

CORPORATE GOVERNANCE



Part I – Shareholding Structure, Organisation and Corporate Governance
Part II – Statement of Compliance
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PART I - SHAREHOLDING STRUCTURE, ORGANISATION AND CORPORATE GOVERNANCE

A. Shareholding Structure

I - Share capital structure

1. Share capital structure

The share capital of Sonaecom – SGPS, S.A. (hereinafter Sonaecom or the Company) is 230,391,627.38 euros, fully subscribed and paid up and is divided into 311,340,037 registered ordinary shares with a nominal value of 0.74 Euro each.

All shares representing the share capital of Sonaecom are traded in the Euronext Lisbon regulated market.

2. Restrictions on share transferability and ownership

There are no restrictions on the transferability or ownership of Sonaecom shares.

3. Treasury shares

At 31 December 2021, Sonaecom held 5,571,014 treasury shares, representing 1.789% of its share capital.

4. Impact of the change of Sonaecom's shareholder control on significant agreements

There are no agreements entered into by Sonaecom that include clauses intended to constitute defensive measures against change of its shareholding control or which would terminate in case of change of control of the Company after a takeover bid.

The majority of Sonaecom's share capital is attributable to one sole shareholder.

5. System to which the renewal or removal of defensive measures are subject, in particular those which establish the limitation of the number of votes that can be cast or exercised by a single shareholder individually or in agreement with other shareholders

There are no defensive measures in place.

6. Shareholders' agreements

Sonaecom is not aware of any shareholders' agreements concerning the Company.

II - Shareholdings and holdings of bonds

7. Qualified shareholdings

In compliance with Article 8, paragraph 1, subparagraph (b) of the Securities and Exchange Commission Regulation 05/2008, and according to the notifications received by the Company concerning Articles 16 and 248-B of the Portuguese Securities Code, the qualified shareholdings representing at least 2% of the share capital of Sonaecom, indicating the number of shares held and the percentage of voting rights calculated in accordance with article 20 of the Portuguese Securities Code, as of 31 December 2021, are described below:

Shareholder	Number of shares	% of Share capital	% Share capital and voting rights*	% of exercisable voting rights**
Efanor Investimentos, SGPS, S.A. ⁽¹⁾	275,086,083	88.36%	88.36%	89.97%
Sontel BV (company controlled by Sonae SGPS)	194,063,119	62.33%	62.33%	63.47%
Sonae - SGPS, S.A. (company controlled by Efanor SGPS,S.A)	81,022,964	26.02%	26.02%	26.50%
Discerene Group LP	8,694,396	2.79%	2.79%	2.84%

(1) Sonaecom SGPS,S.A. is a company indirectly controlled by Efanor Investimentos SGPS, SA ('Efanor'), as Efanor indirectly controls Sonae SGPS, SA and Sontel BV. With effects as from 29th November 2017, Efanor ceased to have a controlling shareholder, under the terms of articles 20^o and 21^o of the Portuguese Securities Code.

* Voting rights calculated based on the Company's share capital with voting rights, as per subparagraph b) of paragraph 3 of article 16 of the Portuguese Securities Code

**Voting rights calculated based on the Company's share capital with voting rights that are not subject to suspension of exercise

This issue is also dealt with in the Management Report.

The updated information regarding qualified shareholdings is available on <http://www.sonaecom.pt/investidores/informacao-sobre-acao/estrutura-accionista/?l=en>.

8. Number of shares and bonds held by the members of the management and supervisory bodies, submitted pursuant to art. 447 paragraph 5 of the Portuguese Companies Code

The information can be found in the Appendix to the Management Report.

9. Powers of the Board of Directors regarding share capital increases

This is an exclusive competence of the Shareholders' General Meeting.

10. Business relationships between the owners of qualified shareholdings and the Company

Business transactions with holders of qualified shareholdings are part of the usual and regular activity of the subsidiaries that comprise the portfolio of Sonaecom and are carried out under normal market practices and conditions.

No significant business transactions were carried out in 2021 between the Company and any owners of qualified shareholdings in the Company.

B. Statutory Governing Bodies and Committees

I - Shareholders' General Meeting

a) Composition of the Board of the Shareholders' General Meeting

11. Identification and roles of the members of the Shareholders' General Meeting Board and respective mandate

The Shareholders' General Meetings are directed by a Board elected by the shareholders for a four-year mandate, which begins and ends within the same calendar mandate as that of the other statutory governing bodies.

The members of the Board of the Shareholders' General Meeting throughout the reference year were:

Manuel Eugénio Pimentel Cavaleiro Brandão	Chairman	Mandate 2020-2023
Maria da Conceição Henriques Fernandes Cabaços	Secretary	Mandate 2020-2023

All the resources necessary for the performance of its duties are provided to the Board of the Shareholders' General Meeting, notably through the Secretary of the Company.

b) Exercise of Voting Rights

12. Possible restrictions on voting rights

The Company's Articles of Association do not envisage any restriction in terms of voting rights. The Company's share capital is fully represented by a single category of shares and one vote corresponds to each share.

Pursuant to the law and the Company's Articles of Association, shareholders with voting rights have the right to participate, discuss and vote at the Shareholders' General Meeting if, on the registration day (which is considered to be at 0:00 GMT of the fifth trading day before the meeting), they own shares which grant them at least one vote. Shareholders shall also comply with the legal formalities as described in the corresponding notice of the meeting.

The right to vote by proxy and how such right may be exercised are also provided for in the notice for each General Meeting, pursuant to the law and Articles of Association.

Notwithstanding the need to prove the shareholding capacity, shareholders can vote by post regarding all matters under appreciation at the General Meeting. The General Meeting notice shall contain adequate information about postal voting.

The Company also has an electronic voting system in place (in the form of voting through electronic means) which allows shareholders unlimited access to exercise their voting rights. Shareholders are advised how to vote electronically in the General Meeting notice, and, for this purpose, the Company makes available a form for the request of the technical elements necessary for its exercise.

13. Maximum percentage of voting rights that may be exercised by a single shareholder or by a group of shareholders that are related to the latter as set forth in paragraph 1 of article 20

There is no statutory limitation on exercising voting rights.

14. Shareholder decisions which, due to the Articles of Association, may only be taken with a qualified majority

As per the Company's Articles of Association, any decisions made by the Shareholders' General Meeting shall be passed by simple majority, unless otherwise required by law.

Any decision taken by the Shareholders' General Meeting in the second occasion it is convened may be passed regardless of the number of shareholders attending the meeting and the share capital percentage these represent.

The quorum of the Shareholders' General Meeting required to pass its decisions abides by the provisions of the Companies Code.

II – Management

a) Composition

15. Identification of the adopted governance model

This Company has adopted the monist governance model, whose management structure is committed to the Board of Directors.

The Board of Directors is the body in charge of managing the Company's business, performing all the administration functions pertaining to the corporate purpose, monitoring risks, pursuing the organisation's objectives and setting out the Company's strategy.

The supervisory structure includes a Statutory Audit Board and a Statutory External Auditor.

The Board of Directors considers the governance model that was adopted by the Company to be suitable for the proper fulfilment of the duties of each of the corporate bodies, ensuring both their independence and interface in a balanced manner.

16. Statutory regulations on procedural and material requirements applicable to the appointment and replacement of the members of the Board of Directors

The members of the Board of Directors are elected in accordance with the provisions established by the law and the Articles of Association, in the terms specified in the proposal approved in the Shareholders' General Meeting.

The Articles of Association establish that, should shareholders representing at least 10% of the share capital vote against the winning proposal for the election of the directors, a director will be elected by the shareholders in said minority, in the same meeting, and the director elected shall automatically replace the person with the lowest number of votes in the winning list, or, in case of an equal number of votes, the person in the last position in the list. One shareholder may not nominate more than one candidate.

Should candidates be nominated by more than one group of shareholders, the vote shall concern those candidacies as a whole. These regulations shall not apply to the election of a substitute director.

It is also statutorily established that in case of death, resignation, or any temporary or definitive incapacity of any director (other than a director elected under the minority rule), the Board of Directors shall replace that director through co-option. This appointment shall be subject to ratification by the shareholders in the following Shareholders' General Meeting.

However, the definitive absence, for any reason, of a director appointed under the aforementioned special rules shall lead to a new election by the Shareholders' General Meeting.

The Board of Directors shall appoint its Chairman.

Recognizing the benefits of diversity within its board of directors and audit board as pillar of good governance, the Company adopted a Diversity Policy for the management and supervisory bodies.

With such policy, the Company seeks a significant and differentiated representation of gender, origins, qualifications and professional experience, as a way to ensure its alignment with the stakeholders' interests and to achieve an enhanced balance in its composition. Such policy takes into account not only the nature and complexity of the activities carried out by the Company, but also the context in which it operates.

In this sense, the Company undertakes to develop all efforts to ensure that, in the selection of the members of these corporate bodies, there are imperative criteria to ensure that they meet the greatest possible width and diversity of knowledge, skills, experience and values.

These criteria focus mainly on: (i) gender diversity; ii) the professional qualification alongside with the necessary renewal of the composition of the governing bodies, in order to ensure a compatibility between seniority and the diversification of career paths, avoiding group thinking; iii) the plurality of knowledge and iv) not considering age as an obstacle and without a restrictive view on the limits of such age, in particular regarding the following:

- a) Gender: gender diversity aims to promote the existence of different perspectives and styles, bringing innovation and creativity to the respective body;
- b) Professional experience: the coexistence of professional and diversified backgrounds provides appropriate know-how to the Company's activities and to the defined strategy, namely in the following areas: financial, accounting, legal, corporate governance, securities / derivatives market, retail, industry, investor relations, banking, corporate social responsibility, risk management, auditing, procurement and asset management, marketing, environment and sustainability;
- c) Qualifications: a balanced diversity of professional qualifications enables the Company to have the skills necessary to carry out its activities and the defined strategy, taking into account their complexity. The inclusion of different areas such as engineering, economics, management, law and other areas, promotes the diversity of technical knowledge, which will allow a better understanding of the issues, risks and opportunities inherent to the activity of the Company; and
- d) Age: the Company does not have a restrictive view of the age limits for the exercise of managing or supervisory functions. The Company trusts that age diversity will allow to combine the experience of older members with the perspective of younger ones, which may result in a more innovative, agile and thoughtful decision-making process.

The Company undertakes to implement and monitor the alignment of this policy with the most advanced corporate governance standards and to review it with adequate frequency (always in reasonable time before each elective general meeting), taking into account also the rules and principles of non-discrimination, including on the basis of ethnic origin, race, disability or sexual orientation.

Furthermore, candidates to be appointed to the management and supervisory bodies should possess an adequate experience in senior offices within companies or similar organisations that enables them to (i) assess, challenge and develop the Company's senior officers; (ii) assess and challenge the group's and its main subsidiaries' corporate strategy; (iii) assess and challenge the Company's operational and financial performance; and (iv) assess the organisation's fulfilment of the Company's values.

Each candidate should in addition make their individual contribution in enabling the Board of Directors, as a whole, to gain in-depth and international knowledge of Sonaecom's main business sectors, knowledge of the main markets and geographies where the business areas operate, and knowledge and competencies regarding management techniques and technologies that are key for the success of relevant companies in the business sectors of the Company.

Candidates should furthermore possess the human qualities, purpose clarity, analytical qualities and synthesis and communication skills that are required to address a large number of diversified and complex issues, within a limited time-frame, with the necessary depth to allow for a timely and high-quality decision-making.

In what regards the compliance with the described policy, reference is made to Appendix I, where the *curricula* of the members of the Board of Directors and the Statutory Audit Board of the Company are available, showing its diversity in what refers to gender, age, academic qualifications, experience and professional profile.

In addition, the Company maintains in force a Plan for Gender Equality that is applicable to the employees and members of the Group's corporate bodies fully available on <http://www.sonaecom.pt/investidores/governo-das-sociedades/plano-para-a-igualdade-de-genero/>.

Within both the Board of Directors and the Statutory Audit Board, whose composition is described in paragraph 17 and section III, a) below, the proportion of members representing each gender complies with the provisions of Article 5 of Law 62/2017 of 1 August.

17. Composition of the Board of Directors

Pursuant to Sonaecom's Articles of Association, the Board of Directors may be composed by an odd or even number of members, between a minimum of three and a maximum of twelve, elected by the shareholders in the Shareholders' General Meeting. The Board of Directors' term of office is four years and its members may be re-elected.

In 2021, the composition of the Board of Directors was as follows:

Members	Date of 1 st Appointment	End of term of office
Ángelo Gabriel Ribeirinho dos Santos Paupério	24/04/2007	31/12/2023
Maria Cláudia Teixeira de Azevedo	05/04/2006	31/12/2023
João Pedro Magalhães da Silva Torres Dolores	12/03/2019	31/12/2023
Eduardo Humberto dos Santos Piedade	30/04/2019	31/12/2023
Cristina Maria de Araújo Freitas Novais	29/04/2020	31/12/2023

18. Description of the members of the Board of Directors

Members

Ângelo Gabriel Ribeirinho dos Santos Paupério	Chairman of the Board of Directors (Executive)
Maria Cláudia Teixeira de Azevedo	Executive Director
João Pedro Magalhães da Silva Torres Dolores	Executive Director
Eduardo Humberto dos Santos Piedade	Executive Director
Cristina Maria de Araújo Freitas Novais	Executive Director

19. Professional qualifications of the members of the Board of Directors

The academic qualifications, experience and duties of the directors are disclosed in Appendix II to this report.

20. Significant family, professional, and commercial relationships of the members of the Board of Directors with shareholders with qualified shareholdings

Maria Cláudia Teixeira de Azevedo is an executive member of the Board of Directors of Sonae, SGPS, A.A., and is also a shareholder and member of the Board of Directors of Efanor Investimentos, SGPS, S.A., a Company that (indirectly) holds the control of Sonaecom's share capital. She is also the sister of Duarte Paulo Teixeira de Azevedo, a shareholder of Efanor Investimentos, SGPS, S.A. and the Chairman of the Board of Directors of Sonae – SGPS, S.A., a company to which, as of 31 December 2021, 88.36% of the share capital of Sonaecom was attributable, corresponding to 89.97% of the voting rights.

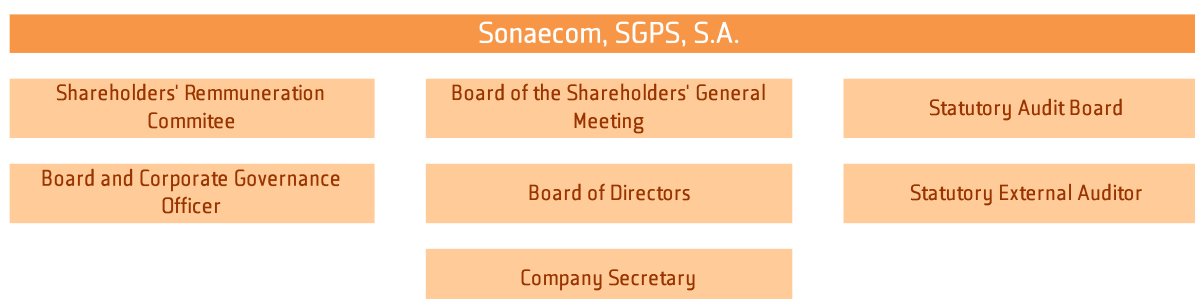
The Chairman of the Board of Directors of Sonaecom, Ângelo Gabriel Ribeirinho dos Santos Paupério, is a member of the Board of Directors of Sonae – SGPS, S.A. and of Efanor Investimentos, SGPS, S.A., shareholders of Sonaecom in the terms described above.

João Pedro Magalhães da Silva Torres Dolores, executive member of the Board of Directors is also is an executive member of the Board of Directors of Sonae – SGPS, S.A., shareholder of Sonaecom in the terms described above.

21. Distribution of competences among the various corporate bodies, committees, and/or Company departments, including information about delegation of competence, in particular regarding delegation of the Company's daily management

i) Distribution of competences among the various corporate bodies and their respective committees:

Sonaecom's corporate structure clearly describes the functions, responsibilities and duties of its bodies.



Board of Directors

The Board of Directors is responsible for managing the Company's business, monitoring risks, handling conflicts of interest, and deploying the organisation's objectives and strategy.

Sonaecom's Articles of Association allow the Board of Directors to delegate powers in one or more Managing Directors or an Executive Committee when it comes to everyday business, duties and management responsibilities. The delegation made by the Board of Directors should exclude the following matters, which shall remain the exclusive competence of the Board of Directors:

- a) Appointment of the Chairman of the Board of Directors;
- b) Co-optation of Directors;
- c) Request to convene General Meetings;
- d) Approval of the Annual Report and Accounts;
- e) Provision of collateral and personal or real guarantees by the Company;
- f) Decision to change the registered office or increase the share capital;
- g) Decision on mergers, spin-offs or transformation of the Company;
- h) Approval of the strategic management of the annual business portfolio and the policies thereof;
- i) Approval of the Company's annual budget and the Group's annual business plan and any changes on the same;
- j) Definition of the organisation and coordination of the corporate structure of the Sonaecom Group;
- k) Approval of every issue that should be deemed as strategical as a consequence of its amount, risk or particular features;
- l) Outline of the Human Resources policies that are applicable to top employees (level GF3 and above) with the exclusion of areas that are the exclusive competence of the Shareholders' General Meeting or of the Shareholders' Remuneration Committee.

The Articles of Association do not allow the Board of Directors to approve share capital increases, which have to be decided in the Shareholders' General Meeting.

The terms of reference of the Board of Directors, approved at the Board Meeting held on 3 May 2012 and amended by the resolutions taken on 2 November 2015, 13 March 2017, 12 December 2019 and 17 December 2020 is fully available for consultation at <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>.

The corporate structure is assisted by the following functional structures:

Administrative and Financial Department

Main duties:

- To ensure the control of internal processes and transactions and the reliability and timely reporting of financial and tax information;
- Accounting records of transactions and preparation of individual and consolidated financial reports for the companies;
- Efficient management of Sonaecom Group's cash;
- Negotiation and contracting of the most suitable banking products and services for the Group's business needs;
- Efficient and effective management of all the administrative processes for the Sonaecom Group's business;
- Management of financial risk and support in execution of monetary market, interest rate, or exchange transactions;
- Management of the administrative processes for Accounts Payable, Receivables, Cash and Banks, Stocks, and Tangible and Intangible Assets;
- Ensuring the rigour and reliability of the financial information, with the support of the most efficient information system;
- Optimisation of Sonaecom's Group tax efficiency, ensuring the monitoring of tax procedures in all Sonaecom businesses, as well as compliance with tax obligations;
- Management of the Sonaecom transfer pricing dossier;
- Support for decision-making and process implementation in the various areas of the Sonaecom Group;
- Collaboration in the definition of the strategy and tax objectives, in particular providing support to business internationalisation;
- Monitoring of all the litigation processes with the tax authorities;
- Participation in special projects of the Sonaecom Group, such as mergers and acquisitions and corporate restructuring.

Planning and Management Control Department

Main duties:

- Supporting the development of the corporate and/or business strategy;
- Promoting, leading and implementing the annual strategic planning cycle;
- Leading and monitoring the annual Sonaecom budgeting process, as well as preparing the report on budget implementation;
- Challenging the corporate business and areas as regards the goals set so as to constantly improve and optimise the efficiency of Sonaecom's business, performance, and results;
- Preparing and analysing business management information, as well as consolidated data, on a monthly, quarterly, and annual basis, analysing deviations from the budget and proposing corrective actions;
- Supporting decisions for the allocation of capital to ongoing businesses and new business opportunities: analysing the invested capital and the return on the invested capital;
- Creating business plans together with the business management teams;

- Performing technical and benchmark studies for the businesses and the Company as a whole in order to evaluate its performance in comparison with competitors and other players in the market.

Risk Management Department

Risk Management is ensured not only at corporate level but also at the business level. Thus, each business unit is involved in the functional processes, with the responsibility of implementing internal controls and managing specific risks. In general, the main responsibilities of the Risk Management Department of each one of the businesses involves:

- Promoting a culture of risk awareness, as well as mediating and managing the business risks that interfere with the achievement of objectives and the creation of value in the organisation;
- Collaborating to identify the critical risks and monitoring their development and the implementation of risk indicators and mitigation actions;
- Promoting and monitoring the implementation of programmes and actions aimed at bringing risk levels closer to the acceptable levels established by the management.

Internal Audit Department

Main duties:

- Assessing risk exposure and checking the effectiveness of risk management and internal controls through the execution of audits of business processes and information systems;
- Proposing measures to improve controls and monitor the evolution of risk exposure associated with the main audit findings.

Legal Department

Main duties:

- Relations with Euronext Lisbon, with the Portuguese Securities Market Commissions and with shareholders regarding legal issues;
- Legal management of corporate governance policy and monitoring of compliance with best practices in this area;
- Monitoring, controlling and ensuring legal compliance of the business activities of the Company;
- Drafting and/or analysing contracts to maximise security and reduce legal risks and potential costs;
- Management of all aspects pertaining to the intellectual and industrial property of the various businesses, such as brands, trademarks, names, patents, logos domain names and copyright;
- Execution of all public deeds, registrations and notarial procedures required for business, whether commercial, property or corporate;
- Management of all dispute processes;
- Support to obtain the various licences required for business;
- Monitoring the development of the legislation relevant to the Group's business;
- Legal support in national and international operations of the Company's business, as well as analysis of new national and international operations, in particular, in the latter, regarding the legal environment in the countries under analysis;
- Mergers/demergers, acquisitions, winding up, liquidations and similar corporate restructuring.

Human Resources Department

Main duties:

- Support to top management on the implementation and development of human resources policies;
- Defining and implementing the human resources strategy, planning and talent management on various levels;
- Ensuring the presence and development of the technical and management competences of Sonaecom executives, either through the implementation of adequate recruitment and selection practices, or through the design and implementation of transversal training and/or individualised training and development plans;
- Developing human resources management models and processes in areas such as remuneration and benefit policy; career management; social climate monitoring and development; administrative management and salary processing; staff budgeting and reporting on human resources issues; occupational health, hygiene and safety management;
- Monitoring legal occupational issues;
- Representing the Company in official bodies and associations linked to this area.

Investor Relations Department

Main duties:

- Manage the relationship between Sonaecom and the financial community, through the continuous preparation and disclosure of relevant and up to date information about the Company;
- Support to the Board of Directors, providing relevant information about the capital markets;
- Support in the definition of the corporate message to be disclosed to the capital market.

b) Functioning

22. Existence and location of the Regulation of the Board of Directors

The Internal Regulation of the Board of Directors is available at <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>.

