for the 2022-2024 three-year period, where the priorities, policies and strategic goals are set out, was discussed on a meeting of the Board of Directors on 18 May 2022, and was reviewed and approved on a meeting of the Board of Directors on 25 September 2022.

The strategic plan previously referred was designed with a view to the long-term success of the company and carried out from a perspective that promotes the community's environmental and social sustainability. In chapter 1 of the Annual Report, the strategic plan is detailed, and a progress report is made on the initiatives that have been carried out as part of its implementation.

The Board of Directors and the Audit Committee regularly assess the adequacy of the risk mitigation measures present in the company, jointly defining work programs to monitor and maintain the adequacy of the measures in progress, allowing adjustments to be made whenever justified. The Audit Committee regularly assesses the operational risks and the compliance of the control mechanisms.

It should also be noted that, in the resolution of the Board of Directors on 8 June 2022, the Chairman of the Executive Committee was especially entrusted, in accordance with the provisions of article 407(6) of the CCC, to:

- Ensure that all information is provided to the other members of the Board of Directors regarding the activity and resolutions of the Executive Committee;
- Ensure compliance with the limits of the delegation of powers and the company's strategy.

The Chairman of the Executive Committee sends regular notices and the minutes of the Executive Committee meetings to the Chairman of the Audit Committee and they are filed and available for consultation by the other

members of the governing bodies at the company's head office. The notices, decision support materials and minutes of the Board of Directors are distributed to all company directors.

By virtue of the applicable legal provisions, reproduced in the Board of Directors' resolution of 8 June 2022, the Audit Committee is especially entrusted with the following duties:

- Supervising the management board of the company;
- Supervising compliance with the law and Articles of Association;
- Verifying due compliance of the accounting books, accounting records and supporting documents;
- Verifying, whenever it deems convenient and in the way it considers appropriate, the extension of cash flow and the stock of any type of goods or values belonging to the company or received by it as guarantee, deposit or other title;
- Verifying the accuracy of the accounting documents;
- Verifying whether the accounting policies and valuation criteria adopted by the Company are conducive to appropriately represent its assets and results;
- Compiling, on an annual basis, an audit report on its audit and supervisory action and issuing an opinion on the annual report

and accounts and proposals of the Board of Directors, where it states its agreement or not on the management report and financial statements and include the declaration subscribed by its members, according to Article 245.1 c) of the Securities Code (now Article 29-G.1 c), signed by each of its members;

- Convening the General Meeting of Shareholders when the Chairman of the respective Board must do so but does not do it;
- Supervising the effectiveness of the risk management system, the internal control system and the internal audit system;
- Receiving reports on irregularities presented by shareholders, company employees or others;
- Auditing the process of preparation and disclosure of financial statements;
- Supervising the audit of the company's financial statements;
- Certifying whether the report on corporate governance structure and practices disclosed by the Company includes the elements referred in Article 29-H of the Securities Code as amended by Law nr. 99-A/2021 of 31 December;
- Propose the appointment of the Statutory Auditor to the General Meeting, approve annually the scope of the respective audit work and the corresponding fees, approve any provision of additional services other

than audit services and oversee their independence;

- To issue a prior opinion on the regulation on transactions with related parties and its alterations, as well as on transactions with related parties under the terms established in the said regulation;
- To report to the Public Prosecutor's Office the criminal facts of which it has knowledge, and which constitute public crimes;
- To hire services of experts to assist one or more of its members in the exercise of their functions.

In the performance of its duties the Audit Committee meets with the external auditor and the chartered accountant – the two functions are assigned to the same entity – and is the first recipient of the reports.

The Audit Committee makes an assessment of the work plan to be performed by the internal auditor, receives its reports, supervises regularly the work in progress and the adequacy of its paths.

Annually, the Audit Committee makes an assessment of the work performed by the external auditor and the chartered accountant.

In case it considers adequate its dismissal, it should propose its replacement in the General Meeting.

The Audit Committee annually gives its opinion on the report and accounts submitted by management, which lists the strategic pillars and objectives of the current mandate.

The work plan for the auditing of the accounts is reviewed jointly with the Audit Committee. The progress of the work, including its conclusion, is monitored by the Audit Committee, which is the first recipient of the auditor's report.

Within the scope of their work, the Chartered Accountant and the external auditor carry out:

- An identification and assessment of risks of material misstatement of the financial statements due to fraud or error;
- An understanding of the internal control relevant to the audit;
- An assessment of the appropriateness of accounting policies;
- A conclusion on whether the going concern assumption is appropriate and whether any material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern;
- An evaluation of the overall presentation, structure and content of the financial statements;
- A communication with those charged with governance, including the supervisory body, of the scope, planned timing of the audit and significant audit findings including any significant deficiencies in internal control identified during the audit;

- A communication to those charged with governance, including the supervisory body, regarding the matters of most significance in the audit of the financial statements for the year;
- A statement to the supervisory body on the compliance with relevant ethical requirements regarding independence and any relationships that may be perceived as threats to independence.

b) Functioning

22. Availability and place where rules on the functioning of the Board of Directors, the General and Supervisory Board and the Executive Board, where applicable, may be viewed.

In the resolution of the Board of Directors of 8 June 2022, the regulations of the following governing bodies: Board of Directors, Executive Committee and Audit Committee have been approved.

Those regulations are contained in a single document (the Board of Directors' Regulations) that can be consulted at its head office (Rua Braamcamp 40 – 9º D - Lisbon) or through its official website www.inapa.com.

23. The number of meetings held and the attendance report for each member of the Board of Directors, the General and Supervisory Board and the Executive Board, where applicable.

From 1 January 2022 until 31 December, 2022 the Board of Directors met with the following assiduity:

- Number of meetings: 18
- Attendance per member:

Diogo Francisco Bastos Mendes Rezende:	100%
Inês Patrícia Arêde Simões Louro:	89%
Frederico João de Moser Lupi:	94%
Victor Maurílio Silva Barros:	94%
Emília Noronha Galvão Franco Frazão:	94%
Patrícia Isabel Sousa Caldinha:	100%
João Miguel Pacheco de Sales Luís:	78%

From 1 January 2022 until 31 December, 2022 the Executive Committee of the Board of Directors met with the following assiduity:

- Number of meetings: 37
- Attendance per member:

Diogo Francisco Bastos Mendes Rezende:	100%
Inês Patrícia Arêde Simões Louro:	100%
Frederico João de Moser Lupi:	100%

24. Details of competent corporate boards undertaking the performance appraisal of executive directors.

The General Meeting and the Board of Directors are responsible for the assessment of the executive directors' performance.

For remuneration purposes, the Remuneration Committee is also responsible for the performance appraisal of executive directors.

25. Predefined criteria for assessing executive directors' performance.

To determine the remuneration attributed to its corporate body members, Inapa is ruled by the following criteria:

- Simplicity, clarity, transparency, and alignment with the Company's culture, also taking into account the Group to which it belongs;
- Competitiveness, taking into consideration market practices and equity, being the remuneration practice based on uniform, consistent, fair, and balanced criteria;
- Pursuit of excellence in management, through a set of reference business practices, enabling the Company to achieve balance and sustainability; and
- Determination of individual variable remuneration considering the evaluation of the respective performance, based on criteria of a financial and non-financial nature, in accordance with the functions and level of responsibility, as well as with the Company's results.

26. The availability of each member of the Board of Directors, the General and Supervisory Board and the Executive Board, where applicable, and details of the positions held at the same time in other companies within and outside the group, and other relevant activities undertaken by members of these boards throughout the financial year.

The 4 non-executive directors are in a part-time regime relatively to the management of the company.

The positions held inside and outside the company are as follows:

Victor Maurílio Silva Barros

In the Company:

- Member of the Board of Directors
- Chairman of the Audit Committee

In the Group:

- None

Outside the Group:

- Chairman of the Audit Committee of Rádio e Televisão de Portugal, SA (since 2021).
- Assistant Professor of Finance at ISEG - Universidade de Lisboa (since 2020)
- Member of the Fiscal Board of IDEFE / ISEG Executive Education (since 2017)
- Faculty Advisor of ISEG at the CFA Institute Research Challenge (since 2015)
- Researcher at ADVANCE/CSG - Social Sciences and Management Research (since 2011)

Emília Noronha Galvão Franco Frazão**In the Company:**

- Member of the Board of Directors
- Member of the Audit Committee

In the Group:

- None

Outside the Group:

- Member of the Board of Directors of Associação - Fundo de Assistência do Crédito Agrícola Mútuo (FACAM) (since January 2020).
- Member of the Supervisory Board of Monte d'Alva - Alimentação, SA (since January 2020)
- Member of the Audit Board of SGEHR - Sociedade Gestora e Exploradora de Hotéis e Resorts, SA (since July 2019)
- Non-executive Member of the Board of Directors of FUNDIESTAMO - Sociedade Gestora de Organismos de Investimento Coletivo, SA (from September 2019 until April 2022)

Patrícia Isabel Sousa Caldinha**In the Company:**

- Member of the Board of Directors
- Member of the Audit Committee

In the Group:

- None

Outside the Group:

- Alternate member of the Supervisory Board of VICTORIA - Seguros Vida, SA (since March 2022).
- Alternate of VICTORIA - Seguros, SA (since March 2022)
- Member of the Fiscal Council of Águas do Tejo Atlântico, SA (since 2021)
- Member of the Directive Council of the Portuguese Institute of Statutory Auditors (since 2021)
- Chairman of the Registration Committee of the Portuguese Institute of Statutory Auditors (since 2021)
- Member of the Supervisory Board of Insight Venture - Sociedade de Capital de Risco SA (since 2021)
- Member of the Fiscal Council of EPAL - Empresa Portuguesa das Águas Livres, SA (since 2018)
- Alternate member of the Audit Board of Simarsul - Saneamento da Península de Setúbal e Águas do Centro Litoral, SA (since 2017)
- Provides, on an individual basis, the activity of Statutory Auditor and related services.

João Miguel Pacheco de Sales Luís

In the Company:

- Member of the Board of Directors

In the Group:

- None

Outside the Group:

- Member of the Audit Board of Banco Caixa Geral de Angola (since 2022).
- Chairman of the Audit Board of Banco Internacional de São Tomé e Príncipe (since 2019)
- Chairman of Fundação Obra Social das Religiosas Dominicanas Irlandesas (since 2015)

The 3 Executive Directors are in a full-time assignment to the current management of the Company and its subsidiaries.

The positions held inside and outside the Company are as follows:

Diogo Francisco Bastos Mendes Rezende

In the Company:

- Chairman of the Board of Directors
- Chairman of the Executive Committee of the Board of Directors

In the Group:

- Chairman of the Board of Directors / Management Board of:
 - Europackaging - Investimentos, Participações e Gestão, Lda.
 - Inapa Belgium, SA
 - Inapa ComPlott GmbH
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa España Distribución de Papel, SA
 - Inapa France SAS
 - Inapa Merchants Holding, Ltd
 - Inapa Packaging, GmbH
 - Inapa Packaging, Lda.
 - Inapa Packaging, SAS
 - Inapa Portugal Distribuição de Papel, SA
 - JJ Loos SAS
 - Korda Kağıt Pazarlama Ve Ticaret Anonim Şirketi

Outside the Group:

- Manager of Bica Consult, Lda.

Inês Patrícia Arêde Simões Louro**In the Company:**

- Member of the Board of Directors
- Member of the Executive Committee of the Board of Directors

In the Group:

- Director / manager of:
 - Europackaging - Investimentos, Participações e Gestão, Lda.
 - Inapa Angola, SA
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa España Distribución de Papel, SA
 - Inapa Portugal - Distribuição de Papel, SA
 - Inapa Shared Center Lda
 - Korda Kağıt Pazarlama Ve Ticaret Anonim Şirketi

Outside the Group:

- None

Frederico João de Moser Lupi**In the Company:**

- Member of the Board of Directors
- Member of the Executive Committee of the Board of Directors

In the Group:

- Director / Manager of:
 - Inapa Angola, SA
 - Inapa Belgium, SA
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa España Distribución de Papel, SA
 - Inapa France SAS
 - Inapa Portugal Distribuição- de Papel, SA
 - Inapa Shared Center, Lda.
 - JJ Loos SAS
 - Korda Kağıt Pazarlama Ve Ticaret Anonim Şirketi

Outside the Group:

- None

c) Committees within the Board of Directors or Supervisory Board and Board Delegates.

27. Details of the committees created within the Board of Directors, the General and Supervisory Board and the Executive Board of Directors, where applicable, and the place where the rules on the functioning thereof is available.

At the level of the Board of Directors, only one Executive Committee has been created, to which the day-to-day management of the company has been delegated.

Given the small size of the company, considering the provisions of Article 413/2 of the PCC (Portuguese Companies Code) - as the company is below two of the three thresholds, net turnover and number of employees – to the limited number of members from the Board of Directors – seven -, and to the functions performed by its Audit Committee (which would overlap with other committees), and the number of Members from the Board of Directors that make part of the Executive Committee (3) and the Audit Committee (3), only remaining one independent director, without executive or auditing functions (1), the Board considered that it is not justified the appointment of other committees, with responsibilities in matters of company management and supervision. The number of non-executive directors represents more than half of the total number of directors, which is an adequate number considering its size and the complexity of activities it performs.

Also, it is worth noting that a lead independent director has been appointed to coordinate the performance evaluation of the Board of Directors, acting as a liaison with the Chairman of the Board of Directors and ensuring that the conditions and means necessary for the performance of the functions of the independent directors exist.

It is the company's understanding that the only senior managers of the company are the members of its Board of Directors.

28. Composition of the Executive Board and/or details of the Board Delegate/s, where applicable.

The company's Executive Board has the following composition:

- Chairman: Diogo Francisco Bastos Mendes Rezende;
- Member: Inês Patrícia Arêde Simões Louro;
- Member: Frederico João de Moser Lupi.

29. Description of the powers of each of the committees established and a summary of activities undertaken in exercising said powers.

The competencies of the Audit Committee and of the Executive Committee are detailed on section 21.

III. SUPERVISION

(SUPERVISORY BOARD, AUDIT COMMITTEE OR GENERAL AND SUPERVISORY BOARD)

a) Composition (throughout the current year).

30. Details of the Supervisory Body (Supervisory Board, the Audit Committee or the General and Supervisory Board) representing the model adopted.

The Company has adopted as its supervisory body an Audit Committee operating within the scope of its Board of Directors in accordance with the adopted governance model.

31. Composition of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Financial Matters Committee, where applicable, with details of the articles of association's minimum and maximum number of

members, duration of term of office, number of effective members, date of first appointment, date of end of the term of office for each member and reference to the section of the report where said information is already included pursuant to paragraph 17.

Paragraph 4 of Article 22 of the Company's Act, states that "The Audit Committee of the Board of Directors shall be composed of three members, complying with the requirements stipulated by law, one of whom shall act as chairman and shall be appointed from among the members of the Board of Directors by the General Meeting."

The members of the Audit Committee are elected by the General Meeting for a three years term mandate.

The Audit Committee is made up of the following members of the Board of Directors who have been in office since the dates indicated below:

NAME	POSITION	DATE OF 1 st APPOINTMENT	TERM OF MANDATE
Victor Maurílio Silva Barros	Chairman	23.05.2019	31.12.2024
Emília Noronha Galvão Franco Frazão	Member	23.05.2019	31.12.2024
Patrícia Isabel Sousa Caldinha	Member	23.05.2019	31.12.2024

The Company believes that the current composition of the Audit Committee with three independent members is appropriate,

given the size of the Company and the complexity of the risks of its activity, to carry out the duties assigned to it with efficiency.

