

CORPORATE GOVERNANCE REPORT
2021



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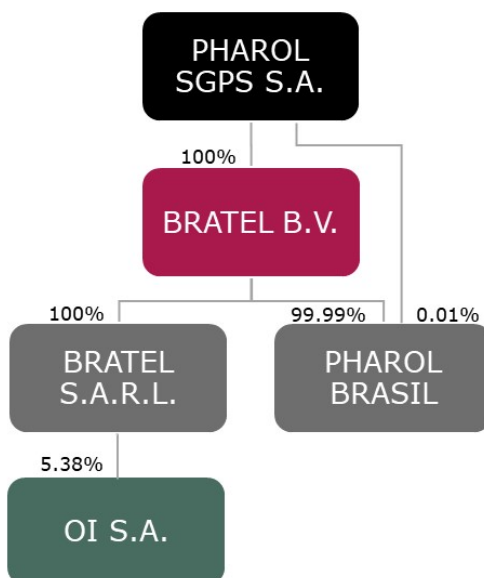
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INTRODUCTION

PHAROL, SGPS SA, is headquartered at Rua Joshua Benoliel, 1, 2C, Edifício Amoreiras Square, 1250-133 Lisboa, with a share capital of EUR 26,895,375.00, registered on the Commercial Registry Office under unique registration and personal number collective 503215058 ("PHAROL" or "Company") is public listed company, issuer of securities admitted to trading on the regulated market of Euronext Lisbon.

In this report, PHAROL complies with the recommendations contained in the Corporate Governance Code of the Portuguese Institute of Corporate Governance ("CGS IPCG") which entered into force on January 1, 2018, revised in 2020, and continues to prepare the Report in accordance with the annex to Regulation of CMVM n° 4/2013 of January 1, 2014 and with the circular issued by the same Commission on January 28, 2021. This Report intends to reflect the adjustment and the pertinence of each recommendation to the reality and conjuncture of the Company with reflecting its classic corporate governance model and the provisions of paragraph a) of no. 1 of article 278 of the Commercial Companies Code.

The structure and investment of the PHAROL Group as of December 31, 2021 are as follows:



PART I – INFORMATION ON SHAREHOLDER STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

A. SHAREHOLDER STRUCTURE

I. CAPITAL STRUCTURE

1. CAPITAL STRUCTURE

The share capital in PHAROL is 26,895,375 Euros and it is fully paid up and represented by 896,512,500 common shares with a par value of three Euro cents each.

All PHAROL ordinary shares are admitted to trading on the Euronext Lisbon regulated market.

2. RESTRICTIONS TO SHARE TRANSFERABILITY, SUCH AS CONSENT CLAUSES FOR DISPOSAL, OR LIMITATIONS TO SHARE OWNERSHIP

The Company does not adopt any specific limitations as to share transferability. However, the Bylaws provide that shareholders carrying out, directly or indirectly, a business competing with the business of companies in a control relationship with PHAROL may not be the owners, without the prior authorisation of the General Meeting of shareholders, of ordinary shares representing more than 10% of the share capital in the Company.

3. NUMBER OF OWN SHARES, CORRESPONDING CAPITAL PERCENTAGE AND CORRESPONDING VOTING RIGHTS PERCENTAGE

On 31 December 2021, the Company held 74,689,552 own shares, corresponding to 8,33% of PHAROL share capital.

The voting rights inherent to the own shares are suspended, in accordance with the applicable legislation.

4. SIGNIFICANT AGREEMENTS INCLUDING CHANGE OF CONTROL CLAUSES

There are no significant agreements entering into force in the event of change in control in PHAROL. There are no measures requiring payment or assumption of fees by the Company in the event of change of control or change in the composition of the Board of Directors and which appear likely to impair the free transfer of shares and free assessment by shareholders of the performance of Board members.

5. RENOVATION / REVOCATION OF DEFENSIVE MEASURES, IN PARTICULAR THOSE PROVIDING FOR THE RESTRICTION OF THE NUMBER OF VOTES THAT MAY BE HELD OR EXERCISED BY A SINGLE SHAREHOLDER

PHAROL's Bylaws include a limitation on the counting of votes whereby any votes in excess of 10% of the total voting rights corresponding to the share capital cast by a single shareholder of ordinary shares, directly or through a representative, in his own name or as a representative of another shareholder, shall not be counted (article 13, 12).

The Company's bylaws provide a limitation on the counting of votes. On April 30, 2021, the discussion of this point was taken to the Shareholders' Meeting and it was decided to keep this limitation.

Also, the Regulation of the Board of Directors approved at the beginning of 2020 is stipulated that, providing for the Company's bylaws a limitation on the number of votes that can be hold or exercised by

a single shareholder, individually or in concert with others, the Board of Directors must promote that, at least every 5 years, should it be submitted to deliberation by the general meeting the change or maintenance of this statutory requirement.

6. SHAREHOLDERS' AGREEMENTS OF WHICH THE COMPANY IS AWARE AND MIGHT LEAD TO RESTRICTIONS IN THE TRANSFER OF SECURITIES OR VOTING RIGHTS

The Company has no knowledge of the existence of any shareholders' agreements that might lead to restrictions in the transfer of securities or voting rights.

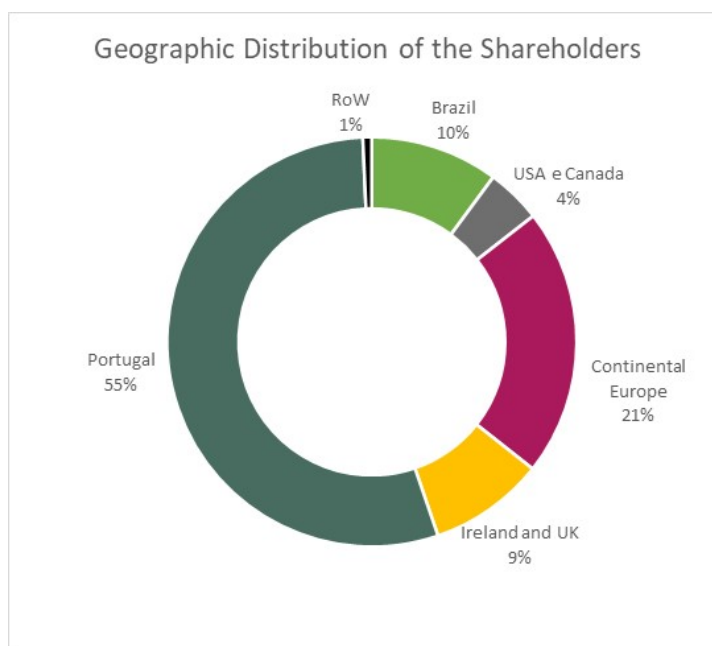
II. SHAREHOLDINGS AND BONDS

7. OWNERS OF QUALIFIED HOLDINGS, PERCENTAGE OF CAPITAL AND VOTES ATTRIBUTABLE, SOURCE AND CAUSES FOR ATTRIBUTION

As of 31 December 2021, qualified holdings represented about 19.56% of PHAROL share capital, as follows:

DATE OF INFORMATION	ENTITIES	NO. OF SHARES	% OF CAPITAL	% OF VOTING RIGHTS
31/05/2012	Oi S.A. – Under Judicial Recovery*	89.651.205	10,00%	10,00%
*Telemar was incorporated on May 3, 2021 into Oi S.A..				
	Total attributable	89.651.205	10,00%	10,00%
02/04/2018	Novo Banco S.A.	85.665.125	9,56%	9,56%
	Directly	85.665.125		
	Shares held by companies in a controlling or group relationship with Novo Banco, S.A.	916		
	Shares held by directors and members of the Corporate Bodies	595		
	Total attributable	85.666.636	9,56%	9,56%

PHAROL has a diversified shareholder structure, with around 45% of its share capital held by foreign shareholders, essentially divided between Brazil, North America (US and Canada) and Europe, representing 10%, 4% and 30% respectively of the shareholder basis. The Portuguese market represents around 55% of the shareholder basis.



Source: Interbolsa (December 2021)

For further information on the source and cause of the qualified holdings, please refer to the section called “Qualified Holdings” on the annual management report.

Updated information on qualified holdings in the Company may be consulted at www.pharol.pt and on CMVM website.

8. NUMBER OF SHARES AND BONDS HELD BY THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

Regarding this matter, please see item 17 of Part I below.

Members of the supervisory bodies do not hold PHAROL shares.

9. SPECIAL POWERS OF THE MANAGEMENT BODY, NOTABLY AS REGARDS CAPITAL INCREASE RESOLUTIONS

The powers of PHAROL’s Board of Directors are described in item 21 below.

Prior to the resolution of the General Meeting setting parameters for capital reinforcement or reinforcement, PHAROL's bylaws authorize the Board of Directors, with the favourable opinion of the Fiscal Council, to resolve to increase the capital stock by one or more times, and by cash inflows, in value up to 80,000,000 euros. The total amount of the authorized capital increase includes not only the nominal value of the issue(s) and the issue premium(s). For the calculation of the overall limit of 80,000,000.00, convertible bonds issued under Article 8 of the bylaws shall always be taken into account.

10. SIGNIFICANT COMMERCIAL RELATIONSHIPS BETWEEN OWNERS OF QUALIFIED HOLDINGS AND THE COMPANY

PHAROL does not have significant commercial relationships with holders of any qualifying holdings.

Relevant transactions executed during 2021 with other owners of qualified holdings, who are not related parties, are described in Note 21 the consolidated financial statements included in the Report and Consolidated Accounts 2021. There are no other relevant commercial relations between owners of qualified

holdings and the Company.

B. CORPORATE BODIES AND COMMITTEES

I. GENERAL MEETING OF SHAREHOLDERS

COMPOSITION OF THE BOARD OF THE GENERAL MEETING OF SHAREHOLDERS

The General Meeting of shareholders ordinarily meets once a year or whenever it is requested to the Chairman of Board of the General Meeting of shareholders by the Board of Directors, the Fiscal Council or by shareholders representing at least 2% of the share capital.

Shareholders may participate directly in the General Meeting or appoint their representatives, within the broadest terms provided for under the Portuguese Companies Code, using the form available at www.pharol.pt and the specific information given in the respective notice.

The Compensation Committee is represented in all General Meetings.

The Chairman of the Board of the General Meeting of shareholders is also provided with logistic support as required to carry out his duties, and the shareholders may contact the Board of the General Meeting of shareholders as follows:

Presidente da Mesa da Assembleia Geral
Rua Joshua Benoliel, 1, 2C, Edifício Amoreiras Square, 1250-133, Lisboa
Tel. - + 351800207369
Fax - + 351 212697949
E -mail: assembleia@pharol.pt

11. IDENTIFICATION OF THE MEMBERS OF THE BOARD OF THE GENERAL MEETING OF SHAREHOLDERS, COMMENCEMENT AND EXPIRATION OF TERM OF OFFICE

Board of the General Meeting of Shareholders

Diogo Lacerda Machado	Chairman
Maria de Lourdes Cunha Trigos	Secretary

The members of the Board of the General Meeting of Shareholders were elected on 30 April 2021 to complete the 2021-2023.

EXERCISE OF VOTING RIGHTS

12. POSSIBLE LIMITATIONS ON VOTING RIGHTS

Under the Company's Bylaws, each share grants the right to one vote. Only shareholders entitled to vote on the record date (i.e., on the fifth trading day prior to the General Meeting) and in compliance with the procedures and periods set forth in the notice.

According to article 13 of the Company's Bylaws, the votes cast by a single holder of ordinary shares, directly or through a representative, in his own name or as a representative of another shareholder, that exceed 10% of the total voting rights corresponding to the share capital shall not be counted. Shares held by a person in situations as provided for under article 20 of the Portuguese Securities Code shall be deemed to belong to the shareholder, and the limitation on the counting of votes cast by each person affected by the said provision shall be proportional to the number of votes held and cast.

There are no shares not granting voting rights, without prejudice to the limitations described above.

Pursuant to article 22 of the Securities Code and article 13 of PHAROL's articles of association, Shareholders are granted the right to exercise their voting rights by electronic or postal mail.

In accordance with the Statutes, the terms and conditions for voting by postal or electronic correspondence will be defined by the Chairman of the Board of the General Meeting in the notice, in order to ensure their authenticity, regularity, security, reliability and confidentiality so far of the vote.

The Company Bylaws provide that the voting by postal or electronic mail may encompass all matters contained in the notice, under the terms and conditions set forth therein, and votes cast in this way shall be considered at the time of the counting by adding the same to the voting rights exercised in the course of the General Meeting.

In either case, the authenticity of the vote will be assured before the Chairman of the Board of the General Meeting by means of:

- Signed communication, accompanied by a legible copy of the identification document, in the case of natural persons;
- Communication signed by the legal representative(s) of the entity, accompanied by a legible copy of the identification document of the legal representative(s) and the document proving the legitimacy of the signatory(s) (in the case of legal persons registered in Portugal, it is sufficient to indicate the access code to the permanent certificate of the represented entity);
- Another suitable means of verifying the authenticity of the vote, to be determined by the Chairman of the Board.

In order to guarantee the confidentiality of the vote, the aforementioned communications must be sent in a sealed envelope or to a dedicated email address, which will only be considered at the time of scrutiny of the vote.

With regard to voting by electronic correspondence, and in accordance with the Company's practice, shareholders with the right to vote may exercise it by electronic mail, in compliance with the established requirements, provided that it is up to the time and date set in the notice convening the Meeting. General Meeting, send the ballot papers and voting instructions by this means to the Chairman of the Board of the General Meeting, indicating the email address to which they want the respective ballots to be sent.

Following this request, shareholders will receive a communication containing the email address to be used to exercise their voting rights and an identifier code (password) to be mentioned in the email with which the shareholder may exercise their voting rights.

