

Evaluation report on the implementation of the Plan for the Prevention of Corruption and Related Offences

I. INTRODUCTION

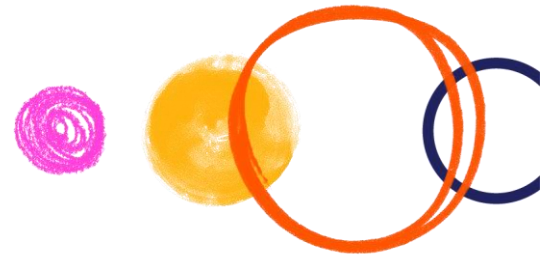
Following the approval of the National Anti-Corruption Strategy for 2020-2024, the National Anti-Corruption Mechanism (MENAC) as well as the General Regime for Corruption Prevention ("RGPC") were established through Decree-Law No. 109-E/2021 of December 9th (hereinafter referred to as DL 109-E/2021).

In compliance with the aforementioned legislation, and guided by high standards of professional responsibility and ethics, based on integrity, transparency, honesty, loyalty, thoroughness and good-faith principles, Sonaecom, SGPS, S.A. (hereinafter "Sonaecom" or the "Company"), prepared a Plan for the Prevention of Corruption and Related Offences (hereinafter the "PPR"), which is published at <https://sonaecom.pt/investidores/?lang=en>, and encompasses all the organization and business activities of the Company, focusing on the following main aspects:

- a) The identification, analysis and classification of the risks and the situations that may expose the Company to acts of corruption and related offences, considering the area of industry and geographies where the Company develops its activity;
- b) The adoption of preventive and corrective measures that reduce the probability of occurring as well as the impact of the risks identified.

The PPR incorporates an analysis of the processes of the different Sonaecom corporate areas, with emphasis in the risks and existing controls regarding corruption and related offences. A set of enhancement opportunities was created aiming at enforcing the controlling system already in place at Sonaecom. Furthermore, an action plan was developed, which includes a set of measures aimed at increasing the level of control in the main processes/areas susceptible to corruption and related practices.

As part of the implementation and monitoring of the PPR, the Responsible for Regulatory Compliance ("RCN") of the Company has prepared this annual evaluation report, which aims to provide a quantification of the degree of implementation of the identified preventive and corrective measures, as well as a forecast of their full implementation.

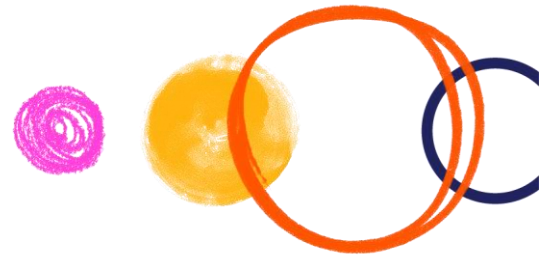


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II. LIST OF IDENTIFIED PREVENTIVE AND CORRECTIVE MEASURES

In order to mitigate the risks of corruption and related offences identified, Sonaecom has adopted and implemented a set of transversal controls, mostly preventive and corrective, applicable to all processes of the different corporate directions that are highlighted below:

- Code of Ethics and Conduct;
- Regulation for Infractions' Report (Whistleblowing);
- Policies, including the Policy for the Prevention of Corruption and Related Offences;
- Functional processes controls;
- Information Technology General Controls and application controls;
- Access control restricted/limited to authorized persons only;
- Existence of adequate segregation of duties, especially between the processing and authorization/approval levels;
- Checking, approval and authorization system;
- Record of activities through *audit trail* processes;
- Manuals, standards, and procedures;
- Training provided to the main stakeholders of the processes to ensure their understanding of the procedures;
- Continuous supervision and monitoring of processes to ensure compliance with procedures;
- Binding stakeholders, by way of contract, to fulfill their responsibilities regarding corruption and related offences; and
- Identification and evaluation of the effectiveness and efficiency of the management and control of risks identified through the internal audit teams.



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III. EVALUATION OF THE DEGREE OF IDENTIFIED MEASURES IMPLEMENTATION

Since the implementation of the PPR, there have been no changes in the assignments, organizational or corporate structure of Sonaecom, nor have any other circumstances arisen that justify a revision of the risk analysis conducted in the PPR.

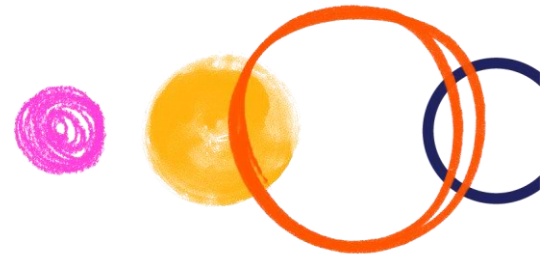
To assess the degree of implementation of the preventive and corrective measures identified in the PPR and described in chapter II of this report, the consistent and systematic methodology applied in the risk management process¹ was used. This methodology, composed of different phases, considers in its last phase - related to the monitoring and reporting of risk management actions (hereinafter "Monitoring and Reporting Phase") - the controls that are transversal and applicable to all processes of all corporate areas of the Company, that have been adopted to mitigate the risks of corruption and related offences identified in the previous phase (related to the design and implementation of risk management actions and hereinafter "Design and Implementation Phase").