23. Number of meetings held and attendance record of each member of the Board of Directors

The Sonaecom Board of Directors meets at least four times every year, as specified by the Company's Articles of Association, and whenever the Chairman or two members of the Board of Directors call a meeting. Five meetings of the Board were held in 2021 with a 100% attendance rate, in person, of the directors Ângelo Gabriel Ribeirinho dos Santos Paupério, Maria Cláudia Teixeira de Azevedo, João Pedro Magalhães da Silva Torres Dolores, Eduardo Humberto dos Santos Piedade and Cristina Maria de Araújo Freitas Novais. The following table displays detailed information about the attendance at meetings:

Date	Participants
15 March 2021	Ângelo Paupério Cláudia de Azevedo João Dolores Eduardo Piedade Cristina Novais
12 May 2021	Ângelo Paupério Cláudia de Azevedo João Dolores Eduardo Piedade Cristina Novais
23 July 2021	Ângelo Paupério Cláudia de Azevedo João Dolores Eduardo Piedade Cristina Novais
23 July 2021	Ângelo Paupério Cláudia de Azevedo João Dolores Eduardo Piedade Cristina Novais
03 November 2021	Ângelo Paupério Cláudia de Azevedo João Dolores Eduardo Piedade Cristina Novais
10 December 2021	Ângelo Paupério Cláudia de Azevedo João Dolores Eduardo Piedade Cristina Novais

The minutes of meetings are written down in the minutes book.

24. Competent governing bodies of the Company for the assessment of the performance of the Executive Directors

The Company does not have an Executive Committee, nor does it have any Managing Directors.

To establish the variable component of remuneration, an individual evaluation of the Directors' performance is carried out by the Remuneration Committee, which represents the Company's shareholders, according to the remuneration policy approved at the Shareholders' General Meeting. This assessment takes place once the Company's results are disclosed.

Without prejudice to the overall and individual performance assessment of the Directors, which is carried out by the Remuneration Committee, the Board of Directors shall annually carry out the evaluation of its performance, having as reference the fulfilment of Company's strategic plan and budget, its risk management, internal functioning and its relations with other Sonaecom's bodies. This evaluation is usually carried out in the Board of Directors' meeting where the discussion of the previous years' accounts takes place.

In addition, and in accordance with article 376 of the Companies Code, the Shareholders' General Meeting annually reviews the management of the Company through a confidence or no confidence vote.

25. Pre-determined criteria for assessing the performance of the Executive Directors

The performance assessment of executive directors is based on pre-determined criteria, consisting of objective performance indicators set for each period and in line with the overall strategy of growth and positive business performance. These indicators consist of the business, economic and financial Key Performance Indicators (KPIs), subdivided into collective, departmental and personal KPIs.

The collective business KPIs consist of economic and financial indicators that are defined based on the budget and on the performance of each business unit.

Departmental business KPIs, in turn, are similar in nature to the previous ones, and they measure the specific contribution of the director to the performance of the business.

Personal KPIs include objective and subjective indicators and are intended to measure compliance with duties and commitments individually taken on by the executive director.

Additional information can be found in sections 71 to 75 below.

The pre-determined criteria to be used in the assessment of the Directors' performance are the consequence of the application of the Remuneration and Compensation Policy that was approved by the Shareholders' General Meeting following the proposal of the Shareholders' Remuneration Committee of the Company.

In 2021 the Remuneration Policy in place was the one approved by the Shareholders' General Meeting held on 30 April 2021, available at <http://www.sonaecom.pt/investidores/assembleia-geral/>, on the 2021 tab: proposal n.º 4 and appendix to proposal n.º4.

26. Availability of each member of the Board of Directors, indicating the positions held simultaneously in other companies, inside and outside the Group, and other relevant activities carried out by the members of those bodies during the financial year.

The information regarding the positions held by the Company directors simultaneously in other companies, inside and outside the group, is disclosed in Appendix II to this Report.

Each of the members of the Board of Directors has consistently demonstrated their availability to perform their duties, having regularly attended the meetings and participated in its work.

c) Board of Directors' committees and managing directors

27. Identification of the committees created within the Board of Directors and where to find their operating regulations

The Board of Directors believes that in view of the current size of the Company and the composition of the Board itself, the maintenance or creation of any committees is not justified.

The Company has a Corporate Governance Officer, who reports to the Board of Directors, through the Chairman, and this solution is deemed as materially equivalent to the existence of an internal committee, specialised in corporate governance matters.

The main duties of the Corporate Governance Officer are:

- (i) Ensuring the smooth running of the activities of the Board and, when applicable, of the Board Committees;
- (ii) Participating in Board Meetings and, if applicable, relevant Board Committee Meetings and, when appointed, serving as a member;
- (iii) Facilitating the acquisition of information by all Board members and by all members of its committees, when applicable;
- (iv) Supporting the Board in defining its role, objectives and operating procedures; taking a leading role in organising Board evaluations and assessments;
- (v) Keeping all Legislative, Regulatory and Corporate Governance issues under close review; supporting and challenging the Board to achieve the highest standards in Corporate Governance;
- (vi) Ensuring that the Board is conscious of the concept of stakeholders and the need to protect minority interests, when important business decisions are being taken by the Board of Directors;
- (vii) Helping to ensure that the procedure to nominate and appoint Directors is properly carried out and assist in the induction of new directors;
- (viii) Acting as a primary point of contact and source of advice and guidance for Non-Executive Directors in particular as regards the Company and its activities; facilitating and supporting the Independent Non-Executive Directors in the assertion of their 'independence';
- (ix) Helping to ensure compliance with the continuing obligations of listed companies under the Portuguese Securities Market Commission;
- (x) Participating in making arrangements for and managing the process of Shareholders' General Meetings;
- (xi) Participating in the arrangement of insurance cover for Directors and Officers;
- (xii) Participating, on behalf of the Company, in external initiatives to debate and improve Corporate Governance regulations and practices in Portugal.

The main duties of the Corporate Governance Officer listed above have as their main purpose to allow the Corporate Governance Officer to evaluate the adopted corporate governance structure and practices, to verify the effectiveness thereof and to propose to the relevant bodies any improvement measures to be taken.

28. Composition, if applicable, of the Executive Committee and/or identification of the managing director(s)

The Company does not have an Executive Committee nor does it have any Managing Directors.

29. Indication of the powers of each of the committees created and a summary of the activities carried out in the exercise of those powers

The Board of Directors believes that in view of the adopted governance model, which takes into account and is considered appropriate in view of the current shareholding structure (with a small free-float) and size of the Company, as well as the composition of the Board itself, it is not justified to maintain any specialized committee within the Board of Directors.

As previously mentioned, the Company has a Corporate Governance Officer, whose functions and responsibilities are disclosed in section 27 of this Report and this solution is, in view of the current context of the Company, deemed as materially equivalent to the existence of an internal committee, specialised in corporate governance matters.

The Company has also a Company Secretary, who is responsible for:

- (i) Ensuring the minutes and attendance lists of the Shareholders' General Meeting;
- (ii) Sending notices and other legal documents necessary to hold the General Meeting;
- (iii) Supervising the preparation of supporting documentation for the General Meetings and Board of Directors' meetings and drawing up the corresponding minutes;
- (iv) Responding to requests for information by the shareholders within the legal framework;
- (v) Proceeding with the legal registration of any act or decision of the Company's governing bodies.

III – Audit

a) Composition

30. Identification of the supervisory bodies

The Statutory Audit Board and the Statutory External Auditor are, under the governance model currently adopted, the supervisory bodies of the Company.

31. Composition

In accordance with the Company's Articles of Association, the Statutory Audit Board may be composed of an even or odd number of members, with a minimum of three and a maximum of five members, elected for four-year terms. The Statutory Audit Board also includes one or two substitute members, depending on whether the number of members is three or more.

In 2021, the members of Statutory Audit Board, elected for the mandates referred below, were:

João Manuel Gonçalves Bastos	Chairman	2020/2023
Maria José Martins Lourenço Fonseca	Member	2020/2023
Óscar José Alçada da Quinta	Member	2020/2023
António Augusto Almeida Trabulo	(Substitute Member)	2020/2023

The Statutory External Auditor is identified in Chapter IV of this Report.

32. Level of independence of the members of the Statutory Audit Board

All members of the Statutory Audit Board are independent under the terms of article 414, paragraph 5, and they are not covered by any incompatibility under the terms of article 414-A, paragraph 1, both from the Portuguese Companies Code. The members of the Statutory Audit Board are required to immediately inform the Company of any occurrence during their term of office that may cause incompatibilities or the loss of independence, as required by law.

33. Professional qualifications

Professional qualifications and other relevant curricular elements are disclosed in Appendix I to this Report.

b) Functioning

34. Regulation and annual activity report

The operating regulation of the Statutory Audit Board can be read at <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>, in the tab "Statutory Audit Committee".

The annual report and statements of the Statutory Audit Board are published in each financial year, together with the annual accounts documents prepared by the Board of Directors, available at <http://www.sonaecom.pt/investidores/informacao-financeira/relatorios/> (regarding 2021 documents, in the tab R&A 2021/Chapter IV).

35. Meetings of the Statutory Audit Board

The resolutions of the Statutory Audit Board are taken by a majority of the votes and are always recorded in the minute's book, with dissenting members being required to state their reasons for dissent in said minutes.

The Statutory Audit Board meets at least once a quarter. In 2021, the Statutory Audit Board held sixteen meetings with a 100% attendance rate.

36. Availability of each of the members, indicating the positions held in other companies, inside and outside the Group, and other relevant activities carried out by members of the Statutory Audit Board

Each of the members of the Statutory Audit Board has consistently demonstrated their availability to perform their duties, having regularly attended the meetings and participated in its work.

The information on other positions held by members of the Statutory Audit Board, their qualifications and professional experience is included in Appendix II to this Report.

c) Powers and duties

37. Description of the procedures and criteria applicable to the intervention of the Supervisory Body for the purpose of contracting additional services from the External Auditor

It is the responsibility of the Statutory Audit Board to approve the rendering of services, other than audit services, to be provided by the External Auditor.

To that end, the Statutory Audit Board schedules a work plan that includes supervision the External Auditor's activity in matters concerning: (i) the External Auditor's annual activity plan; (ii) monitoring the audit work, reviewing the financial statements and discussing the respective conclusions; (iii) supervising the External Auditor's independence; and (v) assessing the annual activity carried out by the External Auditor concerning the compliance with the IPCG Recommendation VII.2.3. Decisions regarding the approval for the rendering of services other than audit services are taken by the Statutory Audit Board in a duly explained manner, before the provision thereof, in accordance with Law no. 140/2015, of 7 September.

In assessing the criteria that backed the contracting of services, other than audit services, from the External Auditor, the Statutory Audit Board verifies the presence of the following safeguards:

- contracting additional services, other than audit services, does not affect the independence of the External Auditor;
- services other than audit services represent an adequate proportion of all services rendered;
- services other than audit services, not prohibited (according to the legislation currently in force), shall be provided with high levels of quality, autonomy and independence in relation to the services carried out as part of the audit process;
- the quality system applied by the External Auditor (internal control), in accordance with the information provided by this body, monitors the risks of loss of independence or possible conflicts of interest with the Company and ensures the quality of the services that are provided in compliance with ethical and independence standards.

38. Other functions of the supervisory bodies

38.1 Statutory Audit Board

The Statutory Audit Board, while performing its statutory and legally assigned functions, including the ones set out in article 420 of the Portuguese Companies Code, has the following main duties, among others:

- a) To supervise the Company's management, in accordance with corporate governance best practises and with full respect for the competencies thereof;
- b) To ensure compliance with the Law and the Company's Articles of Association;
- c) To prepare the annual report on the supervisory work performed, addressed to the shareholders, that should include the description of the supervisory work performed and possible constraints detected, and issue an opinion on the management report, accounts and other proposals submitted by the Board of Directors, in which it should express its agreement or not with the management report and the annual accounts;
- d) To convene the Shareholders' General Meeting, should the Chairman of the General Meeting fail to do this when required to do so;

- e) To confirm whether the disclosed corporate governance report includes the information listed in article 245-A of the Portuguese Securities Code;
- f) To assess the effectiveness of the risk management system, internal control system and internal audit system;
- g) To receive communications of irregularities presented by the Company's shareholders, employees or others;
- h) To appoint and hire services from experts to help one or more members in the exercise of their duties. The hiring and fees of these experts should take into consideration the complexity of the matters involved and the financial position of the Company;
- i) to supervise the process of preparation and disclosure of financial information by the management body, including notably the adequacy of the accounting policies, estimations, judgements, relevant disclosures and the consistent application thereof throughout the financial years in a duly documented and communicated manner;
- i) To select the Statutory External Auditor, represent the Company before the external auditor and the Statutory External Auditor and propose to the Shareholders' General Meeting its appointment and removal and also to approve its remuneration and assess its performance making sure that the Company provides the Statutory External Auditor with the necessary conditions for carrying out its duties, to intermediate between the latter and the Company, and making sure it is the main recipient of the external auditor's reports, with full respect for the duties and competencies of the management body in this matter;
- k) To supervise the accounts audit concerning the Company's financial documents;
- l) To evaluate the independence of the Statutory External Audit;
- m) To give its prior approval to the audit services and additional services to be provided by the external auditor or by any other person that maintains a participation relationship with the latter or is part of the same network, and to approve its remuneration, ensuring that those services are legally permitted, do not surpass any reasonable limit and does not hinder the independence of the external auditor;
- n) To evaluate the independence of the internal auditor, notably concerning limitations to its organisational independence and lack of resources in the course of the internal audit activity;
- o) To issue a specific opinion and justification to support the possible decision of not rotating the external auditor, taking into account its independence conditions in such a circumstance as well as the advantages and costs associated with its substitution;
- p) To supervise the internal audit activity;
- q) To issue a prior opinion on business transactions with Related Parties, in accordance with the terms of the Internal Policy Regarding Transactions With Related Parties, attached to the Terms of Reference of the Statutory Audit Board, and the terms of articles 249-A to 249-D of the Portuguese Securities Code;
- r) To comply with all other attributions foreseen by the Law or the Articles of Association.

In order to duly perform its duties, the Statutory Audit Board establishes a calendarized activity plan, where it should be included:

A – Monitorisation of the Company's activity, notably concerning:

- Assessment of the functioning of the internal control and risk management system;
- Supervision of the financial documents and disclosure of financial information;
- Issuing opinions and recommendations.

B – Supervision of the Internal Audit and Risk Management activity with the following scope:

- Annual activity plan;
- Receiving the regular reports on the developed activity;
- Assessment of the results and conclusions reached;
- Assessment of the existence of possible irregularities and analysis of irregularity reports that are conveyed to it;
- Issuing any relevant instructions.

C – Information regarding irregularities

The Statutory Audit Board is the recipient of irregularity reports, in accordance with Article 420, 1, paragraph j) of the Companies Code, that are addressed directly to it or that are remitted to a different body.

The Statutory Audit Board obtains from the Board of Directors all information necessary for the performance of its duties, namely regarding the Company's operational and financial evolution, changes in the business portfolio, terms of all transactions that occurred and details of the decisions taken. In addition, in support of the activity of the Statutory Audit Board, the Company provides the human and technical resources necessary for the organisation of meetings, preparation of agendas, minutes and supporting documentation and their timely distribution. These meetings are attended by the internal liaisons considered relevant to the issues under discussion, for presentation and explanation of the issues raised by the Statutory Audit Board.

The Statutory Audit Board is the overall supervision body of the Company for matters of internal control and risk management, it acts in an independent manner and has primacy over other bodies regarding the supervision of those matters.

The Supervisory Board represents the Company before the Auditor and proposes to the Shareholders' General Meeting its appointment, as well as its dismissal, also evaluating the activity performed by the Auditor, ensuring that the appropriate conditions exist within the Company for the performance of its services. The Statutory Audit Board is the Company's liaison and first recipient of the respective reports.

The Statutory Audit Board annually prepares a report on its supervisory action in the financial year, including an annual assessment of the Statutory External Auditor, and it issues an opinion on the management report, the consolidated and individual financial statements and the Corporate Governance report presented by the Board of Directors, in order to comply with the legal deadlines for disclosure at the date established for the Annual General Meeting. The annual report on its audit activity is included in the reports and accounts made available on the Company's website.

The Terms of Reference of the Statutory Audit Board are available at <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>, in the tab “Statutory Audit Committee”

IV – Statutory External Auditor

38.2 Statutory External Auditor

The Statutory External Auditor is the supervisory body responsible for the legal certification of the Company's financial information. Its main duties are:

- a) Check the consistency of all the books, accounting records and supporting documents;
- b) Whenever it deems convenient and through such means as it deems appropriate, verify the accuracy of cash and amounts of assets or securities of any type belonging to the Company or received by the Company by way of guarantee, deposit or for any other purpose;
- c) Check the accuracy of the financial statements and express its opinion on them in the Legal Certification of Accounts and in the Audit Report;
- d) Verify that the accounting policies and valuation criteria adopted by the Company result in the correct valuation of the assets and results;
- e) Perform any necessary examinations and tests for the audit and legal certification of accounts and perform all procedures stipulated by law;
- f) Verify the enforcement of policies and the effectiveness and functioning of the internal control mechanisms, reporting any deficiencies to the Statutory Audit Board, under the terms of and within the scope and limits of its legal and procedural powers;
- g) Cooperate with the Statutory Audit Board, providing immediate information on any irregularities relevant to the performance of the functions of the supervisory body it may have detected, as well as any difficulties encountered in the exercise of its duties;
- h) Verify whether the Corporate Governance Report includes the elements referred to in article 245-A of the Securities Code.

Since 1 January 2016, the activity and services of the Statutory External Auditor are regulated by the new *Estatuto da Ordem dos Revisores Oficiais de Contas*, approved by Law no 140/2015, of 7 September.

39. Identification of the Statutory Audit Firm and of the statutory auditor that represents it

The Statutory External Auditor of Sonaecom is PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, Lda., registered at DROC under the no. 183 and at the Portuguese Securities Market Commission under the no. 20161485, represented by António Joaquim Brochado Correia for the mandate of 2020/20123.

The substitute Statutory External Auditor is Joaquim Miguel de Azevedo Barroso (Statutory External Auditor no. 1426, registered at the Portuguese Securities Market Commission under the no. 20161036).

40. Number of consecutive years in which the Statutory External Auditor has performed duties for the Company and/or for the group

PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, Lda. has been acting as Statutory External Auditor of the Company for 6 (six) consecutive years now and was elected for the position for the first time in 2016, for the mandate 2016-2019.

In 2020, a new mandate corresponding to the 2020/2023 four-year period began and PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, Lda. was re-elected by the Company to the position of Statutory External Auditor, in compliance with the maximum time limits legally established for the exercise of functions.

41. Description of other services rendered to the Company by the Statutory External Auditor

PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, LDA. performs the duties of Statutory External Auditor. A Company belonging to the same network rendered tax consulting services under the supervision of the Statutory Audit Board.

V – External Auditor

42. Identification of External Auditor designated for the purposes of article 8 and of the Statutory Auditor partner who represents it in the performance of those duties, as well as the respective registry number at the Portuguese Securities Market Commission

The Sonaecom External Auditor, appointed for the purposes of Article 8 of the Portuguese Securities Code, is PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, Lda. registered at OROC under the no. 183 and at the Portuguese Securities Market Commission under the no. 20161485, represented by António Joaquim Brochado Correia.

The substitute Statutory External Auditor is Joaquim Miguel de Azevedo Barroso (Statutory External Auditor no. 1426, registered at the Portuguese Securities Market Commission under the no. 20161036).

43. Number of consecutive years in which the External Auditor and the respective Statutory Auditor partner who represents it have performed duties for the Company and/or for the group

PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, Lda. was first elected on 29 April 2016, for the mandate 2016/2019.

In 2020 a new mandate was started (2020-2023) and the Company decided to elect PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, Lda. in accordance with the time limitations legally foreseen for this role.

44. Policy and frequency of rotation of the External Auditor and the respective Statutory Auditor partner representing it

The Statutory Audit Board has adopted the recommended principle of not replacing the External Auditor after the end of two four-year mandates only if, after careful assessment, it concludes that the supervision of its activity does not interfere with the independence of the External Auditor, and that the advantages and costs analysis advises the renewal of office. Such principle shall also meet the conditions set forth in article 54, paragraphs 4 and 5 of Law no. 140/2015 of 7 September.

45. Body in charge of assessing the External Auditor and frequency of assessment

In accordance with the Company's governance model, the election or dismissal of the Statutory External Auditor/External Auditor is decided by the Shareholders' General Meeting, upon proposal of the Statutory Audit Board.

The Statutory Audit Board supervises the performance of the External Auditor and the work throughout each financial year, considers and approves additional work to be provided and annually conducts an overall assessment of the External Auditor, which includes an assessment of its independence.

46 and 47. Work other than auditing performed by the External Auditor for the Company and/or for companies with which it is in a control relationship, as well as reporting on the internal procedures for purposes of approval of the contracting of such services and the reasons for such hiring and the annual remuneration paid by the Company and/or by legal entities in a control or group relationship to the Auditor and to other individuals or legal entities belonging to the same network, and breakdown of the percentages for each service

The remuneration paid to the Statutory External Auditor and to the External Auditor, PwC – PricewaterhouseCoopers & Associados, Sociedade de Revisores Oficiais de Contas, Lda. in 2020 and 2021, under proposal of the Statutory Audit Board, and to other individuals and entities of the same company network, supported by the Company and/or by corporate entities belonging to the same Group, are as follows, analysed by type of service:

	2021		2020	
	Values in €	%	Values in €	%
For the company *				
Audit services	47,530	24%	41,000	23%
By entities included in the group				
Audit services	151,202	76%	136,000	76%
Other services	-	-	2,700	2%
Total				
Audit services	198,732	100%	177,000	98%
Other services	-	-	2,700	2%
Total	198,732	100%	179,700	100%

*Includes individual and consolidated accounts

Services other than auditing services were hired from the External Auditor upon authorisation from the Statutory Audit Board, which recognised that the hiring of those services did not affect the External Auditor's independence, and corresponded to the satisfaction of the Company's interests, given the provider's expertise, the history of providing services in those areas and the knowledge of the Company and its Group.

In addition, the following safeguards were observed:

- the acquisition of services other than auditing services did not affect the External Auditor's independence;
- services other than auditing services, when duly framed, are not prohibited services according to paragraph 8 of Article 77 of Law 140/2015;
- services other than audit services represented an adequate proportion of all services rendered;
- tax consulting services and the other services, when existing, are provided by experts other than those who were involved in the audit process;
- the fees paid by Sonaecom group to the PwC group represented less than 1% of PwC's total annual billing in Portugal;
- the auditors' internal control system, according to the provided information, monitors the potential loss of independence risks, or of any conflicts of interest with Sonaecom and ensures the quality and the rules of ethics and independence.