The ballot paper must contain the digital signature of the shareholder (or respective organic or legal representative) or a simple signature, accompanied by (i) a copy of the identification document of the individual shareholder, or (ii) the identification document of the representative of the legal person, and also, in this case, access code to the permanent certificate of the represented entity (or equivalent document, proving the legitimacy of the representative). As an alternative to sending a copy of the identification document, signatures may be recognized in legal terms.

Pursuant to Article 22-A of the Securities Code, PHAROL will send electronic confirmation of receipt of votes to the person who sent them.

Votes cast by postal or electronic correspondence are considered negative votes in relation to resolution

proposals that may be presented after the respective issuance. The presence at the General Meeting of a shareholder who has exercised the respective right to vote by postal or electronic correspondence, or of his representative, determines the revocation of the vote expressed in that way.

In accordance with the practice adopted by PHAROL, voting by postal mail shall be carried out according to the following procedure:

Shareholders with voting rights may, in accordance with article 22 of the Securities Code, exercise them by postal mail, provided that, by the time and date set in the notice, they send a communication addressed to the Chairman of the Board of the General Meeting, indicating the e-mail address to which they wish to have the ballot papers sent. Shareholders may also withdraw voting papers from the Company's website at www.pharol.pt from the date of the notice.

The duly completed and signed ballot papers, under the terms mentioned below, must be sent in a sealed envelope to the Chairman of the Board

The ballot papers must be signed by the shareholder (or respective organic or legal representative), accompanied by a copy of the shareholder's identification document, in the case of a natural person, or a copy of the identification document of the representative of the legal person, and also, in this case, access code to the permanent certificate of the represented entity (or equivalent document, proving the legitimacy of the representative). As an alternative to sending a copy of the identification document, signatures can be recognized in legal terms.

Without prejudice to obtaining ballot papers via the Internet, ballot papers are available to shareholders at the Company's registered office, and may also be provided by hand delivery, by post or by email.

The deadline for receiving declarations of vote by electronic and postal correspondence, in accordance with the practice adopted by PHAROL, is 3 working days in advance of the date of the General Meeting.

PHAROL's Articles of Association do not provide for any system of highlighting rights of patrimonial content.

Considering the mechanisms of participation and voting in the General Meeting described above, PHAROL promotes shareholder participation, by means of voting by postal or electronic correspondence, by a representative with a power of attorney under the legal and statutory terms. Shareholders are also allowed to participate in General Meetings via videoconference under the terms set out in the notice.

The public calamity situation caused by the COVID-19 pandemic determined the imposition of social distance with the adoption of restrictive measures, namely regarding the gathering and movement of people, as well as safety and hygiene measures aimed at outbreaks of contagion. In this context, and under the terms of the legislation in force and recommendations regarding the holding of general meetings, in 2021, the annual general meeting of PHAROL was held by videoconference, with the Company having adopted the use of voting by electronic or postal correspondence, with safeguarding its authenticity and confidentiality having been ensured until the time of voting. The Company ensured the authenticity of the declarations and the security of communications, registering their content and the respective actors.

13. MAXIMUM PERCENTAGE OF VOTING RIGHTS THAT MAY BE EXERCISED BY A SINGLE SHAREHOLDER OR BY SHAREHOLDERS CONNECTED TO THE FORMER THROUGH ANY OF THE RELATIONSHIPS SET FORTH IN ARTICLE 20.1 OF THE PORTUGUESE SECURITIES CODE

Regarding this matter, please see item 12 of Part I above.

14. SHAREHOLDER RESOLUTIONS WHICH, ACCORDING TO THE BYLAWS, CAN ONLY BE ADOPTED WITH QUALIFIED MAJORITY, APART FROM THOSE LEGALLY PROVIDED FOR

Under article 14 of the Company's Bylaws, the General Meeting of shareholders resolves, on a first or subsequent call, by a majority of votes cast, without prejudice to any qualified majority as required in

cases as provided for by law.

In this way, the constitutive and resolute quorum of the General Meeting of shareholders established under PHAROL's Bylaws is no different from that established under the Portuguese Companies Code.

II. MANAGEMENT AND SUPERVISION

COMPOSITION

15. IDENTIFICATION OF THE CORPORATE GOVERNANCE MODEL

PHAROL follows a governance model, which is based on the existence of a Board of Directors and a Statutory Auditor ("ROC") elected by the General Meeting of shareholders upon a proposal by the Fiscal Council. In 2017, a Managing Director was appointed.

In accordance with the provisions of the company's articles of association, in the event that the Board of Directors appoints a Chief Executive, it may establish, at the same meeting at which it appoints, one or more monitoring committees on certain specific matters. However, given the small size of the company and the close proximity of the Board of Directors in the analysis and knowledge of the various matters relating to it, as well as the high frequency of meetings, there was no need to establish any monitoring committee.

PHAROL's organisation structure further includes a Compensation Committee elected by the General Meeting of shareholders, which is responsible for determining the remunerations of the members of corporate bodies.

The members of the corporate bodies and of the Board of the General Meeting of Shareholders are elected for a three-year term of office, and they may be re-elected one or more times within the limits of the law.

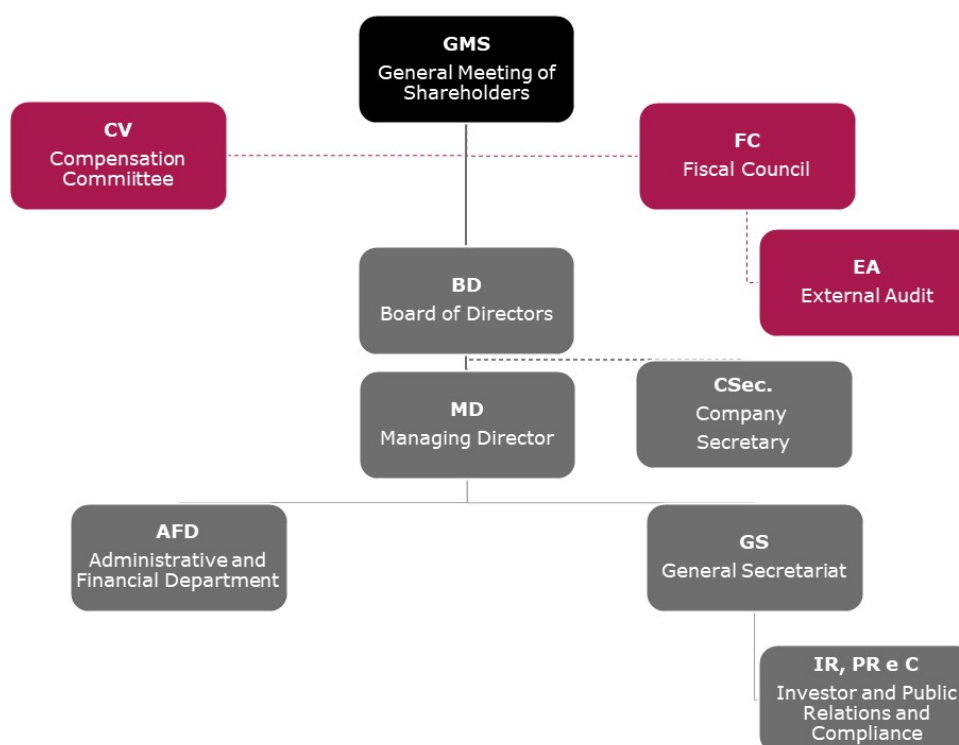
The Fiscal Council, together with the External Audit, performs the supervisory functions that derive from the applicable laws and regulations.

In 2021, PHAROL had as its fundamental objectives the valuation and defense of the value of the assets held by the Company: the shareholding in the Brazilian company Oi and the possible recovery of the credit in the context of the bankruptcy of Rio Forte. In this regard, PHAROL focused on monitoring the evolution of this process in order to be recognized as the creditor of the bankrupt estate to allow the maximum amount to be collected. The Company maintained its focus on reducing operating cost control as well as removing the risks it has faced, many of a legal and legal nature.

To ensure its operational functioning, PHAROL has 7 permanent employees and the support of several external consultants and advisory services in the legal, financial and accounting areas.

In this context of such a reduced structure and dimension, the existence of 6 Directors, of which 3 are independent, from the Supervisory Board and the ROC, seem sufficient to efficiently guarantee the functions that are entrusted to the Company's management, including of risks.

On 31 December 2021, PHAROL's governance model could be schematised as follows:



16. BYLAW RULES ON THE PROCEDURAL AND MATERIAL REQUIREMENTS FOR THE APPOINTMENT AND REPLACEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS

The members of the Board of Directors are elected by the General Meeting of shareholders as described in item 17 of Part I below.

The Bylaws determine that the absence of any director from more than half the ordinary meetings of the Board of Directors during one financial year, in a consecutive way or not, without a justification acceptable to the Board of Directors, shall be deemed as a definitive absence of such director. Such definitive absence shall be declared by the Board of Directors, and the director in question shall be replaced as provided for by law and the Bylaws.

17. COMPOSITION OF THE BOARD OF DIRECTORS

Under the statutory terms, the Board of Directors is composed of a minimum number of 3 and a maximum of 7 members, elected by the General Meeting.

At the Annual General Meeting of 30 April 2021, six Directors were elected.

The Company is also subject to the provisions of Law no. Pursuant to this law, the proportion of persons of each sex appointed again for each management and supervisory body of each company cannot be less than 20%, from the first elective general meeting after January 1, 2018 and 33.3%, as of the first elective general meeting after January 1, 2020.

PHAROL fully complies with the provisions of the law, integrating in its Board of Directors 3 female directors out of a total of 6 members.

Furthermore, on October 29, 2021, PHAROL approved its 2022 Gender Equality Plan, a document that can be consulted on the Company's website at www.pharol.pt

The directors' term of office is three years, and they may be re-elected one or more times, within the limits provided for by law.

As at 31 December 2021, the Board of Directors had the following composition:

Members (date of first appointment)	Board of Directors	Independence ⁽¹⁾	No. of shares
Luís Maria Viana Palha da Silva (2015)	President	No	200,000
Ana Cristina Ferreira Dias, appointed by Novo Banco, S.A., to exercise the position in her own name (2021)	Member	No	
Avelino Cândido Rodrigues, appointed by Oi, S.A., to exercise the position in his own name (2019)	Member	No	
Maria do Rosário Amado Pinto Correia (2015)	Member	Yes	40
Maria Leonor Martins Ribeiro Modesto (2018)	Member	Yes	
Pedro Zañartu Gubert Morais Leitão (2015)	Member	Yes	

(1) Assessment of independence carried out in accordance with internal regulations and with the provisions of paragraph 5 of article 414 of the Commercial Companies Code and point 18 of the annex to Regulation no. 4/2013 of the CMVM, in accordance with applicable.

The Board of Directors non-executive members are the majority of the directors in office.

The Managing-Director reported on all of the relevant matters to all other members of the Board of Directors.

18. EXECUTIVE AND NON-EXECUTIVE BOARD MEMBERS AND INDEPENDENCE CRITERIA

As referred to in item 17 above, as at 31 December 2021 the Company distinguishes executive and non-executive directors. In the same item, those directors that are considered independent are identified.

As at 31 December 2021, the Board of Directors of PHAROL has 3 independent directors, from among 6 members of the Board.

The number of non-executive and independent directors is adequate in relation to the provisions of Recommendations III.2 to III.4 of the IPCG Code, with a number of directors non-executives who meet the independence requirements of more than 1/3 and meeting the conditions for the effective performance of the Board of Directors in relation to the size of the Company. This ensures strategic decision-making regarding the company's risk profile, constructive supervision of the results achieved, as well as the ability to influence an efficient decision-making process and implement appropriate governance, sustainability and ethical conduct practices.

All directors deemed independent by PHAROL, as of 31 December 2021, as set out in item 17 above, meet the conditions required for the performance of their duties and compliance with their obligations to act diligently and in the interest of the Company in an independent manner. Thus, the Board of Directors considers that the Company's management body includes a number of independent members that is appropriate to its size and shareholder structure.

According to PHAROL's Internal Regulation no. 3/2017, the members of the Board of Directors of the Company, must send to the Chairman of the Board, within 10 business days as from their election or co-optation, and no later than 31 January of each year, declarations prepared in accordance with an Appendix to the said Internal Regulation.

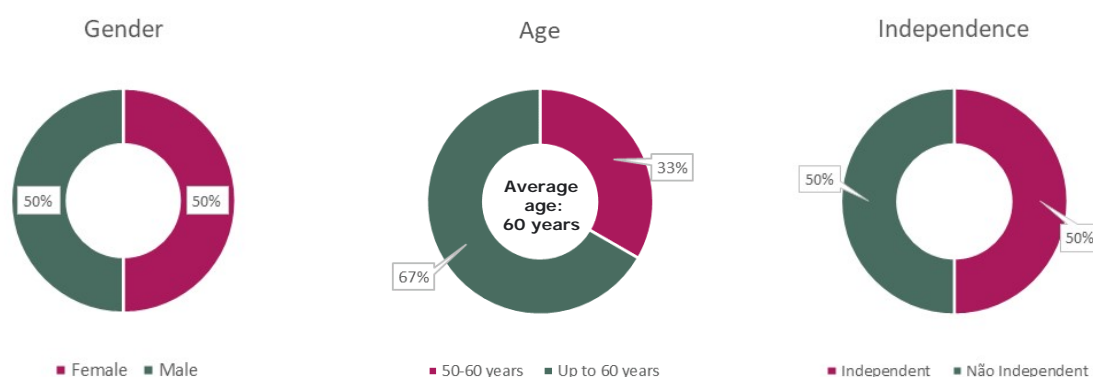
Where the independence situation of any member of the Board of Directors is subsequently changed, the director in question must send to the Chairman of the Board an updated declaration, in the 10 business days following such subsequent change.