32. Details of the members of the Supervisory Board, the Audit Committee, the General and Supervisory Board and the Financial Matters Committee, where applicable, which are considered to be independent pursuant to Article 414/5 CSC and reference to the section of the report where said information already appears pursuant to paragraph 18.

All members of the Audit Committee comply with the rules of independence in accordance with the definition given pursuant to paragraph 5 of Article 414, with any incompatibilities being assessed in accordance with the definition provided for in paragraph 1 of Art. 414-A and paragraph 3 of Art. 423-B of the Portuguese Companies Code.

33. Professional qualifications of each member of the Supervisory Board, the Audit Committee, the General and Supervisory Board and the Financial Matters Committee, where applicable, and other important curricular information, and reference to the section of the report where said information already appears pursuant to paragraph 21.

The qualifications of each member of the Audit Committee are described on section 19 of this report.

b) Functioning

34. Availability and place where the rules on the functioning of the Supervisory Board,

the Audit Committee, the General and Supervisory Board and the Financial Matters Committee, where applicable, may be viewed, and reference to the section of the report where said information already appears pursuant to paragraph 22.

The functioning regulations of the Audit Committee, included in the Regulations of the Board of Directors, are available to shareholders and other interested parties on the company's website - www.inapa.com - or at its head office.

35. The number of meetings held and the attendance report for each member of the Supervisory Board, the Audit Committee, the General and Supervisory Board and the Financial Matters Committee, as applicable, and reference to the section of the report where said information already appears pursuant to paragraph 23.

From 1 January 2022 until 31 December 2022:

- Number of meetings: 16
- Attendance per member:

Victor Maurílio Silva Barros: 100%

Emília Noronha Galvão Franco Frazão: 100%

Patrícia Isabel Sousa Caldinha: 100%

36. The availability of each member of the Supervisory Board, the Audit Committee, the General and Supervisory Board and the Financial Matters Committee, where applicable, indicating the positions held simultaneously in other companies inside and outside the group, and other relevant activities undertaken by members of these Boards throughout the financial year, and reference to the section of the report where such information already appears pursuant to paragraph 26.

The members of the Audit Committee exercise their positions on a part-time regime, and do not hold any other position in the Company or in the Group, apart from the positions inherent to their capacity as members of the Board of Directors.

The positions held by the members of the Audit Committee outside the Company and the Group were / are as follows:

Victor Maurílio Silva Barros**In the Company:**

- Member of the Board of Directors
- Chairman of the Audit Committee

In the Group:

- None

Outside the Group:

- Chairman of the Audit Committee of Rádio e Televisão de Portugal, SA (since 2021).
- Assistant Professor of Finance at ISEG - Universidade de Lisboa (since 2020)
- Member of the Fiscal Board of IDEFE / ISEG Executive Education (since 2017)
- Faculty Advisor of ISEG at the CFA Institute Research Challenge (since 2015)
- Researcher at ADVANCE/CSG - Social Sciences and Management Research (since 2011)

Emília Noronha Galvão Franco Frazão**In the Company:**

- Member of the Board of Directors
- Member of the Audit Committee

In the Group:

- None

Outside the Group:

- Member of the Board of Directors of Associação - Fundo de Assistência do Crédito Agrícola Mútuo (FACAM) (since January 2020).
- Member of the Supervisory Board of Monte d'Alva - Alimentação, SA (since January 2020)
- Member of the Audit Board of SGEHR - Sociedade Gestora e Exploradora de Hotéis e Resorts, SA (since July 2019)
- Non-executive Member of the Board of Directors of FUNDIESTAMO - Sociedade Gestora de Organismos de Investimento Coletivo, SA (from September 2019 until April 2022)

Patrícia Isabel Sousa Caldinha

In the Company:

- Member of the Board of Directors
- Member of the Audit Committee

In the Group:

- None

Outside the Group:

- Alternate member of the Supervisory Board of VICTORIA - Seguros Vida, SA (since March 2022).
- Alternate of VICTORIA - Seguros, SA (since March 2022)
- Member of the Fiscal Council of Águas do Tejo Atlântico, SA (since 2021)
- Member of the Directive Council of the Portuguese Institute of Statutory Auditors (since 2021)
- Chairman of the Registration Committee of the Portuguese Institute of Statutory Auditors (since 2021)
- Member of the Supervisory Board of Insight Venture - Sociedade de Capital de Risco SA (since 2021)
- Member of the Fiscal Council of EPAL - Empresa Portuguesa das Águas Livres, SA (since 2018)
- Alternate member of the Audit Board of Simarsul - Saneamento da Península de Setúbal e Águas do Centro Litoral, SA (since 2017)
- Provides, on an individual basis, the activity of Statutory Auditor and related services.

João Miguel Pacheco de Sales Luís

In the Company:

- Member of the Board of Directors

In the Group:

- None

Outside the Group:

- Member of the Audit Board of Banco Caixa Geral de Angola (since 2022).
- Chairman of the Audit Board of Banco Internacional de São Tomé e Príncipe (since 2019)
- Chairman of Fundação Obra Social das Religiosas Dominicanas Irlandesas (since 2015)

The three Executive Directors are assigned on a full-time regime to the day-to-day management of the Company and of its subsidiaries.

c) Powers and Duties.

37. A description of the procedures and criteria applicable to the supervisory body for the purposes of hiring additional services from the external auditor.

It is the responsibility of the Audit Committee to pre-approve the provision of any service distinct to auditing services to be provided by the external auditor or a member of its network.

The Audit Committee analyses the different audit services and the proposals presented by the external auditor or a member of its network, previously evaluated and communicated by the Executive Committee, to ensure that: (i) the contracting of additional services does not jeopardize the independence of the external auditor; (ii) the balance between the statutory audit services and the additional audit services whose provision is being analyzed is ensured; and (iii) the additional services under consideration are not prohibited and considering the permitted provisions to be waived by each member state in accordance with EU Regulation nr. 537/2014 of the European Parliament and of the Council, of April 16.

38. Other duties of the supervisory body and, where appropriate, the Financial Matters Committee.

In addition to the powers assigned in Article 8 of the Regulations, and described in section 21, the Audit Committee is also responsible for:

- a) Assessing the independence of the Chartered Accountant in audit work and additional services;
- b) Reviewing the transparency report, signed by the Auditor, and published in his website. This report includes related matters on ethics, independence, monitoring and declaration on the effectiveness of the functioning of the internal quality control system;
- c) Representing the Company, within the scope of its powers, with the external auditor;
- d) Receiving communications from the external auditor about deficiencies detected in the internal control system or other irregularities;
- e) Supervising the Internal Audit and Risk Management activity, with the following scope: (i) Annual activity plan; (ii) Reception and periodic reporting of the activity carried out; (iii) Evaluation of the results and conclusions of the work; (iv) Issuing guidelines understood as convenient;
- f) Approving the Risk Management and Internal Audit Charter and Risk Management and Internal Audit Manual.

The Audit Committee regularly monitors the capacity of the Chartered Accountant (ROC) and external auditor to conduct their activities in an independent and impartial manner to ensure the confidence of readers in the

reliability of financial statements, having approved an internal procedures manual at its meeting on March 16, 2023.

As mentioned in point 21, the Audit Committee regularly assesses the adequacy of the risk mitigation measures present in the Company, defining, together with the Board of Directors, work programs to monitor and maintain the adequacy of the measures in progress, allowing adjustments to be made whenever justified.

The Audit Committee also evaluates regularly the operational risks and the adequacy of control mechanisms.

IV. STATUTORY AUDITOR

39. Details of the statutory auditor and the partner who represents it.

The statutory auditor is the firm PricewaterhouseCoopers & Associados - SROC, Lda. represented by Mr. Hugo Miguel Patrício Dias - effective Chartered Accountant.

Hugo Miguel Patrício Dias is registered at CMVM under nr. 20161042 and with the OROC under nr. 1432.

40. State the number of years that the statutory auditor consecutively carries out duties with the company and/or group.

The external auditor - PwC - is currently serving its first term of office in the company, having been elected for the functions it performs on 20 May 2022, replacing the company Deloitte & Associados, SROC SA.

Dr. Hugo Miguel Patrício Dias has represented the statutory audit company PricewaterhouseCoopers & Associados - SROC, Lda since 20 May 2022.

41. Description of other services that the statutory auditor provides to the company.

PricewaterhouseCoopers & Associados - SROC, Lda and other entities belonging to the same network have provided other permitted services referred to in item 46.

V. EXTERNAL AUDITOR

42. Details of the external auditor appointed in accordance with Article 8 and the partner that represents same in carrying out these duties, and the respective registration number at the CMVM.

The external auditor of the Company is the firm PricewaterhouseCoopers & Associados - SROC, Lda represented by Hugo Miguel Patrício Dias.

The external auditor has got the CMVM registration nr. 20161485. Its representative has the CVMV registration nr. 20161042 and with the SROC nr. 1432.

43. State the number of years that the external auditor and respective partner that represents same in carrying out these duties consecutively carries out duties with the company and/or group.

The external auditor is currently serving his first term of office, having been elected on 20

May 2022, replacing Deloitte & Associados, SROC, SA.

The partner that represents him has been in office since 20 May 2022.

44. Rotation policy and schedule of the external auditor and the respective partner that represents said auditor in carrying out such duties.

The policies and schedule of rotation regarding the external auditor and respective partner are those established by law.

45. Details of the Board responsible for assessing the external auditor and the regular intervals when this assessment is carried out.

In addition to the General Meeting, the Audit Committee is responsible for the annual evaluation of the external auditor. Within this scope, this Committee is responsible for monitoring and evaluating the services provided by the external auditor (audit and non-audit services). To carry out this monitoring, the Committee includes in its agenda meetings with the external auditor in order to: (i) monitor and evaluate the work performed and in progress, meeting during mid-year (limited) and annual audits; (ii) learn about the scope and planning of the audit; (iii) to analyse the agenda of the audit work and (iv) to analyse and appraise the conclusions of its audit reports.

The Committee works with the external auditor on a regular basis, ensuring

appropriate working conditions for the performance of all services provided, in order to monitor its independence throughout the year.

Within the scope of this interaction, it is the external auditor's responsibility to immediately inform the Audit Committee of any irregularities relevant to the performance of the supervisory body's functions, as well as any difficulties encountered while carrying out its duties.

Additionally, and in accordance with the auditing standards in force, the external auditor must, within the scope of its powers, verify the efficiency and operation of the internal control mechanisms and report any shortcomings and irregularities to the Audit Committee.

Likewise, the external auditor confirms its independence annually in its Legal Certification of Accounts / Audit Report and in the additional report addressed to the supervisory body.

46. Details of services, other than auditing, carried out by the external auditor for the company and/or companies in a control relationship and an indication of the internal procedures for approving the recruitment of such services and a statement on the reasons for said recruitment.

The contracting of services other than auditing services, provided to the Group in Portugal and abroad, is subject to rigorous analysis in order to prevent any conflicts

of interest with the External Auditor or a member of its network. Any type of work other than audit services that may have potential conflict of interest must not be provided. These services are also assessed for compliance with Law nr. 140/2015 of 9 September, amended by Law nr. 99-A/2021 of 31 December, and EU Regulation nr. 537/2014 of the European Parliament and of the Council of 16 April.

The Audit Committee approved at a meeting on 15 October 2021 the “Terms of Reference for the selection of the SA for the three-year period 2022-2024” in which it established ex-ante the criteria and requirements for the selection of the SA and external auditor to be proposed to the General Meeting.

Such document was prepared in the light of the applicable legal and regulatory rules and namely Law 140/2015 of 7 February, which approved the Statute of the Order of Statutory Auditors, Law 148/2015 of 9 September, which approved the Legal Framework for Audit Supervision, as well as Regulation EU 537/2014 of the European Parliament and of the Council of 6 April.

It was based on such Terms of Reference that the Audit Committee proposed to the General Meeting the election of the Statutory Auditor and external auditor for the three-year period 2022-2024.

PricewaterhouseCoopers & Associados - SROC, Lda was elected at the General Meeting of May 20, 2022.

In addition to the auditing work, which comprises the statutory audit services, the External Auditor’s fees relate to the following distinct auditing services: the limited review of the half-yearly consolidated financial statements, services provided directly to the Company.

47. Details of the 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 the percentage breakdown relating to the following services (For the purposes of this information, the network concept results from the European Commission Recommendation No. C (2002) 1873 of 16 May):

By the Company*	€
Services of Statutory audit and auditing	49,060
Limited review services	17,340
By other entities included in the Group*	
Audit services and review of accounts	256,248
Limited review services	0
Reliability guarantee services	0
Tax consultancy services	0
Other services	0

* INCLUDING INDIVIDUAL AND CONSOLIDATED ACCOUNTS

C. Internal Organisation

I. ARTICLES OF ASSOCIATION

a) Composition of the Board of the General Meeting (throughout the reference year).

48. Rules applicable to the amendment of the Articles of Association Art.29-H, nr. 1, al. h).

The company bylaws, with the exception of changing the headquarters within the national territory, in which the Board of Directors has a specific delegation, can only be changed by resolution of the General Meeting.

For the General Meeting to deliberate on this matter on first convening, shareholders that hold shares representing at least 1/3 of the share capital must be present or duly represented; on second convening, the Meeting may deliberate whatever the number of shareholders present and the capital they represent (Art. 383, nr. 2 and 3 CCC).

Decisions shall be approved by 2/3 of the votes cast, irrespective of whether the General Meeting is held at first or at second call; however, if, at second call, shareholders holding at least half of the share capital are present or represented, decisions on such matters may be approved by a majority of the votes cast.

By virtue of its paragraph 4, the limitation of voting rights contemplated in paragraph 1 of Article 13-A shall also apply to resolutions to amend the Company's Articles of Association.

II. REPORTING OF IRREGULARITIES

49. Reporting means and policy on the reporting of irregularities in the company.

The Board of Directors has approved and made public an internal regulation for the reporting of irregularities, the essential bases of which are as follows:

1. The employees of Inapa Group (management and staff of the company, Directors, management, and staff of its affiliate companies) are bound to promptly report any irregular practices, of which they may have become aware being perpetrated in Inapa Group companies, to the following officials:
 - a. To the Chairman of the Executive Committee of the Board of Directors of Inapa – Investimentos, Participações e Gestão, S.A. should such irregular practices involve the management and staff of the parent company, or Directors of its affiliate companies;
 - b. Without prejudice to what is stated on the following paragraph, to the

Chairman of the Audit Committee of the Board of Directors should such irregular practices involve the Directors of Inapa – Investimentos, Participações e Gestão, S.A. or of its supervisory board and/or its staff;

- c. To the Chairman of the Board of Directors should such irregular practices involve a member of the Audit Committee of the Board of Directors of Inapa – Investimentos, Participações e Gestão, S.A.;
 - d. By email ethics@inapa.com when related with other employees from affiliate companies.
2. In the situations referred in paragraph a) of paragraph 1 above, the Chairman of the Executive Committee shall submit such allegations, with the urgency deemed necessary to the Chairman of the Audit Committee of the Board of Directors.
 3. Such allegations shall be submitted in writing, and their author shall be entitled to demand from the recipient a written statement that the information in question shall be treated in the strictest confidence.
 4. The reporting official shall be assured that, barring allegations of a calumnious nature, any information provided within the scope of these regulations shall neither be raised as grounds for instituting proceedings against him or her nor for any unfavorable treatment towards him or her.

To be able to act in a swift manner, the company has decided that communications

should be addressed to executive members or the legal head of the Group. Notwithstanding that this communication is normally made to the CEO or the legal head of the Group, the Audit Committee is informed of all communications that are performed, analyzing any irregularities, and monitoring its resolutions.