The Statutory External Auditor has remitted to the Statutory Audit Board, in accordance with paragraph 6 of Article 24 of Law no 148/2015, of 9 September, which approved the legal framework for the auditing supervision ("*Regime Jurídico da Supervisão de*

Auditoria”), an “Independence Declaration” where it describes the services rendered by it and by other entities, as well as the safeguard measures applied, which were assessed by the Statutory Audit Board.

INTERNAL ORGANISATION

I – Articles of Association

48. Rules applicable in the case of amendments to the Company's Articles of Association

Amendments to the Company's Articles of Association follow the terms set out in the Portuguese Companies Code, requiring a majority of two thirds of the votes cast for approval. For a Shareholders' General Meeting to be held, in the first occasion it is convened, the Company's Articles of Association require that a minimum of 50% of the issued share capital should be present or represented at the meeting.

II - Reporting Irregularities

49. Means and policy for reporting irregularities occurring in the Company

Sonaecom's values and principles, widespread and deeply rooted in the culture of its people, are based on absolute respect and the adoption of rules of good conduct in the management of conflicts of interests and duties of care and confidentiality, having adopted a Code of Ethics which sets out the principles and standards of conduct that reflect the culture of the Company.

This Code of Conduct, which should guide the actions of its employees when exercising their functions, is available at <http://www.sonaecom.pt/investidores/governo-das-sociedades/codigo-de-etica-e-conduta/>.

Regarding the mechanisms for detecting and preventing irregularities, these are described in the Regulation of the Company's Statutory Audit Board.

Any individual who seeks to report an irregularity that they think has been or know to have been committed by any manager, employee or partner of Sonaecom shall do so through a letter sent to the Statutory Audit Board, at the Company's registered office, with a brief description of the facts. The identity of the discloser will be kept anonymous if this is expressly requested. The complaint will be analysed and, if there are grounds for reporting an irregularity, appropriate steps will be taken.

Within this procedure, the Statutory Audit Board has the responsibility to receive reports of alleged irregularities, submitted by Company shareholders, employees or by other parties. After receipt, the Statutory Audit Board must record all alleged irregularities reported, undertake an investigation with due diligence by the Board of Directors and/or through internal and/or external auditing, and to report its/their conclusions.

Furthermore, the Whistleblowing Policy adopted by the Company, is included in the Code of Conduct and is available on the Company's website - <http://www.sonaecom.pt/investidores/governo-das-sociedades/codigo-de-etica-e-conduta/>. - covering the entire perimeter of the Sonaecom Group.

III - Internal control and risk management

50. Individuals, bodies, or committees in charge of internal auditing and/or implementing internal control systems

Risk Management is one of the components of Sonaecom's culture and a pillar of the Corporate Governance, which is why each business unit in Sonaecom has, as part of its competencies in the functional processes, the responsibility of implementing internal controls and management of specific risks.

At the same time, the Internal Audit Department evaluates the exposure to risk and verifies the effectiveness of risk management in the internal controls of business processes and information systems. Additionally, it proposes measures to improve controls and monitor the evolution of risk exposure associated with the main audit findings and conclusions.

51. Explanation (if necessary by including an organisation chart) of the hierarchical and/or functional dependency relationships with other bodies or committees of the Company

The Board of Directors monitors the activities of the Internal Audit Department, which reports functionally to the Statutory Audit Board, as a supervisory body and independent entity of the Board of Directors. Internal Audit can meet with the Statutory Audit Board, without the presence of any member of the Board of Directors.

As regards matters of internal control and risk management, the Statutory Audit Board is the supervisory statutory body, acting independently and with the responsibility of overseeing the Internal Audit plan of activities, gathering regular information on their work, evaluating findings and issuing the guidelines it deems necessary.

The External Auditor, within the scope of the annual audit process, analyses the functioning of internal control mechanisms and reports identified shortcomings.

Responsibilities for the creation, operation and periodic evaluation of the internal control and risk management systems are published under the Regulations of the Board of Directors and the Statutory Audit Board, all of which are available at the Company's website.

52. Existence of other functional areas with risk control competencies

Besides the areas mentioned above, Sonaecom has other functional areas and business processes with competency in controlling and monitoring risks, in particular the following:

- The area of Planning and Control, along with the respective *pivots* in the business areas, is responsible for preparing and monitoring the execution of annual plans of action and resources, as well as budgets and forecasts in the finance and operating areas;
- The various business areas have processes and indicators to monitor operations and KPIs;
- Technical areas have indicators and alerts for interruption of service and safety incidents at the operating level.

53. Identification and description of the main types of risks (economic, financial and legal) to which the Company is exposed in the performance of its activity

Risks are presented and ranked, in the present section, based on the ranking and structure of Sonaecom's *Business Risk Management (BRM)*. BRM is a systematic way of identifying risks that affect the organisation (everyday language) and makes it possible to define and group risks along with their main causes (dictionary of risks).

Economic risks

According to Sonaecom's BRM, economic risks are associated with the following risk categories: business environment, strategy, operations, information processing and technology, empowerment and integrity.

Economic influences

Sonaecom is exposed to the current adverse economic environment in Portugal, although, due to the increasing pace of internationalisation of the companies in the Technology area, this exposure is more and more mitigated.

S21Sec and Excellium mitigate that risk by operating in a segment of high growth and criticality in organizations.

In the case of Público, the exposure to a segment that is going through a period of financial crisis and changing of reading trends has been forcing constant restructuring and adaptation. With the need to ensure sustainability without compromising its role as an independent information source in Portugal, Público has been focusing on meeting the growing demands in the digital world and reducing its operational cost structure.

Inovretail, as all other minority shareholdings in the Technology area, including those that are quite incipient, act in the technological market with high potential for growth and international expansion, thereby mitigating its operational risk.

With respect to Armilars' venture capital funds, the economic risk is mitigated by asset portfolio diversification, which operates in different segments and different geographic markets.

Technological innovation

For Sonaecom, having an optimised technology infrastructure is a critical success factor that helps to reduce potential failures in leveraging technological developments. Accordingly, its various businesses continue to take actions to optimize the technological structure and boost innovation.

S21Sec operates in a sector that demands constant innovation and a clear domain of all technological trends and it continuously invests in research and innovation. It is also certified by UNE-EN ISO 9001:2008 quality management and by UNE-ISO/ IEC 27001:2007,

Information Security management International reference standard, ISO 2000-1:2018 concerning IT service management in Spain, Portugal and Mexico and, in Spain, it is certified as high level by the Nacional Security Standard.

Excellium is also a member of FIRST (Forum of Incident Response and Security Teams) and it possesses certified teams for the provision of security incident response services.

Público has continued with restructuring of its layout and content and in adopting technological innovations in its online edition. These innovations are designed to ensure a greater alignment with the new reading habits of the Portuguese, offering new access channels to information using smartphones and tablets, as well as sustaining Público's position as the leading non-specialist online newspaper.

The minority shareholdings in the Technology area are all technological and innovative companies with high levels of investment in research and development.

Competition

Sonaecom's various companies are exposed to risks of competition from other players in the domestic and international markets in its respective businesses sectors.

However, in the cybersecurity area Sonaecom, through its S21sec and Excellium subsidiaries, holds one of the most relevant "pure players" (a company solely specialised in cybersecurity) in Europe, whether in revenue or in number of cybersecurity specialists.

Business portfolio

The risk of specialization and consequent limitation of activity due to portfolio has been mitigated at Sonaecom level due to the diversity of investments made in different segments – Media, Telecommunications, Retail Technology, Digital Infrastructures, Cybersecurity – and in all Sonaecom's businesses, through the expansion of the product line, of the geographic markets or business segments.

In the case of S21Sec, one of the strategic priorities is to strengthen its position in the telecommunications sector, while still maintaining its focus in the financial segment. In addition, its product portfolio is to be extended in order to evolve in the e-crime market and incorporate analytic technologies, thus allowing the expansion of its operating area.

Excellium, despite its current focus on the financial segment of Luxembourg, expects to expand to other segments, in addition to the geographical expansion in Belgium.

Inovretail, despite its focus on retail segment and product sales, also includes a significant component of professional services in its portfolio.

The Technology area, with its minority shareholdings, explores different activities and is the only technological link with the retail, digital infrastructures and cybersecurity segments.

Business interruption and catastrophic losses (Business Continuity Management)

Since Sonaecom businesses are particularly focused on the use of technology, potential faults with technical/operational resources (information system applications, servers etc.) can present a significant risk of business interruption if they are not well managed. This, in turn, can pose other risks to the Company, such as adverse impacts on reputation and the brand, on the integrity of revenues and client satisfaction, and on quality of service. These can lead to loss of clients.

In the IT sector, business clients typically have a lower tolerance for interruptions. In this context, technology companies face risks associated with the availability of software platforms that support the companies' processes as well as the corresponding clients.

To identify this specific set of risks and to implement actions for prevention and mitigation that guarantee continuity of critical services and operations, Sonaecom has adopted a Business Continuity Management (BCM) programme over several years.

These plans have been updated to incorporate action measures in order to avoid business disruptions resulting from adverse weather events or the fast dissemination of infectious diseases.

Confidentiality, integrity and availability (Information Security Management)

Since Sonaecom is primarily a technology, media and telecommunications group, all its subsidiary companies extensively use technology and information that are typically subject to availability, integrity, confidentiality and privacy risks.

In addition to being a technological issue, security should also be considered as a cultural and behavioural issue. In this sense, awareness is a key success factor when it comes to promoting a strong culture of information security among employees, partners and key stakeholders. Sonaecom has developed several initiatives to raise awareness and accountability over the past few years, of which the following stand out:

- A security communication plan based on campaigns to raise awareness of the issues considered most relevant in each year;
- Publication of the Information Security policy on the Company's intranet, accessible to all employees;
- Clauses on personal data protection and confidentiality in contracts with employees and business partners. All employees are bound to obligations of confidentiality, secrecy and protection of personal data. As such, they are forbidden from disclosing to third parties information to which they have access as a result of their roles in the Company. These obligations and these duties shall remain in force even after the end of the employment relationship between the Company and the employee. Our business partners have, generally, the same confidentiality obligations.

For specific issues related to the confidentiality and privacy of personal data, a few Sonaecom companies have appointed a Chief of Personal Data Protection Officer (DPO), who:

- Has the responsibility to implement and complying with the laws and regulations applicable to data processing.
- Acts on behalf of the Company during interactions with the national regulatory authority for data protection (CNPD - National Data Protection Commission).
- Promotes the adoption of data protection principles that are consistent with international standards and best practices.

Finally, regarding the cybersecurity risk, several actions were undertaken, most importantly the renewal of the rating service Bitsight and the development of information and training sessions mainly focused on phishing campaigns.

Product-Service failure (Professional Liability)

As Sonaecom companies are customer-oriented, we give special attention to the impact that the potential failure of our products or services may have on our customers, which, although intrinsic to their respective businesses, can generate professional civil liability. Risk events can be physical (for example: damage to equipment or facilities) or non-physical (for example: error in a software installation) and, usually, they are related to accidents, unintentional acts, errors or omissions by employees or subcontractors.

The risk management strategy selected by Sonaecom for this type of risk, involves the transfer of risk through insurers in addition to the implementation of internal controls. In this context, Sonaecom continues to carry out the actions designed and implemented in previous years relating to professional liability insurance, and which consist of:

- Implementation of improvements in certain internal controls to further reduce the causes of risk;
- Renewal of existing professional liability insurance that incorporates an extended scope of coverage and is adapted to the business realities of Technology companies and Media;
- Additional subscriptions of professional liability insurance for foreign companies, improving coverage in certain international locations where our general insurance policy is not applicable due to legal restrictions.

Talent Retention

In an increasingly competitive and dynamic environment, human capital is the true competitive advantage of organisations. Only just with employees talented, committed and aligned with the company's values, it is possible to successfully execute the business strategy. The segments in which Sonaecom's businesses operate, namely in the areas of information and communication technologies, are high-growth markets with scarce resources, which turns talent retention even more challenging.

In this sense, the Human Resources area of the various businesses is constantly concerned with defining remuneration policies that guarantee the attraction and retention of talented professionals, that guarantee stability and represent a relevant and material contribution to the sustainability of the business.

Financial risks

Sonaecom's businesses are exposed to a variety of financial risks associated with its operations, namely interest rate risk, foreign exchange risk, liquidity risk, and credit risks (described and analysed in detail in the Appendix to the Annual Consolidated Financial Statements).

The financial risks management policy is determined by the Board of Directors, and the risks are identified and monitored by the Administrative and Finance Department.

In addition to a management policy for each of the identified risks and the implementation of control mechanisms to identify and determine them, Sonaecom uses, among others, natural hedges, credit insurances and, occasionally, derivative financial hedging instruments. The Group's attitude in relation to financial risk management is conservative and prudent, refusing speculative purposes and resorting only to high credit quality financial institutions.

Legal, statutory and regulatory risks

Sonaecom and its businesses have the support of legal and tax departments permanently dedicated to the specifications of the corresponding activity, under management's supervision, and exercising their competencies in interaction with other functions and departments, in order to pre-emptively ensure the protection of the Company's interests and businesses, in compliance with their legal obligations, as well as by applying good practices. The teams in these departments have specialized training and participate in in-house and external training courses to update their knowledge.

Legal and tax advice is also provided, nationally and internationally, by outsourced resources selected from firms with established reputations and which always have the highest standards of competence, ethics and experience.

The companies in the Technology area face an additional risk relating to the globalisation process, arising because these companies have a presence in several countries, which involves specific risks relating to very different legal frameworks in each country. Furthermore, they are exposed to specific national, local and sectorial laws and regulations of each market in which they operate and are naturally exposed to the risk arising from any regulatory or legislative changes that may condition business and, consequently, prejudice or hinder the achievement of the strategic goals.

Sonaecom collaborates with the authorities with the aim of defining an optimal legal and regulatory framework that, in our opinion, promotes the development of the information technology sector in Portugal. Such collaboration may involve sending comments in response to public consultations issued by national and international entities.

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

The risk management process is supported by a consistent and systematic methodology, based on the international standard Enterprise Risk Management - Integrated Framework issued by COSO (Committee of Sponsoring Organisations of the Treadway Commission). This methodology aims to identify business risks, assess their causes, measure triggers, manage the identified risks and, finally, monitor them.

Derived from this general framework, the management and control of the main risks facing Sonaecom, are achieved through the following key approaches and methods:

Concerning the Corporate Risk Management, this approach allows Sonaecom's businesses to prioritise and identify critical risks that might compromise their performance and goals and to take actions to manage those risks, within the predefined levels of acceptance. This is achieved through constant monitoring of risks and the implementation of certain corrective measures.

Regarding Information Safety Management, the implementation of Information Security Management processes is intended to manage the risks associated with the availability, integrity, confidentiality, and privacy of information. The scope of this process also includes the development and maintenance of the Information Security Policy, verification of compliance with policy procedures, development of training programmes and awareness, setting and supervision of KPIs for Information Security.

Finally, regarding the Specific Risk Management Cycles or Processes, the development of specific risk management cycles/processes enables the mitigation of critical risks that can impact certain processes, areas or entities, positioning these risks within the levels defined by the management team. In addition, it identifies and monitors other operational risks that management considers relevant.

55. Key elements of the internal control and risk management systems implemented in the Company with regard to the financial disclosure process

Sonaecom acknowledges that, as with other listed companies with similar activities, it is potentially exposed to risks related to the financial and accounting reporting processes, in addition to other financial risks, as detailed above. Sonaecom's attitude concerning financial risk management is conservative and prudent, and these principles have been maintained during 2021.

Therefore, Sonaecom is committed to ensuring an effective internal control environment, regarding the financial reporting process, seeking, systematically, to identify and improve the most relevant processes in terms of the preparation and disclosure of financial information, with the objectives of transparency, consistency, simplicity and materiality. The internal control system aims to obtain reasonable assurance regarding the preparation of financial statements, in accordance with accounting principles and adopted policies, and warranting the quality of financial reporting.

The internal control system for the accounting and the preparation of financial statements includes the following key controls:

- I. The process of disclosing financial information is documented, the risks and key controls are identified, the criteria for its preparation and disclosure are duly established and approved, and they are periodically reviewed;
- II. There are three main types of controls: high-level controls (entity level controls), information systems' controls (IT level controls) and process controls (process level controls). Those include a set of procedures related to the execution, supervision, monitoring and process improvement, with the main purpose of preparing the Company's financial reporting;
- III. The accounting principles used, which are disclosed throughout the notes to the financial statements (see chapter III, section 1.2, note 1 in the Report and Accounts), constitute one of the fundamental pillars of the control system;
- IV. The plans, procedures and records of the Group, provide a reasonable assurance that transactions are executed solely with the general or specific authorisation of management and that those transactions are recorded to ensure that financial statements comply with the generally accepted accounting principles. This also ensures that the Company keeps updated records regarding assets, that the access to said assets rely on management authorisation and that whenever differences occur checking against existing assets, appropriate measures are taken;
- V. During the process of preparing and reviewing financial information, a schedule is first established and shared with the different areas involved, and all documents are reviewed in detail. This includes a review of the principles followed, verifying the accuracy of the provided information, and the consistency with the principles and policies defined and followed in previous periods;
- VI. The Group's financial statements are prepared and reviewed by the Administrative and Finance Department, under the supervision of the Group's Board of Directors. The Management Report and the Corporate Governance Report are both prepared by the Investor Relations Department, with the input and further review by several business and support areas and with the support and the supervision of the Director of Corporate Governance and the Legal Department. The set of documents that constitute the annual report are sent for review and approval by the Sonaecom Statutory Audit Board and the Board of

Directors. After approval, the documents are sent to the Statutory External Auditor, which issues its Legal Certification of Accounts and the Audit Report.

- VII. The group's consolidated financial statements for the year ended 31 December 2021 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation). For this purpose, several procedures were adopted for the prior validation of the making of information in the consolidated financial statements, in XBRL format using iXBRL technology, and for the correct conversion of the annual report to XHTML format.

The most significant accounting estimates are disclosed in the notes to the financial statements. These estimates were based on the best information available during the preparation of the financial statements, and in the best knowledge and experience of past and/or present events. The most significant balances and transactions with related parties are disclosed in the notes to the financial statements. These are mainly associated with the operational activities of the Group, as well as the granting and obtaining of loans under arm's length conditions.

More specific information regarding how these and other risks were mitigated is disclosed in the notes to the financial statements.

IV - Investor Support

56. Service responsible for investor support, composition, duties, information made available by this service and contact information

The Investor Relations Department is responsible for managing Sonaecom's relationship with the financial community - current and potential investors, analysts and market regulatory authorities - with the goal of enhancing their knowledge and understanding of the Sonaecom group by providing relevant, updated and reliable information.

The department regularly prepares presentations and communications covering quarterly, half-year and annual results. It is also its responsibility to make any announcements to the market, whenever necessary, and disclose or clarify any relevant event that could influence Sonaecom's share price.

In addition to the Investor Relations Department, all disclosed information is available on the webpage of the Portuguese Securities Commission ("Comissão do Mercado de Valores Mobiliários": www.cmvm.pt) and the Company's webpage <http://www.sonaecom.pt/investidores/comunicados/>. On <http://www.sonaecom.pt/investidores/> you may find the information required by Article 3 of the CMVM Regulation no. 4/2013, as well as general information on Sonaecom, in addition to other relevant information, as recommended by the IPCG Corporate Governance Code 2018, notably:

- Quarterly, half-year and annual results concerning the last five years;
- Management Reports;
- Corporate Governance Reports;
- Internal Regulations of the management and auditing bodies;
- Contacts of the Investor Relations Department and of the Representative for Relation with the Market;
- Description of Sonaecom's stock price performance in the Portuguese Stock Market;
- Information concerning the Company's Shareholders' General Meetings;

- Annual Investor Calendar on Shareholders' General Meetings and annual, half-year and quarterly disclosure events.

Any interested party may contact the Investor Relations Department using the following contact details:

Tel: (+351) 22 013 2349

Fax: (+351) 22 011 8561

Email: investor.relations@sonaecom.pt

Address: Lugar do Espido – Via Norte – 4471-909 Maia

Website: www.sonaecom.pt

57. Representative for capital market relations

By resolution of the Board of Directors taken on 11 May 2020, Célia da Conceição Azevedo das Neves Sá Miranda was appointed as representative for the relations with the capital market and the Portuguese Securities Commission.

Contacts:

Tel: (+351) 22 013 2349

Fax: (+351) 22 011 8561

Email: market.relations@sonaecom.pt/ CCMIRANDA@sonae.pt

Address: Lugar do Espido – Via Norte – 4470-177 Maia

58. Details regarding information requests received during the target year or pending from previous years, amount and average response time

During 2021, the Investor Relations Department received a normal number of information requests, considering the size of the Company in the capital markets. These information requests were submitted either by e-mail or post, or by phone. The average response time, without prejudice to the complexity of the matter, did not exceed 2 working days.

V - Website

59. Address

Company's website: www.sonaecom.pt

60. Location of the information mentioned in Article 171 of the Portuguese Companies Code

Website: <http://www.sonaecom.pt/investidores/governo-das-sociedades/identificacao-da-sociedade/>

61. Location of the Articles of Association and the regulations of the corporate bodies and/or committees

Website:

<http://www.sonaecom.pt/investidores/governo-das-sociedades/estatutos/>

<http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/> in the documents called "Internal Regulation of the Board of Directors" and "Regulation of the Statutory Audit Board"

62. Location of the information concerning the identity of the statutory governing bodies, the representative for market relations, the Investor Relations Department, functions and contact details

Websites: <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>
<http://www.sonaecom.pt/investidores/contactos/>

63. Location of the accounting documents and calendar of corporate events

Accounting documents: <http://www.sonaecom.pt/investidores/informacao-financeira/relatorios/>
Calendar of corporate events: <http://www.sonaecom.pt/investidores/calendario-do-investidor/>

64. Location of the notices for shareholders' general meetings and all related preparatory and subsequent information

Website: <http://www.sonaecom.pt/investidores/assembleia-geral/> in the document identified as "Notice of meeting" included in each of the annual folders.

65. Location where the historical records are available with resolutions adopted at the shareholders' general meeting, the represented share capital and the voting results, with reference to the previous 3 years

Website: <http://www.sonaecom.pt/investidores/assembleia-geral/>

D. Remuneration

I - Power to decide

66. Competence for determining the remuneration of the governing bodies, members of the executive committee or managing director of the Company

The Remuneration Committee is responsible for approving the remuneration of the members of the Board of Directors and other Statutory Governing Bodies, on behalf of the shareholders and in accordance with the remuneration policy approved at the Shareholders' General Meeting.

II - Remuneration committee

67. Composition of the remuneration committee, including identification of individuals or companies hired to provide support and a statement on the independence of each member and advisor

The Remuneration Committee consists of two members: Duarte Paulo Teixeira de Azevedo, on behalf of Sonae SGPS, S.A. and Francisco de la Fuente Sánchez, on behalf of Sontel BV.