The Board of Directors assesses the independence of its non-executive members, on the basis of such declarations, as well as of any other information of which the Board may be aware.

19. PROFESSIONAL QUALIFICATIONS AND OTHER RELEVANT CURRICULUM ELEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS

The composition and qualifications of the members of the Board of Directors of PHAROL are defined in the internal regulations of this Board, referred in point 21 of this report.

PHAROL also complies with the CVM, effective on December 31, 2021, and with the balanced representation regime between women and men between the management and supervisory bodies of public sector entities and listed companies, law 62/2017.



In accordance with Recommendation I.2.1., the curricula of the members of this body follow in Annex I, describing the criteria and conditions related to the respective profile, including individual attributes and diversity requirements.

20. FAMILY, PROFESSIONAL OR COMMERCIAL RELATIONSHIPS, FREQUENT AND SIGNIFICANT, OF THE MEMBERS OF THE BOARD OF DIRECTORS WITH OWNERS OF QUALIFIED HOLDINGS ABOVE 2% OF THE VOTING RIGHTS

As at 31 December 2021, no member of the board of directors has no family, professional or commercial relationships, frequent and significant, with owners of qualified holdings above 2% of the voting rights, except:

- Ana Cristina Ferreira Dias, appointed by Novo Banco, SA to exercise the position in her own name, also performs management functions at Novo Banco, SA, an entity to which a qualified holding of more than 2% of the share capital and voting rights is attributable from PHAROL.

21. DISTRIBUTION OF POWERS AMONG THE VARIOUS CORPORATE BODIES, COMMITTEES AND/OR DEPARTMENTS OF THE COMPANY

MANAGEMENT BODY

Board of Directors

Pursuant to the Bylaws, the Board of Directors is the corporate body responsible for managing the

Company's businesses and practicing all acts regarding the corporate scope that are not within the powers of other corporate bodies. It establishes the strategic orientation of PHAROL and monitors the day-to-day management delegated to the Managing Director, designated in 2017 to ensure the existence of a structure more suited to the management needs of PHAROL.

On February 28, 2020, a new regulation of the Board of Directors was approved, governed by the following guidelines:

The Board of Directors will perform its duties in accordance with the corporate interest and with the applicable legal and statutory provisions, taking into account the general objectives and fundamental principles of the Company, the long-term interests of its shareholders and other investors and the sustainable development of the activity corporate structure of the Company and its subsidiary company (ies). Corporate governance should promote and enhance the performance of companies and the capital markets and consolidate the confidence of investors, workers and the general public in the quality and transparency of management and supervision and in the sustained development of society.

The Company's Board of Directors is composed of the members elected in accordance with the applicable legal and statutory provisions framed in an open and transparent culture with respect for diversity.

The Directors, whose profiles will have to correspond to criteria and requirements of technical competence, independence, integrity, loyalty, availability, experience and gender diversity, will develop their respective qualifications, knowledge and experience with a view to the exercise of their duties and competences and the fulfilment respective duties and functions.

The duties and powers of the Board of Directors are as follows:

1. The Board of Directors is responsible for managing the Company's business dealings and activities and carrying out all actions regarding the corporate purpose that do not fall within the scope of other corporate bodies. It will also establish the strategy for the Company and its subsidiary(ies), engaging, to this purpose, in the necessary managerial and supervisory activities.
2. Regardless of any other powers provided for in the applicable laws and bylaws and of powers delegated to the Managing Director, the Board of Directors is responsible, in particular, for:
 - a) Establishing the general objectives and the fundamental principles of the policies applicable to Company and its subsidiary(ies). These are to be submitted to the General Meeting for approval;
 - b) Approving the general policies and the strategy for the Company and its subsidiary(ies), considering the objectives and principles approved by the General meeting;
 - c) Establishing and deciding on any amendments to the business structure of the Company or of its subsidiary(ies), whenever these do not constitute mere internal restructurings of the Company and/or its subsidiary(ies) that fall within the scope of the general objectives and fundamental principles approved by the General Meeting;
 - d) Deciding on important extensions or reductions in the Company's business activities or in those of its subsidiary(ies);
 - e) Adopting any other decisions deemed strategic for the Company and its subsidiary(ies), taking into account it's the amount, risk or special characteristics involved;
 - f) Evaluating the Company's corporate governance model on an annual basis and disclosing such evaluation in the Annual Governance Report, identifying any constraints on the operation of this model and proposing adequate measures to overcome such constraints;
 - g) Ensuring that the Company has efficient internal control, risk management and internal audit systems;
 - h) Replacing directors who are definitively absent, through co-optation;
 - i) Appoint and establish the day-to-day management skills in the Managing Director, delegating the skills whose inclusion is not prohibited by article 407 of the Commercial Companies Code;
 - j) Annually evaluate itself performance through a self-assessment model, as well as that of the

Managing Director and, if applicable, the performance of its committees, taking into account the fulfilment of the Company's strategic plan and budget, the management of risks, its internal functioning and the contribution of each member to the effect, and the relationship between the Company's bodies and commissions;

- k) Providing for the Company's statutes to limit the number of votes that can be held or exercised by a single shareholder, individually or in consultation with other shareholders, the Board of Directors must promote that, at least every 5 years the amendment or maintenance of this statutory provision is subject to deliberation by the general meeting.
- l) Appointing and removing the General Secretary and the Company Secretary and their alternate(s).

Within the delegation of powers, the Board of Directors assigned the Managing Director all powers necessary for the day-to-day management of the Company, except for those matters that are not delegable pursuant to article 407 of the Portuguese Companies Code listed below:

- a) Selection of the Chair of the Board of Directors;
- b) Co-opting directors;
- c) Request to convene General Meetings;
- d) Annual report and accounts, to be submitted to the General Meeting for approval;
- e) Acquisition, sale and disposal of real estate and capital holdings;
- f) Provision of real or personal sureties or guarantees by the Company, where the competence for this lies with the Board of Directors, without prejudice to the stipulations of sub-paragraph h) of article 15 of the Company's Articles of Association;
- g) Change in the location of the Company's registered offices;
- h) Projects for the merger, demerger or transformation of the company, to be submitted to the General Meeting, or any corporate acquisitions, disposals, mergers, demergers, strategic partnership agreements or other forms of long-lasting cooperation that involve the Company and/or its subsidiary(ies), whenever such operations do not constitute mere internal restructurings of the Company and/or its subsidiary(ies) that fall within the scope of the general objectives and fundamental principles approved by the General Meeting;
- i) Projects for increases in capital, to be submitted to the General Meeting;
- j) Changes to the articles of association, to be submitted to the General Meeting;
- k) Important extensions or reductions in the Company's business activities or important changes to the Company's organizational structure;
- l) Annual business plans, budgets or investment plans;
- m) Setting of the amount to be proposed each year to the General Meeting for the issue of bonds or other securities.

No authority of the Board of Directors is delegated as regards: (i) the determination of the Company's general strategy and policies, and strategic decisions due to their amount, risk or special features, notably, regarding this latter, as a consequence of such matters being reserved to the powers of the Board of Directors pursuant to its Internal Regulation.

Notwithstanding the Fiscal Council's powers, the Board of Directors is also responsible for ensuring the Company practice effective internal control and risk management procedures, in accordance with the rules of procedure. The application structures of these systems are described in C.III of Part I of this report.

Other than any matters excluded by law, the Board of Directors is forbidden from passing resolutions on matters assigned by the Bylaws to the General Meeting of shareholders. Shareholders, in their turn, may only resolve on management matters at the request of the management body.

All members of the Board of Directors take informed decisions on the matters submitted to them.

The Board of Directors during 2021 met with high frequency, having held 12 meetings, between ordinary

and extraordinary meetings.

The Board discussed the main issues relevant to the Company, namely discussing its Strategic Plan and approving the Budget, as well as all other matters of importance to the Company's management. Budgetary deviations and in-depth strategic options were regularly assessed for each of the assets included in PHAROL's portfolio.

The Board of Directors met with the Audit Board whenever necessary or imposed by the rules and regulations and received periodic information notes on the main issues and decisions made by the Chief Executive Officer.

The participation and contribution of all Directors for the evaluation and deliberation of all situations brought to the Board was a constant.

Due to the information received from the Managing Director and the regularity with which the Board met, the Board of Directors has maintained that it is not necessary the creation of any commission.

The Board of Directors maintained a Self-Assessment model, which was guaranteed to be anonymous and confidential, covering a wide range of 21 items.

In this questionnaire were evaluated the composition and decision-making process of the Board of Directors, covering various topics such as the respective size, diversity and independence, quality of the information that allows monitoring its strategic objectives and risk assessment, as well as the quality of the decisions taken and focus on the main issues, within the Council's competence.

In another context, matters relating to the responsibility of the Board of Directors, the role and leadership of the President and the performance of the Secretary Company in terms of supporting the President and the Board itself were evaluated.

Powers of the Chairman of the Board of Directors

Pursuant to the Bylaws and to the Board of Directors' internal operating rules, the Chairman of the Board of Directors is entrusted with the following duties:

- Call and direct the meetings of the Board of Directors;
- Coordinate the activity of the Board of Directors;
- Represent the Council in and out of court;
- Ensure the correct execution of the Board of Directors' resolutions;
- Represent the Board of Directors and promote communication between the Company and its shareholders.

Managing-Director

Since 2017, the Board of Directors delegated on a Managing-Director the daily management of the Company, according to the respective delegation of powers, retaining supervision and control functions.

In 2020, a new regulation of the Managing-Director was approved, which has a description of his powers and delegation of powers.

Within the scope of these Regulations, it is incumbent upon the Managing-Director to decide the instructions or guidelines to be given by the Company to the directors of its subsidiary companies, regarding the matters

referred to in its delegation of powers, under the terms and in compliance with the provisions of the applicable law.

Powers of the Managing Director

1. The Managing Director is responsible for the management of the daily management of the Company, in accordance with the terms of the Portuguese Companies Code and the Bylaws.

2. Within the quantitative limits established by the Board of Directors, it is the responsibility of the Chief Executive Officer, namely:

- a) propose to the Board of Directors the goals and management policies of the Company;
- b) prepare annual activity and financial plans;
- c) manage the social affairs and practice all acts and operations related to the corporate purpose that do not fit in the competence attributed to other Bodies of the Company;
- d) represent the Company in and out of court, actively and passively, being able to withdraw, compromise and confess in any lawsuits, as well as to conclude arbitration agreements;
- e) to resolve on the issue of bonds and other securities in accordance with the Bylaws;
- f) establish the technical and administrative organization of the Company and the internal rules, namely on personnel and their remuneration;
- g) to establish representatives with the powers they deem appropriate, including those to be replaced;
- h) exercise the other powers attributed to it by law or by the General Meeting.

SUPERVISORY BODIES

Fiscal Council

As a supervisory body, the Fiscal Council has, in addition to all other powers established in the law or the Bylaws, the following specific rules:

1. The Fiscal Council shall:

- a) supervise the administration of the Company and, in particular, annually assess the fulfilment of the strategic plan and budget of the Company, the risk management, the internal functioning of the Board of Directors and its committees, as well as the relationship between the Company's bodies and committees, if any;
- b) accompany, assess and give its opinions on the strategic lines and the risk policy defined by the Board of Directors, prior to its final approval by the Board of Directors;
- c) monitor compliance with the law and the Company's Articles of Association;
- d) confirm that the books, accounting records and their support documents are in due order;
- e) when it deems convenient and through the means it finds adequate, confirm available cash and the existence of any type of goods or values belonging to the Company or received by it as a guarantee, deposit or other purpose;
- f) confirm the accuracy of the accounting statements and, generally, supervise the quality and integrity of the financial information specified in the Company's accounting statements;

- g) check whether the accounting policies and the valuation criteria applied by the Company result in a correct evaluation of its assets and results;
- h) prepare an annual report on its supervisory activities and issue an opinion on the report, accounts and proposals presented by the board, in which it expresses its agreement or not with the annual management report, with the fiscal year accounts, and with the audit clearance or a declaration of impossibility of issuing such clearance, besides including a statement signed by each of its members, as provided for in Art. 245(1)(c) of the Portuguese Securities Market Code;
- i) convene the General Meeting, when the Chairman of the Bureau should, but does not do so;
- j) supervise the process for the preparation and disclosure of financial information, including the suitability of the accounting policies, estimates, judgements, relevant disclosures and their consistent application between fiscal years, in a duly documented and communicated manner;
- k) accompany the legal review of the individual and consolidated accounts, as well as supervise and assess the internal procedures regarding accounting and auditing matters;
- l) supervise the quality, integrity and effectiveness of the risk management system, internal control system and internal audit system, if any, including the annual review of its adequacy and effectiveness, proposing any changes that are deemed necessary;
- m) to be the recipient, on a quarterly basis, of the management report and monitoring of the respective risk reports, in order to ensure that the risks effectively incurred by the Company are consistent with the objectives established by the board;
- n) receive notifications of deficiencies, claims and/or complaints (“whistleblowing”) submitted by shareholders, Company employees or others, and implement procedures to receive, record and process those notifications when related to aspects of accounting, auditing and internal control procedures in these matters;
- o) contract services provided by experts to assist the Fiscal Council members in carrying out their duties, such as contracting and remuneration of said experts to take into account the importance of the issues for which they are responsible and the Company’s economic situation;
- p) verify that the disclosed report on the corporate governance structure and practices includes the information specified in Art. 245 – A of the Securities Market Code;
- q) propose to the General Meeting the appointment of the statutory auditor or a firm of statutory auditors, using a selection process based on the commercial evaluation (overall amount of the proposals) and on a technical assessment using the following criteria: experience as an auditor/statutory auditor, methodology of the account auditing procedure, planning of the works and the allocation of human resources, and the Curricula Vitae of the people in charge and of the members of the audit team directly assigned to the work;
- r) supervise the independence of the statutory auditor, including obtaining the formal written confirmations provided for in Arts. 63 and 78 of the Statutes of the Association of Statutory Auditors and, in particular, verifying the suitability and approving the provision of other services beyond those of auditing, pursuant to the terms of Art. 77(10) and (11) of the Statutes of the Association of Statutory Auditors;
- s) be the main interlocutor for the independent auditor and the statutory auditor or the firm of statutory auditors and the first recipient of the corresponding reports, having the responsibility, specifically, of proposing the corresponding remuneration and diligently ensuring there are suitable conditions in the Company for the provision of their services;
- t) annually evaluate the work carried out by the independent auditor and the statutory auditor or the firm of statutory auditors, their independence and suitability for exercising their duties, and propose to the competent corporate body their dismissal or the resolution of the contract for the provision of their services whenever there is just cause for such.