All reported non-compliance situations are treated as confidential and, if requested, anonymously.

III. INTERNAL CONTROL AND RISK MANAGEMENT

50. Individuals, boards, or committees responsible for internal audits and/or implementation of the internal control systems.

The Board of Directors approves the systems of internal control and risk management of the company and the group, by its own initiative, or from the initiative of the Executive Committee of the Board of Directors.

An internal audit plan of the company and its subsidiaries is also evaluated annually by the Executive Committee and Audit Committee, whose execution and compliance is regularly evaluated by the Executive Committee and the Audit Committee.

Audit Committee regularly evaluates the on-going activities of the Company and of the Group, evaluates the risks that it is subject to as well as the implementation of

the measures adopted for its mitigation, namely through work programs developed with the Board of Directors.

Within the scope of the action described above, the Audit Committee is regularly presented with the reports made by the head of internal audit, under his direction and within the scope of his powers, that whenever appropriate, adopts the adequate measures for the complete clarification and determination of responsibilities of the identified situations. The Audit Committee also supervises the effectiveness of the risk management and internal control system.

The internal auditor of the Group is responsible for the implementation and evaluation of internal control systems.

Planning and management control services of the group are responsible for monitoring the activity of each of the Group companies.

The assessment of the respective functioning and adjustment to the needs of the company and the group are regularly assessed by the Audit Committee and, within the scope of the powers that are legally assigned to it, by the External Auditor.

51. Details, even including organisational structure, of hierarchical and/or functional dependency in relation to other boards or committees of the company.

The organisational structure and hierarchical and functional dependencies are described in section 21.

52. Other functional areas responsible for risk control.

In addition to the areas identified above, it should also be noted as areas with responsibility for risk control, the central IT and information systems department, internal control, and accounting department in each of the companies and at the level of the shared services center.

53. Identification and description of the major types of risks (economic, financial, and legal) to which the company is exposed in pursuing its business activity.

The Group's main activity is the distribution of paper, and as such it acts as a link between the upstream paper producers and the downstream intermediate consumers (companies and paper manufacturing industries, such as printers, advertisers, media companies, newspaper, and book publishers, among others), modern distributors (large-scale suppliers and specialized retail chains) and final consumers (companies in the office segment and individuals).

The Inapa Group classifies the risks to which it is exposed, according to the matrix approved by the Board of Directors, in four major categories: strategic risks, operational risks, compliance risks, and financial risks.

Strategic Risks

Risk Area	Description	Management
Macroeconomic Trends	The economy behaviour in general may have an impact on the Group's performance, namely at the top line level. A slowdown in economic activity levels or a reduction in consumer and producer confidence indexes may cause a slowdown or fall in paper demand, namely the demand for writing and printing paper, thereby affecting its operations, sales, earnings, and the financial situation of the Group.	Because Inapa's business is present in eight European countries, as well as in Angola and Turkey, its turnover accounts for more than 95%, based on external activity. These circumstances naturally expose Inapa's business to risks arising from the performance of each economy where it operates. On the other hand, it is also a risk mitigation factor due to the less likely occurrence of the same pattern of economic behaviour in all markets at the same time.
Changes of demand/ consumption patterns	The paper distribution business is sensitive to changes in the behavioral patterns of demand, mainly in segments such as advertising and media, and also to changes in the structure of distribution.	The Inapa Group operates in different geographies and has sought to diversify its business base, increasing the weight of complementary businesses.
Balance between supply and demand	The balance between supply and demand depends on a variety of factors, among which we highlight the evolution in the production capacity installed and the level of economic activity and evolution of consumption patterns. Besides the productive capacities in different geographies, the trends in the paper demand in emerging markets like China and India and its impact on those markets' suppliers, the impact of exchange rate fluctuations on the various markets competitiveness, and some regulatory issues that affect the world paper trade are all factors which, either individually or in combination, may directly or indirectly impact the performance of the Company, its financial situation and its earnings.	Inapa Group operates in different geographies and has tried to diversify its business base, developing commercial relationships with producers located in different continents and increasing the weight of complementary businesses.
Structure of the sector	The paper distribution business has undergone structural changes, with concentration movements between operators, particularly in Europe. This competitive environment may directly and indirectly affect the company's future strategic decisions and, consequently, its positioning in each market, as well as the corresponding results and asset allocation. In a context of sector consolidation, Inapa may be the target of a public tender offer.	Inapa Group has sought to broaden its portfolio of products and Partners, and continually invests in improving efficiency in order to guarantee its competitiveness.
Environmental risks	Given the growing environmental sustainability concern, the legal and regulatory requirements in this area are expected to increase significantly. Failure to comply may result not only in financial penalties, but also in difficulties to have access to financing.	Inapa has incorporated in its strategic plan sustainability goals and reducing the ecological footprint. Inapa develops its activity seeking to adopt practices that promote sustainable development of the environment, through the promotion of certified products and reducing its ecological footprint. In the case of the paper sector, most of the environmental impact is upstream of Inapa's operations, in the production of paper. Hence the adoption of initiatives, together with suppliers, to adopt environmentally sustainable practices.

Operational Risks

Risk Area	Description	Management
Disruptive events: Natural disasters	The activity is subject to possible natural disasters and abnormal weather conditions, the frequency and intensity of which will tend to worsen as a result of climate change.	All Inapa warehouses are insured against possible losses caused by this type of phenomena. Given the high number of warehouses and their geographic dispersion, we consider that the exposure to this type of risk is relatively low, as it is possible to continue operations if one of the locations is affected.
Disruptive events: Pandemics	The company's operational activity is subject to the risks of the emergence of pandemics. The implementation of measures that influence the mobility of people or goods by government entities may have a significant impact on the company's operations and on the financing of the activity. Disruptions in the transport network at an international level or in countries where the Group or its main suppliers operate may bring limitations on the supply of products and influence the Group's activity	Operational risks are mitigated (i) by the high geographical dispersion of Inapa's operations, both at the Group level and at the level of each of its national operations and its suppliers, and (ii) by the contingency plans adopted by each Group company, which ensure that, except in the areas of warehousing and transportation, which require the physical presence of employees, the others can be ensured, in essence, through telework.
Disruptive events: Armed conflict	Armed conflict and the application of international economic sanctions can have significant impacts on product demand, product availability or prices.	The geographical dispersion of sales and supply mitigates these risks.
Purchase price fluctuations/ Pricing management	The ability that paper and/or fuel prices have an influence on selling prices of products / services, is not totally elastic. It may occur that the margins of products sold/services rendered are directly affected or through increases in transport costs associated with distribution, having therefore a negative effect on the activity, financial situation and Group results.	Inapa has at its disposal some means of mitigating this risk, among which stand out its systems, which in the sales process, introduce authorisation levels in accordance with the margin generated by the operation. In addition, the inventory levels with which Inapa operates minimise the impact of price changes.
Disruptions in storage and distribution	Significant and/or prolonged interruptions in the ability to serve the customer in terms of distribution may lead to deterioration of the Inapa Group's image/reputation, with an impact on Sales.	Group companies are constantly seeking to improve logistical processes in order to maximise customer experience at the lowest cost.
Disruptions and property damage	The Group's units are subject to the risks inherent to any economic activity, such as accidents or breakdowns that may cause damages to the Group's assets or temporary interruptions in the activity.	These risks are monitored by Inapa on an ongoing basis by means of the processes and information systems implemented, being some of the operational risks covered by insurance policies. The normal development of the business may be temporarily affected by risks arising from the merger or restructuring of subsidiaries.
Customer retention/ loyalty	Inapa's performance depends on its ability to secure its customer base.	Besides having a very significant number of clients (over 80,000), its geographical dispersion, and a wide range of competitive, top-quality products and an appropriate level of pre and post-sales service, Inapa has been developing a customer loyalty program to its traditional customer base by offering an integrated range of products and services that complement its core business, thus increasingly asserting itself in the paper market as a global service provider.

(cont.)

Risk Area	Description	Management
Credit Risk	Inapa is exposed to the credit risk it grants to its customers. An aggravation of economic conditions may give rise to difficulties for the Group's customers to meet their obligations to Inapa Group.	<p>Since 2011, Inapa has maintained an insurance (in large European insurance companies) to cover the credit risk of its operating subsidiaries. This insurance covers the main countries of the Group, thus covering the majority of sales of the Group.</p> <p>Regardless of the hedging mentioned above, the Group has credit risk evaluation and monitoring policies in order to ensure that sales are made to customers with an appropriate credit profile. These policies include, namely, credit limits for customers, recorded in the IT system, which prevent new orders from being placed with customers whose credit limit has been fully utilised. These credit limits are subject to periodic review, or whenever there is relevant information arising from the recommendation of the internal and external monitoring systems. Also to be noted is the existence of internal teams dedicated to monitoring customer credit and the holding of periodic meetings by local management to monitor the ageing of customer balances.</p>
Human Resources	The Group's ability to successfully implement the outlined strategy depends on its ability to retain and, whenever necessary, recruit the most qualified and competent employees for each function.	Although the Group's human resources policy is oriented towards achieving these goals, it is not possible to guarantee that in the future there will be no limitations in this area. Recent reinforcement of skills in this area at corporate level.
IT	<p>The Group's operations are also dependent on IT processing. This involves the maintenance and processing of financial reporting records, monitoring and control of logistics, warehousing, and transportation operations, and accounting.</p> <p>Inapa may also be exposed to risks related to the migration processes of its base systems, which may have a transitory effect on its operations.</p>	<p>As it is not possible to absolutely guarantee a full identification and timely redressing of every single issue concerning its information technology systems, Inapa conducts a regular assessment of the information systems in order to determine whether they are suitable to the Group's needs.</p> <p>In order to mitigate the risks associated with a potential problem in the Group's datacenters, a "disaster recovery exercise" is performed annually to test the alternative infrastructure and the recovery process. A new backup solution was implemented, widely recognised as one of the best in the market, with the latest technology available and with a much higher resilience than the previous solution.</p> <p>As for the project to implement the new ERP in the Group's operations, a wide range of tests are carried out to ensure the suitability of the solution for the business and to guarantee that there are no impacts on the countries that already operate in the system. Within the scope of the data migration process from the old source system to the new ERP, several test loads are carried out for quality systems throughout the project and before the final migration of data to the production system. A new "change management" process was also implemented during 2022 in order to minimise the risk of changes being made to the ERP production system that could impact its stability.</p>
Cyber security	The risk of computer fraud/cyber attack is something that has been gaining an international dimension, and it is not possible to fully mitigate this risk, despite the measures and procedures implemented.	Inapa has been investing significantly in security policies that minimise its exposure to cyber attack risk. Periodic assessments are performed and training sessions on best practices are held for employees, and the main risks are covered by insurance policies.

Compliance Risks

Risk Area	Description	Management
Legal and regulations	The Group may be negatively affected by changes in the legislation and other tax regulations applicable in Portugal, the European Union and in the various countries where it operates.	Inapa pursues a policy of flexibility and adaptability of its operations and cost structure, whereby no significant impacts are anticipated from possible new regulations.
Claims/ Litigation	Inapa may be part of any litigation arising from the conduct of its business, including legal proceedings which may have been ruled in favour of the Company, fully or partially, or sentences that may be subject to recourse by the counterparties in conformance with applicable legal procedure and until that time as such sentences have been upheld in a court of final appeal.	Inapa relies on the support of local legal advisory teams that accompany the subsidiary companies in each geography in the pre-litigation and litigation phases of the dispute, being accompanied/coordinated by the legal department of the parent company whenever their relevance or specificity so recommends.

Financial Risks *

Risk Area	Description	Management
Interest rates	As Inapa does not hedge its exposure to adverse changes in interest rates, such changes may have a negative impact on its performance, financial situation, and earnings.	As a way of managing these variations, the Group's financial area constantly follows the development of the market, and is able to use financial instruments to minimise the effects of interest rates volatility, monitoring the expenses incurred, as well as the expected amounts of future expenses. This is achieved through the preparation of budgets, based on the expected and reasonably possible evolution and the financial needs of the Group. Consequently, the Company interacts with its financial partners with the objective of ensuring the financing of its operations and competitive financing costs.
Currency risk	Variations in the exchange rate for the euro into other currencies (particularly the Turkish lira and kwanza) can impact on the financial situation of the company as Inapa operates in Turkey and Angola. The Group also has exposure to the US dollar due to purchases made in this currency, particularly in the operation in Turkey.	The exposure to currency risk is limited because the aggregate value of sales in currencies other than Euro (namely kwanza and Turkish lira) represents less than 2% of the total sales of the Group. Inapa constantly monitors the exchange rate evolution of the geographic regions to which the Group is exposed.
Financial Risk: Investment	The Group's operations require investments. Risk that the Inapa Group may not be able to finance its operations, namely in terms of investment, or that it may only be able to do so at a higher cost.	Inapa expects to fund its investments by mobilising cash flows generated from operating activities. Should these activities fail to generate sufficient income, Inapa may be required to partly fund the envisaged investments with funding from external sources, including bank loans and/or capital markets.

(cont.)

Risk Area	Description	Management
Financial Risk: Liquidity/ Working Capital	For the development of its operations, Inapa needs working capital. More adverse economic scenarios that lead to changes in the commercial and financial policies of our partners, including suppliers, customers, or financial institutions, could create working capital needs that may influence liquidity levels.	Inapa manages the Group's liquidity risk using two approaches: by striving to ensure that the Group's financial debt has a maturity that adequately matches its ability to generate cash resources, and by resorting to credit facilities to support treasury operations (current account, confirming, etc.). Treasury management is done locally in each Group company supervised by the Holding Company. Cash flow forecasts are updated and regularly monitored by the Holding. Cash flow forecasts are updated and regularly monitored. Inapa remains in close contact with financial institutions and credit insurers in order to ensure adequate financing levels for its operations.
Pension Funds	Inapa grants supplementary retirement and survivor's pension plans to the employees of its subsidiaries Inapa France, SAS, Inapa Packaging SAS, Semaq Emballages, S.A., Papyrus Deutschland and Papier Union GmbH. It accounts for the inherent costs and associated charges in accordance with the provisions of International Accounting Standard nr. 19 (IAS 19). The amount recorded in the consolidated accounts under liabilities for pension benefits is based on predefined actuarial assumptions, whereas the beneficiaries of the pension plans may live longer than expected and, as such, may benefit from the plan beyond the period provided for, since they are defined benefit pension plans. Therefore, pension liabilities may exert an adverse constraint on cash flows.	Inapa periodically reviews the actuarial calculations, including the associated costs and cash flows in the respective annual budgets.
Consolidation of accounts and reporting	Risk of making errors in the preparation of internal and external reports.	Inapa has internal and external control methods to mitigate these risks. Implementation of SAP in all Group companies will bring a strong contribution, with the alignment of processes/ procedures.

* IN THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (3, 8 AND 9) YOU CAN FIND MORE DETAIL ON THE VARIOUS ASPECTS OF FINANCIAL RISK MANAGEMENT.

Risk Matrix

The following matrix shows the risks identified previously, considering their classification according to their probability of occurrence (low, medium and high) and impact in case of occurrence (low, medium and high).



54. Description of the procedure for identification, assessment, monitoring, control and risk management.

The identification and evaluation of risks is an ongoing process in which the Board of Directors, the Executive Committee, the Audit Committee and Internal Audit are involved, and priorities for action in the area of risk-taking are established through a work plan for risk evaluation and mitigation.

The risks and existing mechanisms that allow their identification and evaluation are described in the previous point.