The Company has not hired any entities to provide regular support to the Remuneration Committee.

When establishing the remuneration policy, the Remuneration Committee resorts to benchmark studies on remuneration practices annually disclosed by the internationally renowned consultants *Mercer* and *Korn Ferry*, and also by companies that issued stocks that

are listed in Euronext Lisbon in order to ensure that the statutory governing bodies' remuneration policy to be submitted to the approval of the Shareholders' Annual General Meeting fulfils comparable market standards. In the course of its activity during 2021, the Shareholders' Remuneration Committee did not hire any consultancy services.

The members of the Remuneration Committee are independent in relation to the Board of Directors.

68. Knowledge and experience of the members of the Remuneration Committee on remuneration policy

The experience and professional qualifications of the members of Sonaecom's Remuneration Committee are disclosed in their *curricula vitae* and available for consultation in Appendix III to this report. These qualifications allow them to discharge their responsibilities competently and accurately, each having the appropriate skills to perform their duties.

During 2021, the Remuneration Committee held 1 (one) meeting with a 100% attendance rate.

III – Remuneration Structure

69. Description of the remuneration policy of the management and supervisory bodies

At the Shareholders' General Meeting held on 30 April 2021, in compliance with the provisions of articles 26-A to 26-F of the Portuguese Securities Code, the Remuneration Policy to be applied in the years 2021-2023 was approved, prepared in line with the principles of the Remuneration Policy previously in force and which is available at <http://www.sonaecom.pt/investidores/assembleia-geral/>, in the 2021 tab..

The report on Remunerations referred to in article 26-G of the Portuguese Securities Code ("CVM") constitutes Annex I to this Corporate Governance Report and it also contains relevant information to the structure of the Remuneration Policy.

The policy is based on the assumption that initiative, competence, commitment and ethics are essentials basis to a good performance – that should be aligned with the Company's medium and long-term strategy in view of its sustainability) and based on the following principles:

Competitiveness

When establishing the Remuneration Policy applicable to the members of the Company's statutory bodies, the main goal is to acquire and retain the best professionals, with high potential talent and proven experience, that may ensure stability and make a relevant and material contribution for the sustainability of the Company's businesses.

The Policy and its positioning are defined by comparison with the national and international market, according to the main reference remuneration surveys carried out for Portugal and European markets conducted by Mercer and Korn Ferry, including comparison with the practice of the companies that make up the pool of comparable companies are those that issued stocks listed in Euronext Lisbon.

Accordingly, the remuneration parameters of the members of the governing bodies are established and periodical reviewed taking into account market conditions, the activity carried out and the responsibilities inherent to the positions held. For this purpose, the profile and curriculum of the member, the nature and description of functions, the competency framework of the governing body in question and the member himself, as well as the degree of direct correlation between the individual performance and the performance of the business are, among others, considered.

In order to determine the remuneration values for this segment, the general guidelines for positioning and competitiveness in the market advocated by the organization are considered, within the framework of the Group's general remuneration policy, are considered.

Guidance to performance

Regarding executive directors, the Policy provides for the attribution of variable short and medium term performance bonuses, calculated according to the Company's results and the level of performance, both at individual and group level, in order to promote the sustainable growth of its business and individual commitment to pre-defined objectives. If predefined objectives are not achieved, as measured through Key Performance Indicators (KPIs), the value of short- and medium-term incentives is properly reduced, in partial of total form.

Alignment of the interests

An alignment between the Director's and the Shareholders' interests and medium-term performance is ensured to promote the sustainability of the business. Part of the Executive Directors' variable bonus – when applicable at Sonaecom - is deferred for at least three years after its attribution. The deferred component is affected by the following two factors: (i) maintenance of the professional relationship between the director and the company for the deferral period; (ii) continued positive performance of the company throughout that period, which shall be measured according to the criteria to be determined by the Remuneration Committee.

The remuneration of non-executive directors, members of the supervisory bodies and the Board of the General Meeting consists exclusively of a fixed remuneration.

Transparency

All aspects of the remuneration structure are clear and openly disclosed (internally and externally) – among them, the voting results of the Remuneration Policy and the date of the respective approval at the General Meeting - through documentation published on the Company's website, in accordance with the Group's general remuneration policy.

Reasonability

The Company's Remuneration Policy aims to ensure a balance between Sonaecom's long-term interests and market positioning and best practices, the expectations and motivations of the members of our statutory bodies, as well as the objective of attracting and retaining talent.

Consistency and equity

The employment and remuneration conditions of the Group's employees are taken into consideration in determining the remuneration of each member of the statutory governing bodies.

For this purpose, the employment and remuneration conditions of full-time equivalent employees in the Company are taken into account to ensure consistency and equity in terms of remuneration, by reference to the importance of the respective qualifications, responsibilities, experience, availability and the specific nature of the risk associated with the job. In turn, the framework of the global Remuneration Policy adopted by the Company is benchmarked against comparable peers, adjusted for its particular market conditions, to balance the objectives of sustainability and talent retention.

In the architecture of the Remuneration Policy for statutory governing bodies and the remaining Company employees, and to determine the applicable remuneration, the jobs are considered under an evaluation system that includes differentiation criteria as to complexity, qualification, experience required, autonomy and responsibilities. This system is based on Korn Ferry's international methodology to promote equity in remuneration and employment conditions, in the light of the differentiation criteria described above, applicable to the various jobs, and to allow comparability/ benchmarking with equivalent jobs in the market.

As a result, Sonaecom's overall benchmark in terms of competitive positioning against the comparable market, for each job, is normally the median for the fixed remuneration and the third quartile for the variable component of remuneration, notwithstanding the necessary adaptations under market conditions and the Company's particular situation.

Other Conditions

The term of office of the members of the management and supervisory bodies and the members of the Board of the General Meeting is established in accordance with the Articles of Association and the resolutions of the Shareholder's General Meeting and to the termination of functions, the rules prescribed by law apply. There are no contracts or agreements concluded between the Company and those members, namely with the purpose of establishing the duration of functions or the attribution of any compensation for their termination.

The Policy maintains the principle of not contemplating the allocation of compensation payments to Board Directors or to members of Statutory Governing Bodies related to the termination of their mandate, whether such termination occurs at the end of the respective term of office or in advance, notwithstanding, in the latter case, to the Company's obligation to comply with the legal provisions in force on this matter.

If, by definitive decision with no right to appeal, it is found that the variable remuneration was based, totally or partially, on information fraudulently provided by the Director in question and on which the variable remuneration was based, the Board of Directors, at the request of the Shareholders' Remuneration Committee, shall take the appropriate steps to recover the variable remuneration unduly awarded.

The application of the Remuneration Policy considers work in Companies with which there is a dominating or group relationship.

Statutory Audit Board

The remuneration of the members of the Company's Statutory Audit Board is based exclusively on fixed annual amounts that do not depend on the Company's performance or its value. It includes an annual responsibility allowance, established taking into account the characteristics of the Company and comparable market practices.

Statutory External Auditor

The Company's Statutory External Auditor is remunerated, under the supervision of the Statutory Audit Board, in accordance with the standard fees for similar services, regarding comparable market practices.

70, 71, 72 and 73. Information regarding how remuneration is structured to align the interests of management body members with the Company's long-term interests, as well as how it is based on performance evaluation and lack of incentives to take on excessive risk. Reference, if applicable, to the variable remuneration policy and how performance evaluation can potentially affect this component. Deferred payment of the variable remuneration component, specifying the deferral period. Criteria underpinning the attribution of variable remuneration in shares, as well as the Executive Directors' retention of these shares in the event of any contracts related to them, specifically hedging or risk transfer contracts, limitations thereto and their relationship with the total annual remuneration.

Executive Directors

The remuneration of Executive Directors normally includes two components: a fixed component and a variable component.

The variable component incorporates control mechanisms into its structure, considering the connection to individual and collective performance, in order to prevent and discourage excessive risk-taking behaviors. This objective is further guaranteed by the fact that each Key Performance Indicator (KPI) is limited to a maximum value.

The following table presents the architecture of the Remuneration Policy for the Executive Directors, as well as the way in which it contributes to the Company's business strategy, to its long-term interest and to its sustainability:

Type of Remuneration	Fixed Remuneration	Variable Remuneration		Benefits
		Short-term	Medium-term	
Purpose	Attracting, retaining and motivating outstanding executives needed to deliver strategy and drive business performance.	Drive annual strategy and results, as well as individual performance, in line with the business plan. Recognise and reward individual contributions to the business.	Deferral of payment to ensure alignment with Shareholders' long-term interests following the successful delivery of short-term targets.	Provide appropriate and market-competitive benefits that drive engagement and motivation.
Characteristics	It consists of base salary and a responsibility allowance.	It is equivalent to a maximum of 50% of the total variable bonus. Paid in cash in the first half following the year to which it relates; may be paid, within the same period, in shares under the terms and conditions established for the Medium-Term Performance Bonus.	Corresponds, at least, to 50% of the total variable bonus; payment deferred for at least three years, after its attribution. The Medium-Term Performance Bonus may consist of attributing the right to acquire shares; the number of shares is determined by reference to the value attributed and the share price at the grant date.	Health and Life Insurance / Personal Accident Insurance.
Definition	Annual, depending on the level of responsibility of the job and the positioning defined concerning the comparable market.	Payment subject to compliance with pre-established targets at the beginning of the year, approved by the Shareholders' Remuneration Committee.	The bonus depends on the increase in the share price	Under the Company's general benefits Policy.
Target	Not applicable	The target value of the bonus may vary between 30% and 60% of the Total Remuneration, determined according to the job performed		
Performance Conditions	Not applicable	Collective KPIs (70%) Individual KPIs (30%)	Dependent upon the company's positive performance during the deferral period, assessed accordingly with the criteria determined by the Shareholders' Remuneration Committee.	Not applicable
Maximum	Although there is no set maximum, any increments usually are made in line with the Company's overall increments.	Maximum of 68% of the Total Remuneration, depending on the job level		There is no set maximum, but an estimated value; any benefit updates are carried out according to general Policy.

With regard to the two components of remuneration:

The fixed remuneration includes a base salary and a responsibility allowance, which are established annually and defined according to personal skills, the level of responsibility of the job, and the recommended positioning concerning the comparable market.

The variable remuneration aims to guide and reward Executive Directors for achieving predetermined objectives based on the Company's performance indicators, of the work teams under their responsibility and their own individual performance. This will be awarded after the accounts for the financial year have been finalised, and the performance assessment has been carried out. The variable remuneration is divided into two parts:

- (i) Short-Term Performance Bonus (STPB): equivalent to a maximum of 50% of the total variable bonus. This bonus is paid in cash in the first half of the year following the year to which it relates, although it may, at the discretion of the Shareholders' Remuneration Committee, be paid within the same period in shares, under the terms and conditions of the Medium-Term Performance Bonus;

- (ii) Medium-Term Performance Bonus (MTPB) aimed at strengthening the Executive Directors' commitment to the Company, aligning their interests with those of the Shareholders and increasing awareness of the importance of their performance to the Company's overall and sustainable success. The amount corresponds, at least, to 50% of the total variable bonus, with payment deferred for no less than three years after its attribution.

The determination of the short-and medium-term performance bonuses, STPB and MTPB, can consider necessary adjustments that may be necessary due to outside factors and/or unforeseen conditions.

The amount of the Executive Directors' variable remuneration results from the degree of achievement of collective, departmental and individual KPIs. Approximately 70% of its value is determined by business, economic and financial objectives. Those objectives are divided either in collective and departmental KPIs. The collective KPIs are based on economic and financial objectives accordingly with the Company's budget, the performance of each business unit as well as the consolidated results of the Company. The departmental KPIs have a similar nature and are directly influenced by the performance of the Executive Director. The remaining 30% derives from individual KPIs, which can combine subjective and objective indicators. Since the attribution of the variable remuneration's respective value depends on achieving objectives, its payment is not guaranteed.

This variable remuneration component is calculated by the Shareholders' Remuneration Committee after the Company's results are known.

Considering the two variable components, the value of the pre-set target varies between 30% and 60% of the total annual remuneration (made up of the sum of the fixed remuneration and the target value of the variable remuneration), depending on the level of responsibility of each member's job. The calculation of the value attributed includes a minimum limit of 0% and a maximum of 140%, concerning the objective value previously defined. The weight of the variable component awarded in the total annual remuneration depends on two factors: (i) weight of the pre-defined target value of the variable component in the total remuneration and (ii) degree of compliance with the associated objectives. Combining these two factors results in the attribution of a variable bonus whose weight on the total actual annual remuneration may vary between 0% and 68%.

The Medium-Term Performance Bonus covers four years, including the year in which it is granted and the subsequent of at least three-year deferral period. Once awarded, the value in euros will be divided by the average share price, to calculate the number of shares it corresponds to. During the deferral period mentioned above, the value of the bonus will be adjusted using the variations in the share capital or dividends (Total Share Return) during the deferral period. The vesting of this component of the Medium-Term Performance Bonus is subject to the maintenance of the professional relationship between the director and the company for the deferral period, as well as to the continued positive performance of the company over such period, which will be assessed in accordance with the criteria defined by the Shareholders' Remuneration Committee. Pursuant to the idea of a Policy of reinforcing the alignment of the Executive Directors with the Company's medium and long-term interests, the Shareholders' Remuneration Committee may, at its discretion, determine a percentage of discount granted to the Executive Directors for the acquisition of shares, determining a contribution in their acquisition, to be borne by them, in an amount corresponding to a percentage of the listed value of the shares, with a maximum limit of 5% of their listed value at the date of the share transmission. On the maturity date, the Company has the option to deliver the corresponding value of shares, in cash instead. Payment in cash of the variable bonus may be made by any means of extinguishing the obligation provided for in the law and the articles of association.

The payment of the variable bonus can be made by any of the means for extinguishing an obligation foreseen in the Law and the Articles of Association.

The criteria for the attribution and eligibility for variable remuneration in shares are described below:

Main features of the Medium-Term Performance Bonus (MTPB)

MTPB is one of the components of Sonaecom's Remuneration Policy. This plan may be composed of Sonaecom's and/or Sonae – SGPS, S.A. shares and is distinct from others due to its restrictive and volunteer nature, with attribution conditional upon the eligibility rules described in this document.

Scope of MTPB

MTPB is part of the annual variable bonus. It is a way of aligning the executive directors' interests with the organisation's objective, reinforcing their commitment and strengthening their understanding of the importance of their performance to the success of Sonaecom, as expressed by the market capitalization of Sonaecom shares.

Duration of MTPB

MTPB is set on an annual basis, for a period of three years (thus contemplating a period of four years, considering the year to which it relates and the deferral period of at least three years).

MTPB reference amount

The MTPB awarded is converted into shares at the award date of attribution using prices which represent the price of the share, in the Portuguese stock market, considering for this effect the most favourable of the following: closing share price of the first day of trading after the General Meeting of Shareholders or the average closing share price (regarding the thirty-day period of trading prior to the Shareholders' Annual General Meeting of Shareholders).

The participants have the right to purchase a number of shares corresponding to the quotient between the value of their medium-term variable bonus awarded and the share market price at the attribution date, calculated under the terms of the previous paragraph. Such right can be exercised three years after attribution.

If, subsequent to the award of the shares attribution rights and before these rights vest, dividends are distributed, changes are made to the nominal value of shares, the Company's share capital is changed or any other change to the Company's capital structure which impacts in the value of the rights already awarded occur, then the number of shares subject to the acquisition rights shall be adjusted to an equivalent number, taking into account the effect of the mentioned changes.

The vesting of MTPB is conditional upon the maintenance of the professional relationship between the director and the company for a period of 3 years, as well as to the continued positive performance of the company over this period, which will be assessed in accordance with the criteria to be defined by the Remuneration Committee.

In line with the policy for enhancing the alignment of Executive Directors with the Company's longterm interests, the Shareholders' Remuneration Committee may, at its discretion, adjust the discount percentage to be granted to the Executive Directors on the acquisition of the shares, by determining that the Executive Directors contribute to the acquisition in an amount corresponding to, at the maximum, 5% of the share market price at the share transfer date.

The MTPB reference value (% of target total variable remuneration) shall correspond to at least fifty percent (50%) of the total variable bonus amount.

Delivery by the Company

At the time of the exercise of the share acquisition right under the MTPB, the Company reserves the right to deliver the cash equivalent amount of the market value of the shares at the exercise date, instead of shares.

Conditions to exercise acquisition rights

The exercise of the right to acquire shares attributed at the end of the MTPB Plan shall lapse should the employment relationship between the participant and the Company cease before the end of the three years following their attribution, notwithstanding the provisions of the following paragraph. The right to acquire shares shall remain in force in the case of permanent incapacity or death of the participant, in which case the payment shall be made to them or to their heirs on the due date. If the participant retires, the right to acquire shares may be exercised on the respective due date.

Non-Executive Directors

The remuneration of Non-Executive Directors, when applicable, is established according to market benchmarks, under the following principles: (i) attribution of a fixed remuneration; (ii) attribution of an annual responsibility allowance. There is no remuneration by way of a variable bonus, or that depends on the Company's performance.

74. Criteria underpinning the assignment of variable remuneration in options, indication of the deferral period and the exercise price

The Company did not establish any variable remuneration in options.

75. Main parameters and reasoning concerning annual bonuses and any other non-cash benefits

The main parameters and reasoning concerning the variable remuneration system are disclosed in the remuneration policy approved in the Shareholders General Meeting, held on 30 April 2021, which is available for consultation at the Company's website www.sonaecom.pt at: <http://www.sonaecom.pt/investidores/assembleia-geral/>, in the tabs "Proposal n.º4" and "Appendix to Proposal n.º4". The Executive Directors are provided with a range of benefits such as health insurance, life insurance and personal accident insurance, as part of the Group's general benefits Policy, applicable to all employees, and whose terms and values are in line with market practices.

76. Main features of the Directors' complementary pensions or early retirement schemes and date of approval by the Shareholders' General Meeting

No company specific system of retirement benefits or supplementary pensions for members of the management and supervisory bodies and other managers is part of the Remuneration Policy.

IV - Disclosure of remuneration

77, 78 and 79. Indication of the annual remuneration earned, in aggregate and individual amount, by the Company's members of the Board of Directors, including fixed and variable remuneration. Related to this, reference to the different components that led to them, amounts of any kind paid by other controlled or group companies, or those under shared control, and remuneration paid as profit sharing and/or bonus payments and the reasons why such bonuses and/or profit-sharing payments were made

The remuneration for each Sonaecom director, awarded by the Company, subsidiaries and group companies during the year 2021 and 2020, is summarized in the charts below.

Remuneration earned by Directors in the company

Amounts in euros	2021				2020			
	Fixed Remuneration	Short Term Variable Bonus	Medium Term Variable Bonus	Total	Fixed Remuneration	Short Term Variable Bonus	Medium Term Variable Bonus	Total
Individual breakdown								
Executive Directors								
Ángelo Gabriel Ribeiro dos Santos Paupério (CEO)	183,900	113,700	113,700	411,300	183,900	123,900	123,900	431,700
Maria Cláudia Teixeira de Azevedo ⁽¹⁾	-	-	-	-	-	-	-	-
João Pedro Magalhães da Silva Torres Dolores ⁽¹⁾	-	-	-	-	-	-	-	-
Eduardo Humberto dos Santos Piedade ⁽¹⁾	-	-	-	-	-	-	-	-
Cristina Maria de Araújo Freitas Novais ⁽¹⁾	-	-	-	-	-	-	-	-
Total	183,900	113,700	113,700	411,300	183,900	123,900	123,900	431,700

⁽¹⁾ Not remunerated at Sonaecom

Directors' participation in MTPB

Executive Directors	Plan (Performance Year)	Award Date	Vesting Date	Value Vested and Paid in 2021*	Open Plans Value at Awarded Date**	Open Plans Value at 31 December 2021
Ángelo Gabriel Ribeiro dos Santos Paupério (CEO)	2017	mar/18	mar/21	115,487		
	2018	mar/19	mar/22		145,600	183,651
	2019	mar/20	mar/23		136,400	248,874
	2020	mar/21	mar/24		123,900	168,606
	Total				115,487	405,900
Total				115,487**	405,900	601,131

Values in euros

* Plan paid in cash pursuant to the remuneration policy

** Calculated using the closing price of last trading day in 2021 (31 December 21).

Remuneration earned by Directors in other controlled or group companies

Amounts in euros	2021				2020			
	Fixed Remuneration	Short Term Variable Bonus	Medium Term Variable Bonus	Total	Fixed Remuneration	Short Term Variable Bonus	Medium Term Variable Bonus	Total
Nome								
Ângelo Gabriel Ribeiro dos Santos Paupéiro	142,204	-	-	142,204	151,604	-	-	151,604
Maria Cláudia Teixeira de Azevedo	505,600	551,000	551,000	1,607,600	530,050	372,700	372,700	1,275,450
João Pedro Magalhães da Silva Torres Dolores	280,294	283,700	283,700	847,694	305,900	163,500	163,500	632,900
Eduardo Humberto dos Santos Piedade (Note 1)	219,530	280,523	280,523	780,576	166,050	332,980	332,980	832,010
Cristina Maria de Araújo Freitas Novais (Note 2)	75,400	85,880	85,880	247,160	50,056	90,933	90,933	231,923
Total	1,223,028	1,201,103	1,201,103	3,625,234	1,203,660	960,113	960,113	3,123,887

Note 1: Variable remuneration for 2020 and 2021 include extraordinary amount based on outperforming profitability targets on shareholdings sold in the year.

Note 2: Cristina Maria de Araújo Freitas Novais was elected at the AGM on 2020.04.29. Her remuneration in the comparative figure is from 2020.05.01. Variable remuneration for 2020 and 2021 include extraordinary amount based on outperforming profitability targets on shareholdings sold in the year.

The short-term performance bonus includes a participation in the profits of the Company.

The variable remuneration of the Executive Directors was measured in accordance with the performance assessment and the remuneration policy approved at the General Meeting of April 30, 2021, detailed in the preceding paragraph 71 and reflected in the remuneration table above.

80. Compensation paid or owed to former Executive Directors following end of office

No compensation was paid or is currently owed to former Executive Directors in relation to end of office during 2021.

The Remuneration Policy of the Company upholds the principle of not attributing compensation to Directors or members of other statutory governing bodies associated with the end of office, whether this termination occurs according to their original mandate or whether it is anticipated for whatever reason, without prejudice to the obligation of the Company to comply with any applicable legislation in force.

81. Indication of the annual remuneration earned, in aggregate and individual amount, by the members of the Company's Statutory Audit Board

The remuneration of the members of the Statutory Audit Board is made up of fixed annual fees, based on the Company's financial situation and market practice, and does not include any variable remuneration. Thus, the Chairman of the Statutory Audit Board earned 9,900 euros in 2021 and 2020 and the other members earned, in the same period, 7,900 euros. The substitute members of the Statutory Audit Board did not receive any remuneration.