The Fiscal Council also has the following duties:

- a) Analyse and issue its opinion on relevant issues related to accounting and auditing aspects and the impact on the financial statements caused by alterations to account standards applicable to the Company and to its accounting policies;
- b) Settle any disputes between the Company’s Board and the independent auditors indicated in the

previous subparagraph, in regard to the financial information to be included in the accounting statements to be reported to the competent entities and in regard to the process of preparing the audit reports to be issued by the said independent auditors;

- c) It will issue a statement and a prior opinion within the scope of its legal and statutory competences, and whenever it deems such necessary or convenient, on any reports, documentation or information to be disclosed or submitted by the Company to the competent authorities;
- d) Issue a prior opinion on transactions with related parties, under the terms defined by the Company's regulations;
- e) Issue a statement on work plans and the resources allocated to the internal control services, including monitoring compliance with the norms applicable to the Company (compliance services) and internal auditing, if any;
- f) Receive the reports made by the internal control services, at least when dealing with matters related to the presentation of accounts, or the identification or resolution of conflicts of interest and the detection of potential irregularities.

Statutory Auditor

Under articles 420,1(c), (d), (e) & (f) and 446,3 of the Portuguese Companies Code, it is the duty of the Statutory Auditor to control the regularity of the books, accounting records and documents supporting the same, as the Statutory Auditor deems fit and appropriate, the extension of cash and inventory of any kind of assets or values owned or received as collateral, deposit or otherwise by the Company, and furthermore the accuracy of individual and consolidated financial statements, as well as that the accounting policies and criteria adopted by the Company lead to a correct assessment of its assets and results.

Following entry into force of Decree-Law no. 185/2009 of 12 August 2009, similarly to the Statutory Auditor, it also became the duty of the Statutory Auditor to verify whether the Company's governance report disclosed each year includes all legally required data as regards, inter alia, qualified shareholdings in the Company capital, identification of shareholders of special rights and description of such rights, any restrictions in respect of voting rights, rules applicable to appointment and replacement of directors, Bylaw amendment and powers and resolutions of the management body, and the main constituents of the internal control and risk management systems implemented in the Company in connection with the financial information disclosure procedure.

COMMITTEES AND SUPPORTING STRUCTURES

FUNCTION

22. OPERATING RULES OF THE BOARD OF DIRECTORS

The full text of the Board of Directors regulation may be consulted on the Company's website, link:

https://conteudos.pharol.pt/Documents/EN/Regulation/2020/Regulamento%20CA_28.02.2020_en.pdf

Under the terms of article 24 of the Bylaws and the Board's Internal Regulation, the Board of Directors shall meet, at least, every three months of each year, and shall meet in extraordinarily sessions whenever convened by its Chairman, by two Directors or by the Fiscal Council. Detailed minutes are drawn up from these meetings.

The Board of Directors may not work without the participation of the majority of its members in office. The Chairman of the Board of Directors may, when clearly urgent, waive the presence of such majority if the same is ensured through voting by correspondence or through a power of attorney, although a director may not represent more than one other director.

The resolutions of the Board of Directors are passed by a majority of votes cast, and the Chairman has a casting vote.

23. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND DEGREE OF ATTENDANCE OF EACH MEMBER

During the 2021 financial year, 12 meetings of the Board of Directors took place. The degree of attendance of directors at these meetings of the Board of Directors of PHAROL was 100%

24. INDICATION OF THE CORPORATE BODIES EMPOWERED TO CARRY OUT THE PERFORMANCE EVALUATION OF EXECUTIVE DIRECTORS

The Compensation Committee determines the remunerations of the members with executive functions based on objective criteria as approved by such Committee.

Furthermore, pursuant to the law, the General Meeting of shareholders makes an annual general appraisal of the management (and supervision) of the Company.

25. PRE-DETERMINED CRITERIA FOR THE PERFORMANCE EVALUATION OF EXECUTIVE DIRECTORS

On April 30, 2021, the General Meeting of Shareholders adopted the Declaration of the Compensation Committee on the Remuneration Policy for the members of the management and supervisory bodies, included on Appendix II.

26. AVAILABILITY OF EACH MEMBER OF THE BOARD OF DIRECTORS AND INDICATION OF FUNCTIONS EXERCISED SIMULTANEOUSLY IN OTHER COMPANIES, INSIDE AND OUTSIDE THE GROUP, AND OTHER RELEVANT ACTIVITIES EXERCISED BY THE MEMBERS OF THE BOARD OF DIRECTORS

The functions exercised by the Company' directors in other companies as well as their other relevant activities are shown in Appendix I, there being highlighted the duties performed and the attendance and active participation of the directors in the meetings of the Board of Directors (in respect of all its members) – see item 23 of Part I above – evidence the availability of each member of the Board of Directors to perform duties as director of the Company.

COMMITTEES WITHIN THE MANAGEMENT OR SUPERVISION BODIES AND DELEGATED DIRECTORS

27. IDENTIFICATION OF THE COMMITTEES CREATED BY THE BOARD OF DIRECTORS

As mentioned above, the Board of Directors decided not to create any committee.

28. COMPOSITION OF THE EXECUTIVE COMMITTEE AND/OR IDENTIFICATION OF MANAGING DIRECTORS

According to the Bylaws, the Board of Directors appoints the Managing Director.

As of December 31, 2021, the Managing Director was the Chairman of the Board of Directors, Luís Maria Viana Palha da Silva

29. DUTIES OF EACH COMMITTEE CREATED WITHIN THE BOARD OF DIRECTORS AND SUMMARY OF THE ACTIVITIES DEVELOPED IN THE EXERCISE OF SUCH DUTIES

Regarding this matter, please see items 21 and 27 of Part I above.

III. SUPERVISION

COMPOSITION

30. IDENTIFICATION OF THE SUPERVISORY BODY

The supervisory body is the Fiscal Council.

31. COMPOSITION OF THE FISCAL COUNCIL

Pursuant the Company Bylaws, the Fiscal Council is composed of three effective members and one alternate member, appointed by the General Meeting of shareholders.

On December 31, 2021, the Fiscal Council was composed as follows:

José Eduardo Fragoso Tavares de Bettencourt	Chairman
Isabel Maria Beja Gonçalves Novo	Member
João Manuel Pisco de Castro	Member
Paulo Ribeiro da Silva	Alternate member

32. IDENTIFICATION OF THE MEMBERS OF THE FISCAL COUNCIL COMMITTEE CONSIDERED INDEPENDENT UNDER ARTICLE 414,5 OF THE PORTUGUESE COMPANIES CODE

The Fiscal Council members meet the requirements on incompatibilities, independence and specialization arising from legal and regulatory requirements to Corporate issuers of securities admitted to trading on a regulated market.

33. PROFESSIONAL QUALIFICATIONS AND OTHER RELEVANT CURRICULUM ELEMENTS OF THE MEMBERS OF THE FISCAL COUNCIL

The *curricula* of the members of PHAROL's Fiscal Council are shown in Appendix I.

34. OPERATING RULES OF THE FISCAL COUNCIL

All powers of the Fiscal Council are described in the Company's Bylaws, in addition to the Fiscal Council having adopted an internal regulation of operation, approved unanimously by all members of the Fiscal Council on October 29, 2015 and reviewed on November 30, 2021, which may be consulted at the following link:

<https://pharol.pt/en-us/governo-sociedade/Pages/Conselho-Fiscal.aspx>

According to such Regulation, the Fiscal Council meets at least once every three months, on the day and at the place established by its Chairman, although extraordinary meetings may be called upon by its

Chairman or at the request of a majority of its members.

The Fiscal Council shall not function without the presence of the majority of its members in office. Its Chairman may, when clearly urgent or there is a justified impossibility, waive the presence of that majority if the same is ensured through voting by correspondence or by power of attorney.

The Fiscal Council's resolutions are approved by a majority of the votes cast, and its Chairman has a casting vote.

35. NUMBER OF MEETINGS OF THE FISCAL COUNCIL AND DEGREE OF ATTENDANCE OF EACH MEMBER

During the 2021 financial year, 11 meetings of the Fiscal Council took place. The degree of attendance of each member to these meetings was 100%.

36. AVAILABILITY OF EACH MEMBER OF THE FISCAL COUNCIL AND INDICATION OF FUNCTIONS EXERCISED SIMULTANEOUSLY IN OTHER COMPANIES, INSIDE AND OUTSIDE THE GROUP, AND OTHER RELEVANT ACTIVITIES EXERCISED BY THE MEMBERS OF THE FISCAL COUNCIL

The functions exercised by the members of PHAROL's Fiscal Council in other companies as well as their other relevant activities are shown in Appendix I.

COMPETENCES AND DUTIES

37. PROCEDURES AND CRITERIA APPLICABLE TO THE INTERVENTION OF THE SUPERVISORY BODY WHEN HIRING ADDITIONAL SERVICES FROM THE EXTERNAL AUDITOR

In the year 2021, PHAROL did not contract to the external auditor or any entity with a group relationship or that incorporate the same network, for any other services than audit services.

38. OTHER DUTIES OF THE SUPERVISORY BODIES

Regarding this matter, please see item 21 of Part I above.

IV. STATUTORY AUDITOR (REVISOR OFICIAL DE CONTAS / ROC)

39. IDENTIFICATION OF THE STATUTORY AUDITOR AND OF ITS REPRESENTING PARTNER

The Statutory Auditor effective for the period from 2021-2023 is BDO & Associados, SROC, Lda., registered in the Statutory Auditor's Professional Association ("OROC") under no. 29 and at CMVM under no.20161384, represented by its partner, Ana Gabriela Almeida, registered at OROC as Statutory Auditor, under no. 1366.

40. NUMBER OF YEARS DURING WHICH THE STATUTORY AUDITOR PERFORMS DUTIES CONSECUTIVELY IN THE COMPANY AND/OR GROUP

The firm BDO & Associados, SROC. Lda., performs duties as Statutory Auditor in the Company since 29 May 2015. Pursuant to its duties, PHAROL's Fiscal Council confirmed the independence of the Statutory Auditor and appraised its work during the 2021 financial year.

41. OTHER SERVICES RENDERED TO THE COMPANY BY THE STATUTORY AUDITOR

In 2021, the Statutory Auditor also rendered the external audit service to PHAROL and there are no other services rendered.

V. EXTERNAL AUDITOR

42. IDENTIFICATION OF THE EXTERNAL AUDITOR AND OF ITS REPRESENTING PARTNER, AS WELL AS THEIR RESPECTIVE REGISTRY NUMBER BEFORE THE CMVM

PHAROL's current External Auditor, appointed in 2015 for the purposes of article 8 of the Portuguese Securities Code, is BDO & Associados – SROC, Lda., registered at OROC under no. 29 and at CMVM under no. 20161384, and it is represented by its partner Ana Gabriela Almeida, registered at OROC as Statutory Auditor under no. 1366.

43. NUMBER OF YEARS DURING WHICH THE EXTERNAL AUDITOR AND ITS REPRESENTING PARTNER PERFORM DUTIES CONSECUTIVELY IN THE COMPANY AND/OR GROUP

PHAROL's current External Auditor is BDO & Associados – SROC, Lda., registered at OROC under no. 29 and at CMVM under no. 20161384, began its functions in March 2015, , being represented since April 30, 2021, by its partner Ana Gabriela Almeida, registered with OROC as Statutory Auditor under n° 1366.

44. POLICY AND PERIOD FOR THE ROTATION OF THE EXTERNAL AUDITOR AND OF ITS REPRESENTING PARTNER

There is no internal policy for the External Auditor's mandatory rotation, apart from the one legally applicable to public interest entities. The mandatory rotation period applicable to the Statutory Auditor that represents the External Auditor in the performance of its duties results from article 54,2 of the OROC Statutes (7 years).

45. CORPORATE BODY RESPONSIBLE FOR THE EVALUATION OF THE EXTERNAL AUDITOR AND FREQUENCY FOR SUCH EVALUATION

The Fiscal Council annually evaluates the External Auditor's performance and independence, as described in the annual Report of the Fiscal Council's activities.

Pursuant to its duties, the Company's Fiscal Council assessed and confirmed the independence of BDO & Associados, SROC, Lda., and appraised its work relating to the 2021 financial audit of the Company.

46. SERVICES, OTHER THAN AUDITING SERVICES, PROVIDED BY THE EXTERNAL AUDITOR TO THE COMPANY AND/OR ENTITIES IN A CONTROL RELATIONSHIP, AS WELL AS INDICATION OF INTERNAL PROCEDURES FOR THE PURPOSES OF APPROVING THE HIRING OF THOSE SERVICES AND REASONS FOR SUCH HIRING

There were no services other than auditing services provided to the Company or to the companies in a control relationship with PHAROL by the External Auditor beyond the role of the Statutory Auditor.