The monitoring, control and management of risks is carried out on an ongoing basis by the Executive Committee. During the year, the Audit Committee also supervises the effectiveness of the risk management and internal control system, relying also on regular reporting from internal audit.

In the meetings of the Audit Committee, a regular appraisal is made, on a monthly basis, of the Company's risks. At these meetings, a status report is usually made on risk management and internal auditing, with the respective internal manager, monitoring the activities and conclusions of its actions, and a regular discussion is held on the need to adjust the resources and activities developed to the evolution of the risks inherent to the activity of the Company and its Group.

55. Core details on the internal control and risk management systems implemented in the company regarding the procedure for

reporting financial information (Art 29-H, nr. 1, al. I)).

The process of disclosure of financial information is followed-up in its process of production and treatment of information, both by the corporate bodies of administration and supervision, as well as by the business units and corporate services. The accounting documents and other financial information are prepared by the Consolidation and Planning and Control Departments, based on the information provided by the business units. Throughout the year, the Audit Committee, monitors the implementation of systematized formalization of relevant data and elements that are part of Inapa's risk management and internal control system, as well as the implementation of common IT platforms to strengthen control mechanisms.

IV. INVESTOR ASSISTANCE

56. Department responsible for investor relations, composition, functions, the information made available by said department and contact details.

The company provides investor support through the Market Relations representative.

Roles of Investor support:

- To provide all investors – corporate or particular – with the most complete and accurate information, in the strict respect

for the applicable legislation, concerning the corporate structure of the Company and the Group, on the rights and duties of the shareholders in conformance with the legislation and the Company's Articles of Association, on its financial and economic situation according to the disclosed elements.

- To provide investors, in due respect for the existing applicable legislation, with any additional or complementary information and clarification they may reasonably ask for and on the aforementioned items of information.

Type of information made available by the department:

- Information published by the company with corporate or economic-financial nature, of at least from the three previous years, in Portuguese and English.
- Any relevant fact that can influence the company's activity, in Portuguese and in English.

Access means to the office and information disclosed:

- By post to:
 - Rua Braamcamp, nr. 40 – 9.º D, 1250-050 Lisbon – Portugal
- By fax: +351 21 382 30 16
- By telephone: +351 21 382 30 07
- By e-mail: miguel.loureiro@inapa.pt
- By website: www.inapa.com

57. Market Liaison Officer

The Company's representative for market relations is Mr. Miguel Dias Costa Faro Loureiro.

58. Data on the extent and deadline for replying to the requests for information received throughout the year or pending from preceding years.

The investor relations received a small number of information requests, by email or phone, having answered all the requests within the period of five working days.

V. INTERNET SITE

59. Address (es).

The Company's website can be found in the address www.inapa.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 can be obtained in the company's head office, Rua Braamcamp, nr. 40 – 9.º D, 1250-050 Lisbon - Portugal.

The information is also available in the company's website www.inapa.com.

61. Place where the articles of association and regulations on the functioning of the boards and/or committees are available.

The information can be obtained in the

company's head office, Rua Braamcamp, nr. 40 – 9.º D, 1250-050 Lisbon – Portugal. The information is also available in the company's website www.inapa.com.

62. Place where information on the names of the corporate boards' members, the Market Liaison Officer, the Investor Assistance Office or comparable structure, respective functions, and contact details, is available.

The information can be obtained in the company's head office at Rua Braamcamp, nr. 40 – 9.º D, 1250-050 Lisbon - Portugal. The information is also available in the company's website www.inapa.com.

63. Place where the documents are available and relate to financial accounts reporting, which should be accessible for at least ten years and the half-yearly calendar on company events that is published at the beginning of every six months, including, inter alia, general meetings, disclosure of annual, half-yearly and where applicable, quarterly financial statements.

The place where the information can be found is its head office, Rua Braamcamp, nr. 40 – 9.º D, 1250-050 Lisbon - Portugal. The information is also available in the institutional website (www.inapa.com) and on the Portuguese Securities Market Commission's website (www.cmvm.pt).

64. Place where the notice convening the General Meeting and all the preparatory

and subsequent information related thereto is disclosed.

The information can be obtained in the company's head office, Rua Braamcamp, nr. 40 – 9.º D, 1250-050 Lisbon - Portugal. The information is also available in the company's website (www.inapa.com) and the CMVM website (www.cmvm.pt).

65. Place where the historical archive on the resolutions accepted at the company's General Meetings, share capital and voting results relating to the preceding three years are available.

The information can be obtained in the company's head office, Rua Braamcamp, nr. 40 – 9.º D, 1250-050 Lisbon - Portugal. The information is also available in the company's website (www.inapa.com) and the CMVM website (www.cmvm.pt).

D. Remuneration

I. POWER TO ESTABLISH

66. Details of the powers for establishing the remuneration of corporate boards, members of the executive committee or chief executive and directors of the company.

The remuneration of the Governing Bodies is determined by:

- The Remuneration Committee, and;
- The General Meeting.

The company considers that its directors, according to paragraph 1 (25) of article 3^o from the EU Regulation nr. 596/2014 of the European Parliament and of the Council of 16 April 2014, are exclusively its members of the administrative and supervisory bodies.

II. REMUNERATION COMMITTEE

67. Composition of the remuneration committee, including details of individual and legal persons recruited to provide services to said committee and a statement on the independence of each member and advisor.

On the General Meeting of 20 May 2022, the following remuneration committee has been elected:

- Chairman: Ricardo João Andrade Amaro;
- Member: Pedro Manuel Macedo Vilas Boas;
- Member: Tiago Manuel Rodrigues Estevinho.

All members of the Remuneration Committee are independent relatively to the members of the Board of Directors.

68. Knowledge and experience in remuneration policy issues by members of the Remuneration Committee.

The Remuneration Committee is a collegial body, for which were appointed either people or entities with experience in the matter of remuneration policy, as it can be seen in the respective curricula presented at the Meeting that elected them and which are presented below:

Ricardo João Andrade Amaro

Academic qualifications

- Bachelor degree in Law, Faculdade de Direito de Lisboa
- Post-graduation in Commercial Law Practices, Faculdade de Direito, Universidade Católica de Lisboa

Professional qualifications

- Partner at Morais Leitão, Galvão Teles, Soares da Silva & Associados
- Vice-President of the General Assembly Board of Banco Santander Totta, SA

Pedro Manuel Macedo Vilas Boas

Academic qualifications

- Degree in Business Management and Administration from the School of Economics and Business Sciences of Universidade Católica de Lisboa
- Training Course “PDO - Program for Operational Directors”, School of Economics and Business Sciences of Universidade Católica de Lisboa
- Training Course “PADE - Program for Top Management of Companies” by AESE - School of Management and Business

Professional qualifications

- Central Director of Banco Comercial Português, S.A. (Millennium BCP) responsible for the Specialised Follow-up Division
- Coordinator of Millennium BCP’s Special Projects Unit
- Responsible for a Division of the Corporate Finance and Investment Banking Relationship

Tiago Manuel Rodrigues Estevinho

Academic qualifications

- Bachelor’s degree in Economics, Nova School of Business and Economics, UNL
- Postgraduate Diploma in Finance, Nova School of Business and Economics, UNL
- Masters in Finance, Nova School of Business and Economics, UNL

Professional qualifications

- Economist at Parpública, Participações Públicas (SGPS), S.A.: technical advisory and company monitoring

III. REMUNERATION STRUCTURE

69. Description of the remuneration policy of the Board of Directors and Supervisory Board as set out in Article 2 of Law Nr. 28/2009, of 19 June.

I. INTRODUCTION

Pursuant to and for the purposes of compliance with Article 26-A et seq. of the Portuguese Securities Code (as amended by Law nr. 50/2020 of 25 August), the Remuneration Committee of Inapa - Investimentos, Participações e Gestão, S.A. (“Inapa” or “Company”) shall submit for the approval of the General Assembly a remuneration policy for the members of the Company’s management and supervisory bodies every four years and whenever a relevant change occurs in the current remuneration policy (“**Remuneration Policy**”).

In turn, Recommendation V.2 of the Corporate Governance Code, approved by the Portuguese Institute of Corporate Governance, recommends that the Remuneration Policy should include a set of additional elements to be submitted to evaluation by the General Meeting.

In this Remuneration Policy, the current remuneration practices were analyzed and suggestions were made to ensure that such practices are adequate and reflect the risk profile and long-term objectives of the Company, considering market practices and assuming that they should be based on uniform, consistent, fair, and balanced criteria.

It was also subject to due consideration, the evolution of the remuneration system of the rest of Inapa employees, considering the current conditions of employment and the current economic situation, to ensure an alignment of the remuneration evolution of the executive members with the remuneration evolution of the other employees of the companies in a controlling or group relationship with Inapa or controlled by Inapa (“**Group**”).

This Remuneration Policy was prepared by Inapa’s remuneration committee elected at the General Meeting held on 23 May 2019 (“**Remuneration Committee**”), being composed by three members, independent in relation to the members of the management and supervisory bodies of the Company and with knowledge and experience in remuneration matters.

To help in the preparation of this policy, the Remuneration Committee sought the assistance of an external and independent entity with the objective of assessing the level of competitiveness of the remuneration of the members of the governing bodies in relation to the comparable national market.

Inapa – Investimentos, Participações e Gestão, SA approved the remuneration policy of the corporate bodies under the new legal regime approved by Law nr. 50/2020, of 25 August at the general meeting of 21 May 2021.

In 2022, the Remuneration Committee considered that there was no need to submit to the shareholders for approval a new

remuneration policy of Inapa, nor to review the current policy.

II. REMUNERATION POLICY FOR GOVERNING BODIES

In order to determine the remuneration to be attributed to corporate bodies members, Inapa is ruled by the following criteria:

- Simplicity, clarity, transparency, and alignment with the Company’s culture, also taking into account the Group to which it belongs;
- Competitiveness, taking into consideration the market practices and equity, being the remuneration practice based on uniform, consistent, fair, and balanced criteria;
- Pursuit of excellence in management, through a set of reference business practices, enabling the Company to achieve balance and sustainability; and
- Determination of individual variable remuneration considering the evaluation of the respective performance, based on criteria of a financial and non-financial nature, in accordance with the functions and level of responsibility, as well as the Company’s results.

How the Remuneration Policy contributes to the company’s business strategy, its long-term interests and its sustainability.

In the market where Inapa operates, one of the main critical success factors is the ability to attract, motivate and retain the best professionals.

The purpose of the current Remuneration Policy for members of the management and supervisory bodies is to promote the continuous alignment with the short, and long-term business goals and strategy, as well as with the best market practices and, thus, contribute to the sustainability of Inapa's results and alignment with the interests of shareholders, for the creation of long-term value and to be compatible with an adequate and rigorous risk management.

The Remuneration Policy is thus intended to be an effective instrument of good corporate governance of the Company, aiming to provide information to shareholders, protect their interests and provide greater transparency on remuneration of the governing bodies.

III. REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS, INCLUDING MEMBERS OF THE AUDIT COMMITTEE IN EFFECT.

The remuneration of non-executive directors is based on effective performance and on the balance of the respective evaluation and only comprises a fixed component. This remuneration takes additionally into consideration the performance of functions in the Audit Committee, and also the assumption of functions as Chairman of the Audit Committee.

Fixed Component

The members of Inapa's Audit Committee of the Board of Directors receive a supplement to their remuneration as non-executive directors (referred to in the previous paragraph), paid

12 times a year. Specifically, the value of the remuneration of non-executive directors was determined for the 2019/2021 term of office and will remain unchanged for the 2022 term of office. In year 2022, fixed remuneration paid to non-executive directors corresponds to the amount indicated in Inapa's Governance Report.

The remuneration to non-executive directors corresponds to a fixed amount and paid 14 times a year. Specifically, the value of the remuneration of non-executive directors was determined for the 2019/2021 term of office. In 2022, the fixed remuneration paid to non-executive directors corresponds to the amount indicated in Inapa's Corporate Governance Report.

Variable component

Although remuneration practices take into consideration Inapa's financial condition and of the economic group headed by it, no form of variable remuneration is envisaged for non-executive members of the management body nor for the members of the supervisory body.

The intention is that non-executive directors do not have any component of their remuneration dependent on the achievement of objectives in order to safeguard their independence.

IV. FIXED AND VARIABLE COMPONENTS OF THE VARIABLE REMUNERATION OF EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS

The remuneration system of the executive members of the Board of Directors of Inapa comprises a fixed component and a variable component, guided by the following principles:

- a) To be aligned with the current market and with the functions effectively performed, stimulating the performance of the executive members of the Board of Directors, in individual and group terms;
- b) To reward the results achieved by the executive members of the Board of Directors;
- c) To help attracting and retaining qualified staff to Inapa.

Fixed component

The value of the fixed component was determined for the 2019/2021 term of office, remaining unchanged to date according to information on the application of the company's remuneration policy presented by the Remuneration Committee to the General Meeting of 20 May, 2022.

The base remuneration of the executive directors shall be reviewed at least at the end of each term of office, which will also include the weighting, according to benchmark criteria, of the total remuneration model practiced by comparable companies, in order to ensure at all times that the remuneration model for executive members of the Board of Directors remains a balanced, fair and competitive model, both nationally and internationally (given the growing exposure of Inapa to markets outside Portugal).

Variable component

The awarding of variable remuneration is based on degrees of achievement of quantitative and qualitative goals that are associated with the performance indicators

that are objective, simple, transparent and (in relation to quantitative objectives) measurable, assessed annually as outlined below:

1. The variable remuneration is paid exclusively in cash, taking into account the following target values and maximum limits (without prejudice to numbers 10 and 11, below):
 - i) Minimum value of the variable remuneration attributable - 13.6% of the respective fixed remuneration of the executive member of the Board of Directors;
 - ii) Variable remuneration target - 20% of the respective fixed remuneration of the respective executive member of the Board of Directors;
 - iii) Maximum value of the remuneration attributable - 30% of the respective fixed remuneration of the respective executive member of the Board of Directors.
2. Specifically, the attribution and calculation of the amount of the variable remuneration is based on the results of the performance evaluation of the executive members of the Board of directors, carried out with reference to the entire calendar year in question, and it is determined considering the following components:
 - i) Quantitative component - includes the evaluation of Inapa's performance through quantitative indicators, with a global weight of 80%;

ii) Qualitative component - covers the weighted average of the competency assessment of the executive member of Inapa's Board of Directors with a global weight of 20%.

3. The concrete achievement of the mentioned quantitative objectives must be previously validated and certified by an independent external entity at an earlier time.
4. The value of the performance bonus will be determined and awarded in accordance with the following parameters, calculated linearly:

Quantitative component

- If the performance reaches less than 80% of the goals set, no variable component shall be attributed;
- If the registered performance is between 80% and 100% of the fixed goals, an amount between 16% and 20% of the fixed remuneration of reference of each executive member of the Board of Directors is due;
- If the registered performance is between 100% and 120% of the fixed goals, an amount between 20% and 30% of the fixed reference remuneration of each executive member of the Board of Directors is due;
- If the registered performance reaches more than 120% of the fixed objectives, an amount corresponding to 30% of the fixed reference remuneration of each executive member of the Board of Directors is due.