82. Remuneration in the reference year for the Chairman of the Board of the Shareholders' General Meeting

The Chairman of the Board of the Shareholders' General Meeting earned a fixed annual remuneration of 5,000 euros and the Secretary earned a fixed annual remuneration of 2,500 euros.

V - Agreements with remuneration implications

83. Contractual limitations on compensations to be paid upon to Directors' dismissal without cause and its relation with the variable component of the remuneration

There are no agreements in place with members of the Board of Directors that establish amounts to be paid in case of dismissal without cause, without prejudice to the applicable legal provisions.

84. Reference to the existence and description, stating the sums involved, of the agreements between the Company and members of the Board of Directors, providing for compensation in case of dismissal without cause or termination of the employment relationship, following a change of control of the Company

There are no agreements made between the Company and members of the Board of Directors, that provide for compensation in cases of dismissal, unfair dismissal or termination of employment following a change of control of the Company.

VI - Share attribution plans or stock options

85 and 86. Identification of the plan and its recipients. Plan features (assignment conditions, share transfer clauses, share price and option exercise price criteria, period during which options can be exercised, features of the shares or options to be assigned, incentives to acquire shares and/or exercise options).

The Medium-Term Performance Bonus – MTPB, as described in paragraph 73, is intended for Executive Directors, as well as employees of the Group's Companies, in terms to be defined by the respective Boards of Directors.

The MTPB is designed to align the interests of the Executive Directors with the Company, reinforcing their engagement and the perception of the impact of their performance on the success of Sonaecom in accordance with its market cap.

The characterization of the share allocation plan is made in paragraphs 71,72 and 73.

The Remuneration Policy of the governing bodies, as well as the share allocation plan in force, were approved at the Annual General Meeting held on 30 April 2021, on a proposal from the Remuneration Committee in compliance with the provisions of articles 26-A to 26-F of the Portuguese Securities Code and Recommendations V.2.1 to V.2.10 of the IPCG 2018 Corporate Governance Code, amended in 2020.

The resolutions of the Annual General Meeting under consideration can be consulted at <http://www.sonaecom.pt/investidores/assembleia-geral/>.

87. Option rights granted to acquire shares ("stock options") where the beneficiaries are the Company's employees

There are no stock options attributed to acquire shares.

88. Planned control mechanisms for any employee share capital participation scheme, to the extent voting rights are not directly exercised by them

There are no control mechanisms established to control employee participation in the Company's capital.

D. Transactions with related parties

I - Mechanisms and control procedures

89. Mechanisms implemented by the Company to monitor transactions with related parties (for the purposes of IAS 24)

Sonaecom endeavours to carry out transactions with related parties based on principles of rigour and transparency, and in strict observance of legal rules and market standards. Such transactions are subject to specific internal procedures based on mandatory standards, (i) considering the Company's best interests, (ii) on an arms' length basis pursuant to any legal requirements and disclosed in a transparent manner, and (iii) adequately protecting minority shareholders' interests and treating every shareholder equally.

In this regard, Sonaecom has adopted an Internal Policy Concerning Transactions With Related Parties, as approved by the Board of Directors and the Statutory Audit Board. Within the scope of this Policy, the Company has put in place a set of specific procedures in order to prevent conflicts of interest, such as promoting communication between the Board of Directors and the Statutory Audit Board and ensuring that a record of all transactions with related parties is kept, together with all relevant supporting documents. This information is remitted at least on a half-year regular basis to the Statutory Audit Board. The Statutory Audit Board then reviews the documentation and determines whether the relevant transactions are deemed as Transactions in the Ordinary Course of Business, as defined in the Internal Policy Concerning Transactions With Related Parties and it makes all necessary recommendations and questions. Conclusions drawn from this work are then included in the Statutory Audit Board's annual report and presented to the Board of Directors.

90. Indication of transactions subject to control in the reference year

Transactions subject to control in the course of the year 2021 fall within the Company's scope of activity, were executed on arm's length conditions and side-by-side with other equivalent transactions executed with national and international parties, in terms that abide by the framework of Sonaecom's practice under the supervision of the Statutory Audit Board, as described in the Company's Consolidated Financial Statements' Appendix, mentioned in section 92 below. The Company did not execute any transaction with any member of the management or supervisory bodies during 2021.

91. Description of the procedures and criteria for intervention of the Statutory Audit Board for the purpose of preliminary assessment of the business carried out between the Company and holders of qualified shareholdings or entities that are in a relation with them, under the terms of article 20 of the Portuguese Securities Code

Transactions with owners of qualified shares or with entities related in any way with them, under the terms of article 20 of the Portuguese Securities Code, are subject to a formal prior opinion by the Statutory Audit Board, if they do not qualify as Transactions in the Ordinary Course of Business or their value exceeds 10 million euros. In addition, a record of all transactions with related parties is

kept, together with all relevant supporting documents. This information is remitted at least on a half-year regular basis to the Statutory Audit Board.

II - Business related elements

92. Location where the information on transactions with related parties is available on the accounting documents, according to IAS 24 or, alternatively, reproduction of said information

Information on transactions with related parties, in accordance with IAS 24, can be found in note 37 to the 2021 Consolidated Financial Statements' Appendix.

PART II – ASSESSMENT OF CORPORATE GOVERNANCE

1. Identification of the adopted Corporate Governance Code

The Corporate Governance Report provides a description of the Corporate Governance structure, policies and practices followed by the Company and complies with the standards of the article 29º - H of the Portuguese Securities Code and information duties required by the Portuguese Securities Market Commission (CMVM) Regulation no. 4/2013, of 1 August. This Report additionally discloses, in light of the principle *comply or explain*, the terms of compliance by the Company with the Portuguese Institute of Corporate Governance (IPCG) Recommendations contained in the IPCG Corporate Governance Code, published in 2018 (and reviewed in 2020), available on the website of this entity at <https://www.cgov.pt>, and to which the Company voluntarily submits.

Regarding the structure, this Corporate Governance Report follows the model foreseen in Appendix I to CMVM Regulation no. 4/2013, of 1 August.

The corporate governance practices adopted by Sonaecom aim at promoting and developing the Company's performance, as well as the capital market and strengthening the confidence of investors, employees and the general public in the quality and transparency of management and supervision and in the Company's sustainable development.

This Report should be read as a part of the Management Report and the Individual and Consolidated Financial Statements for the year 2021.

The requirements for the provision of information as per Law 50/2020, of 25 August, article 447 of the Portuguese Companies Code, article 29-H of the Portuguese Securities Code and CMVM Regulation no. 5/2008, as amended by CMVM Regulation no. 7/2018, have also been fulfilled.

All of the rules and regulations mentioned in this Report are available at www.cmvm.pt, www.cgov.pt and www.cam.cgov.pt.

Unless otherwise expressly stated, all references are to be deemed as being made to the Report itself.

2. Analysis of compliance with the adopted Corporate Governance Code

The governance model adopted by Sonaecom enabled the Board of Directors to operate normally, and none of the other statutory governing bodies have reported any constraints to their normal functioning.

The Statutory Audit Board exercised its supervisory function, having received appropriate support from the Board of Directors to this end, via regular provision of information.

The Statutory External Auditor monitored the Company's activities and conducted the examinations and verifications deemed necessary to review and legally certify the accounts, interacting with the Statutory Audit Board, within the framework of their duties and responsibilities and with full cooperation from the Board of Directors.

The Board of Directors has been carrying out its duties and cooperating with the Statutory Audit Board and the Statutory External Auditor, when so requested, in a transparent and rigorous manner and in compliance with their regulations and best corporate governance practices.

The full text containing the corporate governance guidelines currently adopted by Sonaecom - whether published by specific regulation, recommendation or voluntarily, including the Code of Conduct, are made publicly available on our website <http://www.sonaecom.pt/home/?l=en> and also on the CMVM website: www.cmvm.pt.

Below is a list of the recommendations included in the Corporate Governance Code approved and adopted in 2018 (and reviewed in 2020) by the Portuguese Institute of Corporate Governance and the analysis of compliance with the aforementioned recommendations by Sonaecom as of 31 December 2021.

CHAPTER I – GENERAL PROVISIONS

I.1. Company's relationship with investors and information

I.1.1. The Company should establish mechanisms to ensure, in a suitable and rigorous manner, timely disclosure of information to its governing bodies, shareholders, investors and other stakeholders, financial analysts, and to the markets in general.

RECOMMENDATION ADOPTED – Sections 56 to 58, Part I.

The Company possesses within its organisational structure the departments with specific competencies regarding timely disclosure of information in a suitable and rigorous manner to its statutory bodies, shareholders, investors and other stakeholders, financial analysts and the general market.

The Company, through its website - <http://www.sonaecom.pt/home/?l=en> – provides access to relevant and updated economic, financial and governance information to all stakeholders, in Portuguese and English, which enables them to increase knowledge and understanding of the Company, its strategy, its current positioning, and its evolution.

In addition, the Company has an investor support office with permanent contact with the market, whose duties are listed under section 56 of this Report, which responds to investors' requests in a timely manner, keeping a record of these requests and of the treatment they have been given. This department ensures the symmetry of information available to the market and the fair treatment of all shareholders, investors and other stakeholders, upon the immediate drafting and disclosure of privileged information; it makes sure that the regular financial disclosure duties are complied with and it actively and timely assesses the information publicly disclosed by the market research analysts that follow the Company (when they exist) and it corrects inaccurate or out-of-date information disclosed by those professionals. However, Sonaecom is currently not followed by any of those market research analysts.

The Board of Directors ensures, in a timely and adequate manner, the flow of information necessary for the exercise of legal and statutory powers to each of the other bodies, speeding up, in particular, the necessary resources for the drafting and issuance of notices, minutes and supporting documentation concerning the decisions taken.

The notices and minutes of the meetings of the Board of Directors are made available to the Chairman of the Statutory Audit Board, who obtains from the Board of Directors and / or the Executive Committee, if applicable - in an expeditious, clear and complete manner - all information necessary for the performance of their duties, namely the operational and financial evolution of the Company, changes

in the business portfolio, terms of all transactions that occurred and details of the decisions taken, reviewing at each meeting the minutes of the Board of Directors and, when applicable, of the Executive Committee.

The Statutory Audit Board may request the persons responsible for the various Departments of the companies of Sonaecom group to provide the required information for the performance of its duties and, if necessary, request the Board of Directors the collaboration of one or more members with experience in the areas of their competence, to provide information and carry out work, in order to substantiate its analysis and conclusions.

I.2. Diversity in the composition and functioning of the Company's governing bodies

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.

RECOMMENDATION ADOPTED – Sections 16, 19, 26, 33 and 36, Part I.

The Company adopted a Diversity Policy for the Management and Supervisory Bodies, the description of which is included in Section 16 of Part I of this Report. This policy seeks, on the one hand, to ensure a significant and differentiated representation of gender, origins, qualifications and professional experience, as a way of ensuring an adequate composition of the interests of all its stakeholders and, on the other hand, allowing an enhanced balance in its structure, taking into account, not only the nature and complexity of the activities carried out by the Company, but also the context in which it operates.

In this sense, the Company undertakes all efforts to ensure that, in the selection of the members of these corporate bodies, there are imperative criteria to ensure that they meet the largest possible width of diversity of knowledge, skills, experience and values. These criteria focus mainly on: (i) gender diversity; ii) the professional qualification alongside with the necessary renewal of the composition of the governing bodies, in order to ensure compatibility between seniority and the diversification of career paths, avoiding group thinking; iii) the plurality of knowledge and iv) not considering age as an obstacle and without restrictive views on age limitations for exercising corporate functions.

Furthermore, candidates to be appointed to the management and supervisory bodies should possess an adequate experience in senior offices within companies or similar organisations that enables them to (i) assess, challenge and develop the Company's senior officers; (ii) assess and challenge the group's and its main subsidiaries' corporate strategy; (iii) assess and challenge the Company's operational and financial performance; and (iv) assess the organisation's fulfilment of the Company's values.

Each candidate should in addition make their individual contribution in enabling the board of Directors, as a whole, to gain in-depth and international knowledge of Sonaecom's main business sectors, knowledge of the main markets and geographies where the business areas operate and knowledge and competencies regarding management techniques and technologies that are key for the success of relevant companies in the business sectors of the Company.

Candidates should furthermore possess the human qualities, purpose clarity, analytical qualities and synthesis and communication skills required to address a large number of diversified and complex issues, within a limited time-frame, with the necessary depth to allow for a timely and high-quality decision-making.

1.2.2. 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 -, and minutes of the meetings of each of these bodies should be drafted.

RECOMMENDATION ADOPTED – Sections 22, 27, 29, 34 and 61, Part I.

Both the Board of Directors and the Statutory Audit Board of the Company have adopted Internal Regulations, establishing their powers, chairmanship, periodicity of meetings, functioning and framework of duties of its members.

The Board of Directors has adopted the Regulation which is available on the Company's website (in Portuguese and English versions) and which includes the regulation regarding the functioning of the Executive Committee when this exists. This Regulation can be found in: x

<http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>

The Statutory Audit Board has adopted the Regulation which is available on the Company's website (in Portuguese and English versions) and can be found in:

<http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>

Detailed minutes of all meetings of the aforementioned bodies are drafted and written down.

Currently, the Company does not have an Executive Committee or any other committees within the Board of Directors. In light of this, the company considers this recommendation not to be applicable in such regard.

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.

RECOMMENDATION ADOPTED – Sections 23, 35 and 67, Part I.

The composition of the management and supervisory bodies and of their internal committees, where applicable, as well as the number of their annual meetings, is available in Portuguese and English versions on the Company's website.

1.2.4. A policy for the communication of irregularities (whistleblowing) should be adopted that guarantees the suitable means of communication and treatment of those irregularities, with the safeguarding of the confidentiality of the information transmitted and the identity of its provider, whenever such confidentiality is requested

RECOMMENDATION ADOPTED – Sections 38 and 49, Part I.

The Company has adopted and implemented a Irregularities Communication Policy that is a part of the Code of Conduct and available at the Company's website - <http://www.sonaecom.pt/investidores/governo-das-sociedades/codigo-de-etica-e-conduta/>- and concerns all Sonaecom Group companies.

As per this Policy, it is the responsibility of the Statutory Audit Board to determine the mechanisms of detection and prevention of irregularities, and it is its duty to verify the existence thereof in accordance with the applicable legal provisions regarding confidentiality, information dealing and the inexistence of retaliation on the whistle-blowers.

The Statutory Audit Board receives the irregularity reports from shareholders, employees or third parties. It should afterwards put them on record and promote the necessary swift investigation by the Board of Directors and/or by the internal and/or external audit, and then report on the conclusions reached.

I.3. Relationships between the Company bodies

I.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.

RECOMMENDATION ADOPTED – Sections 22, 34 and 61, Part I.

Vide Section I.1.1.

I.3.2. Each of the Company's boards and committees should ensure the timely and suitable flow of information, especially regarding the respective calls for meetings and minutes, necessary for the exercise of the competences, determined by law and the bylaws, of each of the remaining boards and committees.

RECOMMENDATION ADOPTED – Sections 22, 34 and 61, Part I.

Vide Section I.1.1.

I.4. Conflicts of interest

I.4.1. The duty should be imposed, to the members of the Company's boards and committees, of promptly informing the respective board or committee of facts that could constitute or give rise to a conflict between their interests and the Company's interest.

RECOMMENDATION ADOPTED – Section 49, Part I.

The Company has adopted a policy to regulate possible conflicts of interest, according to which (and to the regulation of the Board of Directors) the members of the Board of Directors or of its Committees, if applicable, shall promptly inform the respective governing body or committee about facts that may constitute or cause a conflict (whether actual or potential) between their own interests and the interests of the Company.

Pursuant to its Regulation, the members of the Statutory Audit Board must inform the Company with reasonable anticipation, if possible, or immediately, if unforeseeable, of any circumstance affecting their independence and exemption or that establishes a legal incompatibility for the exercise of the position.

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.

RECOMMENDATION ADOPTED – Section 49, Part I.

The Company has adopted a policy to regulate possible conflicts of interest, according to which (and to the regulation of the Board of Directors) the members of the Board of Directors or of its Committees, if applicable, shall promptly inform the respective governing

body or committee about facts that may constitute or cause a conflict (whether actual or potential) between their own interests and the interests of the Company.

The member who, in accordance with the preceding paragraph, declares to be in conflict of interest, shall not interfere in the decision-making process, without prejudice to the duty to provide information and clarifications that the governing body, the committee or its members may request.

I.5. Related party transactions

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.

RECOMMENDATION ADOPTED – Sections 38, 89 to 91, Part I.

During the 2020 financial year, the Board of Directors has approved, upon previous binding opinion from the Statutory Audit Board, an Internal Policy Concerning Transactions With Related Parties, which remains in force and is attached to the Regulation of the Board of Directors and to the regulation of the Statutory Audit Board, both available on <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>. This policy contains the rules foreseen in article 29.^o - S of the Portuguese Securities Code.

I.5.2. The managing body should report all the transactions contained in Recommendation I.5.1. to the supervisory body, at least every six months.

RECOMMENDATION NOT APPLICABLE*

* In accordance with the note regarding the interpretation of the IPCG Corporate Governance Code (reviewed in 2020) issued by the Monitoring Commission.

It is the responsibility of the supervisory body (and no longer of the managing body) to assess periodically transactions with related parties.

CHAPTER II — SHAREHOLDERS AND GENERAL MEETINGS

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.

RECOMMENDATION ADOPTED – Section 12, Part I.

The Articles of Association of the Company do not provide for any restriction on the right to vote. The Company's share capital is fully represented by a single category of shares, each share corresponding to one vote, in order to encourage its shareholders to participate in the Shareholders' General Meetings.

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.

RECOMMENDATION ADOPTED – Section 14, Part I.

In accordance with the provisions of the Company's Articles of Association, the resolutions of the Shareholders' General Meeting shall be taken by a simple majority, unless otherwise required by law.

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.

RECOMMENDATION ADOPTED – Section 12, Part I.

The Company's Articles of Association foresee the possibility of holding the General Meeting by telematic means - provided that the necessary resources, the authenticity of the declarations and the security of the communications are guaranteed.

Given the context and the impact of the new Coronavirus – COVID 19, the Company has implemented the necessary conditions for the shareholders to remotely attend the Shareholders' General Meeting, with the purpose of ensuring shareholders' rights while upholding all safety, health and well-being standard for all those involved.

In 2021, the Company has made available all the previous information concerning the Annual General Meeting on its website only, thereby reducing the need of physical attendance at the Company's registered office for the purpose of accessing such information.

On the other hand, the exercise of voting rights and information rights (as well as other relevant communications in this context) were carried out via email only, thus avoiding infection risks and possible delays inherent to postal communication.

II.4. The company should also implement adequate means for the exercise of remote voting, including by correspondence and electronic means.

RECOMMENDATION ADOPTED – Section 12, Part I.

Without prejudice to the mandatory proof of shareholder status, shareholders may vote by correspondence in all matters subject to the Shareholders' General Meeting.

The Company also allows to its shareholders to vote through electronic means, without any restriction. In the notice of the General Meeting, the Company provides adequate information on how to exercise postal voting and voting by electronic means.

In addition, the Company makes available on its website, from the publication of the notice of each General Meeting, document templates intended to facilitate access to information necessary for shareholders to issue the communications required to ensure their presence at the Meeting. The Company also provides an e-mail address for the clarification of any doubts and to receive all communications regarding the participation in the General Meeting.

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.

RECOMMENDATION NOT APPLICABLE – Sections 5 and 13, Part I.

The Articles of Association do not establish any limitation to the number of votes that may be held or exercised by a sole shareholder, individually or together with other shareholders.

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.

RECOMMENDATION ADOPTED – Sections 4 and 84, Part I.

The Company has not adopted any measures to this effect.

CHAPTER III — NON-EXECUTIVE MANAGEMENT, MONITORING AND SUPERVISION

III.1. Without prejudice to question 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, namely, to: (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.

RECOMMENDATION NOT APPLICABLE.

The Board of Directors of the Company does not have any independent director, as the Company believes that, given its current size, its shareholder structure and the low dispersion of the share capital, such is not justified. Therefore, the appointment of a lead non-executive director is also unjustified.

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.

RECOMMENDATION ADOPTED AND EXPLAINED – Section 18, Part I.

At the Shareholders' General Meeting held on 29 April 2020, it was resolved to increase the number of members of the management body from 4 to 5.

The management of all corporate matters is now the exclusive competence of the Board of Directors, all of its members assuming from that date on the capacity of executive directors – a solution that the Board deems appropriate given the size of the Company, the complexity of the risks of its activity and its shareholding structure, as well as the reduced dispersion of its share capital. This is because, pursuant to the aforementioned variables, the suitability judgment made by the Company leads to the conclusion that all *apports* that Non Executive Directors typically bring to the table (especially as challengers of the decisions made) are duly accounted for and internalized by the current composition of the Board of Directors.

The Statutory Audit Board is composed of three members, one being the Chairman – this composition is appropriate given the size of the Company and the complexity of the risks of its activity and is also sufficient in order to effectively performing its duties, as detailed on paragraph III, a), b) and c) of this Report.

The Board of Directors believes that, given the current size of the Company, there is no justification for the existence of any specific committee for financial matters (the adopted corporate governance model does not include a specific committee for financial matters).

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

RECOMMENDATION NOT ADOPTED.

In view of its current size, its shareholder structure and the reduced dispersion of the share capital, the Company considers that there is no justification for the existence of a board of directors with a large number of members. Currently, the Board of Directors is composed

by a total number of 5 (five) members, who are jointly in charge of the management of all corporate matters, all of its members assuming from that date on the capacity of executive directors.

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:

- (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;
- (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;
- (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;
- (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;
- (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
- (vi) having been a qualified holder or representative of a shareholder of qualifying holding.

RECOMMENDATION NOT APPLICABLE.

The Board of Directors of the Company does not have any Non Executive Director, as the Company believes that, given its current size, its shareholder structure and the low dispersion of the share capital, such is not justified, as previously explained. Therefore, the appointment of any Independent Non Executive Directors is also unjustified.

III.5. The provisions of (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*).

RECOMMENDATION NOT APPLICABLE.

The Company does not have any Director in such circumstances.

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.

RECOMMENDATION ADOPTED – Section 38, Part I.

The Terms of Reference of the Statutory Audit Board, where its duties are described - beyond those assigned by law – are available on the Company's website (<http://www.sonaecom.pt/home/?l=en>), at <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>

In accordance with Article 6, paragraph 2, c) of the Terms of Reference mentioned above, the members of the Statutory Audit Board should, besides their general and individual monitoring duties, monitor, assess and issue an opinion regarding the strategic guidelines and the risk management policy established by the Board of Directors, prior to its approval.