47. INDICATION OF THE AMOUNT OF ANNUAL REMUNERATION PAID TO THE AUDITOR AND OTHER INDIVIDUALS OR CORPORATIONS IN THE SAME NETWORK SUPPORTED BY THE COMPANY AND OR BY CORPORATIONS IN A CONTROL OR GROUP RELATIONSHIP, AS WELL AS SPECIFICATION OF THE PERCENTAGE OF EACH TYPE OF SERVICE

BDO & Associados, SROC, Lda. for the external audit and Statutory Auditor simultaneously will represent a total cost of 38,100 euros to which VAT is added at the legal rate, referring to 2021.

C. INTERNAL ORGANIZATION

I. BYLAWS

48. RULES APPLICABLE TO AMENDMENT TO THE BYLAWS OF THE COMPANY

Constitutive quorum for the General Meeting of Shareholders

The PHAROL's Bylaws do not establish a constitutive quorum higher than that established by law.

Where an amendment to the Bylaws is at issue, the General Meeting of shareholders may only resolve on a first call, if shareholders owning shares corresponding to at least one-third of the share capital are present or represented. On a second call, no such requirement exists, and the General Meeting may resolve on any matter whatever the number of shareholders present.

Resolution quorum for the General Meeting of Shareholders

The PHAROL's Bylaws do not establish a resolution quorum higher than that established by law.

Decisions regarding the amendment of the Bylaws must be approved by a minimum of two thirds of the votes cast, whether the General Meeting meets first or second call, unless, in the latter case, shareholders holding at least half of the share capital, and such resolutions may then be taken by a majority of the votes cast (paragraphs 3 and 4 of article 386 of the Portuguese Companies Code).

By resolution of the Board of Directors, the Company may move its headquarters to any other location in the national territory, as well as create and maintain, anywhere in the national territory, or outside it, agencies, delegations or any other form of representation, which will determine the necessary amendment to the Statutes.

The Board of Directors may also, with the favorable opinion of the Supervisory Board, resolve to increase the share capital, prior to a resolution by the general meeting, which will determine changes to the Company's Articles of Association.

II. WHISTLEBLOWING

49. WHISTLEBLOWING

In 2016, PHAROL revised a set of procedures called regarding to the rules and the procedure to adopt in the System for Disclosure of Unethical Practices or Whistleblowing.

Within Whistleblowing, "Unethical Practices e/or irregularities" mean all acts or omissions, wilful or negligent, performed within the activities of the companies pertaining to PHAROL, that may have an impact on the financial statements or information sent to the Portuguese regulatory authority, CMVM, or those that cause damage to PHAROL's assets and reputation.

Suitable safety measures were implemented for the protection of information and data contained in communications. In particular, restricted access will be guaranteed, from a physical and logical perspective to the System servers, and the means for gathering and filing information must be exclusive to the System.

Both confidentiality of the communication and anonymity of the person reporting will be ensured at all times, unless the person concerned unequivocally intends and declares otherwise.

In no case is any kind of retaliation against those that make the said communications tolerated.

Disclosure of Unethical Practices (Whistleblowing) is available on the Company's website

<http://pharol.pt/en-us/governo-sociedade/participacao-praticas-indevidas/pages/enquadramento.aspx>

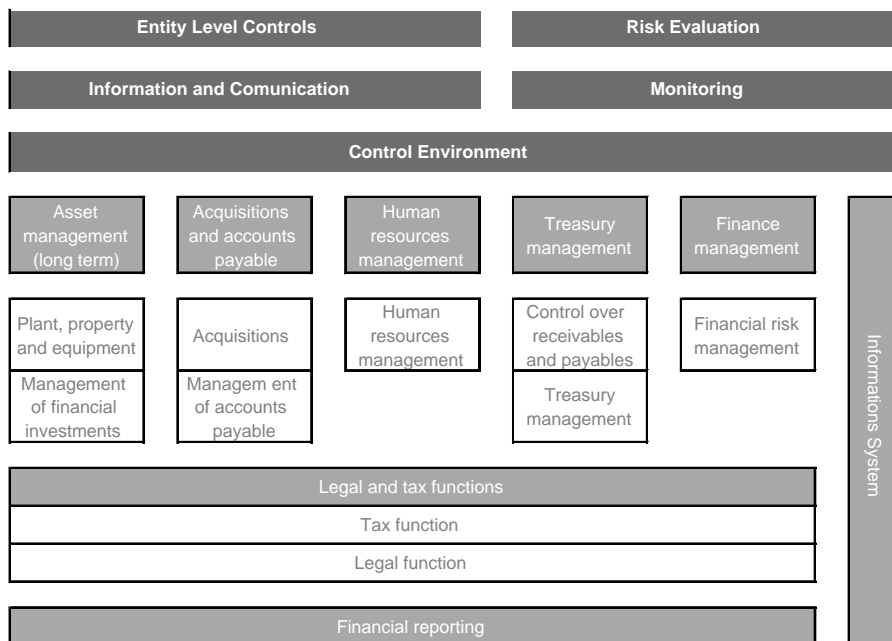
III. INTERNAL CONTROL AND RISK MANAGEMENT

Internal Control System

The Internal Control System implemented at PHAROL was based on an internationally acknowledged model – COSO (Committee of Sponsoring Organisations of the Treadway Commission) – making use of the layers established according to such model, notably: (i) Entity Level Controls; (ii) IT Level Controls; and (iii) Process Level Controls.

PHAROL designed a manual and implemented controls for the most representative business cycles within the Company. As to lesser business cycles, and within the framework of improvement of internal control and risk management environment, PHAROL defined a set of minimum internal control requirements.

PHAROL's internal control manual and most relevant business cycles may be summarised in the table below:



The identification and design of the controls that are relevant to financial reporting, whether preventive, detective or corrective, are documented in the proper manual according to the layers established by COSO. The manual is revised where changes in the processes occur or periodically, in order to attest their adhesion to the reality of PHAROL's operations.

Currently, PHAROL has already identified around 49 controls, of which 31 are considered as key controls.

The internal control system is checked by the External Auditors and the External Auditors also verify the implementation of remuneration policies and systems in force in the Company.

50. PERSONS, BODIES OR COMMITTEES RESPONSIBLE FOR INTERNAL AUDITING AND/OR IMPLEMENTATION OF INTERNAL CONTROL SYSTEMS

The Fiscal Council monitors PHAROL permanently as follows:

- a) evaluate internal procedures for accounting and auditing matters;
- b) assess the effectiveness of the Risk Management System regarding tax, legal, economic and financial aspects;
- c) evaluate the effectiveness of the internal control system;
- d) review the External Audit function.

The internal control system is monitored by the Board of Directors, which identifies the risks of the company, the results of the risk management process, the materiality level of financial reporting and proposes the implementation of measures.

Given the size of the company, is not implemented an internal audit system and these activities are ensured when necessary by the External Auditor.

51. HIERARCHICAL AND/OR FUNCTIONAL DEPENDENCE RELATIONS VIS-À-VIS OTHER CORPORATE BODIES OR COMMITTEES

The annual plan in respect of the External Audit and Risk Management function, in which the audits to be carried out and their scope are defined, is annually approved by the Managing Director and informed to the Fiscal Council of PHAROL. The objective of these audit procedures is to ensure that internal control mechanisms are in place to ensure the reliability and integrity of financial and operational reports, operational efficiency and compliance with applicable laws and regulations.

The progress of the execution of the annual audit plan as defined, as well as the aggregate results of audits carried out, are reported to the Fiscal Council and to Managing Director for the follow-up of the progress of the internal control and risk management system and definition of action plans for mitigation and resolution of risks detected.

52. OTHER FUNCTIONAL AREAS HAVING RISK CONTROL POWERS ROLE

Risk Management is promoted by the Board of Directors and the Managing Director in such a way as to identify, assess and manage uncertainties, threats and opportunities that might affect the pursuance of the plan and strategic goals, to decide on the level of exposure and overall risk limits to be undertaken by PHAROL in its different activities and to ensure that management risk policies and procedures are followed.

PHAROL risk level results from the degree of the Board's acceptance for risk, which is kept within limits according to criteria as agreed between the Board of Directors, the Managing Director and the Fiscal Council, this latter under legal terms, responsible for evaluating the effectiveness of the Risk Management System under the fiscal, legal, economic and financial viewpoint.

Risk Management is entrusted to the Board of Directors, performed by the Managing Director, although it depends on the supervision of the Fiscal Council.

53. MAIN ECONOMIC, FINANCIAL AND LEGAL RISKS TO WHICH THE COMPANY IS EXPOSED IN THE CONDUCT OF ITS BUSINESS

Among the various risks that may adversely affect the business of PHAROL, the following should be highlighted:

Macro Risk	Sub-Risk	Risk Factors	Mitigation Measures
Economic Risks	Oi's Performance	Now with Oi in day-to-day management (although still formally in Judicial Reorganization) and in the implementation of its Strategic Plan, the main risk that PHAROL is subject to through Oi is Oi's financial and operational performance, namely from its ability to execution of the asset sale plan and to generate results and cash flow and to pay dividends. Consequently, PHAROL's performance through Oi is also subject to and dependent on the performance of the Brazilian economy.	Monitoring of the Judicial Recovery process and all the daily information of Oi, Telco & Brazil. PHAROL also evaluates and analyzes Oi's investment every six months.
	COVID-19	PHAROL is subject to the potential economic shocks that a pandemic can cause in the economies in which society operates and may have a direct effect on the market value of the assets in which PHAROL has a stake.	PHAROL monitors the evolution of the pandemic crisis on a daily basis.
	Information Security	PHAROL is exposed on a daily basis to security risks, including the availability, integrity and confidentiality of the information.	PHAROL has implemented backup, firewall and antivirus procedures in its systems, as well as building security, in order to mitigate risks related to information security.
Financial Risks	Exchange Rates	Exchange rate risks are essentially related to PHAROL's investments in Oi (Brazil). Any exchange rate variations that may occur in the real against the euro affect the appreciation of the shares held by PHAROL and the operation of the subsidiary in that country, thus affecting PHAROL's results and equity. The Company has no policy of covering the value of the financial investment.	The Company, in order to reduce exchange rate risk, can hedge its position using derivatives for which there is a market, however, it currently does not have a policy to cover the value of the financial investment.
	Interest Rate	Interest rate risks basically relate to financial expenses and the floating interest rate debt and cash applications. PHAROL is indirectly exposed to this risk specially in Brazil. It should be noted that PHAROL has no bank debt as of December 31, 2021. Market interest rates also affect the discount rates used for impairment testing to the various assets of the company.	On December 31, 2021 PHAROL has no debt.

Legal Risks	Treasury Applications	PHAROL is mainly subject to credit risks in its treasury applications. In order to dilute these risks, in July 2014 the Board of Directors defined a policy for treasury applications and this policy has reviewed in 2019.	There is a policy for treasury applications.
	Default by Rio Forte as to the reimbursement of the instruments that PHAROL holds following the execution of the Exchange	The Rio Forte Instruments currently held by PHAROL are not guaranteed by assets. Therefore, even if there are amounts available for reimbursement by Rio Forte's creditors, PHAROL's right to reimbursement will be shared pro rata with Rio Forte's other unsecured creditors and only after the reimbursement of all debts to any secured creditors and, confirmation of credit validation. PHAROL annually evaluates this instrument, with monitoring by the Supervisory Board, External Audit and Statutory Auditor.	Annual evaluation of this instrument, with validation by the Supervisory Board and External Audit and closely monitoring the Rio Forte insolvency process taking place in Luxembourg
	Court proceedings	The Board of Directors subcontracts the risk analysis of legal proceedings to external lawyers and consultants, in order to know, for each one, what is their assessment of PHAROL's liability (probable, possible or remote occurrence), the status of the process, the amounts involved, provisioned and paid and what steps to take in defense of PHAROL's interests.	Risk analysis of lawsuits.
	Disputes or investigations triggered under the Rio Forte Instruments or the Business Combination	PHAROL may incur liability in connection with future litigation or other proceedings and incur defense costs in such litigation or other proceedings. Any liability incurred may adversely affect PHAROL's financial condition.	PHAROL has hired a team of Luxembourgish lawyers specialized in insolvency proceedings to ensure the closest possible monitoring of the Rio Forte Instruments. It also has other legal advisors in Portugal who follow the Business Combination with Oi from the beginning and, whenever necessary, request legal advice from specialists in Brazilian law.
	Tax contingencies	According to the contracts signed with Oi, it is incumbent upon Oi to pay the liabilities resulting from tax contingencies arising up to 5 May 2014, despite the fact that PHAROL is also jointly liable.	Quarterly monitoring and analysis of the tax consultants' report on the status of Oi's processes and the quality of the counter-guarantees provided by Oi.

54. RISK IDENTIFICATION, ASSESSMENT, MONITORING, CONTROL AND MANAGEMENT PROCEDURE

Risk Management Procedure

The Risk Management procedure implemented in PHAROL is based on an internationally acknowledged

methodology – COSO II, developed by the Committee of Sponsorship Organisations of the Treadway Commission. This approach is based on the identification and analysis of key value drivers and uncertainty factors that might affect value generation and compliance with the plan and strategic goals.

PHAROL’s priority commitment consists in the implementation of mechanisms for assessment and management of risks that might affect its operations. Such mechanisms are based on an integrated transversal risk management model, which seeks to ensure, implementation of good corporate governance practices and transparency in communication to the market and shareholders.

The whole process is monitored and supervised by the Fiscal Council. Within the functions of this body regarding the supervision of the efficiency of the risk management system, we point out the analysis of the quality, integrity and effectiveness of the risk management system and internal control system, including the annual review of its adequacy and effectiveness, and generally monitoring the execution of the functions performed by the Managing Director.

Risk Management Methodology

Considering PHAROL’s need for clear assessment and management mechanisms for the risks affecting its businesses, the following components were defined in the implementation of the risk assessment and management procedure:

- **Risk Typology**, which defines the risk factors that might generally affect PHAROL.
- **Economic Risks**: reflect the risks from the macroeconomic environment as well as the impact of entities and assets not controlled by PHAROL;
- **Financial Risks**: associated to the PT SGPS’ financial performance and to the transparency in its communication to the market;
- **Legal Risks**: result of past situations, current and future associated with hiring, assumption of rights and responsibilities and relationships with regulators and authorities.
- **Risk Management**, which formalizes the analysis of processes and procedures, the mitigation and reporting of relevant risks.