Qualitative component

- If the overall performance registered is level 1 ("Well Below Expected"), no addition to the variable component is calculated for this purpose;
 - If the overall performance registered is level 2 ("Somewhat Below Expected"), an amount of 4% of the fixed reference remuneration of each executive member of the Board of Directors is due;
 - If the overall performance registered is of level 3 ("As Expected"), the following is due 20% of the fixed reference remuneration of each executive member of the Board of Directors;
 - If the overall registered performance is of level 4 of "Above Expected" (level 4), the amount of 24% of the fixed reference remuneration of each executive member of the Board of Directors;
 - If the overall performance registered is level 5 ("Much Above the Expected"), an amount of 30% of the fixed reference remuneration of each executive member of the Board of Directors is due.
5. The annual key performance indicators (and weights) when compared to year 2022 budget are as follows:

Quantitative component

- Sustainability – Reduction of the weight of debt in the Balance sheet (30%)
- Profitability - % annual growth rate of recurrent EBITDA (30%)

- Profitability - % annual savings on operating costs (15%)
- Activity - % annual turnover growth (Packaging and Viscom) (15%)
- ESG - % of purchasing volume with sustainable production standards (10%)

Qualitative component

- Leadership skills of the Board of Directors and contribution to the performance of the Executive Committee (40%)
- Relation with Stakeholders (35%)
- Contribution to Inapa's reputation (25%)

6. The variable remuneration is subject, wholly or partially, to mechanisms for (a) reduction of the variable remuneration at a time prior to its attribution (malus) and (b) reversion through the retention of part or all of the variable remuneration awarded, whose payment of any of its installments has not yet been made (claw back), the latter mechanism being applied as a supplement in the event that the reduction mechanism proves insufficient, in the following situations:

- i) The executive member of Inapa's Board of Directors in question participated directly and decisively or was responsible for an action that resulted in significant losses for Inapa;
- ii) Serious or fraudulent breach of Inapa's code of conduct or internal rules by

the executive member of the Board of Directors with a significant negative impact on Inapa, or situations justifying just cause of dismissal of the executive member of the Board of Directors; and/or

iii) False statements and/or material errors or omissions in Inapa's financial statements for which the objective conduct of the executive member of the Board of Directors has contributed decisively.

iv) the possibility contemplated in article 26-G, no. 2, paragraph f) of the Securities Market Code to request the reimbursement of a variable remuneration is not foreseen.

7. In the event of termination of office of an executive member of the Board of Directors, for whatever reason (except for dismissal for just cause or due to the occurrence of another situation that gives rise to the application of the malus or claw back mechanisms), after the end of the variable remuneration assessment period but before full payment of the respective variable remuneration, the variable remuneration shall be paid in full.

8. Payment of the variable remuneration corresponding to the financial year in which the executive member of the Board of Directors ceases functions shall not be due, except for situations of termination by mutual agreement, retirement, death, disability or in any other case of an early termination of the term of office, for reasons not attributable to the executive member of the Board of Directors (namely change

of the Company's control, among others, following a takeover bid or other fact unconnected to the executive member of the Board of Directors), in which case the variable remuneration shall be due *pro rata temporis*. In particular, the executive member of the Board of Directors shall not be entitled to a variable remuneration for the performance of his/her duties during the period between the start of the financial year and the date of the elective general meeting (under the terms of the provisions of Article 391(4) of the Portuguese Companies Code), should the executive member of the Board of Directors not be re-elected.

9. In the event of termination of duties of the executive members of the Board of Directors, before the end of the term of office, due to dismissal for just cause or due to the verification of another situation giving rise to the application of the malus or claw back mechanisms, the last will lose the right to receive all the variable remuneration allocated but not paid.
10. The variable remuneration of the executive members of the Board of Directors shall not exceed 10% in each year of the net income of Inapa's financial year.
11. In financial years in which Inapa does not achieve a positive net income, there shall in no case be payment of variable remuneration to the executive members of the Board of Directors.
12. The executive members of the Board of Directors shall not enter into contracts or

other legal instruments, either with Inapa or with third parties, that have the effect of mitigating the risk inherent to the variability of their remuneration.

Benefits

The following benefits are also assigned to Executive Directors:

- a) Life insurance, which value is achieved according to the amount of basic compensation of each of the executive directors;
- b) Automobile, including maintenance, insurance and fuel, whose total value varies among executive directors according to the responsibilities assumed;
- c) Health insurance and other benefits in line with the Group's policy.

V. CURRENT REMUNERATION POLICY OF THE STATUTORY AUDITOR

The Statutory Auditor of the Company is remunerated according to the terms and conditions agreed in the service agreement celebrated between him/her and Inapa, in accordance with market practices and the legal and recommendation framework.

The indication of the amount of annual remuneration paid by the company and/or legal persons in a control or group relationship with the auditor and other natural or legal persons belonging to the same network and the breakdown of the percentage relating to the following services is detailed in item 47 of this chapter.

VI. CHARACTERISTICS OF SUPPLEMENTARY PENSIONS OR EARLY RETIREMENT SCHEMES

There are no supplementary pension or early retirement schemes for members of Inapa's corporate bodies.

VII. DEFINITION, REVISION, OR RENEWAL OF THE REMUNERATION POLICY

The definition of the Remuneration Policy of the members of Inapa's corporate bodies is submitted to the General Meeting of Inapa for approval, by proposal of the Remuneration Committee.

The review and application of the Remuneration Policy for the members of Inapa corporate bodies will be carried out in accordance with the following principles:

- a) The Remuneration Committee meets at least once a year to monitor Inapa's situation on matters relevant to determining and setting the variable remuneration of executive members and to analyze relevant information that may justify consideration of adjustments to the application of the Remuneration Policy, in matters of compliance, risk management and human resources.
- b) The definition and any possible proposals for revision of the Remuneration Policy are based on the articulation of Inapa's objectives, measured according to its strategic plan in each moment, in the conclusions of comparative remuneration studies with listed national companies and with foreign companies in the peer sector,

and in an articulation of principles with the remuneration plan of other Inapa employees and collaborators;

- c) The Remuneration Committee will consider annually the opinions expressed by shareholders and analysts on the Remuneration Policy;
- d) The Remuneration Committee will hire the necessary external consultants and support for the production of comparative remuneration studies and best corporate governance practices within the scope of the remuneration policies for executive directors, assessing the conditions of their independence to provide the services that may be requested of them;
- e) In accordance with the provisions of Article 26-B, paragraph 1 of the Portuguese Securities Code, the Remuneration Committee shall in any case submit a proposal for the approval of the General Meeting for the revision of the Remuneration Policy at least every 4 years and whenever a relevant change occurs in the Remuneration Policy in force.

Without prejudice to the review proposals (extraordinary), the Remuneration Committee shall, at least at the end of each term of office, on the occasion of the assessment of the achievement of the goals set for the term of office in question, specifically analyze and make a reasoned decision on whether to propose a review of the Remuneration Policy in any of its components in order to ensure, at all times and with adequate agility, compliance with

the remuneration policy goal of retaining and attracting talent to Inapa.

Whenever the Remuneration Policy is revised, all relevant changes introduced will be described, as well as how those changes reflect the votes and opinions expressed by shareholders on the remuneration policy, as well as the Remuneration Reports (included in the Corporate Governance Report and to be prepared under the provisions of Article 26-G of the Securities Code) issued on that policy since the last vote on it at the General Meeting.

This Remuneration Policy was prepared by Inapa's remuneration committee elected at the General Meeting held on May 23, 2019 ("**Remuneration Committee**").

Inapa - Investimentos, Participações e Gestão, SA approved the remuneration policy of the governing bodies under the new legal regime approved by Law nr. 50/2020 of August 25, in the general meeting of May 21, 2021.

In 2022, the Remuneration Committee considered that there was no need to submit to the shareholders' approval a new remuneration policy for Inapa, nor, at this stage, to review the current policy.

VIII. DEROGATION OF THE REMUNERATION POLICY

The remuneration policy may be partially and temporarily derogated from in exceptional circumstances that so require to serve the long-term interests and sustainability of Inapa, or to ensure its viability.

The Remuneration Committee may decide to temporarily derogate from this Policy, in its whole or in part, in unusual circumstances such as:

- a) In case of material changes in the structure, organisation, ownership, and business of the organisation (for example, mergers or acquisitions), which may require adjustments in the remuneration components or other elements to ensure business continuity; and
- b) In any other circumstances, provided that the changes are necessary to serve the long-term interests and sustainability of the organisation or to ensure its financial viability.

Any action by the Remuneration Committee to derogate from the Remuneration Policy will be disclosed in the Remuneration Report for the year in question, included in the Corporate Governance Report and to be prepared under the provisions of Article 26-G of the Portuguese Securities Code.

IX. STOCK PLANS OR STOCK OPTIONS

The Company has no stock plans or stock options of Inapa's issued titles to its Governing Bodies or employees.

X. EXISTENCE OF CONTRACTS SIGNED BETWEEN INAPA AND MEMBERS OF ITS CORPORATE BODIES, ENFORCEABILITY OR UNENFORCEABILITY OF PAYMENTS RELATIVE TO THE DISMISSAL AND TERMINATION OF DUTIES OF DIRECTORS.

There are no contracts, management ones or of any other nature, signed between Inapa and the members of its corporate bodies that are in force.

In particular:

- a) There are no contractual limitations on any compensation payable to directors for dismissal without due cause, nor are there any expressed mechanisms for demanding any damages or compensation, other than those legally due;
- b) Inapa has no agreements in place with members of its Board of Directors and/or senior management that provide for compensation in the event of resignation, unfair dismissal, or termination of employment following a change in Company control.

XI. CONTRACTING CONSULTANCY SERVICES

In the formulation of this remuneration policy, Inapa contracted consultancy services to assist the Remuneration Committee in the performance of its duties.

To the best of the Remuneration Committee's knowledge, such services are provided on an independent basis and the respective service providers will not be engaged to provide any other services to Inapa or to others with which it is in a controlling or group relationship, without the Remuneration Committee having the opportunity to be consulted and to give its opinion on that.

70. Information on how remuneration is structured, to enable the alignment of the interests of the members of the board of directors with the company's long-term interests and how it is based on the performance assessment and how it discourages excessive risk taking.

The remuneration of non-executive members of the Board of Directors did not include any variable remuneration.

Executive members can have a variable remuneration based on the degree of achievement of quantitative and qualitative goals that are associated with performance indicators, objective, simple, transparent and (in relation to quantitative objectives) measurable, as outlined below:

- 1) The variable remuneration is paid in cash, considering the following reference values (Target) and maximum limits:
 - i) Minimum value of the variable remuneration attributable - 13.6% of the fixed remuneration of the respective executive member of the Board of Directors;
 - ii) Variable remuneration target - 20% of the respective fixed remuneration of the executive member of the Board of Directors;
 - iii) Maximum value of attributable remuneration - 30% of the fixed remuneration of the respective executive member of the Board of Directors.

2) Specifically, the attribution and calculation of the amount of variable remuneration is based on the results of the performance evaluation of the executive members of the Board of Directors, carried out with reference to the entire calendar year in question, and is determined considering the following components:

- i) Quantitative Component - includes the assessment of Inapa's performance through quantitative indicators, with an overall weight of 80%;
- ii) Qualitative component - comprises the weighted average of the skills assessment of the executive member of the Board of Directors of Inapa in question, with an overall weight of 20%.

The specific achievement of the quantitative objectives referred to will be previously validated and certified by an independent external entity.

The variable remuneration is subject, in whole or in part, to mechanisms for (a) the reduction of variable remuneration at a time prior to its award (malus) and (b) the reversal by withholding part or all of the variable remuneration awarded where payment of any of its parts has not yet been made (claw back), the latter mechanism being applied in a supplementary manner should the reduction mechanism prove insufficient in the following situations:

- i) the executive member of the Board of Directors of Inapa in question participated directly and decisively or was responsible

for an action that resulted in significant losses for Inapa;

- ii) serious or fraudulent breach of the code of conduct or of Inapa's internal regulations by the executive member of the Board of Directors with a significant negative impact on Inapa, or situations that justify a just cause for the dismissal of the executive member of the Board of Directors; and/or
- iii) materially relevant false declarations and errors or omissions in the financial statements of Inapa to which an objective conduct of the executive member of the Board of Directors has decisively contributed.

The remuneration structure of the executive committee described in the previous point provides for a fixed and a variable component, which will be aligned with market practices and assuming that the remuneration practice will be based on uniform, consistent, fair and balanced criteria.

71. Reference, where applicable, to there being a variable remuneration component and information on any impact of the performance appraisal on this component.

It is expected that the remuneration of executive directors will have a variable component dependent on a performance evaluation under the terms previously addressed, with a quantitative and qualitative component, as described on the previous point.

72. The deferred payment of the remuneration's variable component and specify the relevant deferral period.

In the remuneration policy approved at the General Meeting of 21 May 2021, a deferral of the variable component (non-existent) was not established. For each Assessment Period of the AVR (Annual Variable Remuneration), if due, is considered to have been awarded on the date of approval of the remuneration of the corporate bodies of Inapa by the annual general shareholders' meeting of Inapa, and is paid as follows: (a) 50% of the AVR is paid in the month following the date of the annual general shareholders' meeting of Inapa, (b) the payment of the remaining 50% of the AVR is deferred over each of the subsequent 3 years from the date of payment of the initial 50% of the AVR (1/3 per year).

73. The criteria whereon the allocation of variable remuneration on shares is based, and also on maintaining company shares that the executive directors have had access to, on the possible share contracts, including hedging or risk transfer contracts, the corresponding limit and its relation to the total annual remuneration value.

The remuneration of executive Directors does not establish any component based in shares.

None of the directors holds any shares in the Company, nor have any shares been awarded to them in the past by virtue of variable remuneration schemes.

74. The criteria whereon the allocation of variable remuneration on options is based and details of the deferral period and the exercise price.

The remuneration of executive Directors does not establish any component based on options issued by the Company.

75. The key factors and grounds for any annual bonus scheme and any other additional non-financial benefits.

In order to determine the remuneration to be attributed to the members of the Governing Bodies, Inapa is governed by the following criteria:

- Simplicity, clarity, transparency and alignment with the Company's culture, also taking into account the Group in which it operates;
- Competitiveness, taking into account market practices and fairness, as the remuneration practice is based on uniform, consistent, fair and balanced criteria;
- Pursuing excellence in management through a set of benchmark business practices that enable the Company to achieve balance and sustainability; and
- Determination of the individual variable remuneration considering the respective performance evaluation, based on financial and non-financial criteria, according to the functions and level of responsibility, as well as the results of the Company.

How the Remuneration Policy contributes for the company's business strategy, for its long-term interests and sustainability.

In the market where Inapa operates, one of the main critical success factors is the ability to attract, motivate and retain the best professionals.

The current Remuneration Policy for members of the management and supervisory bodies aims to promote continued alignment with the goals and the short and long-term business strategy, as well as with best market practices and thus contribute for the sustainability of Inapa's results and to align them with the interests of shareholders, and long-term business goals and strategy, as well as with the best market practices, and thus contribute to the sustainability of Inapa's results and aligning them with the interests of shareholders, for the creation of long-term value and to be compatible with an adequate and rigorous risk management.

The Remuneration Policy is thus intended to be an effective instrument of good corporate governance of the Company, aiming to provide information to shareholders, protect their interests and provide greater transparency in the matter of remuneration of the corporate bodies.

No other benefits are defined, in addition to those provided for in the remuneration policy:

a) Life insurance, whose value is measured according to the amount of basic

compensation of each of the executive directors;

b) Automobile, including fuel, maintenance and insurance, whose total value varies among executive directors according to the responsibilities assumed;

c) Health insurance and other benefits in line with the Group's policy.

76. Key characteristics of the supplementary pension's regime or early retirement schemes for directors and state date when said schemes were approved at the general meeting, on an individual basis.

There are no supplementary pensions or early retirement schemes for Board of Directors and Audit Committee members.