The Statutory Audit Board monitors and evaluates the internal control and risk management system defined by the management, prior to its final approval, and proposes the optimisation measures it deems necessary and reports on such system in its statements and annual report that is disclosed together with the remainder of the financial documents, available on <http://www.sonaecom.pt/investidores/informacao-financeira/relatorios/>(tab MR&A 2021 / Chapter V).

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.

RECOMMENDATION ADOPTED - Sections 27 and 29, Part I.

Given the current size of the Company and the limited complexity of its structure (it has a reference shareholder holding about 89% of the share capital) and the small free-float (currently about 9% of the share capital) the Board of Directors believes that there is no justification for the existence of any internal specialised commission, notably concerning nomination, remuneration and assessment of the performance of the Directors. The Company believes that the governance structure adopted is appropriate given the size of the Company and the complexity of the risks of its activity and is also sufficient in order to effectively performing its duties, notably in what concerns remuneration and performance assessment, which is a responsibility of the Shareholders Remuneration Committee, which is composed by members who are independent from the Board of Directors. In addition, the identification of potential candidates with the right profile to take on leading or director roles may be conducted by the Shareholders Remuneration Committee, that may on its part hire the necessary or convenient advisory services in order to better fulfil its duties, and may also prepare general information concerning any contingency plans and talent management in general.

Regarding corporate governance matters, the Company maintains a Corporate Governance Officer who reports hierarchically to the Board of Directors and whose main responsibilities are to evaluate the structure and practices of governance adopted, verify its effectiveness and propose to the competent bodies the measures to be implemented in order to improve it. Its main duties are described in the Corporate Governance Report (paragraph 27, p. 14) and it is part of the organic administrative structure of the Company, side by side with other departments that support the activity of the management body. In this manner it is deemed as materially equivalent to the existence of an internal committee, specialised in corporate governance matters – in other words, the duties that are discharged by the Corporate Governance Officer and its extensive experience and knowledge regarding corporate governance matters allows us to draw the conclusion that this office is in fact and in substantial terms performed by a uninominal commission, regardless of the *nomen juris* given to it.

CHAPTER IV — EXECUTIVE MANAGEMENT

IV.1. The managing body should approve, by internal regulation or equivalent, the rules regarding the action of the executive directors and how these are to carry out their executive functions in entities outside of the group.

RECOMMENDATION ADOPTED.

The regulation of the Board of Directors, available on <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/> and the policy regarding conflicts of interest in place provide that exercise by any member of the Board of Directors of an executive role or a significant position outside of the group that has not been authorised by the Company's Shareholders' General Meeting should be approved in advance by the Board of Directors.

Directors of the Company are not allowed to perform any competing activities or roles if no express permission is granted by the Company's Shareholders' General Meeting.

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.

RECOMMENDATION ADOPTED – Sections 21, 27 and 28, Part I.

The Company does not currently possess an Executive Committee. In compliance with the terms of the Board of Directors' Regulation, it may delegate in an Executive Committee the every-day management of the Company as it sees fit, establishing how it should operate and how it should exercise the delegated powers, with the following exceptions:

- a) Appointment of the Chairman of the Board of Directors;
- b) Co-optation of Directors;
- c) Request to convene General Meetings;
- d) Approval of the Annual Report and Accounts;
- e) Provision of collateral and personal or real guarantees by the Company;
- f) Decision to change the registered office or increase the share capital;
- g) Decision on mergers, spin-offs or transformation of the Company;
- h) Approval of the strategic management of the annual business portfolio and the policies thereof;
- i) Approval of the Company's annual budget and the Group's annual business plan and any changes on the same;
- j) Definition of the organisation and coordination of the corporate structure the Sonaecom Group;
- k) Approval of every issue that should be deemed as strategical as a consequence of its amount, risk or particular features;
- l) Definition of the Human Resources policies that are applicable to top employees (levels GF3 and above) with the exclusion of areas that are the exclusive competence of the Shareholders' General Meeting or of the Shareholders' Remuneration Committee.

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.

RECOMMENDATION ADOPTED – examples are Sections 69 to 76, 85 and 86, and Chapter III Section 1.2, note 1, of the Annual Report and Accounts

As provided for in the Annual Report and in this Corporate Governance Report, the Company's strategy and main policies encompass a wide range of stakeholders, far beyond that of shareholders. From employees and their families to investors; from suppliers to customers; from the financial community to the general public, it is the Company's and the Groups' consistent drive to contribute to the reinforcement of the credibility and sustainability of the financial system and the capital market, thereby strengthening trust from the public, national and international investors and small investors. Simultaneously, the country's image and reputation is also solidified. For exemplifying purposes only, through (i) thorough mechanisms of control of the services provided to the Company, (ii) the proactive detection of breaches of the Company's values within the scope of the Ethics Code and (iii) the consistent and long-term alignment between the remuneration incentives of the members of the management body and the interests of the Company, it has been possible to sustain the ambition of continuously sharing with the community the genetics and praxis of a long-living company based upon values, hard work, respect for stakeholders, sustainability and diversity concerns. It is furthermore the Company's conviction that the right thing to do is to keep pushing to take the benefits of progress to an ever-increasing number of people.

CHAPTER V — EVALUATION OF PERFORMANCE, REMUNERATION AND APPOINTMENTS

V.1 Annual evaluation of performance

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.

RECOMMENDATION ADOPTED.

The assessment of the performance of the members of the management body is conducted in accordance with the principles, valuation and rules set out in the Remuneration and Compensation Policy that is proposed by the Shareholders' Remuneration Committee and approved by the Annual Shareholders' General Meeting.

The Shareholders' Remuneration Committee, appointed by the Shareholders' General Meeting, is responsible for the approval of the individual remuneration of the members of the Board of Directors and the other statutory bodies, thereby representing the shareholders in accordance with the Remuneration Policy approved by the Shareholders' General Meeting.

The Board of Directors, in accordance with its Regulation, annually evaluates its performance, and did so regarding 2021, taking into account the accomplishment of the Company's strategic plan and budget, its risk management, internal functioning and its relations with other Sonaecom bodies. At its meeting of 7 March 2022, the Board of Directors conducted this self-assessment.

In addition, and in accordance with article 376 of the Companies Code, the Shareholders' General Meeting annually reviews the management of the Company through a confidence or no confidence vote.

Currently, the Company does not have an Executive Committee or any other committees within the Board of Directors. In light of this, the company considers this recommendation not to be applicable in such regard.

V.2 Remuneration

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.

RECOMMENDATION ADOPTED – Sections 66 to 68, Part I.

The Company possesses a Shareholders' Remuneration Committee, appointed under the terms of article 399 of the Commercial Companies Code, whose members - Duarte Paulo Teixeira de Azevedo and Francisco de la Fuente Sánchez - are independent from the members of the Board of Directors and act in this capacity and with relevant knowledge and experience concerning remuneration policy. The *curricula vitae* of the members of the Remuneration Committee are available in Appendix III to this Report.

V.2.2. The remuneration should be set by the remuneration committee or the general meeting, on a proposal from that committee.

RECOMMENDATION ADOPTED – Sections 66 to 68, Part I.

The remuneration of the members of the management and supervisory bodies of the Company is set by the Shareholders' Remuneration Committee, appointed under the terms of article 399 of the Commercial Companies Code.

The Company's remuneration policy has the features foreseen in Sections 69 to 75 of Part I of this Report and which are in line with this recommendation.

The Remuneration Committee, appointed in the General Meeting and representing the shareholders, is the responsible corporate body for evaluating the performance and approval of the remunerations of the members of the Board of Directors and other corporate bodies, according with the Remuneration Policy approved by the shareholders at the General Meeting.

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.

RECOMMENDATION ADOPTED.

The Shareholders' General Meeting, held on 29 April 2020, approved the Remuneration and Compensation Policy, upholding the principle of not attributing compensation to Directors or members of other statutory governing bodies associated with the loss of office, whether this termination occurs according to their original mandate or whether it is anticipated for whatever reason, without prejudice to the obligation of the Company to comply with any applicable legislation in force.

During 2021 the Company has not made any payment of such nature.

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.

RECOMMENDATION ADOPTED.

The Shareholders' Remuneration Committee agrees with this Recommendation and appoints, out of its members, the one that should represent it at the Shareholders' General Meeting.

The Chairman of the Shareholders' Remuneration Committee, Duarte Paulo Teixeira de Azevedo, attended the Annual Shareholders' General Meeting held on 30 April 2021.

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.

RECOMMENDATION ADOPTED – Section 67, Part I.

The Remuneration Committee of the Company may freely hire the necessary or convenient advisory services for the exercise of its duties.

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

RECOMMENDATION ADOPTED – Section 67, Part I.

The Remuneration Committee, when hiring any advisors to support the performance of its duties, always focuses on choosing consultants of recognized competence and international presence and must make sure that the selected specialists possess the independence necessary to fulfil the purpose for which they are hired and especially that such independence is not hindered by the provision of material services to the Company or any related parties. The independence of these hired consultants is ensured either by the autonomy before the Board of Directors, the Company and the Group, either because they have no connection with the Board of Directors, or because of their wide experience and recognition in the market.

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.

RECOMMENDATION ADOPTED – Sections 69 to 76 of Part I and remuneration policy approved by the Shareholders' General Meeting.

A significant part of the remuneration of Sonaecom's executive directors is determined by the success of the Company. The variable component of remuneration is structured in such a way as to establish a link between the sums awarded and the level of performance, both at individual and group level. If predefined objectives are not achieved, measured through KPIs applicable to the business and to the individual performance, the value of short- and medium-term incentives will be partially or totally reduced.

Sonaecom reviews its remuneration policy annually as part of its risk management process, in order to ensure that it is entirely consistent with its desired risk profile. During 2021, no problems relating to payment practice were found that posed significant risks to the Company.

In designing remuneration policy, care has been taken not to encourage excessive risk-taking behaviour, attributing significant importance, but at the same time a balanced approach, to the variable component, thus closely linking individual remuneration to group performance.

Sonaecom has in place internal control procedures concerning remuneration policy, which target the identification of potential risks. Firstly, the variable remuneration structure is designed in such a way as to discourage excessive risk-taking behaviour to the extent that remuneration is linked to the evaluation of performance. The existence of objective KPIs constitutes an efficient control mechanism. Secondly, the adopted policy does not allow contracts to be entered into that would minimise the importance of the Medium-Term Incentive Plan (MTIP). This policy includes forbidding any transaction that might eliminate or mitigate the risk of share price variations. The remuneration of the members of the Statutory Audit Board is exclusively made up of fixed annual fees, based on comparable market practices, and does not include any variable remuneration.

The Company's Statutory External Auditor is paid according to the standard fees table for similar services, at market rates and under a proposal from the Statutory Audit Board.

The remuneration policy presented to the Shareholders' General Meeting on 29 April 2020 is available on <http://www.sonaecom.pt/investidores/assembleia-geral/>, Tab 2021, Proposal no. 4 and Appendix to Proposal no. 4.

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.

RECOMMENDATION ADOPTED – Sections 71 to 73 and 86, Part I.

Part of the variable remuneration of Executive Directors is paid in shares and deferred for a period of three years.

Considering that the value of the shares is linked to the performance of the Company, the remuneration paid will be affected by the way the Executive Director contributes to such performance. Consequently, an alignment of the Director with the interests of the shareholders and with the medium-term performance is ensured.

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.

RECOMMENDATION NOT APPLICABLE.

The variable component of the remuneration of the Company does not contemplate the allocation of options or other instruments, directly or indirectly dependent on the value of the shares.

V.2.10 The remuneration of non-executive directors should not include components dependent on the performance of the company or on its value.

RECOMMENDATION NOT APPLICABLE.

The Company does not include any Non-Executive members in its Board of Directors.

V.3. Appointments

V.3.1. The Company should, in terms considered suitable by it, and in a substantiated manner, see 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.

RECOMMENDATION ADOPTED – Sections 16, 22, 29 and 31, Part I.

The Company has a long-term controlling shareholder who has consistently presented the proposals for the appointment of members to the governing bodies, which have been presented to and approved by the Shareholders' General Meeting.

These proposals are accompanied by the *curricula vitae* of the proposed members, and shareholders - both the ones indicating the candidates and those who vote for the proposal -, and also the Company, consider that it becomes clear from the *curriculum vitae* the adequacy of the profile, skills, *curriculum* and experience to the role to be performed by such candidates.

In addition, the presentation of the proposals accompanied by the respective *curricula vitae* enables any shareholder to assess their suitability to comply with the requirements defined in the Diversity Policy approved by the Company.

Therefore, the Company considers that the appointment of members to the governing bodies for the current mandate was in compliance with the principles set out in these documents.

The proposals presented at the Shareholders' General Meeting on 30 April 2021 mention the adequacy of the profile of the candidates for the offices they hold, by reference to their *curricula vitae*.

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.

RECOMMENDATION ADOPTED AND EXPLAINED – Sections 27, 29 and 67, Part I.

The Company does not have a nomination committee for the reasons listed in sections 27, 29 and 67 of Part I of this Report.

Given the current size of the Company and the limited complexity of its structure (it has a reference shareholder that holds about 89% of the share capital) and the small free-float (currently around 9% of the share capital) the Board of Directors believes that there is no justification for the existence of any internal specialised commission, notably concerning support and monitoring of top management nominations. The Company believes that the governance structure adopted is appropriate given the size of the Company and the complexity of the risks of its activity and is also sufficient in order to effectively performing its duties, notably in what concerns identification of potential candidates with the right profile to take on leading or director roles, as this may be conducted by the Shareholders Remuneration Committee, that can on its part hire the necessary or convenient advisory services in order to better fulfil its duties, and may also prepare general information concerning any contingency plans and talent management in general.

V.3.3. This nomination committee includes a majority of non-executive, independent members.

RECOMMENDATION NOT APPLICABLE – Sections 27, 29 and 67, Part I.

The Company does not have a nomination committee for the reasons listed in sections 27, 29 and 67 of Part I of this Report.

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 the presentation of proposals are the ones 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.

RECOMMENDATION ADOPTED AND EXPLAINED

The Company does not have a nomination committee for the reasons listed in sections 27, 29 and 67 of Part I of this Report. However, the identification of potential candidates with a profile for the performance of management duties (in particular when the Board of Directors decides to co-opt a Board member) is carried out by the Remuneration Committee. To this end, the Remuneration Committee may freely hire the necessary or convenient advisory services for the exercise of its duties, as well as for providing oversight of succession planning, contingency planning and talent management in general for Board members and other persons discharging managerial responsibilities, through transparent selection processes, including effective mechanisms for identifying potential candidates, having regard to the requirements of the function, merit and appropriate diversity, in particular considering gender.

CHAPTER VI—INTERNAL CONTROL

VI.1. The managing body should debate and approve the Company's strategic plan and risk policy, which should include a definition of the levels of risk considered acceptable.

RECOMMENDATION ADOPTED – Sections 51 to 54, Part I.

The competencies of the management body are in compliance with the rules set out in this recommendation.

VI.2. The supervisory board should be internally organised, 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.

RECOMMENDATION ADOPTED.

The Board of Directors has put in place a proactive system of internal control and risk management. The Statutory Audit Board assesses the effectiveness of such risk management systems and proposes all improvement measures deemed necessary. It furthermore gives its opinion on its annual Report, available, together with the remainder of the accounts documentation, on <http://www.sonaecom.pt/investidores/informacao-financeira/relatorios/?l=en> (tab MR&A 2021/ Chapter V).

The Statutory Audit Board also supervises the activity of the internal audit, receives the reports concerning the activity that was carried out, assesses the results and conclusions thereof, verifies the existence of possible irregularities and issues the appropriate guidelines.

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.

RECOMMENDATION ADOPTED - Sections 50 to 55, Part I.

The Company has implemented a structured internal control system, in accordance with its size and complexity of the risks posed by its activity. The Statutory Audit Board supervises this system and proposes the necessary adjustments.

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.

RECOMMENDATION ADOPTED – Sections 37, 38 and 50, Part I.

The Statutory Audit Board is the Company's global supervisory body concerning internal control and risk management issues. It acts independently and it prevails over other bodies regarding supervision of such issues. The Statutory Audit Board, together with the internal audit, set out the action plan to be deployed, and the Statutory Audit Board supervises the latter's activity and receives periodic reporting of such activity. It assesses the results and conclusions thereof, verifies the existence of possible irregularities and issues the appropriate guidelines.

The Terms of Reference of the Statutory Audit Board are available on the Company's website at <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>.

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.

RECOMMENDATION ADOPTED – Sections 37, 38 and 50, Part I.

The Statutory Audit Board receives periodic reporting of the activity carried out by the internal audit, assesses the results and conclusions thereof, verifies the existence of possible irregularities and issues the appropriate guidelines.

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.

RECOMMENDATION ADOPTED - Sections 50 to 55, Part I.

Internal risk management systems, with all adequate components, were put in place by the Board of Directors.

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.

RECOMMENDATION ADOPTED - Sections 29, 38.1, 50 to 52, 54 and 55.

The Board of Directors has implemented a monitoring, assessment and adjustment system for the internal control of the performance of the risk management system that enables adaptation to new circumstances or contingencies. The Statutory Audit Body has not proposed any changes to the risk management system nor to the internal control system.

CHAPTER VII – FINANCIAL INFORMATION

VII.1 Financial information

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 manner.

RECOMMENDATION ADOPTED – Section 38, Part I.

The Regulation of the Statutory Audit Board complies with the rules set out in this recommendation.

VII.2 Statutory Audit of Accounts and Supervision

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.

RECOMMENDATION ADOPTED – Sections 38, 42 to 47, Part I.

The Regulation of the Statutory Audit Board complies with the rules set out in this recommendation.

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.

RECOMMENDATION ADOPTED – Section 38, Part I.

It is responsibility of the Statutory Audit Board to supervise the activity and independence of the Statutory External Auditor, to receive its reports and ensuring direct interaction with it, in the terms of its competencies and functioning rules set out in the Regulation of the Statutory Audit Board available on the Company's website at

<http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>

The Statutory Audit Board is also competent to propose to the Shareholders' General Meeting the appointment and dismissal of the Statutory External Auditor, as well as its remuneration, to supervise the activity and independence of the Statutory External Auditor and the External Auditor, making sure the Company makes available the necessary conditions for the rendering of their services, to be the first recipient of their reports, interacting with it directly in the framework of its duties and provisions set out in the Statutory Audit Board's Regulation available on the Company's website: <http://www.sonaecom.pt/investidores/governo-das-sociedades/orgaos-de-governacao/>

VII.2.3. The supervisory body should annually assess the services provided by the statutory auditor, its independence and suitability in performing its duties, and propose their dismissal or the termination of their service contract by the competent body when this is justified for due cause.

RECOMMENDATION ADOPTED – Section 38, Part I.

The Statutory Audit Board annually assesses the Statutory External Auditor. Such assessment is included in its annual report and opinion, and is made available together with all other accounting documents at <http://www.sonaecom.pt/investidores/informacao-financeira/relatorios?|=en>.

APPENDIX I

(prepared in accordance with the terms of subparagraphs 1 and 2
of article 26-G of the Portuguese Securities Code)

1. Remuneration Policy Principles

At the Shareholders' General Meeting held on 30th April 2021 it was approved, in compliance with articles 26-A to 26-F of the Portuguese Securities Code, a Remuneration Policy for the remainder years of the current mandate, 2021-2023, prepared in line with the principles of the Remuneration Policy previously in force.

The Shareholders' General Meeting resolution is available at <http://www.sonaecom.pt/investidores/assembleia-geral/>, in the tab 2021, Proposal n.º 4 and Appendix to the Proposal n.º 4.

The remuneration policy is structured in order to find a balance between different essential features aiming at the sustainability of the business and the performance of the members of the Board of Directors, following, namely:

- The overall national and international market comparisons in order to ensure the attraction, motivation and retention of high qualified and high-performance talent;
- The practices of comparable companies, including other business areas of Sonae that are in comparable situations;
- The compromise, individual responsibility, experience and performance of each Executive Director for the achievement of short and long-term results, in accordance with the Company's strategy and long-term sustainability;
- The alignment with the principles set forth in the overall remuneration policy of the Company;
- A management oriented for the long-term interests of the Company and its shareholders, as well as for the adoption of behaviors that weighted the risks incurred.

The Remuneration Policy lays on the fulfillment of the following principles, duly complied with throughout 2021:

Competitiveness:

In designing the Remuneration Policy of the statutory governing bodies of the Company, the main objective is to attract and retain the best professionals with high potential talent and proven experience, ensuring stability and representing a relevant and material contribution to the sustainability of the Company's businesses. The Policy and its positioning are defined by comparison with the national and international markets, according to the main reference studies carried out for Portugal and the European markets by consultants Mercer and Korn Ferry, including comparison with the practice of the companies with securities admitted to trading on Euronext Lisbon.

To that extent, the remuneration parameters of the members of the statutory governing bodies and other managers are set and periodically reviewed, taking into account the market conditions, the activity carried out and the responsibilities inherent to their positions. The profile and curriculum of the member, their experience, the job nature and description, the competency framework of the body in question and that of the member, as well as the degree of the direct correlation between the individual's performance and the performance of the business, among other factors, shall be considered.

The general market positioning and competitiveness guidelines recommended by the organisation are considered to determine the remuneration values of this segment within the framework of the Group's general Remuneration Policy.

Performance orientation

Concerning the Executive Directors, the Policy provides for the attribution of short and medium-term bonuses, calculated according to the Company's results and the level of performance, both individual and collective, to encourage the sustainable growth of its businesses, as well as individual commitment to predefined objectives. If these objectives, measured through Key Performance Indicators (KPIs), are not achieved, the value of the short and medium-term Bonus is appropriately partially or totally reduced.

Alignment of interests

An alignment between the Director's and the Shareholders' interests and medium-term performance is ensured to promote the sustainability of the business. Part of the Executive Directors' variable bonus – when applicable at Sonaecom – is deferred for at least three years after its attribution. The deferred component is affected by the following two factors: (i) maintenance of the professional relationship between the director and the company for the deferral period; (ii) continued positive performance of the company throughout that period, which shall be measured according to the criteria to be determined by the Remuneration Committee. The remuneration of Non-Executive Directors (when applicable), members of the supervisory bodies and members of the Board of the Shareholders' General Meeting consists exclusively of fixed remuneration.

Transparency

All aspects of the remuneration structure are clear and disclosed internally and externally – among them, the voting results of the Remuneration Policy and the date of the respective approval at the General Meeting – through documents published on the Company's website and are in line with the Group's general Remuneration Policy.