Identified risks

The table below shows the risks currently identified at the level of the Risk Management Model of PHAROL on which all risk management procedures are developed.

Economic Risks	Oi’s Performance
	COVID-19
	Information Security
Financial Risks	Exchange rates
	Interest rates
	Credit
	Liquidity
	Default by Rio Forte as to the reimbursement of the instruments that PHAROL holds following the execution of the Exchange
Legal Risks	Agreements with Oi / Business Combination
	Court proceedings
	Disputes or investigations triggered under the Rio Forte Instruments or the Business Combination

Risk assessment

In its risk assessment, the Board of Directors and Managing Director considers the existence of predictable and unpredictable events. While most events are recurrent and have already been dealt with in already prepared management programs and budgets, there are events that are often unpredictable. The Board of Directors and Managing Director assesses the risks that may cause a significant impact on the Company, taking into account both the inherent risk of materialization of the risk and the residual risk (the risk that still exists after measures have been taken by the Board of Directors and the Managing Director).

Risk monitoring, control and management

The Board of Directors allocates responsibilities to the Managing Director in order to formalise procedures that are aligned with the strategy and exposure level/risk tolerance determined for PHAROL, in such a way as to identify:

- Monitoring procedures to mitigate for each risk, according to the risk management strategy adopted by the Board of Directors and supervised by the Fiscal Council;
- Disclosure and reporting procedures for information issued regarding the risk management procedure.

Operational implementation of the risk management methodology is an interactive cyclical process that may be summarised in the following table:

Risk Management Methodology	
Board of Directors	Identifies main risks affecting PHAROL; Decides on action and prioritisation of mitigating actions.
Managing Director	Implement policies and controls in accordance with the strategy set by the Board of Directors. Monitors the implementation of controls.
Fiscal Council	Supervises and evaluates risk management model; Proposes improvements & changes to model; Reviews the main risks.

55. MAIN ELEMENTS OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IMPLEMENTED IN THE COMPANY IN CONNECTION WITH THE FINANCIAL INFORMATION DISCLOSURE PROCEDURE

The wider scope of the internal control system implemented by PHAROL includes existing controls both as to the accuracy and completeness of disclosures and as to compliance thereof with the Company's financial information. At the beginning of the process, the Managing Director, together with the Company services, the External Auditor and the Statutory Auditor, establish a timeline for the process and identify the participants/responsibility aimed at the preparation/disclosure of the financial information.

Before approval by the Board of Directors and by the Managing Director, financial information disclosures are submitted to the Fiscal Council within the context of the Company's governance model. Both the Board's approval and the Fiscal Council's opinion are preceded by a set of validation and accuracy procedures carried out by the Company services.

IV. INVESTOR SUPPORT

56. INVESTOR SUPPORT OFFICE, COMPOSITION, DUTIES, INFORMATION PROVIDED BY THE SAME AND CONTACT DETAILS

It is PHAROL's policy to supply clear and transparent information, on a regular basis, to its shareholders and other members of the financial community.

The purpose of the Investor Relations Office consists in ensuring adequate relations with shareholders, investors, analysts and financial markets in general, in particular with the Markets and Stock Exchanges where PHAROL is listed and the respective regulatory entity: CMVM.

PHAROL regularly prepares communications and press releases on interim and annual results, as well as any inside information affecting the Company. It also provides all sorts of clarifications to the financial community in general – shareholders, investors and analysts.

The financial information that is disclosed is previously audited and validated by the External Auditors and by the Management and Supervisory Bodies.

In addition, material information in relation to its activity or to the securities issued is disclosed immediately and publicly, and shareholders and other stakeholders may access it through the company's website.

Any interested party may have access to the Investor Relations Office through the following contacts:

Luís Sousa de Macedo

Investor Relations Director

Telephone: +351.212.697.698

Fax: +351.212.697.949

E-mail: ir@pharol.pt

Address: Rua Joshua Benoliel, 1, 2C - Edifício Amoreiras Square
1250-133 Lisboa - Portugal

Company Switchboard: +351.212.697.690

Website: www.pharol.pt

In addition to other information, PHAROL keeps the following information updated on its website, in Portuguese and in English:

- Company name, its nature of public company, registered office and other data pursuant to article 171 of the Portuguese Companies Code;
- The Bylaws;
- Operating rules of the corporate bodies and of the committees created within the Board of Directors;
- The identity of the members of the corporate bodies and of the representative for relations with the market;
- Duties of and access means to the Investor Relations Office as described above;
- For a period of five years, the annual and interim financial statements;

- A schedule of corporate events, which includes, among other information, scheduled General Meetings of shareholders and disclosure of annual, interim and quarterly accounts;
- Notices of the General Meetings of shareholders, as well as proposals to be submitted to discussion and voting by the shareholders, at least 21 days in advance of the meeting date;
- Historical collection with the resolutions passed at the Company's General Meetings of shareholders, the share capital therein represented and the voting results, regarding the previous three years;
- In general, information allowing an updated knowledge about the Company's evolution and reality in economic, financial and corporate governance terms.

57. REPRESENTATIVE FOR RELATIONS WITH THE MARKET

Regarding this matter, please see item 56.

58. INFORMATION ON RESPONSE PROPORTION AND PERIOD TO INFORMATION REQUESTS MADE DURING THE YEAR OR PENDING FROM PREVIOUS YEARS

The Investor Relations Office regularly receives calls with various questions, including clarifications on dividends, General Meetings of shareholders and others, typically answered immediately, when the information is public.

Also, receives requests by e-mail or post and depending on the technical complexity of the query it may take longer to answer, but typically it takes less than five business days.

Therefore, PHAROL believes that its Investor Relations Office ensures a permanent contact with investors, analysts and the market in general as well as a treatment of investors' requests.

V. INTERNET WEBSITE

59. ADDRESS

PHAROL makes available, through its website, www.pharol.pt, all information of a legal nature or on corporate governance, updates on the conduct of the business of the Company, as well as a complete set of Company financial and operational data, in order to facilitate inspection and access to such information by PHAROL's shareholders, financial analysts and other parties concerned.

60. LOCATION OF INFORMATION ON THE COMPANY NAME, ITS NATURE OF PUBLIC COMPANY, REGISTERED OFFICE AND OTHER DATA PURSUANT TO ARTICLE 171 OF THE PORTUGUESE COMPANIES CODE

All information pursuant to article 171 of the Portuguese Companies Code may be found on PHAROL website at:

<http://pharol.pt/en-us/a-empresa/pages/informacao-corporativa.aspx>

61. LOCATION OF INFORMATION ON THE BYLAWS AND OPERATING RULES OF THE CORPORATE BODIES AND/OR COMMITTEES

The bylaws and operating rules of the corporate bodies and of the committees created within the Board of

Directors may be found on PHAROL' website at:

<http://pharol.pt/en-us/governo-sociedade/pages/estatutos.aspx>

<http://pharol.pt/en-us/governo-sociedade/pages/conselho-fiscal.aspx>

62. LOCATION OF INFORMATION ON THE IDENTITY OF THE MEMBERS OF THE CORPORATE BODIES, THE REPRESENTATIVE FOR RELATIONS WITH THE MARKET, THE INVESTOR RELATIONS OFFICE OR EQUIVALENT, THEIR DUTIES AND ACCESS DETAILS

The identity of the members of the corporate bodies, the representative for relations with the market, the Investor Relations Office or equivalent, their duties and access details may be found on PHAROL' website at:

<http://pharol.pt/en-us/governo-sociedade/pages/conselho-administracao.aspx>

<http://pharol.pt/en-us/governo-sociedade/pages/conselho-fiscal.aspx>

<http://pharol.pt/en-us/contactos/pages/relacao-investidores.aspx>

63. LOCATION WHERE THE COMPANY MAKES AVAILABLE THE FINANCIAL STATEMENTS, WHICH MUST BE ACCESSIBLE FOR FIVE YEARS AT LEAST, AS WELL AS A SCHEDULE OF CORPORATE EVENTS, DISCLOSED AT THE BEGINNING OF EACH HALF-YEAR, INCLUDING, AMONG OTHERS, GENERAL MEETINGS OF SHAREHOLDERS, DISCLOSURE OF THE ANNUAL, HALF-YEAR AND, IF APPLICABLE, QUARTERLY FINANCIAL STATEMENTS

The financial statements, as well as the schedule of corporate events may be found on PHAROL' website at:

<https://pharol.pt/en-us/informacao-financeira/relatorios/pages/2021.aspx>

<http://pharol.pt/en-us/informacao-financeira/calendario-financeiro/Pages/calendario-financeiro.aspx>

64. LOCATION WHERE THE COMPANY MAKES AVAILABLE NOTICES OF THE GENERAL MEETING OF SHAREHOLDERS AND ALL PREPARATORY AND SUBSEQUENT INFORMATION RELATED TO THE SAME

Notices of the General Meeting of Shareholders and all preparatory and subsequent information related to the same may be found on PHAROL's website at:

<http://pharol.pt/en-us/governo-sociedade/assembleia-geral-acionistas/Pages/assembleia-geral-acionistas.aspx>

65. LOCATION WHERE THE COMPANY MAKES AVAILABLE THE HISTORICAL COLLECTION WITH THE RESOLUTIONS PASSED AT THE GENERAL MEETINGS OF SHAREHOLDERS, THE SHARE CAPITAL THEREIN REPRESENTED AND THE VOTING RESULTS, REGARDING THE PREVIOUS THREE YEARS

The historical collection with the resolutions passed at the Company's General Meetings of shareholders, the share capital therein represented and the voting results may be found on PHAROL' website at:

<http://pharol.pt/en-us/governo-sociedade/assembleia-geral-acionistas/Pages/assembleia-geral-acionistas.aspx>

D. REMUNERATION

I. COMPETENCE FOR DETERMINATION

66. COMPETENCE FOR THE DETERMINATION OF THE REMUNERATION OF CORPORATE BODIES, MEMBERS OF THE EXECUTIVE COMMITTEE OR MANAGING DIRECTOR AND COMPANY OFFICERS

The Compensation Committee is elected by the shareholders at a General Meeting and serves the purpose of defining the remuneration policy of the members of the corporate bodies, determining the remunerations applicable and taking into consideration the performance and the economic position of the Company.

For the completion of this task, the Compensation Committee continuously follows up and evaluates the directors' and the Company's performance, checking the extent to which the proposed targets have been achieved. The Compensation Committee meets whenever necessary.

Within the delegation of powers, the remuneration policy applicable to the PHAROL's officers is determined by the Managing Director.

II. COMPENSATION COMMITTEE

67. COMPOSITION OF THE COMPENSATION COMMITTEE, INCLUDING THE IDENTIFICATION OF THE PERSONS OR CORPORATIONS HIRED TO SUPPORT IT AND INDEPENDENCE STATEMENT REGARDING EACH OF ITS MEMBERS AND CONSULTANTS

On December 31, 2021, the following members of the Remuneration Committee (also known as the Remuneration Committee) were elected:

- António Sarmento Gomes Mota
- Francisco José Queiróz de Barros Lacerda
- Pedro Miguel Ribeiro de Almeida Fontes Falcão

Notwithstanding the necessary articulation of this committee with the Board of Directors, the composition of the Compensation Committee seeks to obtain the highest possible level of independence of its members from the members of the management body.

No member of the Compensation Committee is a member of any corporate body or committee within the Company, and no member of the Compensation Committee has any family connection to any member of the management body by way of marriage, kindred or affinity in a direct line and up to and including the third degree.

68. KNOWLEDGE AND EXPERIENCE OF THE MEMBERS OF THE COMPENSATION COMMITTEE IN THE MATTER OF REMUNERATION POLICY

All members of the Compensation Committee have knowledge and experience in the matter of remuneration policy. Some of them belong or have belonged to compensation committees of other listed companies. Appendix I hereto sets out the most relevant curriculum elements of the members of the Compensation Committee.

III. REMUNERATION STRUCTURE

69. DESCRIPTION OF THE REMUNERATION POLICY FOR THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

The remuneration policy for executive and non-executive members of the Board of Directors (such policy including the members of the supervisory body) in force during the 2021 financial year is described on the statement of the Compensation Committee on this matter as approved by the Annual General Meeting of Shareholders on April 30, 2021, under the terms provided for in Law no. 50/2020, of August 25th.

Such declaration is reproduced in Appendix II hereto.

At the same time, the remuneration policy applicable to non-executive members of the Board of Directors does not include any variable component, i.e., the value of which dependant on the performance of the Company or its value.

70. INFORMATION ON HOW THE REMUNERATION IS STRUCTURED IN ORDER TO PERMIT THE ALIGNMENT OF THE DIRECTORS' INTERESTS WITH LONG TERM INTERESTS OF THE COMPANY, AS WELL AS HOW THE REMUNERATION IS BASED ON PERFORMANCE AND DISINCENTIVES EXCESSIVE RISK TAKING

As result from the remuneration policy approved at the General Meeting of April 30, 2021 and presented in Annex II, the remuneration was based on a fixed and variable component.

71. REFERENCE, IF APPLICABLE, TO THE EXISTENCE OF A VARIABLE COMPONENT OF THE REMUNERATION AND INFORMATION ON THE WAY AS SUCH COMPONENT DEPENDS ON PERFORMANCE EVALUATION

Regarding this matter, please see the statement of the Compensation Committee Appendix II hereto.

72. DEFERMENT OF PAYMENT OF THE VARIABLE COMPONENT OF THE REMUNERATION, MENTIONING THE DEFERMENT PERIOD

Regarding this matter, please see the statement of the Compensation Committee Appendix II hereto.