IV. REMUNERATION DISCLOSURE

77. Disclosure of the annual remuneration earned, on aggregated and individual basis, by the members of the company's management body, including fixed and variable remuneration paid by the company and, regarding the latter, reference to the different components that gave rise to it.

The average annual remuneration of the Company's full-time equivalent employees, excluding members of the management and supervisory bodies, during the last five financial years is presented in the table "Average annual remuneration per employee at Inapa – IPG."

	Inapa - IPG		Subsidiaries	
	Fixed Remuneration in 2022	Variable Remuneration in 2022	Fixed Remuneration in 2022	Variable remuneration in 2022
Diogo Francisco Bastos Mendes Rezende	€ 350 000.00	€ 50,400.00 (*)	-	-
Frederico João de Moser Lupi	€ 259 000.00	€ 36,260.00 (*)	-	-
Inês Patrícia Arêde Simões Louro	€ 259,000.00	€ 36,260.00 (*)	-	-
Victor Maurílio Silva Barros	€ 70,500.00	-	-	-
Emília de Noronha Galvão Franco Frazão	€ 16,500.00	-	-	-
Patrícia Isabel Sousa Caldinha	€ 16,500.00	-	-	-
João Miguel Pacheco Sales Luís	€ 10,500.00	-	-	-

(*) ½ OF THE VARIABLE REMUNERATION AWARDED BY THE REMUNERATION COMMITTEE FOR THE PERFORMANCE ON THE 2021 FINANCIAL YEAR. THE REMAINDER WAS DEFERRED FOR PAYMENT IN EQUAL AND SUCCESSIVE ANNUAL INSTALLMENTS TO BE MADE IN 2023, 2024 AND 2025

Average Annual Remuneration per Employee of INAPA IPG

	2018	2019	2020	2021	2022	Total
Total remunerations	€ 733,421.09	€ 599,799.20	€ 557,766.02	€ 598,823.77	€ 705,853.59	€ 3,195,663.67
Average Annual Remuneration per Employee	€ 73,958.43	€ 61,517.87	€ 62,262.25	€ 61,947.29	€ 70,585.36	€ 330,271.19
Average Annual Remuneration per Employee (2018-2022)						€ 66,054.24

78. Any amounts paid, for any reason whatsoever, by other companies in a control or group relationship, or that are subject to a common control.

No amounts were paid by other companies in a control or group relationship, or which are subject to a common control.

79. Remuneration paid in the form of profit sharing and/or bonus payments and the reasons for said bonuses or profit sharing being awarded.

The remuneration scheme approved at the General Meeting contemplates, in its quantitative component, indicators that influence the generation of the Group's results, but there are no mechanisms for reimbursement of results.

It should be noted that the remuneration regulation of Inapa's corporate bodies (approved by the Remuneration Committee) does not allow such variable remuneration to exceed in each year the amount equivalent to 10% of net income for Inapa's financial year.

80. Compensation paid to or owed by former executive directors concerning contract termination during the financial year.

No compensation was paid to former executive directors nor compensations for the cessation of their duties are due during the last financial year.

The remuneration policy in what regards to variable remunerations establishes that:

- In the event of termination of duties of the executive member of the Board of Directors, for any reason (other than dismissal for good cause or due to the verification of another situation giving rise to the application of the malus or claw back mechanisms), after the end of the variable remuneration period, but before the full payment of the respective variable remuneration, the full variable remuneration will be paid;
- The payment of the variable remuneration corresponding to the fiscal year in which the executive member of the Board of Directors ceases functions shall not be due, except in cases of termination by mutual agreement, retirement, death, invalidity or in any other case of early termination of the mandate, for reasons not attributable to the executive member of the Board of Directors (namely, changes in the control of the Company, among others, following a takeover bid or other fact unrelated to the executive member of the Board of Directors), in which case variable remuneration will be due *pro rata temporis*. In particular, the executive member of the Board of Directors shall not be entitled to a variable remuneration for the performance of his duties during the period between the beginning of the financial year and the date of the elective general meeting (under the terms of the provisions of article 391, number 4 of the Portuguese Companies Code), should the executive member of the Board of Directors not be re-elected.

In the event of the termination of the duties of the executive members of the Board of Directors, before the end of the term of office due to dismissal for just cause or due to the

verification of another situation giving rise to the application of the malus or claw back mechanisms, the last will lose the right to receive all the variable remuneration paid but not paid.

The variable remuneration is subject, in whole or in part, to mechanisms of (a) reduction of the variable remuneration prior to its attribution (malus) and (b) reversal by way of retention of part or all of the variable remuneration attributed whose payment of any of its installments has not yet been performed (claw back), the latter being a supplementary mechanism if the reduction mechanism proves to be insufficient, in the following situations:

- i) The executive member of Inapa's Board of Directors in question participated directly and decisively or was responsible for an action that resulted in significant losses for Inapa;
- ii) Serious or fraudulent breach of Inapa's code of conduct or internal rules by the executive member of the Board of Directors with a significant negative impact on Inapa, or situations justifying just cause of dismissal of the executive member of the Board of Directors; and/or
- iii) False statements and/or material errors or omissions in Inapa's financial statements for which the objective conduct of the executive member of the Board of Directors has contributed decisively.

81. Details of the annual remuneration paid, as a whole and individually, to the

members of the company's supervisory board for the purposes of Law nr. 28/2009 of 19 June.

The remuneration of the Audit Committee members is described under section 77.

The members of the Audit Committee during 2022 were:

- Victor Maurílio Silva Barros
- Emília de Noronha Galvão Franco Frazão
- Patrícia Isabel Sousa Caldinha

82. Details of the remuneration in the said year of the Chairman of the Board of the General Meeting.

The remuneration of the Chairman of the Board of the General Meeting, has not been altered during the referred financial year, being paid € 5,000.00 (five thousand euros) for each meeting that he/she chairs.

V. AGREEMENTS WITH REMUNERATION IMPLICATIONS

83. The envisaged contractual restraints for compensation payable for the unfair dismissal of directors and the relevance thereof to the remunerations' variable component.

The remuneration policy adopted does not provide for contractual limitations on any compensation payable to directors for dismissal without just cause or any express mechanisms for demanding any indemnity or compensation, without prejudice to that which is legally due. The Company does not

have any agreements in place with members of its management body and/or directors that provide for compensation in the event of resignation, unfair dismissal, or termination of employment contract, following a change in the Company's control.

In what concerns the variable remuneration, the remuneration policy defines that:

- In the event of termination of office duties of an executive member of the Board of Directors, for whatever reason (except for dismissal for good cause or due to the occurrence of another situation that gives rise to the application of the malus or claw back mechanisms), after the end of the assessment period of the variable remuneration, but before full payment of the respective variable remuneration, the variable remuneration shall be paid in full;
- The payment of the variable remuneration corresponding to the financial year in which the executive member of the Board of Directors ceases functions shall not be due, except in situations of termination by mutual agreement, retirement, death, disability or in any other case of early termination of the term of office for reasons not attributable to the executive member of the Board of Directors (namely change of control of the Company, among others, as a result of a takeover bid, or other fact unrelated to the executive member of the Board of Directors), in which case the variable remuneration shall be due *pro rata temporis*. In particular, the executive member of the Board of Directors shall not be entitled to a variable remuneration for

the performance of his/her duties during the period between the start of the financial year and the date of the elective general meeting (under the terms of the provisions of number 4 of article 391 of the Portuguese Companies Code), should the executive member of the Board of Directors not be re-elected.

84. Reference to the existence and description, with indication of the amounts involved, of agreements between the company and the members of the board of directors and managers providing for compensation in the event of resignation, unfair dismissal or termination of employment following a change in company control.

There are no agreements between the Company and members of the Board of Directors and/or senior management containing provisions on the payment of compensations upon resignation, unfair dismissal or termination of employment following a change in the company's controlling shareholders.

VI. SHARE-ALLOCATION AND/OR STOCK OPTION PLANS

85. Details of the plan and the number of persons included therein.

The Company does not have any share-allocation or stock option scheme to award shares in the capital of the Company to its governing bodies or personnel.

86. Characteristics of the plan (allocation conditions, non-transfer of share clauses,

criteria on share-pricing and the exercising option price, the period during which the options may be exercised, the characteristics of the shares or options to be allocated, the existence of incentives to purchase shares and/or exercise options).

The Company has no plan to attribute shares or share options to its governing bodies or employees.

87. Stock option plans for the company employees and staff.

The Company has no plan to attribute shares or share options to its governing bodies or employees.

88. Control mechanisms for a possible employee-shareholder system inasmuch as the voting rights are not directly exercised by said employees (Art. 245 A (1) al. e)).

The Company does not have any plan to attribute shares or share options to its governing bodies or employees, and no control mechanisms are envisaged in a possible employee-shareholder system.

E. Related party transactions

CONTROL MECHANISMS AND PROCEDURES

89. Mechanisms implemented by the Company for the purpose of controlling transactions with related parties (For said purpose, reference is made to the concept resulting from IAS 24).

At the meeting of 23 December 2020, the Board of Directors of Inapa - Investimentos, Participações e Gestão, S.A. approved, with the prior opinion of the Audit Committee, a new regulation on transactions of the company with related parties.

Related entities, for the purposes of the aforementioned regulation, are understood to be those considered as such in the international standards adopted pursuant to Regulation (EC) Nr. 1 606/2002, of the European Parliament and of the Council, of 19 July and in particular:

- a) The entities that directly or indirectly control, are controlled or are under common control of the company;
- b) The entities that have an interest in the company that gives it significant influence over it or have joint control over it;
- c) Associates or joint ventures in which the entity is an entrepreneur;
- d) The key elements of the company's management or the people closely related to them, being considered as such:
 - The members of the Company's management bodies and those responsible, who, not being members of those bodies, directly or indirectly have authority and responsibility for planning, directing and controlling the entity's activities;
 - The spouse of the key management member or person living with him or her in de facto union, dependent descendants and other dependents;

- Any entity that is directly or indirectly dominated by the key management element, constituted for its benefit or that this is also a key management element.
- e) The entity over which a key management element or person closely related to it exercises control, joint control or significant influence or over which they have, directly or indirectly, significant voting power;
- f) The entity that is a post-employment benefit plan for the benefit of employees of the company or company in a controlling or group relationship.

According to this regulation, that require prior approval by the Board of Directors, with prior opinion from the Audit Committee, all transaction between the Company or its subsidiaries with related entities that are not carried out within the current scope of the Company's activity and under market conditions, transactions of significant relevance as well as those that, due to the combination of their nature, amount and/ or conditions of realization may give rise to particular relevance in terms of transparency and or conflicts of interest.

In view of the concrete reality of the Company and its subsidiaries, the following levels of materiality were established, for transactions alone or in conjunction with other transactions with the same related party, during the same financial year, from which the transactions are of significant relevance, which delimit the delegation of powers of the Executive Committee:

Type of transaction	Limit
Purchase and sale of goods and services	750,000€
Financial investments	5,000,000€
Loans and other financing, excluding pure renewals	10,000,000€
Other transactions	500,000€

All other transactions with related parties are mandatorily notified to the Audit Committee until the end of the month following the end of each quarter, to confirm that they were carried out within the scope of the activity under market conditions.

The regulation in question establishes that in the assessment of transactions with related parties, the respective reasonableness and transparency must be ensured, namely with regard to the pursuit of the interests of the company and its subsidiaries, taking into account the normal conditions under which such transactions are practiced in the market and that the same does not result, directly or indirectly, in a more favourable treatment than the one likely to be obtained by a third party under equal circumstances.

The regulation also provides that transactions between the Company and/ or its subsidiaries with related parties that are not carried out within the scope of the company's current activity and under market conditions and whose individual or aggregate value in the same year in relation to the same related party is equal to or greater than 2.5% of the Company's consolidated assets, according to its most recent audited accounts, must be publicly

disclosed, at the latest at the time they are realized.

90. Details of transactions that were subject to control in the referred year.

There were no transactions with related parties that needed the specific control from the Audit Committee, however, transactions within the scope of the Company's day-to-day business and under market conditions were analyzed on a quarterly basis.

91. A description of the procedures and criteria applicable to the supervisory body when same provides preliminary assessment of the business deals to be carried out between the company and the holders of qualifying holdings or entity-relationships with the former, as envisaged in Article 20 of the Securities Code.

The procedures and criteria are described in section 89.

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, or alternatively a copy of the said data.

The information about business deals with related parties is described on note 33 to the consolidated financial statements of the company.

III. OTHER ELEMENTS

93. Means of preventing and managing conflicts of interest.

The Code of Conduct currently in force covers all employees and managers of Inapa Group (including members of the Board of Directors of the Company).

The Code of Conduct indicates that a conflict of interest exists when their personal activities interfere, or appear to interfere, with their judgment in acting in the best interest of Inapa.

It is defined that employees and directors must abstain from doing business with family members or with others with whom they have relevant affective relationships.

They shall not use their position in Inapa to obtain special treatment for themselves, their family, or anyone of relevant significance to them. This applies to purchasing products, sales, investments, hiring or selecting contractors or suppliers, or any other business relationships.

Every activity outside professional activities, paid or unpaid, must be disclosed and may not raise conflicts of interest with Inapa. No company assets may be used while engaging in any outside professional activity.

Should any member of the Board of Directors find themselves in a situation of potential conflict of interest, he/she must disclose it to the Chairman of the Board of Directors, or if the potential conflict affects the Chairman

of the Audit Committee, and consequently exclude themselves from the decision-making process.

It is also foreseen that no employee, manager, or administrator may participate in decision making related to a company in which he/she may have a direct or indirect financial interest. Finally, the Code of Conduct also states that no gifts, meals, entertainment, or any favours should be accepted from suppliers, service providers, or customers that might compromise, or appear to compromise, their judgment when making objective decisions in the best interest of Inapa.

Part II

Corporate Governance Assessment



1. Details of the Corporate Governance code implemented.

This Corporate Governance report was prepared in accordance with the recommendations contained in the IPCG Corporate Governance Code (2018) and reviewed in 2020.

The full text of the reports concerning the governance of this company, are permanently available at:

- The company's head office, located at Rua Braamcamp, nr. 40 - 9th floor D, in Lisbon;
- The company's website: www.inapa.pt;
- The website of Comissão do Mercado de Valores Mobiliários (CMVM): www.inapa.pt.

The company hereby informs that this report will be available for consultation in all of the aforementioned locations in a separate format

and as an appendix to its annual report, of which it is an integral part.

2. Compliance analysis with the adopted Corporate Governance Code.

The structure followed in the evaluation of corporate governance follows the model recommended in the IPCG Corporate Governance Code (2018) reviewed in 2020.

For each of the recommendations, its adherence or not is declared, and an explanation is presented through the references to the articles of Part I - mandatory information on shareholder structure, organisation, and Corporate Governance and complemented, for cases of non-compliance, partial compliance or when the recommendation was considered not applicable, by further information is presented after the table, in point 3 - Other Information.