Reasonableness

The Company's Remuneration Policy aims to ensure a balance between Sonaecom's long-term interests, market positioning and best practices, the expectations and motivations of the members of the statutory governing bodies and other managers, as well as the objective of attracting and retaining talent.

Consistency and equity

The employment and remuneration conditions of the Group's employees are taken into consideration in determining the remuneration of each member of the statutory governing bodies. For this purpose, the employment and remuneration conditions of full-time equivalent employees in the Company are taken into account to ensure consistency and equity in terms of remuneration, by reference to the importance of the respective qualifications, responsibilities, experience, availability and the specific nature of the risk associated with the job. In turn, the framework of the global Remuneration Policy adopted by the Company is benchmarked against comparable peers, adjusted for its particular market conditions, to balance the objectives of sustainability and talent retention. In the architecture of the Remuneration Policy for statutory governing bodies and the remaining Company employees, and to determine the applicable remuneration, the jobs are considered under an evaluation system that includes differentiation criteria as to complexity, qualification, experience required, autonomy and responsibilities. This system is

based on Korn Ferry's international methodology to promote equity in remuneration and employment conditions, in the light of the differentiation criteria described above, applicable to the various jobs, and to allow comparability/ benchmarking with equivalent jobs in the market.

As a result, Sonaecom's overall benchmark in terms of competitive positioning against the comparable market, for each job, is normally the median for the fixed remuneration and the third quartile for the variable component of remuneration, notwithstanding the necessary adaptations under market conditions and the Company's particular situation.

Legal and regulatory framework: The Remuneration Policy applicable to the members of the governing bodies and persons discharging managerial responsibilities within the Company is in line with European guidelines, national law and IFCG Corporate Governance Code Recommendations.

2. Determination of remuneration of the statutory governing bodies

The Shareholders' Remuneration Committee is responsible for approving remunerations, in particular of the members of the Board of Directors and the Statutory Audit Board in representation of the shareholders and in accordance with the Remuneration Policy approved at the Shareholders' General Meeting.

In the application of the Remuneration Policy by the Remuneration Committee, the exercise of functions in companies in a controlling or group relationship by the Executive Directors was considered.

The Shareholders' Remuneration Committee is composed of two independent members, with recognised qualification and experience, appointed at the Shareholders' General Meeting for the four year mandate 2020-2023, having determined, as well, the remuneration of each of its members (see section 67 of the Corporate Governance Report).

The determination of the Remuneration of the Statutory Auditor was supervised by the Supervisory Board, appointed by the Shareholders' Meeting on the proposal from that body.

3. Remuneration Components

One of the fundamental principles of the Remuneration Policy is the adoption of a structure promoting the long-term alignment of interests, discouraging excessive risk taking and optimising the conditions for the promotion of a sustainability culture, merit promotion and transparency.

3.1. Non-Executive Directors

The Company does not currently have Non-Executive Directors. If and when they exist, the respective remuneration will be, in accordance with the approved Policy, established according to market benchmarks, under the following principles: (i) attribution of a fixed remuneration; (ii) attribution of an annual responsibility allowance. For the role performed in the company by the Non-Executive Directors, there is no remuneration by way of a variable bonus, or that depends on the Company's performance.

3.2. Executive Directors

The Remuneration Policy for Executive Directors includes two components: fixed remuneration and variable remuneration.

The fixed remuneration includes a base salary and a responsibility allowance, which are established annually and defined according to personal skills, the level of responsibility of the job, and the recommended positioning concerning the comparable market.

The application of the Policy also takes into account the time allocated by each of the directors to other companies in the Group.

Concerning the variable component of the remuneration, it incorporates control mechanisms in its structure, considering the link to individual and collective performance to prevent and dissuade excessive risk taking behavior. This objective is further ensured because i) each Key Performance Indicator (KPI) is limited to a maximum value, ii) the settlement and award of the Medium Term Performance Bonus, corresponding to 50% of the total variable remuneration, is deferred for a period of 3 years, being settled in the forth year by reference to the performance year; iii) its amount is subject to the evolution of the Company's performance throughout the deferral period, measured according to criteria to be established by the Remuneration Committee.

The following table presents the architecture of the Remuneration Policy Executive Directors and how it contributes to the Company's business strategy, its long-term interests, and sustainability:

Type of Remuneration	Fixed Remuneration	Variable Remuneration		Benefits
		Short-term	Medium-term	
Purpose	Attracting, retaining and motivating outstanding executives needed to deliver strategy and drive business performance.	Drive annual strategy and results, as well as individual performance, in line with the business plan. Recognise and reward individual contributions to the business.	Deferral of payment to ensure alignment with Shareholders' long-term interests following the successful delivery of short-term targets.	Provide appropriate and market-competitive benefits that drive engagement and motivation.
Characteristics	It consists of base salary and a responsibility allowance.	It is equivalent to a maximum of 50% of the total variable bonus. Paid in cash in the first half following the year to which it relates; may be paid, within the same period, in shares under the terms and conditions established for the Medium-Term Performance Bonus.	Corresponds, at least, to 50% of the total variable bonus; payment deferred for at least three years, after its attribution. The Medium-Term Performance Bonus may consist of attributing the right to acquire shares; the number of shares is determined by reference to the value attributed and the share price at the grant date.	Health and Life Insurance / Personal Accident Insurance.
Definition	Annual, depending on the level of responsibility of the job and the positioning defined concerning the comparable market.	Payment subject to compliance with pre-established targets at the beginning of the year, approved by the Shareholders' Remuneration Committee.	The bonus depends on the increase in the share price	Under the Company's general benefits Policy.
Target	Not applicable	The target value of the bonus may vary between 30% and 60% of the Total Remuneration, determined according to the job performed		
Performance Conditions	Not applicable	Collective KPIs (70%) Individual KPIs (30%)	Dependent upon the company's positive performance during the deferral period, assessed accordingly with the criteria determined by the Shareholders' Remuneration Committee.	Not applicable
Maximum	Although there is no set maximum, any increments usually are made in line with the Company's overall increments.	Maximum of 68% of the Total Remuneration, depending on the job level		There is no set maximum, but an estimated value; any benefit updates are carried out according to general Policy.

The variable remuneration aims to guide and reward Executive Directors for achieving predetermined objectives based on the Group's performance indicators and their own individual performance. Since the attribution of the variable remuneration's respective value depends on the achievement of objectives, its payment is not guaranteed. The variable remuneration will be awarded after the accounts for the financial year have been finalised, and the performance assessment has been carried out and can consider the necessary adjustments that may be necessary due to outside factors and/or unforeseen conditions, being composed of:

- a) **Short Term Performance Bonus (STPB)**, equivalent to a maximum of 50% of the total variable bonus. This bonus is paid in cash in the first half of the year following the year to which it relates, although it may, at the discretion of the Shareholders' Remuneration Committee, be paid within the same period in shares, under the terms and conditions of the Medium Term Performance Bonus;
- b) **Medium-Term Performance Bonus (MTPB)**, aimed at strengthening the Executive Directors' commitment to the Company, aligning their interests with those of the Shareholders and increasing awareness of the importance of their performance to the Company's overall and sustainable success. The amount corresponds, at least, to 50% of the total variable bonus, with payment deferred for no less than three years after its attribution.

The Short-Term Performance Bonus results from the degree of achievement of collective and individual KPIs. Approximately 70% of its value is determined by business, economic and financial objectives. Those objectives are divided either in collective and departmental KPIs.

The collective KPIs are based on economic and financial objectives accordingly with the Company's budget, the performance of each business unit as well as the consolidated results of the Company.

The departmental KPIs have a similar nature and are directly influenced by the performance of the Executive Director. The remaining 30% derives from individual KPIs, which can combine subjective and objective indicators.

Considering the two variable components, the value of the pre-set target varies between 30% and 60% of the total annual remuneration (made up of the sum of the fixed remuneration and the target value of the variable remuneration), depending on the level of responsibility of each member's job.

The calculation of the value attributed includes a minimum limit of 0% and a maximum of 140%, concerning the objective value previously defined.

The weight of the variable component awarded in the total annual remuneration depends on two factors: (i) weight of the pre-defined target value of the variable component in the total remuneration and (ii) degree of compliance with the associated objectives.

Combining these two factors results in the attribution of a variable bonus whose weight on the total actual annual remuneration may vary between 0% and 68%.

The Medium-Term Performance Bonus covers four years, including the year in which it is granted and the subsequent of at least three-year deferral period. Once awarded, the value in euros will be divided by the average share price, to calculate the number of shares it corresponds to. During the deferral period mentioned above, the value of the bonus will be adjusted using the variations in the share capital or dividends (Total Share Return) during the deferral period. The vesting of this component of the Medium-Term Performance Bonus is subject to the maintenance of the professional relationship between the director and the company for the deferral period, as well as to the continued positive performance of the company over such period, which will be assessed in

accordance with the criteria defined by the Shareholders' Remuneration Committee. Pursuant to the idea of a Policy of reinforcing the alignment of the Executive Directors with the Company's medium and long-term interests, the Shareholders' Remuneration Committee may, at its discretion, determine a percentage of discount granted to the Executive Directors for the acquisition of shares, determining a contribution in their acquisition, to be borne by them, in an amount corresponding to a percentage of the listed value of the shares, with a maximum limit of 5% of their listed value at the date of the share transmission.

On the maturity date, the Company has the option to deliver the corresponding value of shares, in cash instead. Payment in cash of the variable bonus may be made by any means of extinguishing the obligation provided for in the law and the articles of association.

The determination of the variable remuneration for the year ended 31st December 2021 was made by the Remuneration Committee, in compliance with the principles abovementioned, after being known the results of the Company and made the evaluation of the performance.

4. Members of the Statutory Audit Board

The remuneration of the members of the Company's Statutory Audit Board during 2021, and in compliance with the Remuneration Policy, was composed of solely a fixed annual amount, that was not dependent upon the Company's performance or its value.

5. Statutory External Auditor

The remuneration of the Company's Statutory External Auditor is determined by standard fees for similar services, regarding comparable market practices.

6. Other Benefits and Conditions

The Company granted the Executive Directors a health insurance, a life insurance and personal accidents' insurance, in line with the Group's policy, applicable to the Company's employees, and which terms and amounts are in line with the market practice.

The Remuneration Policy does not embody the principle of allocation of compensation to Directors or members of other statutory governing bodies in connection with the termination of their mandate, whether such termination occurs at the end of the respective term of office or in advance, notwithstanding, in the latter case, to the Company's obligation to comply with the legal provisions in force on this matter. In 2021 no termination of mandate occurred.

The Remuneration Policy determines the taking of appropriate measures to recover the variable remuneration unduly awarded if by definitive decision with no right to appeal, it is found that the variable remuneration was based, totally or partially, on information fraudulently provided by the Director in question and on which the variable remuneration was based on. There was no verification of this framework in the 2021 financial year.

7. Disclosure of Remuneration

During 2021 the Remuneration Policy was applied without any derogation.

The remuneration of each of the members of the Board of Directors, awarded by the Company, during 2021, in compliance with the principles set forth in the Remuneration Policy and considering the time allocated and the exercise of functions in other companies of the Group, by each of the directors, is described in the following tables:

Individual Breakdown	2021				% Fixed Remuneration	% Variable Remuneration
	Fixed Remuneration	Short Term Variable Bonus	Medium Term Variable Bonus	Total		
Amounts in Euros						
Executive Directors						
Ângelo Gabriel Ribeirinho dos Santos Paupério (CEO)	183,900	113,700	113,700	411,300	45%	55%
Maria Cláudia Teixeira de Azevedo (1)	-	-	-	-	-	-
João Pedro Magalhães da Silva Torres Dolores (1)	-	-	-	-	-	-
Eduardo Humberto dos Santos Piedade (1)	-	-	-	-	-	-
Cristina Maria de Araújo Freitas Novais (1)	-	-	-	-	-	-
Total	183,900	113,700	113,700	411,300	45%	55%

(1) Not remunerated at Sonaecom, considering the time allocated to other Group companies

Open MTPB plans attributed to the current Executive Directors

Executive Directors	Plan (Performance Year)	Award Date	Vesting Date	Value Vested and Paid in 2021*
Ângelo Gabriel Ribeirinho dos Santos Paupério (CEO)	2017	mar/18	mar/21	115,487
Total				115,487

* Amounts in euros

The remuneration of the members of the Board of Directors of Sonaecom awarded by other controlled or group companies, pursuant to article 26.º G, n.º 2, d) of the CVM, during 2021, is summarised in the table below:

Amounts in euros	2021			
	Fixed Remuneration	Short Term Variable Bonus	Medium Term Variable Bonus	Total
Ângelo Gabriel Ribeirinho dos Santos Paupério	-	-	-	-
Maria Cláudia Teixeira de Azevedo	-	-	-	-
João Pedro Magalhães da Silva Torres Dolores	-	-	-	-
Eduardo Humberto dos Santos Piedade	219,530	280,523	280,523	780,576
Cristina Maria de Araújo Freitas Novais	75,400	85,880	85,880	247,160
Total	294,930	366,403	366,403	1,027,736

The remuneration of the members of the Statutory Audit Board during 2021, in compliance with the principles set forth in the Remuneration Policy was as follows:

Member of the Statutory Audit Board	2021	Remuneration awarded by other controlled or Group Companies (2021)*
Amounts in euros		
João Manuel Gonçalves Bastos	9,900	-
Maria Jose Martins Lourenço Fonseca	7,900	-
Óscar José Alçada Quinta	7,900	-
Total	25,700	-

* Companies from the same Group, in accordance with the terms of article 26-G of the Portuguese Securities Code

The remuneration of the Statutory External Auditor during 2021, in compliance with the principles set forth in the Remuneration Policy was as follows:

Remuneration paid by the Company	2021	
	Values in €	%
Statutory Audit and Accounts Certification	47,530	100%
Total	47,530	100%

*Includes individual and consolidated accounts

Remuneration paid by the Group's Companies**	2021	
	Valor em €	%
Statutory Audit and Accounts Certification	151,202	100%
Total	151,202	100%

* Companies from the same Group, in accordance with the terms of article 26-G of the Portuguese Securities Code

The variation between the annual remuneration, the Company's performance and the medium remuneration of the full-time equivalent employees, excluding the members of the management and supervisory bodies, during the previous five years was as follows:

	2017vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019	2021 vs 2020	5Year Average Variation (2021vs 2017)
Consolidated Turnover (1)	6.9%	21.2%	21.1%	-2.5%	9.9%	11.3%
Average Employees' Remuneration	-1.8%	2.2%	4.2%	8.2%	3.8%	3.3%

(1) Restated

Negative evolution in 2017 is mainly explained by exchange rate impacts (real vs euro)

Total Remuneration						
Executive Directors	2017vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019	2021 vs 2020	5Year Average Variation (2021 vs 2017)
Ângelo Gabriel Ribeirinho dos Santos Paupério (CEO) *	3%	1%	-4%	-5%	-5%	-2%
Maria Cláudia Teixeira de Azevedo (1) **	9%	13%	-2%	-	-	7%
João Pedro Magalhães da Silva Torres Dolores (1)	-	-	-	-	-	-
Eduardo Humberto dos Santos Piedade (1)***	-	-	-	28%	28%	-
Cristina Maria de Araújo Freitas Novais (1) ****	-	-	-	-	1%	-
	5%	6%	-3%	-26%	9%	-2%

(1) Not remunerated at Sonaecom, considering the time allocated to other Group companies

* The negative evolution since 2019 is explained by a higher allocation to other group companies in which is remunerated

** Eleita CEO da Sona SGPS a 30.04.2019 deixando a partir desta data de ser remunerada pela Sonaecom. Valor de 2019 anualizado para efeitos de cálculo

*** Elected at the AGM on 2019.04.30. His remuneration in 2019 was anualized for the calculation. Remuneration for 2020 and 2021 considered for calculation excludes extraordinary amounts.

**** Elected at the AGM on 2020.04.29. Her remuneration in 2020 was anualized for the calculation. Remuneration for 2020 and 2021 considered for calculation excludes extraordinary amounts.

Statutory Audit Board	2017vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019	2021 vs 2020	5Year Average Variation (2021 vs 2017)
João Manuel Gonçalves Bastos	0%	0%	0%	0%	0%	
Maria Jose Martins Lourenço Fonseca	0%	0%	0%	0%	0%	
Óscar José Alçada Quinta	0%	0%	0%	0%	0%	
	0%	0%	0%	0%	0%	0%

Statutory Audit and Accounts Certification	2017vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019	2021 vs 2020	5Year Average Variation
External Auditor(1)	37%	34%	-35%	25%	12%	15%

(1) PricewaterhouseCoopers & Associados, SROC, SA since 2016.

APPENDIX II - *Curricula Vitae* and positions held by members of management and supervisory bodies.

Ángelo Gabriel Ribeirinho dos Santos Paupério	
CEO of Sonaecom, SGPS, S.A.	
Birth date	
14 September 1959	
Educational qualifications	
Degree in Civil Engineering - University of Porto	
MBA by Porto Business School	
Professional experience	
1982-1984	Structural Design Project Manager at Tecnopor (Civil Engineering)
1984-1989	Manager at EDP (Energy)
1989-1991	Leader of the Television Project Team at Sonae Tecnologias de Informação, SA
1991-1994	Head of Planning and Management Control at Sonae Investimentos – SGPS, SA (currently Sonae –SGPS, SA)
1994-1996	Director of several companies within Sonae Distribuição, SGPS, SA (currently Sonae MC, SGPS, SA) – Retail
1994-2007	Member of the Board of Directors of Modelo Continente Hipermercados, S.A.
1996-2007	CFO of Sonae Distribuição, SGPS, SA (currently Sonae MC, SGPS, SA) and director of many of its subsidiaries (Retail)
1996-2007	Executive Member of the Board of Directors of Sonae Capital, SGPS, SA
2000-2007	Executive Member of the Board of Directors, CFO and Chair of the Finance Committee of Sonae – SGPS, SA
2004-2009	Member of the Board of Directors of MDS – Corretor de Seguros, SA
2005-2016	Member of the Board of Directors of Sonae Investments BV
2006-2016	Member of the Board of Directors of Sontel BV
2007- April 2015	Executive Vice-Chair of Sonae – SGPS, SA
2007- March 2018	Member of the Board of Directors of MDS, SGPS, SA (Chair of the Board of Directors since October 2014)
2009-2019	Member of the Board of Directors of Modelo Continente, SGPS, SA (Chair of the Board of Directors since January 2019)
2010-2016	Vice-Chair of the Board of Directors of Sonae – Specialized Retail, SGPS, SA
2010-2016	Chair of the Board of Directors of Sonaerp – Retail Properties, SA
2010-2016	Chair of the Board of Directors of MDS Auto, Mediação de Seguros, SA
2010-2016	Member of the Supreme Counsel of Universidade Católica Portuguesa
2010-2018	Member of the Board of Directors Sonae Center Serviços II, SA (currently Sonae MC – Serviços Partilhados)
2011-2015	Member of the Supreme Counsel of Porto Business School

2012-2016	Chair of the Board of Directors of Sonaecom – Serviços Partilhados, SA
2013-2016	Chair of the Board of Directors of Sonae RE, SA
2013-2016	Chair of the Board of Directors of Sonaegest – Sociedade Gestora de Fundos de Investimento, SA (currently named SFS – Gestão de Fundos, SGFI, SA)
2014-2019	Chair of the Board of Directors of Sonae Financial Services, SA
2015-2019	Co-CEO of Sonae – SGPS, SA
2016-2019	Chair of the Board of Directors of SFS, Gestão e Consultoria, SA
2018-2019	Member of the Board of Directors of Sonae Corporate, SA
2018-2020	Vice-Chair of the Board of Directors of Iberian Sports Retail Group, S.L.
Since 2007	Member of the Board of Directors of Sonae Sierra, SGPS, SA
Since 2007	Member of the Board of Directors of Sonae MC, SGPS, SA
Since 2007	Chair of the Board of Directors of Sonaecom, SGPS, SA
Since 2007	Chair of the Board of Directors of Sonae Investment Management – Software and Technology, SA
Since 2007	Chair of the Board of Directors of Público – Comunicação Social, SA
Since 2012	Member of the Board of Directors of ZOPT, SGPS, SA
Since 2013	Chair of the Board of Directors of NOS, SGPS, SA (from 2013-April 2020 - Member of the Board of Directors)
Since 2018	Chair of the Board of Directors of Sonae Holdings, SA
Since 2018	Member of the Board of Directors of Efanor Investimentos, SGPS, SA
Since April 2019	Member of the Board of Directors of Sonae – SGPS, SA
Since 2019	Chair of the Board of Directors of Sonae FS, SA
Since 2019	Member of the Board of Directors of Sonae Capital, SGPS, SA
Since 2019	Member of the Board of Directors of Fundação Manuel Cargaleiro
Since June 2021	Member of the Board of Directors of Sonae Indústria, SGPS, SA
Offices held in companies in which Sonaecom is a shareholder	
	Chairman of the Board of Directors of SONAE INVESTMENT MANAGEMENT - SOFTWARE AND TECHNOLOGY, SGPS, S.A.
	Member of the Board of Directors of ZOPT, SGPS, S.A.
	Chairman of the Board of Directors of Público - Comunicação Social, S.A.
	Chairman of the Board of Directors of NOS, SGPS, S.A.
Offices held in other entities	
	Non-Executive Member of the Board of Directors of Sonae, SGPS, S.A.
	Member of the Board of Directors of Efanor Investimentos, SGPS, SA

Chairman of the Board of Directors of Sonae Holdings, S.A. (previously Sonaecenter, Serviços SA)
Member of the Board of Directors of Sonae MC, SGPS, S.A.
Member of the Board of Directors of Sonae Sierra, SGPS, S.A.
Member of the Board of Directors of Sonae Capital SGPS, S.A.
Chairman of the Board of Directors of Sonae FS, S.A.
Member of the Board of Directors of Sonae Indústria, SGPS, S.A.
Member of the Board of Directors of Love Letters – Galeria de Arte, S.A.
Chairman of the Board of Directors of Enxomil - Consultoria e Gestão, S.A.
Chairman of the Board of Directors of APGEI - Associação Portuguesa de Gestão e Engenharia Industrial
Chairman of the Board of Directors of Enxomil - Sociedade Imobiliária, S.A.
Member of the Board of Directors of Fundação Manuel Cargaleiro

Maria Cláudia Teixeira de Azevedo	
Executive Member of the Board of Directors of Sonaecom, SGPS, S.A.	
Birth date	
13 January 1970	
Educational qualifications	
Degree in Management - Catholic University of Porto	
MBA by INSEAD	
Professional experience	
Since 1990	Chair of the Board of Directors Imparfin – Investimentos e Participações Financeiras, SA
Since 1992	Member of the Board of Directors of Efanor Investimentos, SGPS, SA
Since 2000	Chair of the Board of Directors of Linhacom, SGPS, SA
Since 2000	Member of the Board of Directors of Sonaecom – SGPS, SA
Since 2000	Member of the Board of Directors of Sonae Investment Management – Software and Technology, SGPS, SA
Since 2002	Chair of the Board of Directors of Praça Foz – Sociedade Imobiliária, SA
Since 2008	Member of the Board of Directors of Efanor – Serviços de Apoio à Gestão, SA
Since 2009	Member of the Board of Directors Público – Comunicação Social, SA
Since 2011	Member of the Board of Directors of Sonae Capital, SGPS, SA
Since 2011	Sole Director of Sekiwi, SGPS, SA
Since 2012	Member of the Board of Directors of ZOPT, SGPS, SA
Since 2013	Non-Executive Member of the Board of Directors of NOS, SGPS, SA
Since 2018	Chair of the Board of Directors of Sonae MC, SGPS, SA
Since 2018	Member of the Board of Directors of Sonae Holdings, SA
Since 2018	Chair of the Board of Directors of Sonae Sierra, SGPS, SA
Since 2018	Member of the Board of Directors of Setimanale, SGPS, SA
Since 2018	Member of the Board of Directors of Casa Agrícola de Ambrães, SA
Since 2018	Member of the Board of Directors of Realejo – Sociedade Imobiliária, SA
Since April 2019	CEO da Sonae – SGPS, SA
Since 2019	Member of the Board of Directors of Sonae FS, SA
Since 2020	Manager Tangerine Wish, Lda.
Since June 2021	Member of the Board of Directors of Sonae Indústria, SGPS, SA
Since July 2021	Member of the Board of Directors of Sonae Food4Future, SA

Offices held in companies in which Sonaecom is a shareholder

Member of the Board of Directors of ZOPT, SGPS, S.A.