73. CRITERIA ON WHICH THE ALLOCATION OF A VARIABLE REMUNERATION IN SHARES IS BASED; EXECUTIVE DIRECTORS KEEPING ANY SHARES GRANTED THEM IN THE COMPANY; ANY AGREEMENT EXECUTED AS TO SUCH SHARES, NOTABLY HEDGING OR RISK TRANSFER AGREEMENTS, THE LIMIT THEREOF, AND THEIR RELATIONSHIP TO THE AMOUNT OF THE OVERALL ANNUAL REMUNERATION

Not applicable, since the remuneration policy in force does not include the allocation of a variable remuneration in shares.

74. CRITERIA ON WHICH THE ALLOCATION OF A VARIABLE REMUNERATION IN OPTIONS IS BASED, AND INDICATION OF DEFERMENT PERIOD AND EXERCISE PRICE

Not applicable, since the remuneration policy in force does not include the allocation of a variable remuneration in options.

75. MAIN PARAMETERS OF AND GROUNDS FOR ANY ANNUAL BONUS SYSTEM AND ANY OTHER NON-PECUNIARY BENEFITS

In 2021, there were no bonuses, annual bonuses or non-pecuniary benefit systems of any nature whatsoever in force in PHAROL.

76. MAIN CHARACTERISTICS OF COMPLEMENTARY PENSION OR EARLY RETIREMENT SYSTEMS FOR DIRECTORS, SPECIFYING WHETHER THE SAME WERE SUBJECT TO APPRAISAL, IN INDIVIDUAL TERMS, BY THE GENERAL MEETING OF SHAREHOLDERS

No PHAROL director is covered by complementary pension or early retirement system plan.

IV. REMUNERATION DISCLOSURE

77. REMUNERATION INDIVIDUALLY AND GLOBALLY EARNED BY THE MEMBERS OF THE COMPANY'S MANAGEMENT BODY

Individual and global gross remunerations paid to the members of the management body are shown hereinafter:

Board of Directors (year of designation)	Fixed Remuneration 2021	Variable Remuneration 2021
Luís Maria Viana Palha da Silva (2015)	324.660 €	64.729 €
Ana Cristina Ferreira Dias, appointed by Novo Banco, S.A. (2021) (1)		
Avelino Cândido Rodrigues, appointed by Oi, S.A. (2019)	35.000 €	
Jorge Telmo Maria Freire Cardoso (2014) (2)	8.750 €	
Maria do Rosário Amado Pinto Correia (2015)	35.000 €	
Maria Leonor Martins Ribeiro Modesto (2018)	35.000 €	
Pedro Zañartu Gubert Morais Leitão (2015)	35.000 €	
Total	473.410 €	64.729 €

(1) Appointed on April 30, 2021. The payment is made directly to Novo Banco and in 2021 the amount paid was 28,700 EUR

(2) Resigned on February 10, with effect on March 31, 2021.

78. AMOUNTS PAID, FOR ANY REASON WHATSOEVER, BY OTHER COMPANIES IN A CONTROL OR GROUP RELATIONSHIP OR SUBJECT TO COMMON CONTROL

During 2021, no amounts were paid to PHAROL's members of the Board of Directors by companies in a control or group relationship or subject to common control.

79. REMUNERATION PAID IN THE FORM OF PROFIT SHARING AND/OR BONUS PAYMENT, AND THE REASONS WHY SUCH BONUSES AND/OR PROFIT SHARING WERE GRANTED

The remuneration policy of the members of the Board of Directors in 2021, which was presented to the General Meeting of shareholders April 30, 2021, does not predict the provide for the allocation, in general terms, of this type of remuneration.

80. COMPENSATIONS PAID OR DUE TO FORMER EXECUTIVE DIRECTORS IN RESPECT OF TERMINATION OF OFFICE DURING THE FINANCIAL YEAR

During the year 2021, there is no compensation paid for the contract termination of executive directors.

81. REMUNERATION INDIVIDUALLY AND GLOBALLY EARNED BY THE MEMBERS OF THE COMPANY'S SUPERVISORY BODY

The remuneration of the Fiscal Council is composed of a fixed annual amount based on the Company's situation and market practices without the existence of a variable remuneration.

The gross remuneration of the Fiscal Council for the year 2021 was as follows:

Fiscal Council		Remunerations 2021
José Eduardo Fragoso Tavares de Bettencourt	(1)	32.895 €
José Maria Rego Ribeiro da Cunha	(2)	16.333 €
Isabel Maria Beja Gonçalves Novo		31.500 €
João Manuel Pisco de Castro		31.500 €
Paulo Ribeiro da Silva	(3)	
Total		112.228 €

(1) Elected on April 30, 2021.

(2) In office until April 30, 2021.

(3) Alternate member.

82. INDICATION OF THE REMUNERATION OF THE CHAIRMAN OF THE BOARD OF THE GENERAL MEETING OF SHAREHOLDERS

The Chairman of the Board of the General Meeting, Diogo Lacerda Machado, for his functions at General Meetings granting the gross remuneration of Euro 8,000.

V. AGREEMENTS WITH REMUNERATION IMPLICATIONS

83. CONTRACTUAL LIMITATION AS ESTABLISHED FOR ANY COMPENSATION TO BE PAID UPON REMOVAL WITHOUT JUST CAUSE OF A DIRECTOR, AND ITS RELATIONSHIP WITH THE VARIABLE COMPONENT OF THE REMUNERATION

There are no agreements that establish a right to compensations upon removal without just cause of a director, other than the ones provided by law.

84. AGREEMENTS WITH MEMBERS OF THE BOARD AND OFFICERS PROVIDING FOR COMPENSATION IN THE EVENT OF TERMINATION OF OFFICE FOLLOWING A CHANGE OF CONTROL

There are no agreements between PHAROL and the members of the management body or officers providing for compensation in the event of resignation, removal without just cause or termination of employment relationship following a change of control in the Company.

VI. SHARE ALLOTMENT OR STOCK OPTION PLANS

The information set forth in **items 85 to 87** of the form attached to CMVM Regulation no, 4/2013 is not applicable to PHAROL, as during the 2021 financial year, the Company did not adopt any share allotment or share call option plans, nor did any such plans remain in force, in regard to PHAROL directors, employees or any third parties.

88. CONTROL MECHANISMS PLANNED FOR ANY EMPLOYEE CAPITAL HOLDING SYSTEM TO THE EXTENT THAT VOTING RIGHTS ARE NOT EXERCISED BY SUCH EMPLOYEES

Not applicable, since there is no system specifically providing for any share capital holding by employees in the Company.

E. RELATED PARTY TRANSACTIONS

I. CONTROL MECHANISMS AND PROCEDURES

89. MECHANISMS IMPLEMENTED BY THE COMPANY TO CONTROL RELATED PARTY TRANSACTIONS (IAS 24)

In order to ensure compliance with PHAROL's obligations, internal control procedures are adopted to (i) identify and ensure the transparency of the decision-making process related to transactions with related parties and/or with shareholders with qualified participation, (ii) determine the transactions whose disclosure is mandatory or relevant, and (iii) establish internal responsibilities in relation to the identification of related parties and transactions carried out.

For this purpose, it is mandatory to comply with the following provisions of the internal regulations regarding the transactions of PHAROL, SGPS S.A. (PHAROL) and respective subsidiaries with related parties and shareholders with qualified participation:

1. General principles regarding transactions with related parties and shareholders holding qualified participation

- 1.1. Without prejudice to the provisions in the following sections, transactions with PHAROL related parties or with shareholders holding qualified participation must be carried out within the scope of PHAROL's current activity and under market conditions.
- 1.2. In any case, no main corporate member or key collaborator can authorize transactions with himself, with any of his family, with any entity under his control or with an entity under the control of his family.

2. Transactions with related parties and shareholders holding qualified participation subject to a resolution by the Board of Directors preceded by an opinion by the Fiscal Council

- 2.1. The following are subject to deliberation by the Board of Directors, preceded by the opinion of the supervisory board:
 - a) transactions by PHAROL or its subsidiaries to be carried out with members of the Board of Directors of PHAROL, regardless of the respective amount, under the terms of article 397/2 of the Portuguese companies code;
 - b) transactions with related parties that do not meet the requirements set out in paragraph 1.1 above.
 - c) PHAROL transactions or its subsidiaries to be carried out with shareholders with qualified participation or entities that are in one of the relationships provided for in article 20 of the securities code, or respective renewals, whose aggregate value per entity is greater than euro 1,000 .000

(one million euros) per year;

- d) transactions of PHAROL or its subsidiaries with related parties, or respective renewals, whose aggregate value per entity is greater than euro 200,000 (two hundred thousand euros) per semester;
 - e) other transactions that, due to their relevance, the Board of Directors intends to submit to this procedure.
- 2.2. The decision of the Board of Directors provided for in the preceding paragraph must include in particular the reasoning as to the fair and reasonable nature of the transaction from the point of view of PHAROL and of the shareholders who are not related parties, including minority shareholders, also making reference to the sense of the Fiscal Council's opinion.
 - 2.3. The transaction proposals to be submitted to the Board of Directors must be substantiated, referring to the fair and reasonable nature of the transaction from the point of view of PHAROL and the shareholders who are not related parties, including minority shareholders.
 - 2.4. The request for an opinion from the supervisory body must be accompanied by: (i) sufficient information on the characteristics of the transaction, namely from a strategic, financial, legal and fiscal point of view, (ii) information on the nature of the relationship between the PHAROL, or its subsidiaries, and the counterparty in question, (iii) financial procedures and terms agreed within the scope of the transaction, (iv) evaluation procedure adopted and respective assumptions, including prices used as a reference, (v) contracting process and (vi) the impact of the transaction on the financial situation of the PHAROL group.
 - 2.5. The information referred to in the previous number must be provided by the transaction proponent.
 - 2.6. The approval of the transactions provided for in number 2.1 / c) and d) above, depends on confirmation, in the opinion of the fiscal council, that, given the reasoning presented, the nature of the counterparty does not influence the decision to contract and the terms and conditions agreed.
 - 2.7. At meetings of the Board of Directors for approval of half-yearly and annual financial information, the supervisory body informs the Board of Directors of the opinions issued in the immediately preceding period.
 - 2.8. When the execution of any of the transactions provided for in paragraph 2.1 implies the successive performance of several operations in which the second and the following are mere acts of execution of the first, the approval procedure will only apply once.

3. Other related party transactions

- 3.1. Considering the provisions of paragraph 1.2 above, in cases not subject to deliberation by the Board of Directors, the approval of the transaction is the responsibility of a member with an equivalent or higher position in the hierarchy of the PHAROL group that ensures the independence of the decision process on the transaction, the provisions of paragraphs 2.2 (regarding the grounds for the decision), 2.3 (regarding the grounds for the proposal) and 2.8 above (regarding mere execution acts) being correspondingly applicable.
- 3.2. Transactions approved or to be approved under the terms of the previous number are subject to internal reporting to PHAROL's Board of Directors if:
 - a) The accumulated annual amount of the transaction corresponds to at least euro 100,000 (one hundred thousand euros);
 - b) In the case of a loan, investment or other form of advance of funds (regardless of guarantees).
- 3.3. Proposals for transactions that do not correspond to normal market conditions for similar transactions cannot be approved, being sent to the Board of Directors for compliance with the provisions of section 2 above.

4. Exemption

4.1. Transactions with related parties or with holders of qualified participation relating to:

- a) purchases of goods or provision of contracted services in compliance with the internal rules regarding purchases, suppliers and service providers that are in force at the time of contracting;
- b) banking operations of PHAROL and subsidiaries, such as collection, payment, deposits and other financial investments, short and medium term financing operations, issuance of commercial paper, foreign exchange operations, hedging derivatives and bank guarantees provided they do not exceed the aggregate value of euro 300,000 (three hundred thousand euros) per year;
- c) where the consideration is determined based on official quotations (for example, contracts on exchange rates or interest and commodities), if the agreed intervals correspond to normal market practices;
- d) where the consideration is determined on the basis of tariffs or fees fixed by the competent regulatory authorities.

4.2. The following transactions are also exempted from the approval procedure provided for in section 2 above:

- a) transactions carried out between companies in a controlling or group relationship with PHAROL or between these and PHAROL;
- b) the payment by the PHAROL group of the remuneration of the main corporate members and key employees for the exercise of their functions;
- c) operations accessible to all employees or shareholders of the PHAROL group under equivalent conditions;
- d) the contracting of technical services, namely legal or tax consultancy, whenever the approval procedure provided for in this article may compromise their timely provision, taking into account the specificity of the services to be provided, namely taking into account the qualifications and degree of knowledge required for the provision of the services in question, as well as the deadline for their execution;
- e) transactions that constitute the execution of transactions already contracted under general contracts already in force at PHAROL group.

5. Public disclosure of transactions with related parties and / or with shareholders holding qualified participation

5.1. Transactions with related parties whose value is equal to or greater than 2.5% of PHAROL's consolidated assets and which are not carried out within the scope of its current activity and under market conditions are subject to public disclosure.

5.2. The disclosure referred to in the previous number must be made no later than the moment of the transaction, containing at least: (i) the identification of the related party, (ii) information about the nature of the relationship, (iii) the date and amount of the transaction, (iv) justification as to the fair and reasonable nature of the transaction, from the point of view of PHAROL and of the shareholders who are not related parties, including minority shareholders and (v) the sense of the opinion of the fiscal council, whenever this has been negative.

5.3. Transactions between related parties and any PHAROL subsidiary whose value is equal to or greater than 2.5% of the company's consolidated assets and which are not carried out within the scope of current activity and in market conditions.