Principle / Recommendations	Compliance	Remission Part I
Chapter I – General Section		
General Principle:		
Corporate Governance should promote and enhance the performance of companies, as well as of capital markets, and strengthen the trust of investors, employees, and the general public in the quality and transparency of management and supervision, as well as in the sustained development of the companies.		
I.1. Company's relationship with investors and disclosure		
Principle:		
Companies, in particular its directors, should treat shareholders and other investors equitably, namely by ensuring mechanisms and procedures are in place for the suitable management and disclosure of the Company's information.		
Recommendations:		
I.1.1. The Company should establish mechanisms to ensure the timely disclosure of information to its governing bodies, shareholders, investors and other stakeholders, financial analysts, and to the markets in general.	Yes	22 34 56 to 65
I.2. Diversity in the composition and functioning of the company's governing bodies		
Principles:		
I.2.A. Companies ensure diversity in the composition of its governing bodies, and the adoption of requirements based on individual merit, in the appointment procedures that are exclusively within the powers of the shareholders.		
I.2.B. Companies should be provided with clear and transparent decision structures and ensure a maximum effectiveness of the functioning of their governing bodies and commissions.		
I.2.C. Companies ensure that the functioning of their bodies and committees is duly recorded, namely in minutes, to allow an understanding not only of the meaning of the decisions taken, but also of their grounds and opinions expressed by their members.		
Recommendations:		
I.2.1. Companies should establish standards and requirements regarding the profile of new members of their governing bodies, which are suitable according to the roles to be carried out. Besides individual attributes (such as competence, independence, integrity, availability, and experience), these profiles should take into consideration general diversity requirements, with particular attention to gender diversity, which may contribute to a better performance of the governing body and to the balance of its composition.	No	15 to 19 26
I.2.2. The company's managing and supervisory boards, as well as their committees, should have internal regulations — namely regulating the performance of their duties, their Chairmanship, periodicity of meetings, their functioning and the duties of their members —, disclosed in full on the company's website. Minutes of the meetings of each of these bodies should be drawn out.	Yes	15 to 19 21 22 23 27 34
		(cont.)

Principle / Recommendations	Compliance	Remission Part I
1.2.3. The composition and the number of annual meetings of the managing and supervisory bodies, as well as of their committees, should be disclosed on the company's website.	Yes	22 23 35 61
1.2.4. A policy for the communication of irregularities (whistleblowing) should be adopted that guarantees the suitable means of communication and how to deal with those irregularities, with the safeguarding of the confidentiality of the information transmitted and the identity of its provider, whenever such confidentiality is requested.	Yes	49
1.3. Relationships between the company bodies		
Principle:		
Members of the company's boards, especially directors, should create, considering the duties of each of the boards, the appropriate conditions to ensure balanced and efficient measures to allow for the different governing bodies of the company to act in a harmonious and coordinated way, in possession of the suitable amount of information in order to carry out their respective duties.		
Recommendations:		
1.3.1. The bylaws, or other equivalent means adopted by the company, should establish mechanisms that, within the limits of applicable laws, permanently ensure the members of the managing and supervisory boards are provided with access to all the information and company's collaborators, in order to appraise the performance, current situation and perspectives for further developments of the company, namely including minutes, documents supporting decisions that have been taken, calls for meetings, and the archive of the meetings of the managing board, without impairing the access to any other documents or people that may be requested for information.	Yes	15 21
1.3.2. The bylaws, or other equivalent means adopted by the company, should establish mechanisms that, within the limits of applicable laws, permanently ensure the members of the managing and supervisory boards are provided with access to all the information and company's collaborators, in order to appraise the performance, current situation and perspectives for further developments of the company, namely including minutes, documents supporting decisions that have been taken, calls for meetings, and the archive of the meetings of the managing board, without impairing the access to any other documents or people that may be requested for information.	Yes	15 21
1.4. Conflicts of interest		
Principle:		
The existence of current or potential conflicts of interest, between members of the company's boards or committees and the company, should be prevented. The non-interference of the conflicted member in the decision process should be guaranteed.		
Recommendations:		
1.4.1. The members of the managing and supervisory boards and the internal committees are bounded, by internal regulation or equivalent, to inform the respective board or committee whenever there are facts that may constitute or give rise to a conflict between their interests and the company's interest.	Yes	93

(cont.)

Principle / Recommendations	Compliance	Remission Part I
I.4.2. Procedures should be adopted to guarantee that the member in conflict does not interfere in the decision-making process, without prejudice to the duty to provide information and other clarifications that the board, the committee or their respective members may request.	Yes	93
I.5. Related party transactions		
Principle:		
Due to the potential risks that they may hold, transactions with related parties should be justified by the interest of the company and carried out under market conditions, subject to principles of transparency and adequate supervision.		
Recommendations:		
I.5.1. The managing body should disclose in the corporate governance report or by other means publicly available the internal procedure for verifying transactions with related parties.	Yes	38 to 91
I.5.2. The managing body should report to the supervisory body the results of the internal procedure for verifying transactions with related parties, including the transactions under analysis, at least every six months.	Not applicable	89 to 91

Chapter II – Shareholders and General Meeting

Principles:

II.A. As an instrument for the efficient functioning of the company and the fulfilment of the corporate purpose of the company, the suitable involvement of the shareholders in matters of corporate governance is a positive factor for the company's governance.

II.B. The company should stimulate the personal participation of shareholders in General Meetings, which is a space for communication by the shareholders with the company's boards and committees, and for reflection about the company itself.

II.C. The company should implement adequate means for the participation and remote voting by shareholders in meetings.

Recommendations:

II.1. The company should not set an excessively high number of shares to confer voting rights, and it should make its choice clear in the corporate governance report every time its choice entails a diversion from the general rule: that each share has a corresponding vote.	Yes	1 12 13
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II.2. The company should not adopt mechanisms that make decision making by its shareholders (resolutions) more difficult, specifically, by setting a quorum higher than that established by law.	Yes	14
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II.3. The company should implement adequate means for the remote participation by shareholders in the general meeting, which should be proportionate to its size.	Yes	12
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II.4. The company should also implement adequate means for the exercise of remote voting, including by correspondence and electronic means.	Yes	12
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(cont.)

Principle / Recommendations	Compliance	Remission Part I
II.5. The bylaws, which specify the limitation of the number of votes that can be held or exercised by a sole shareholder, individually or in coordination with other shareholders, should equally provide that, at least every 5 years, the amendment or maintenance of this rule will be subject to a shareholder resolution - without increased quorum in comparison to the legally established - and in that resolution, all votes cast will be counted without observation of the imposed limits.	Yes	5 13
II.6. The company should not adopt mechanisms that imply payments or assumption of fees in the case of the transfer of control or the change in the composition of the managing body, and which are likely to harm the free transferability of shares and a shareholder assessment of the performance of the members of the managing body.	Yes	16 69 80 83 84

Chapter III – Non Executive Board and Supervisory Board

Principles:

III.A. The members of governing bodies who possess non-executive management duties and supervisory duties should, in an effective and judicious manner, carry out monitoring duties and incentivise executive management for the full accomplishment of the corporate purpose, and such performance should be complemented by committees for areas that are central to corporate governance.

III.B. The composition of the supervisory body and the non-executive directors should provide the company with a balanced and suitable diversity of skills, knowledge, and professional experience.

III.C. The supervisory body should carry out a permanent oversight of the company's managing body, also in a preventive perspective, following the company's activity and, in particular, the decisions of fundamental importance.

Recommendations:

III.1. Without prejudice to the legal powers of the Chair of the managing body, if he or she is not independent, the independent directors should appoint a coordinator from amongst them (Lead Independent Director), namely, (i) act, when necessary, as an interlocutor near the chair of the board of directors and other directors, (ii) make sure there are the necessary conditions and means to carry out their functions; and (iii) coordinate the independent directors in the assessment of the performance of the managing body, as established in recommendation V.1.1.

Yes 18

III.2. The number of non-executive members in the managing body, as well as the number of members of the supervisory body and the number of the members of the committee for financial matters should be suitable for the size of the company and the complexity of the risks intrinsic to its activity, but sufficient to ensure, with efficiency, the duties which they have been attributed. The formation of such suitability judgment should be included in the corporate governance report.

Yes 17
18
27
31

III.3. In any case, the number of non-executive directors should be higher than the number of executive directors.

Yes 18

(cont.)

Principle / Recommendations	Compliance	Remission Part I
<p>III.4. Each company should include a number of non-executive directors that corresponds to no less than one third, but always plural, who satisfy the legal requirements of independence. For the purposes of this recommendation, an independent person is one who is not associated with any specific group of interest of the company, nor under any circumstance likely to affect his / her impartiality of analysis or decision, namely due to:</p> <p>i. Having carried out functions in any of the company's bodies for more than twelve years, either on a consecutive or non-consecutive basis;</p> <p>ii. Having been a prior staff member of the company or of a company which is considered to be in a controlling or group relationship with the company in the last three years;</p> <p>iii. Having, in the last three years, provided services or established a significant business relationship with the company or a company which is considered to be in a controlling or group relationship, either directly or as a shareholder, director, manager or officer of the legal person;</p> <p>iv. Having been a beneficiary of remuneration paid by the company or by a company which is considered to be in a controlling or group relationship other than the remuneration resulting from the exercise of a director's duties</p> <p>v. Having lived in a non-marital partnership or having been the spouse, relative or any first degree next of kin up to and including the third degree of collateral affinity of company directors or of natural persons who are direct or indirect holders of qualifying holdings, or having been a qualified holder or representative of a shareholder of qualifying holding;</p> <p>vi. Having been a qualified holder or representative of a shareholder of qualifying holding.</p>	Yes	18 20 32
<p>III.5. The provisions of paragraph (i) of recommendation III.4 does not inhibit the qualification of a new director as independent if, between the termination of his / her functions in any of the company's bodies and the new appointment, a period of 3 years has elapsed (cooling-off period).</p>	Not applicable	18
<p>III.6. The supervisory body, in observance of the powers conferred to it by law, should assess and give its opinion on the strategic lines and the risk policy prior to its final approval by the management body.</p>	No	21 38 54
<p>III.7. Companies should have specialised committees, separately or cumulatively, on matters related to corporate governance, appointments, and performance assessment. In the event that the remuneration committee provided for in article 399 of the Commercial Companies Code has been created and should this not be prohibited by law, this recommendation may be fulfilled by conferring competence on such committee in the aforementioned matters.</p>	No	24 27 29 66

Chapter IV – Executive Board

Principles:

IV.A. As way of increasing the efficiency and the quality of the managing body's performance and the suitable flow of information in the board, the daily management of the company should be carried out by directors with qualifications, powers, and experience suitable for the role. The executive board is responsible for the management of the company, pursuing the company's objectives and aiming to contribute towards the company's sustainable development.

IV.B. In determining the number of executive directors, it should be taken into account, besides the costs and the desirable agility in the functioning of the executive board, the size of the company, the complexity of its activity, and its geographical spread.

(cont.)

Principle / Recommendations	Compliance	Remission Part I
Recommendations:		
IV.1. The managing body should approve, by internal regulation or equivalent, the rules regarding the action of the executive directors applicable to their performance of executive functions in entities outside of the group.	Yes	28 93
IV.2. The managing body should ensure that the company acts consistently with its objects and does not delegate powers, namely, in what regards: i) the definition of the strategy and main policies of the company; ii) the organisation and coordination of the business structure; iii) matters that should be considered strategic in virtue of the amounts involved, the risk, or special characteristics.	Yes	21 28
IV.3. In the annual report, the managing body explains in what terms the strategy and the main policies defined seek to ensure the long-term success of the company and which are the main contributions resulting therein for the community at large.	Yes	21 50 52 to 55 89

Chapter V – Evaluation of Performance, Remuneration and Appointments

V.1. Annual Evaluation of Performance

Principle:

The company should promote the assessment of evaluation of the executive board and of its members individually, and also the assessment of the overall performance of the managing body and its specialized committees.

Recommendations:

V.1.1. The managing body should annually evaluate its performance as well as the performance of its committees and executive directors, taking into account the accomplishment of the company's strategic plans and budget plans, the risk management, the internal functioning and the contribution of each member of the body to these objectives, as well as the relationship with the company's other bodies and committees.	Not applicable	18 24 25 27 38
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V.2. Remuneration

Principle:

V.2.A. The remuneration policy of the members of the managing and supervisory boards should allow the company to attract qualified professionals at an economically justifiable cost in relation to its financial situation, induce the alignment of the member's interests with those of the company's shareholders — taking into account the wealth effectively created by the company, its financial situation and the market's — and constitute a factor of development of a culture of professionalization, sustainability, promotion of merit and transparency within the company.

V.2.B. Directors should receive a compensation:

- (i) That suitably pays for the responsibility taken, the availability and the expertise placed at the disposal of the company;
- (ii) That guarantees a performance aligned with the long-term interests of the shareholders and promotes the sustainable performance of the company; and
- (iii) That rewards performance.

(cont.)

Principle / Recommendations	Compliance	Remission Part I
Recommendations:		
V.2.1. The company should create a remuneration committee, the composition of which should ensure its independence from the management, which may be the remuneration committee appointed under the terms of article 399 of the Commercial Companies Code.	Yes	66 to 68
V.2.2. The remuneration should be set by the remuneration committee or the general meeting, on a proposal from that committee.	Yes	66 a 68
V.2.3. For each term of office, the Remuneration Committee, or the General Meeting, on a proposal from that committee, should also approve the maximum amount of all compensations payable to any member of a board or committee of the company due to the respective termination of office. The said situation as well as the amounts should be disclosed in the corporate governance report or in the remuneration report.	No	69 to 81 83 to 86
V.2.4. In order to provide information or clarifications to shareholders, the chair or, in case of his / her impediment, another member of the remuneration committee should be present at the annual general meeting, as well as at any other, whenever the respective agenda includes a matter linked with the remuneration of the members of the company's boards and committees or, if such presence has been requested by the shareholders.	Yes	69 80
V.2.5. Within the company's budgetary limitations, the remuneration committee should be able to decide, freely, on the hiring, by the company, of necessary or convenient consulting services to carry out the committee's duties.	Yes	67 69
V.2.6. The remuneration committee should ensure that those services are provided independently and that the respective providers do not provide other services to the company, or to others in controlling or group relationship, without the express authorization of the committee.	Yes	69
V.2.7. Taking into account the alignment of interests between the company and the executive directors, a part of their remuneration should be of a variable nature, reflecting the sustained performance of the company, and not stimulating the assumption of excessive risks.	Yes	69 70
V.2.8. A significant part of the variable component should be partially deferred in time, for a period of no less than three years, being necessarily connected to the confirmation of the sustainability of the performance, in the terms defined by a company's internal regulation.	Yes	69 to 72
V.2.9. When variable remuneration includes the allocation of options or other instruments directly or indirectly dependent on the value of shares, the start of the exercise period should be deferred in time for a period of no less than three years.	Not applicable	74
V.2.10. The remuneration of non-executive directors should not include components dependent on the performance of the company or on its value.	Yes	69

V.3. Appointments

Principle:

Regardless of the manner of appointment, the profile, the knowledge, and the curriculum of the members of the company's governing bodies, and of the executive staff, should be suited to the functions carried out.

(cont.)

Principle / Recommendations	Compliance	Remission Part I
Recommendations:		
V.3.1. The company should, in terms that it considers suitable, but in a clear way, promote that proposals for the appointment of the members of the company's governing bodies are accompanied by a justification in regard to the suitability of the profile, the skills and the curriculum vitae to the duties to be carried out.	No	19
V.3.2. The overview and support to the appointment of members of senior management should be attributed to a nomination committee unless this is not justified by the company's size.	Not applicable	27
V.3.3. This nomination committee includes a majority of non-executive, independent members.	Not applicable	27
V.3.4. The nomination committee should make its terms of reference available, and should foster, to the extent of its powers, transparent selection processes that include effective mechanisms of identification of potential candidates, and that those chosen for proposal are those who present a higher degree of merit, who are best suited to the demands of the functions to be carried out, and who will best promote, within the organisation, a suitable diversity, including gender diversity.	Not applicable	27

Chapter VI – Internal Control

Principle:

Based on its mid and long-term strategies, the company should establish a system of risk management and control, and of internal audit, which allow for the anticipation and minimization of risks inherent to the company's activity.