Member of the Board of Directors of SONAE INVESTMENT MANAGEMENT - SOFTWARE AND TECHNOLOGY, SGPS, S.A.

Member of the Board of Directors of Público - Comunicação Social, S.A.

Non-Executive Member of the Board of Directors of NOS, SGPS, S.A.

Offices held in other entities

Member of the Board of Directors and CEO of SONAE, SGPS, S.A.

Member of the Board of Directors of Efanor - Serviços de Apoio à Gestão, S.A.

Member of the Board of Directors of Efanor - Investimentos, SGPS, S.A.

Member of the Board of Directors of Sonae Capital, SGPS, S.A.

Chairman of the Board of Directors of Sonae MC - SGPS, S.A.

Member of the Board of Directors of Sonae Holdings, S.A.

Chairman of the Board of Directors of Sonae Sierra, SGPS, S.A.

Member of the Board of Directors of Sonae FS, S.A.

Member of the Board of Directors of Sonae Indústria, SGPS, S.A.

Chairman of the Board of Directors of Sonae Food4Future, S.A.

Chairman of the Board of Directors of IMPARFIN - Investimentos e Participações Financeiras, S.A.

Chairman of the Board of Directors of Linhacom, SGPS, S.A.

Director of SEKIWI, SGPS, S.A.

Chairman of the Board of Directors of Praça Foz - Sociedade Imobiliária, S.A.

Member of the Board of Directors of SETIMANALE - SGPS S.A.

Member of the Board of Directors of Casa Agrícola de Ambrães, S.A.

Member of the Board of Directors of Realejo - Sociedade Imobiliária, S.A.

Director of Tangerine Wish, Lda.

João Pedro Magalhães da Silva Torres Dolores

Executive Member of the Board of Directors of Sonaecom, SGPS, S.A.

Birth date

21 December 1980

Educational qualifications

MBA - London Business School, London (United Kingdom)

Certificate in Business Management - New York University, New York City (United States)

Degree in Economics - FEP - Faculdade de Economia (University of Porto), Porto (Portugal)

Professional experience

2018 -2019 - Director of the Corporate Center Officer of Sonae SGPS, S.A.

07/2016 – 12/2018 - Strategy Professor - Executive MBA Porto Business School, Porto (Portugal)

09/2015 – 10/2018 - Head of Group Strategy, Planning and Control Sonae - SGPS, S.A., Porto (Portugal)

04/2014 – 09/2015 - Head of Corporate Strategy Sonae - SGPS, S.A., Porto (Portugal)

01/2013 – 04/2014 - Head of Business Unit Cloud Portugal Telecom, Lisbon (Portugal)

02/2011 – 01/2013 - Manager - Innovation Management Portugal Telecom, Lisbon (Portugal)

10/2009 – 01/2011 - Associate McKinsey & Company, Lisbon (Portugal)

04/2005 – 07/2007 - Business Analyst McKinsey & Company, Lisbon (Portugal)

10/2003 – 12/2004 - Brand Manager JW Burmester, S.A., Nova Iorque (Estados Unidos da América)

Offices held in companies in which Sonaecom is a shareholder

Non-Executive Board Member of NOS - SGPS, S.A.

Offices held in other entities

Executive Board Member of Sonae-SGPS,SA

Executive Board Member of Sontel BV

Executive Board Member of Sonae Investments BV

Member of the Board of Directors of Sonae Holdings, S.A. (previously Sonaecenter – Serviços, S.A.)

Chairman of the Board of Directors of Sonae Corporate, S.A.

Non-Executive Board Member of Sonae MC, SGPS, SA

Non-Executive Board Member of Sonae Sierra, SGPS, SA

Non-Executive Chairman of the Board of Directors of MKTPlace - Comércio Eletrónico, S.A.

Member of the Board of Directors of Iberian Sports Retail Group, S.L.

Member of the Board of Directors of Sonae RE, S.A.

Member of the Board of Directors of Sonae Food4Future, S.A.

Member of the Board of Directors of Sonae FS, SA

Eduardo Humberto dos Santos Piedade

Executive Member of the Board of Directors of Sonaecom SGPS SA

Birth date

03 April 1978

Educational qualifications

Degree in Business Administration, Faculdade de Economia da Universidade do Porto

MBA Degree with distinction - Concentration in Strategy, London Business School.

Professional experience

Chairman of the Board of Directors of Digitmarket - Sistemas de Informação, S.A.

Chairman of the Board of Directors of Mextel, S.A.

Chairman of the Board of Directors of WE DO CONSULTING - SISTEMAS DE INFORMAÇÃO, S.A.

Chairman of the Board of Directors of WE DO TECHNOLOGIES AMERICAS, INC

Chairman of the Board of Directors of WE DO TECHNOLOGIES EGYPT LLC

Chairman of the Board of Directors of WE DO TECHNOLOGIES LIMITED (UK)

Chairman of the Board of Directors of WE DO TECHNOLOGIES ESPAÑA - SISTEMAS DE INFORMACIÓN S.L.

Chairman of the Board of Directors of WE DO TECHNOLOGIES MÉXICO S.DE R.L. DE C.V.

Chairman of the Board of Directors of Saphety Level - Trusted Services, S.A.

Gerente General - Saphety - Transacciones Electrónicas S.A.S.

Secretary to the Board of Directors and Executive Committee Head of Investment Management, Portugal - Sonae - SGPS, S.A.

Member of the Board of Directors of Tlantic B.V.

Member of the Board of Directors of Maxmat

Member of the Board of Directors of GeoStar

Strategic Planning Manager, Portugal - Sonae - SGPS, S.A.

Mergers & Acquisitions Manager, Portugal / Brazil - MODELO CONTINENTE - SONAE's sub-holding for the Retail Sector

Corporate Strategy Senior Analyst, Portugal - MODELO CONTINENTE - SONAE's sub-holding for the Retail Sector

Controller - Brazilian Division, Portugal / Brazil - MODELO CONTINENTE - SONAE's sub-holding for the Retail Sector

Offices held in companies in which Sonaecom is a shareholder

Executive Board Member of SONAECOM, SGPS, S.A.

CEO of SONAE INVESTMENT MANAGEMENT - SOFTWARE AND TECHNOLOGY, SGPS, S.A.

Chairman of the Board of Directors of INOVRETAIL, S.A.

Chairman of the Board of Directors of INOVRETAIL ESPAÑA, S.L.

Chairman of the Board of Directors of SONAECOM - SERVIÇOS PARTILHADOS, S.A.

Chairman of the Board of Directors of BRIGHT DEVELOPMENT STUDIO, S.A.

Chairman of the Board of Directors of SONAECOM CYBER SECURITY AND INTELLIGENCE SERVICES, SGPS, S.A.

Chairman of the Board of Directors of S21SEC PORTUGAL - CYBER SECURITY SERVICES, S.A.

Chairman of the Board of Directors of GRUPO S21 SEC GESTION, S.A.

Chairman of the Board of Directors of S21 SEC INFORMATION SECURITY LABS, S.U.L.

Chairman of the Board of Directors of S21 SEC, S.A. DE C.V.

Chairman of the Board of Directors of PRAESIDIUM SERVICES LIMITED

Member of the Board of Directors of Style Sage, Inc.

Member of the Board of Directors of CIValue Systems Ltd

Chairman of the Board of Directors of EXCELLIUM, GROUP, S.A.

Member of the Board of Directors of EXCELLIUM, SERVICES, S.A.

Member of the Board of Directors of Visenze, Pte LTD

Member of the Board of Directors of OMETRIA, LTD.

Board Observer of NEXTAIL Labs Inc.

Member of the Board of Directors of Daisy Intelligence Corporation

Member of the Board of Directors of Sales Layer Tech, S.L.

Member of the Board of Directors of Sonae, RE, S.A.

Member of the Board of Directors of Sonae Food4Future, S.A.

Member of the Board of Directors of - Context-based 4 Casting (C-B4) LTD

Cristina Maria de Araújo Freitas Novais	
Birth date	
07 May 1977	
Educational qualifications	
2000	Degree in Economics at Faculdade de Economia da Universidade do Porto
Professional experience	
2000 - 2004	Financial auditor - Arthur Andersen/ Deloitte
2004 - 2008	Financial Controller - Optimus Comunicações, S.A.
2008 - 2013	Manager of Planning and Control department in Sonaecom Group
2013 - 2019	Head of Planning and Control department in Sonaecom Group
2018 - 2019	Head of Financial Department in Sonaecom Group
Mar- Oct 2019	Secretary of the General Meeting of Bright Development Studio, S.A.
Mar- Oct 2019	Secretary of the General Meeting of DIGITMARKET - Sistemas de Informação, S.A.
2019-2020	Secretary of the General Meeting of Sonae IM - Software and Technology, SGPS, S.A.
2019-2020	Secretary of the General Meeting of Bright Ventures, SCR, S.A.
2019-2021	Board member of DIGITMARKET - Sistemas de Informação, S.A.
Offices held in companies in which Sonaecom is a shareholder	
Since 2020	Board member of Sonae Investment Management - Software and Technology, SGPS, S.A.
Since 2020	President of the Board of Directors of Bright Ventures, SCR, S.A.
Since 2020	Board member of Sonaecom, SGPS, S.A.
Since 2019	Board member of Bright Development Studio, S.A.
Since 2018	Board member of INOVRETAIL, S.A.
Since 2018	Board member of S21Sec Portugal - Cybersecurity Services, S.A.
Since 2019	Secretary of the General Meeting of SONAECON - Serviços Partilhados, S.A.
Since 2019	Secretary of the General Meeting of SONAECON - Cyber Security and Intelligence, SGPS, S.A.
Since 2019	Secretary of the General Meeting of PÚBLICO - Comunicação Social, S.A.
Since 2019	Secretary of the General Meeting of PCJ - Publico, Comunicação e Jornalismo, S.A.
Since 2019	Secretary of the General Meeting of SIRS - Sociedade Independente de Radiodifusão Sonora, S.A.

João Manuel Gonçalves Bastos

Birth date

23 April 1958

Educational qualifications

1981 Degree in Economics at Faculdade de Economia da Universidade do Porto

Professional experience

1981-1984 Teacher of Macroeconomics at Faculdade de Economia da Universidade do Porto

1982-1984 Commercial department in Crédit Lyonnais

1984-1986 Development and Planning department in Sonae Group

1986-1987 Assistant of the Board in Focor Group

1987 - 1998 CFO and member of the Board of several participated companies in Figest Group

1998 - 2007 Senior Manager and member of the Board of several participated companies in Sonae Group

Offices held in other entities

Shareholder and President of the Board of Arcádia Group

Maria José Martins Lourenço da Fonseca

Birth date

4 September 1957

Educational qualifications

1984 Degree in Economics at Faculdade de Economia da Universidade do Porto - Doutor António José Sarmento Prize

1987 Post graduate Program in European Studies at the European Studies Center, Universidade Católica Portuguesa

1992 Participation in the Young Managers Programme at European Institute of Business Administration, Fontainebleau.

2002 Master in Business and Administration at Faculdade de Economia da Universidade do Porto

2015 PhD in Business and Administration at Faculdade de Economia da Universidade do Porto

Professional experience

1984-1985 Invited Assistant at Faculdade de Economia da Universidade do Porto - Microeconomics

1985-1990 Technician in the Department of Economic Studies and Planning at BPI - Banco Português de Investimento, S.A.

1990-1992 Senior Analyst at the Corporate Banking Department at BPI - Banco Português de Investimento, S.A.

1991-1999 Invited Assistant at Faculdade de Economia da Universidade do Porto - Accounting area

1992-1996 Vice-manager at the Corporate Banking Department at BPI - Banco Português de Investimento, S.A.

1996-2006 Cooperation with the Portuguese Institute of Statutory Auditors (OROC) as trainer for the External Auditor Preparatory Course

Since 1996 Lecturer at Católica Porto Business School (Universidade Católica Portuguesa)- Accounting area. Director of the Master's Degree in Auditing and Taxation, since 2017

2002-2008 Cooperation with the Certified Public Accountant Association (OTOC) in the field of professional formation

2008-2009 Cooperation with the Portuguese Institute of Statutory Auditors (OROC) in the field of professional formation

Since 2008 Consulting activity through the Centro de Estudos de Gestão e Economia Aplicada (CEGEA) of Católica Porto Business School (Universidade Católica Portuguesa)

2015 Member of the Selection Board for the Oral Test for External Auditor (ROC)

2015-2021 Cooperation with the Portuguese Institute of Statutory Auditors (OROC) as trainer for the External Auditor Preparatory Course

Offices held in other entities

President of the Statutory Audit Committee of Sonae SGPS, S.A.

Member of the Statutory Audit Committee of Sonae MC SGPS, S.A.

Member of the Statutory Audit Committee of Ibersol SGPS, S.A.

President of the Statutory Audit Committee of SDSR - Sports Division SR, S.A.

President of the Statutory Audit Committee of AEGE - Associação para a Escola de Gestão Empresarial

Lecturer at Católica Porto Business School (Universidade Católica Portuguesa)

Óscar José Alçada da Quinta

Birth date

1 December 1957

Educational qualifications

1982 Degree in Economics at Faculdade de Economia da Universidade do Porto

1990 Statutory auditor

Professional experience

1982-1986 Administrative and financial responsibilities in the area of textile companies, construction and office equipment

Since 1986 Provision of services related to external audit for Statutory Auditors and for companies in the previous activities

1990-1992 Independent Statutory Auditor

Since 1992 Statutory Auditor and Partner of Óscar Quinta, Canedo da Mota & Pires Fernandes, SROC

Offices held in other entities

Member of the Board of Directors of Óscar Quinta, Canedo da Mota & Pires Fernandes, SROC

Member of the Fiscal Council of Caetano-Baviera - Comércio de Automóveis, S.A.

Member of the Fiscal Council of BA GLASS I - Serviços de Gestão e Investimentos, SA

Member of the Fiscal Council of Sonae Arauco Portugal S.A.

Member of the Fiscal Council of Cerealis, SGPS, S.A.

APPENDIX III - *Curricula Vitae* and positions held by members of the Remuneration Committee

Duarte Paulo Teixeira de Azevedo	
Member of Remuneration Committee of Sonaecom, SGPS, S.A.	
Date of Birth	
31 December 1965	
Academic Curriculum	
1986	Degree in Chemical Engineering - École Polytechnique Fédérale de Lausanne
1989	MBA - Porto Business School
Executive Education	
1994	Executive Retailing Program - Babson College
1996	Strategic Uses of Information Technology Program - Stanford Business School
2002	Breakthrough Program for Senior Executives - IMD Lausanne
2008	Proteus Programme - London Business School
2012	Corporate Level Strategy - Harvard Business School
Professional Experience - Efanor Group	
1988-1990	Manager and Analyst of Projeto Novos Investimentos in Sonae Tecnologias de Informação, S.A.
1990-1993	Manager of Projeto de Desenvolvimento Organizativo and Comercial Director in Portugal in New Business in Sonae Indústria
1993-1996	Director of Planning and Strategic Control and Organizational Development in Sonae Investimentos - SGPS, S.A. (currently Sonae - SGPS, S.A.)
1996-1998	Executive Director of Modelo Continente Hipermercados, S.A. (Merchandising, IT e Marketing)
1998-2000	Chairman of the Executive Committee of Optimus - Telecomunicações, S.A. (Operador Móvel)
2000-2007	Member of the executive board of Sonae, SGPS, S.A.
2000-2007	Chairman of the Executive Committee of Sonaecom, SGPS, S.A.
2000-2018	Member of the Board of Directors of Efanor Investimentos, SGPS, S.A.
2002-2007	Chairman of the General Board of Público - Comunicação Social, S.A.
2003-2007	Chairman of the General Board of Glunz, AG
2004-2007	Chairman of the Board of Directors of Tableros de Fibras, S.A. (Tafisa)
2007-2014	Chairman of the Board of Directors of Sonaecom, SGPS, S.A.
2007-2015	Chairman of the Executive Committee of Sonae - SGPS, S.A.

2007-2015	Vice President of the Board of Directors of Sonae Indústria, SGPS, S.A.
2007-2019	Chairman of the Board of Directors of Sonae Sierra, SGPS, S.A.
2007-2018	Chairman of the Board of Directors of Sonae Investimentos, SGPS, SA (currently, Sonae MC, SGPS, SA)
2008-2014	Chairman of the Board of Directors of MDS, SGPS, S.A.
2009-2013	Chairman of the Board of Directors of Sonaegest, Sociedade Gestora de Fundos de Investimentos
2010-2016	Chairman of the Board of Directors of Sonae - Specially Retail, SGPS, S.A.
2010- 2019	Chairman of the Board of Directors of Sonae MC – Modelo Continente, SGPS, S.A.
2013-2018	Chairman of the Board of Directors of Sonae Center Serviços II, SA (atualmente Sonae MC, Serviços Partilhados, SA)
2015-2019	Chairman of the Board of Directors and Co-CEO of Sonae - SGPS, SA
Professional Experience - Other Entities	
1898-1990	Member of the executive board of APGEI - Associação Portuguesa de Gestão e Engenharia Industrial
2001-2002	Chairman of Aritel - Associação dos Operadores de Telecomunicações
2008-2009	Member of the General Council of AEP - Associação Empresarial de Portugal
2009-2014	Member of the Board of Trustees of AEP - Associação Empresarial de Portugal
2009-2015	Chairman of the Board of Trustees of Universidade do Porto
2012-2015	Member of the Board of COTEC
2019-2021	Chairman of the BIOPOLIS Project Installing Committee
Offices held	
Chairman of the Board of Directors of Sonae - SGPS, S.A.	
Chairman of the Board of Directors of Sonae Indústria, SGPS, S.A.	
Chairman of the Board of Directors of Sonae Capital, SGPS, S.A.	
Chairman of the Board of Directors of Sonae Arauco, S.A.	
Member of the Board of Directors of Imparfin, SGPS, S.A.	
Chairman of the Board of Directors of Efanor Investimentos, SGPS, S.A.	
Chairman of the Board of Directors of Migracom, S.A.	
Member of the Board of Directors of EFANDOR - Serviços de Apoio à Gestão, S.A.	
Manager Partner of Okuk, Lda.	
Member of the Board of Directors of Pareuro BV	
Chairman of the Board of Directors of Tafisa Canadá, Inc.	

Member of the Board of Founders of Fundação Casa da Música

Member of the Board of Founders of Serralves

Member of ERT - European Round Table of Industrialists (since 2019, member of the Steering Committee and Chairman of the Working Group "Jobs, Skills, Impact")

Member of International Advisory Board of Allianz SE

Chairman of the Executive Committee of Fundação Belmiro de Azevedo

Member of the Board of Directors of BA Glass I - Serviços de Gestão e Investimentos, SA

Chairman of the Board of Directors of BA - Capital, SGPS, S.A.

Chairman of the Board of Directors of BA Glass Portugal, S.A.

Chairman of the Board of Associação Viridia - Conservation in Action

Francisco de La Fuente Sánchez

Member of Remuneration Committee of Sonaecom, SGPS, S.A.

Birth date

2 January 1942

Educational qualifications

1965	Degree in Electrical Engineering - Technical University
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Offices previously held

Chairman of ELECPOR – Associação Portuguesa das Empresas do Sector Eléctrico

Chairman of the Board of Directors and Executive Committee of EDP – Electricidade de Portugal, S.A.

General Director of Direcção de Distribuição Tejo, EDP

Director of EDP Commercial Area

Director of Hidroeléctrica del Cantábrico, S.A. (Spain)

Non-Executive Chairman of CERJ - Companhia de Electricidade do Rio de Janeiro, SA (Brasil)

Non-Executive Chairman of the Board of Directors of EFACEC

Member of the General and Supervision Council of Millennium BCP – Banco Comercial Português

Non-Executive Chairman of the Board of Directors of ONI

Non-Executive Director of GALP Energia

Non-Executive Director of BVLP – Bolsa de Valores de Lisboa e Porto

Co-opted member of the Council of the School Instituto Superior Técnico

Chairman of the National Council of Colégio de Engenharia Electrotécnica from Ordem dos Engenheiros

Member of the Advisory Board of Instituto Português de Corporate Governance

Chairman of Fundação EDP

Advisory Member of Ordem dos Engenheiros

Member of Academia de Engenharia

Co-opted Member of the General Council of Universidade de Lisboa

Non-Executive Director of Sonae Capital, SGPS, S.A.

Member of the Advisory Board of ATEC - Academia de Formação

Member of the Foro Ibero América

Offices currently held

Member of Remuneration Committee of Sonae, SGPS, S.A.

Chairman of the General Meeting of APEDS - Associação Portuguesa de Engenheiros para o Desenvolvimento Social

Chairman of the General Meeting of AAAIST - Associação de Antigos Alunos do Instituto Superior Técnico

President of honor of Hidroelétrica del Cantábrico, S.A.

Member of Patronato of Fundação Hidroelétrica del Cantábrico

Member of the Board of Trustees of Fundação Luso-Brasileira

Member of the Board of Trustees of Fundação Luso-Espanhola

Member of the Representatives Assembly of Ordem dos Engenheiros