The criteria used to quantify the progress of all the transversal controls identified above were as follows:

- (i) assessment of their design;
- (ii) approval;
- (iii) implementation;
- (iv) disclosure; and
- (v) operationalization.

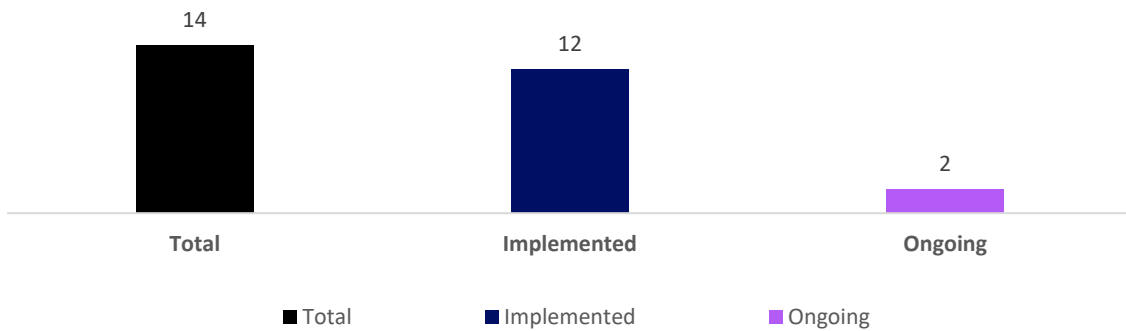
Overall, the degree of implementation of the preventive and corrective measures identified in the PPR and described in Chapter II of this report is as follows:

¹ As defined in the phase "Monitor and report risk management actions" in section "1.2 Risk Management Process" of the Plan for the Prevention of Risks of Corruption and Related Offences.



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Overall status of the transversal controls implementation

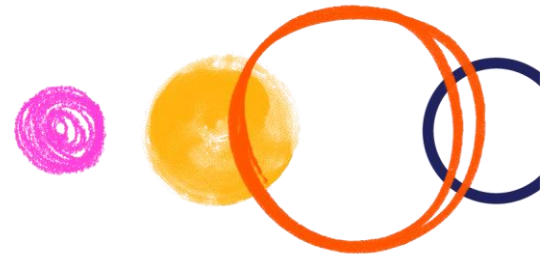


Specific status of transversal controls implementation

Control Description	Implemented	Ongoing	To be initiated
1. Code of Ethics and Conduct	100%		
2. Regulation for Infractions' Report (Whistleblowing)	100%		
3. Policies, including the Policy for the Prevention of Corruption and Related Offences	100%		
4. Functional processes controls	100%		
5. Information Technology General Controls and applications controls	100%		
6. Access control restricted/limited to authorized persons only	100%		
7. Existence of adequate segregation of duties, especially between the processing and authorization/approval levels	100%		
8. Checking, approval and authorization system	100%		
9. Record of activities through audit trail processes	100%		
10. Manuals, standards and procedures	75%	17%	8%
11. Training provided to the main stakeholders of the processes to ensure their understanding of the procedures	100%		
12. Continuous supervision and monitoring of processes to ensure compliance with procedures	100%		
13. Binding stakeholders, by way of contract, to fulfill their responsibilities regarding corruption and related offences	100%		
14. Identification and evaluation of the effectiveness and efficiency of the management and control of risks identified through the internal audit teams	100%		

Regarding the control related to training to be provided to the key stakeholders of the Company, an internal training program has been prepared, aimed at all its executives and employees, to ensure that they are familiar with and understand the policies and procedures for the prevention of corruption and related offences implemented. The content and frequency of the training consider the different exposure of these stakeholders to the identified corruption risks.

As part of the training program, training content is being created to raise awareness among the executives and employees of the Company regarding the prevention of corruption and related offences. These actions are scheduled for the 2nd quarter of 2024.



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Following the risk assessment carried out in the PPR, a set of internal regulations and procedures relevant to the prevention of corruption and related offences were also revised. As part of this review, a series of awareness-raising actions were also planned, targeting the key stakeholders, to reinforce the disclosure and systematization of internal procedures and procedures to be applied in business relationships with external entities, starting in the 2nd quarter of 2024. It is worth noting, in relation to this point, the development of the Internal Control procedure, in accordance with Article 17 of the RGPC.

IV. CONCLUSION

Based on the exercise performed, it is concluded that, since the implementation of the PPR to date, there have been no changes or other circumstances that would justify the review of the risk assessment made in the PPR.

Overall, the preventive and corrective measures identified in the PPR and described in Chapter II of this report are adequately and effectively implemented.

This report will be disclosed in the Company's communication channels.

The Responsible for Regulatory Compliance