Recommendations:

VI.1. The managing body should debate and approve the company's strategic plan and risk policy, which should include the establishment of limits on risk-taking.	Yes	21 54
VI.2. The supervisory board should be internally organized, implementing mechanisms and procedures of periodic control that seek to guarantee that risks which are effectively incurred by the company are consistent with the company's objectives, as set by the managing body.	Yes	21 50 54 55
VI.3. The internal control systems, comprising the functions of risk management, compliance, and internal audit should be structured in terms adequate to the size of the company and the complexity of the inherent risks of the company's activity. The supervisory body should evaluate them and, within its competence to supervise the effectiveness of this system, propose adjustments where they are deemed to be necessary.	Yes	50 to 55
VI.4. The supervisory body should provide its view on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance and internal audit functions, and may propose the adjustments deemed to be necessary.	Yes	21 50 to 55
VI.5. The supervisory body should be the recipient of the reports prepared by the internal control services, including the risk management functions, compliance and internal audit, at least regarding matters related to the approval of accounts, the identification and resolution of conflicts of interest, and the detection of potential irregularities.	Yes	21 49

(cont.)

Principle / Recommendations	Compliance	Remission Part I
VI.6. Based on its risk policy, the company should establish a risk management function, identifying (i) the main risks it is subject to in carrying out its activity; (ii) the probability of occurrence of those risks and their respective impact; (iii) the devices and measures to adopt towards their mitigation; and (iv) the monitoring procedures, aiming at their accompaniment.	Yes	50 to 55
VI.7. The company should establish procedures for the supervision, periodic evaluation, and adjustment of the internal control system, including an annual evaluation of the level of internal compliance and the performance of that system, as well as the perspectives for amendments of the risk structure previously defined.	Yes	21 54 55
Chapter VII – Financial Information		
VII.1. Financial Information		
Principles:		
VII.A. The supervisory body should, with independence and in a diligent manner, ensure that the managing body complies with its duties when choosing appropriate accounting policies and standards for the company, and when establishing suitable systems of financial reporting for risk management, internal control, and internal audit.		
VII.B. The supervisory body should promote an adequate coordination between the internal audit and the statutory audit of accounts.		
Recommendations:		
VII.1.1. The supervisory body's internal regulation should impose the obligation to supervise the suitability of the preparation process and the disclosure of financial information by the managing body, including suitable accounting policies, estimates, judgments, relevant disclosure and its consistent application between financial years, in a duly documented and communicated form.	Yes	21 38
VII.2. Statutory audit of accounts and supervision		
Principle:		
The supervisory body should establish and monitor clear and transparent formal procedures on the relationship of the company with the statutory auditor and on the supervision of compliance, by the auditor, with rules regarding independence imposed by law and professional regulations.		
Recommendations:		
VII.2.1. By internal regulations, the supervisory body should define, according to the applicable legal regime, the monitoring procedures aimed at ensuring the independence of the statutory audit.	Yes	21 37 38 41 44 to 47
VII.2.2. The supervisory body should be the main interlocutor of the statutory auditor in the company and the first recipient of the respective reports, having the powers, namely, to propose the respective remuneration and to ensure that adequate conditions for the provision of services are ensured within the company.	Yes	21
VII.2.3. The supervisory body should annually evaluate the services provided by the statutory auditor, their independence, and their suitability in carrying out their functions and propose their dismissal or the termination of their service contract by the competent body when this is justified for due cause.	Yes	21 38 45

3. Additional clarifications in the recommendations in which there was no adhesion, partial adherence or was considered not applicable.

I.2.1. –The Company considered not to establish criteria and requirements for the profile of new members of corporate bodies, since past selection processes duly guarded such attributes as competence, independence, integrity, availability, and experience.

Gender equality, in the current mandate, had the legal framework of gender parity as a guiding rule, having been fully complied with by the corporate bodies, namely the Board of Directors and the Audit Committee.

I.3.1. – The Company, through the regulations of the Board of Directors and the Audit Committee, establishes mechanisms to comply with the recommendation.

I.3.2. –The Company, through the regulations of the Board of Directors and Audit Committee, establishes mechanisms for complying with the recommendation.

I.5.2. –The recommendation is understood as not applicable since it is up to the supervisory body itself to periodically verify transactions with related parties in accordance with the provisions of article nr. 29-S, nr. 1 of the CMV added by law 50/2020 of 25 August.

III.6. –The non-executive directors that make up the Audit Committee pronounce themselves within the Board of Directors on the strategic guidelines and risk policy.

III.7. –The Company, with its governance model, has a remuneration committee elected by the General Meeting and independent from the Board of Directors. In view of the small size of the company, measured considering the provisions of paragraph 2 of Article 413 of the CCC, and the job functions performed by the Audit Committee, the Company believes that the creation of specialized committees is not justified.

IV.1. – There is no internal regulation that defines the performance regime of executives or executive functions outside the group, however the Code of Conduct provides that all external professional activities, whether paid or not, must be communicated and cannot raise conflicts of interest with Inapa.

V.1.1. –The duty of the Board of Directors to evaluate the performance of its committees is not considered applicable, as they are non-existent.

V.2.3. – No formal mechanisms are foreseen to demand any indemnity or compensation, beyond what is legally due. Inapa does not have agreements in force with members of its board of directors and/or managers that provide for compensation in the event of just cause dismissal, unfair dismissal or termination of the employment relationship following a change in the Company's control. The remuneration policy, in point IV, establishes the situations in which executive directors may or may not be entitled to variable remuneration for the current year when the termination occurs. Since there are no agreements and mechanisms for variable remuneration are foreseen, the Company understands that what is provided for by law.

V.3.1. –Proposals for the election of members of the governing bodies submitted for approval by the General Meeting are accompanied by a description containing the academic qualifications and professional qualifications of each member. The description is not accompanied by a statement of reasons for each profile. The Company does not have its own regulations that require the definition of profiles since there has always been an adaptation of profiles proposed to the functions to be performed in each profile of the Board of Directors.

V.3.2. – In view of the small size of the Company, assessed in the light of the provisions of paragraph 2 of Article 413 of the CCC, and the limited number of members of the Board of Directors (seven), the appointment of a nominating committee is not justified.

V.3.3. – The Company does not have a nomination committee.

V.3.4. – The Company does not have a nomination committee.

VI.1. –The Board of Directors makes an annual assessment of the adequacy of the risk mitigation measures present in the Company, jointly defining a work program that monitors the maintenance of the adequacy of the on-going measures and allows adjustments to be made whenever necessary.

V.2.9. - Not applicable since the remuneration scheme for executive directors does not contemplate the allocation of options or other instruments directly or indirectly dependent on the value of the company's shares.



Report Model for disclosure of Non-financial Information

PART I - INFORMATION ON ADOPTED POLICIES	REFERENCES
A. INTRODUCTION	
1. Description of the Company's general policy with regard to sustainability issues, indicating any changes to the previously approved policy.	Chap. 5
2. Description of the methodology and the reasons for its adoption in the reporting of the non-financial information, as well as any changes occurred in relation to previous years and the reasons for them.	Chap. 5 (5.3 to 5.7)
B. BUSINESS MODEL	
General description of the Company's business model and Company's organisation structure / Group, indicating main business areas and markets where it operates (if possible, with organigrams, graphs or functional charts).	Chap. 1 (Pages 14 to 63)
C. MAIN RISK FACTORS	
1. Identification of the main risks associated with the topics being reported and resulting from the Company's activities, products, services, or commercial relations, including, where applicable and whenever possible, the supply and subcontracting chains.	..
2. Description of how these risks are identified and managed by the Company.	Chap. 1 (Pages 42 to 56)
3. Explanation of the internal functional division of responsibilities, including the corporate committees, commissions, committees, or departments responsible for the identification and management / monitoring of risks	Chap. 4 (Notes 11 to 55)
4. Express indication of the new risks identified by the Company in relation to previous years as well as the risks that no longer exist.	..
5. Indication and brief description of the main opportunities that are identified by the Company regarding the issues to be reported.	..
D. IMPLEMENTED POLICIES	
Description of policies: i. environmental, ii. social and fiscal, iii. concerning employees and gender equality and non-discrimination, iv. concerning human rights and v. concerning the fight corruption and bribery attempts, including due diligence policies, as well as the results of their implementation, including related non-financial key performance indicators, and their comparison with the previous year.	Chap. 5, 6 and 7
i. Environmental Policies	
1. Description of the Company's strategic objectives and the main actions to be taken for their achievement.	Chap. 5 and 6
2. Description of the main performance indicators defined.	Chap. 5 and 6
3. Indication, compared with the previous year, of the degree of achievement of those objectives, at least by reference to:	Chap. 6 (6.6)
i) Sustainable use of resources: consumption of water, other raw materials and energy; measures taken to improve the efficiency of resource use; use of energy efficiency measures and use of renewable energy.	Chap. 6 (6.6)
ii) Pollution and climate change: indication of the values of greenhouse gas emissions; indication of emissions of pollutants into nature; indication of penalties incurred and measures to prevent, reduce or repair these emissions.	Chap. 6 (6.6)
	(cont.)

PART I - INFORMATION ON ADOPTED POLICIES**REFERENCES**

iii) Circular economy and waste management: measures for prevention, recycling, reuse or other forms of waste recovery and disposal. Chap. 6 (6.1, 6.2, 6.6 and 6.7)

iv) Biodiversity protection: impacts caused by activities or operations in protected areas and measures taken to preserve or restore biodiversity. Chap. 6 (6.5)

ii. Social and Tax Policies

1. Description of the company's strategic goals and the main actions to be taken to their implementation. Chap. 5 and 7

2. Description of the key performance indicators defined Chap. 5 and 6

3. Indication, in relation to the previous year, of the level of achievement of those goals, at least by reference to:

i) Company commitment to the community: the impact of the Company's activity on employment and local development; the impact of the Company's activity on local populations and on the territory; the relations maintained with local community agents and the respective means of dialogue; partnership or sponsorship actions. Chap. 7 (6.4 and 7.5)

ii) Subcontracting and suppliers: including social, gender equality and environmental issues in the purchasing policy; consideration in relations with suppliers and subcontractors of their social, environmental and governance responsibility; control and audit systems and their results. Whenever possible, include reference to the fact that the Company's suppliers apply policies consistent with those established by the Company Chap. 5 and Chap. 6 (6.1, 6.2 and 6.6)

iii) Consumers: measures for consumer health and safety; systems for receiving, processing and resolving complaints, namely the number of complaints received and the number of pending complaints, as well as those in which the complainant was found right, satisfaction surveys, and indication of the person responsible for complaints. Chap. 5 and 6

iv) Responsible investment: if applicable, information on the responsible investment the Company aims to attract, including with regard to the mission/ acquisition of green bonds or SDG-linked bonds. Not applicable

v) Stakeholders: information on possible ways of consulting stakeholders. Chap.4 (Notes 49; 56 to 64) Chap.5 (5.6)

vi) Tax information: information on measures or acts with an impact on taxes, including subsidies or any type of grant or advantage granted by the State. Chap. 2 (Pages 76 and 82)

(cont.)

PART I - INFORMATION ON ADOPTED POLICIES	REFERENCES
iii. Employees and gender equality and non-discrimination	
1. Description of the company's strategic goals and the main actions to be taken for their implementation.	Chap. 7
2. Description of the key performance indicators defined.	Chap. 7
3. Indication, in relation to the previous year, of the level of achievement of those goals, at least by reference to:	
<p>i) Employment: total number and distribution of employees by gender, age, country and occupational classification, as well as total number and distribution of contractual arrangements (e.g. employment contract, service providers, temporary work, etc.) by gender and age, average length of contracts; percentage of the workforce receiving the national minimum wage, regardless of contractual tie; remuneration for equal or average positions in the company, by gender; average remuneration of directors and managers, including variable remuneration, allowances, severance payments, payment to long-term savings schemes and any other payment broken down by gender; employees with disabilities (including indication of how the Company is complying, or preparing to comply, with Law nr. 4/2019 of 10 January on the employment quota system for people with disabilities).</p>	Chap. 7 (7.1)
<p>ii) Work-life balance: work-time organisation, including measures to provide time off work and family life.</p>	Chap.7 (7.1, 7.2 and 7.3)
<p>iii) Health and safety: health and safety conditions at work and number of accidents at work.</p>	Chap.7 (7.3)
<p>iv) Social relations: organisation of social dialogue, including procedures for informing and negotiating with staff, such as the number of interactions with trade unions and/or works councils, if any; new agreements concluded or revised agreements in place; number of court cases and complaints to the Authority for Working Conditions; percentage of employees covered by collective agreements by country; evaluation of collective agreements, namely in the field of health and safety at work.</p>	Chap.7 (7.1)
<p>v) Training: the policies applied in the field of training and the type of training (e.g. whether the Company provides its employees with training on issues related to the evaluation of the company's performance in "non-financial" matters (e.g. privacy protection / GDPR, anti-money laundering / AML, human rights in the value chain, etc.); the ratio of training hours to the number of employees.</p>	Chap. 7 (7.2)
<p>vi) Equality: measures / policies adopted to promote equal treatment and opportunities between genders; equality plans; number of dismissals by gender; protocols against sexual harassment and gender-based harassment; policies for integration and universal accessibility for persons with disabilities; policies against all discrimination and, where appropriate, diversity management.</p>	Chap.7 (7.1)
	(cont.)

PART I - INFORMATION ON ADOPTED POLICIES**REFERENCES****iv. Human Rights**

1. Description of the company's strategic goals and the main actions to be taken to their implementation.	Chap. 5 and Chap. 7 (7.4)
2. Description of the key performance indicators defined.	Not applicable
3. Indication, in relation to the previous year, of the level of achievement of those goals, at least by reference to: i) Human rights due diligence procedures applied in particular with regard to the contracting of suppliers and service providers.	Chap. 5 (5.3) and Chap. 6 (6.1 and 6.2)
ii) Measures to prevent the risks of human rights violations and, where appropriate, measures to remedy any abuses; elimination of discrimination in employment (where not already mentioned above); elimination of forced or compulsory labour; effective abolition of child labour.	Not applicable
iii) Prosecutions for human rights violations.	Not applicable

v. Anti-corruption and bribery attempts

1. Prevention of corruption: measures and instruments adopted to prevent corruption and bribery; policies implemented to dissuade these practices among employees and suppliers; information on the compliance system indicating the respective functional managers, if any; indication of legal proceedings involving the Company, its directors or employees related to corruption or bribery; measures adopted in public procurement, if relevant.	Chap. 5 (5.1 to 5.3)
2. Prevention of money laundering (for issuers subject to this regime): information on measures to prevent and combat money laundering.	Chap. 5 (5.1 to 5.3)
3. Codes of ethics: indication of any code of ethics to which the Company may have adhered or implemented; indication of the respective mechanisms for implementation and monitoring of compliance, if applicable.	Chap. 1 (Pages 57 to 59) Chap. 5 (5.3 to 5.5)
4. Management of conflicts of interest: measures to manage and monitor conflicts of interest, namely requiring managers and employees to sign declarations of interest, incompatibilities and obstacles.	Chap. 5 (5.3 to 5.5)

PART II - INFORMATION ON THE STANDARDS / GUIDELINES FOLLOWED	REFERENCES
1. Identification of Standards / guidelines followed in the reporting of Non-financial Information	Chap. 5 (5.5 to 5.7)
2. Identification of the scope and methodology of calculation of indicators	Chap. 6, 7 and 8
GRI Index	AR Additional Information
Taxonomy (UE)	AR Additional Information
3. Explanation in case of non-application of policies	Not applicable
4. Other information	