5.4. Without prejudice to the case-by-case analysis of the specific transaction in the light of accounting, legal and regulatory rules, the other transactions provided for in paragraph 2.1 above and those

subject to internal reporting, are also considered relevant for the purposes of weighting the disclosure to the market. Of paragraph 3.2 above.

- 5.5. The provisions of the preceding paragraphs do not prejudice the fulfillment of the obligations of mandatory disclosure of privileged information, under the legal terms.
- 5.6. Transactions with the same related party entered into during any 12-month period, or during the same year, and which have not been published are aggregated for this purpose.

6. Non-submission and exemption from public disclosure

- 6.1. Without prejudice to the provisions of paragraphs 5.4, 5.5 and 5.6, the transactions provided for in paragraph 4.1 above and those that do not reach the quantitative limit provided for in paragraphs 5.1 and 5.3 are not subject to public disclosure.
- 6.2. The following are exempt from the legal obligation of public disclosure:
 - a) Transactions carried out between PHAROL and its subsidiaries, provided that they are in a controlling relationship with the company and no party related to PHAROL has an interest in that subsidiary;
 - b) Transactions related to directors' remuneration, or to certain elements of that remuneration;
 - c) the transactions proposed to all shareholders under the same terms in which the equal treatment of all shareholders and the protection of the interests of the company are ensured;
 - e) transactions that constitute a mere execution of transactions already disclosed under this provision.

Responsibilities for the identification and disclosure of transactions with related parties and / or with qualified participation holders

For the purposes of internal control of transactions with related parties and / or with holders of qualified participation, a division of powers and responsibilities is established within the PHAROL group.

90. TRANSACTIONS SUBJECT TO CONTROL

In 2021, there were no transactions subject to the rules described in paragraph 89.

91. INTERVENTION OF THE SUPERVISORY BODY IN THE PRIOR EVALUATION OF TRANSACTIONS WITH OWNERS OF A QUALIFIED HOLDING

In this respect, reference is made to point 89 of Part I above.

II. TRANSACTION DETAILS

92. LOCATION, IN THE ANNUAL FINANCIAL STATEMENTS, WHERE INFORMATION ON RELATED PARTY TRANSACTIONS, IN ACCORDANCE WITH IAS 24, IS AVAILABLE

Information on related party transactions is available on Note 19 to the consolidated financial statements for the year 2021. There were no transactions with related parties to disclose in respect of the fiscal year ended on 31 December 2021.

Information on the transactions executed during the fiscal year ended on 31 December 2021 with owners of qualified holdings who are not related parties in accordance with IAS 24 is available in Note 212 to the consolidated financial statements for the year of 2021.

PART II – CORPORATE GOVERNANCE EVALUATION

1. IDENTIFICATION OF THE CORPORATE GOVERNANCE CODE ADOPTED

As previously mentioned, the Company has adopted the Corporate Governance Code of IPCG, ensuring an adequate level of protection of shareholders' interests and transparency of Corporate Governance.

PHAROL is also subject to other internal standards adopted in its corporate governance structure such as various internal rules of conduct and transparency, specifically the Code of Ethics and Conduct, the Rules on Management Transactions, Related Party Transactions and Transactions with Qualified Holders.

PHAROL, held in 2021 the management model delegating the day-to-day management to Managing-Director.

2. STATEMENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE ADOPTED

PHAROL complies with the recommendations set out in the IPCG Corporate Governance Code, which entered into force on January 1, 2018, reviewed in 2020.

Within this context, PHAROL's corporate governance model and principles:

- Observe all legal rules of a binding content applicable to the Classic-type corporate governance model as provided for under article 278,1(a) of the Portuguese Companies Code;
- Take in a significant set of recommendations and best practices in this field as established under the IPCG Code, duly substantiating duly its corporate governance options in accordance with the "comply or explain" principle.

PHAROL adopts the recommendations of the Corporate Governance Code of the Portuguese Institute of Corporate Governance ("CGS IPCG") in the revised version in 2020, available through the link:

https://cgov.pt/images/ficheiros/2020/revis%C3%A3o_codigo_en_2018_ebook_copy.pdf

The items in Part I of this Corporate Governance Report that contain a description of the measures taken by the Company for compliance with the IPCG Recommendations are identified hereunder.

RECOMMENDATION ACCORDING TO THE MULTIPLE RECOMMENDATIONS TABLE	Compliance	Report
I. GENERAL PROVISIONS		
I.1. Company's relationship with investors and disclosure		
I.1.1. The company must establish mechanisms that ensure, in an appropriate and rigorous form, the timely disclosure of information to its governing bodies, shareholders, investors and other stakeholders, financial analysts and the market in general.	Complied	Items 56, 58 and 59
I.2. Diversity in the composition and functioning of the company's governing bodies		
I.2.1. Companies must establish criteria and requirements related to the profile of new members of corporate bodies appropriate to the function to be performed, and, in addition to individual attributes (such as competence, independence, integrity, availability and experience), these profiles must consider diversity requirements, paying particular attention to gender, which can contribute to the	Complied	Items 19, 21 and Appendix I

improvement of the organ's performance and to the balance in its composition.		
<p>I.2.2. (1) The management body must have internal regulations - namely on the exercise of the respective attributions, chairmanship, frequency of meetings, operation and duties of its members - fully disclosed on the company's website.</p> <p>I.2.2. (2) Idem in relation to the supervisory body.</p> <p>I.2.2. (3) Idem applies to internal commissions.</p> <p>I.2.2. (4) Minutes of the meetings of the management body must be prepared.</p> <p>I.2.2. (5) Idem in relation to the supervisory body.</p> <p>I.2.2. (6) Idem in relation to internal committees.</p>	<p>Complied</p> <p>Complied</p> <p>Not Applicable</p> <p>Complied</p> <p>Complied</p> <p>Not Applicable</p>	<p>Items 21, 22, 31, 34 and 61</p>
<p>I.2.3. (1) The composition of the management, supervisory bodies and their internal commissions must be disclosed through the company's website.</p> <p>I.2.3. (2) The number of annual meetings of the management, supervisory bodies and their internal commissions must be disclosed through the company's website.</p>	<p>Complied</p> <p>Complied</p>	<p>Items 17, 22, 23, 27, 31, 34, 35, 59 and 61</p>
I.2.4. A whistleblowing policy should be adopted to ensure the appropriate means for communicating and handling them, safeguarding the confidentiality of the information transmitted and the identity of the notifier, whenever requested.	Complied	Items 21 and 49
I.3. Relationship between corporate bodies		
I.3.1. The bylaws or other equivalent measures adopted by the company must establish mechanisms to ensure that, within the limits of the applicable legislation, members of the management and supervisory bodies are permanently guaranteed access to all information and employees of the company for the assessment of performance, the situation and the prospects for the development of the company, including, in particular, the minutes, the documentation to support the decisions taken, the notices and the archive of the meetings of the executive management body, without prejudice to access to any other documents or persons to whom clarifications may be requested.	Complied	Items 22, 34 and 61
I.3.2. Each company body and committee must ensure, in a timely and appropriate manner, the flow of information, from the beginning of the respective notices and minutes, necessary for the exercise of the legal and statutory powers of each of the other bodies and commissions.	Complied	Items 22, 34 and 61
I.4. Conflicts of interest		
I.4.1. By internal regulation or equivalent, the members of the management and supervisory bodies and internal commissions are bound to inform the respective body or commission whenever there are facts that may constitute or cause a conflict between their interests and the social interest.	Complied	Items 22, 34 and 89
I.4.2. Procedures should be adopted to ensure that the member in conflict does not interfere in the decision-making process, without prejudice to the duty to provide information and clarifications requested by the body, the committee or the respective members.	Complied	Items 22, 34 and 89

I.5. Related party transactions		
I.5.1. The management body must disclose, in the government report or in another publicly available way, the internal procedure for verifying transactions with related parties.	Complied	Items 21 and 89
I.5.2. The management body must communicate to the supervisory body the results of the internal procedure for verifying transactions with related parties, including the transactions under analysis, at least every six months.	Complied	Items 21, 89 and 90
II. SHAREHOLDERS AND GENERAL MEETING		
II.1. (1) The company should not set an excessively high number of shares necessary to grant the right to one vote, II.1. (2) and must make explicit in the government report their option whenever it implies deviation from the principle that each share corresponds to one vote.	Complied Not Applicable	Item 12
II.2. The company must not adopt mechanisms that make it difficult for shareholders to take decisions, namely by setting a deliberative quorum higher than that provided for by law.	Complied	Item 14
II.3. The company must implement adequate means for the participation of shareholders in the General Meeting at a distance, in terms proportional to its size.	Complied	Item 12
II.4. The company must also implement adequate means for exercising the right to vote at a distance, including by correspondence and electronically.	Complied	Item 12
II.5. The bylaws that provide a limitation of the number of votes that can be held or exercised by a single shareholder, individually or in consultation with other shareholders, should also provide that, at least every five years, it is subject to deliberation. by the general meeting the alteration or maintenance of this statutory provision - without quorum requirements aggravated in relation to the legal one - and that, in this resolution, all votes cast are counted without that limitation working.	Complied	Items 5 and 21
II.6. Measures that determine payments or the assumption of charges by the company should not be adopted in the event of a change of control or a change in the composition of the management body and that appear likely to harm the economic interest in the transfer of shares and free appreciation by shareholders performance of administrators.	Complied	Item 4
III. NON-EXECUTIVE ADMINISTRATION AND SUPERVISION		
III.1. Without prejudice to the legal functions of the chairman of the board of directors, if he is not independent, the independent directors must designate a coordinator among themselves to, inter alia, (i) act, whenever necessary, as an interlocutor with the chairman of the board of directors and with the other administrators, (ii) ensure that they have the set of conditions and means necessary for the performance of their duties; and (iii) coordinating them in the performance evaluation by the management body provided for in recommendation V.1.1.	Explain	Items 15 and 18 It appears that the appointment of an independent lead director does not bring added value given the reduced structure of the company and the small size of its CA. and, consequently, the reduced number of its independent non-executive directors, three, does not justify the

		<p>possibility of appointing a coordinator of independent directors. Within the scope of their functions and competences, all directors decide to meet together afterwards frequently. By streamlining management procedures, the Company provided all directors with the necessary prior information in a timely manner, allowing them to be fully informed and clarified.</p> <p>on all matters relating to its decisions. As for the CA self-assessment process, it is carried out through responses on an electronic platform, whose coordination is ensured by the Secretary-General.</p>
<p>III.2. (1) The number of non-executive members of the management body must be adequate to the size of the company and the complexity of the risks inherent in its activity, but sufficient to efficiently ensure the functions entrusted to them and must be included in the government report the formulation of this adequacy judgment.</p>	Complied	Items 15, 17, 18, 21 and 31
<p>III.2. (2) Idem in relation to the number of members of the supervisory body.</p>	Complied	
<p>III.2. (3) Idem applies to the number of members of the commission for financial matters.</p>	Not Applicable	
<p>III.3. In any case, the number of non-executive directors must be greater than that of executive directors.</p>	Complied	Items 17, 18 and 21

<p>III.4. Each company must include a number of not less than one third but always plural, of non-executive directors who fulfil the requirements for independence. For the purposes of this recommendation, a person who is not associated with any specific interest group in the company, nor is under any circumstances likely to affect his/her exemption from analysis or decision, is considered to be independent, namely by virtue of: i) Having exercised for more than twelve years, in a continuous or interspersed manner, functions in any body of the company; ii) Having been a collaborator of the company or company that is in a controlling or group relationship with it in the last three years; iii) Having, in the last three years, provided services or established a significant commercial relationship with the company or with a company that is in a dominant or group relationship, either directly or as a partner, administrator, manager or person manager collective; iv) Be the beneficiary of remuneration paid by the company or by a company that is in a controlling or group relationship with it in addition to the remuneration resulting from the exercise of the functions of director; v) Live in a de facto union or be a spouse, relative or similar in a straight line and up to the 3rd degree, including, in the collateral line, of company directors, managers of a legal person holding a qualified interest in the company or of natural persons directly or indirectly with qualified participation; vi) Be a holder of a qualified shareholding or representative of a shareholder with a qualifying shareholding.</p>	Complied	Items 17 and 18
<p>III.5. The provision in paragraph (i) of recommendation III.4 does not preclude the qualification of a new director as independent if, between the end of his duties in any body of the company and his new appointment, at least three years have elapsed (cooling-off period).</p>	Not Applicable	Item 17
<p>III.6. (1) With respect to the powers conferred on it by law, the supervisory body assesses and pronounces on the strategic lines, prior to its final approval by the management body. III.6. (2) Idem in relation to the risk policy.</p>	Complied Complied	Item 21 and 34
<p>III.7. (1) Companies must have a specialized committee on corporate governance. III.7. (2) Idem applies to the matter of appointments. III.7. (3) Idem applies to the matter of performance evaluation.</p>	Not Applicable Not Applicable Not Applicable	Items 15
IV. EXECUTIVE MANAGEMENT		
<p>IV.1. The management body must approve, by means of internal regulation or by equivalent means, the performance regime of the executive directors applicable to the exercise by them of executive functions in entities outside the group.</p>	Complied	Items 21 and 22 PHAROL complies with the provisions of Art. 398 of the Portuguese Companies Code. In addition, the sole executive director has full-time duties.
<p>IV.2. (1) The management body must ensure that the company acts in accordance with its objectives and should not delegate powers, namely, with regard to: i) definition of the company's strategy and main policies; IV.2. (2) ii) organization and coordination of the business structure;</p>	Complied Complied	Items 21 and 22

IV.2. (3) iii) matters that should be considered strategic due to their amount, risk or special characteristics.	Complied	
IV.3. In the annual report, the management body explains in what terms the strategy and the main policies defined seek to ensure the long-term success of society and what are the main resulting contributions to the community in general.	Complied	Annual Report, Item 6.
V. PERFORMANCE ASSESSMENT, REMUNERATION AND APPOINTMENTS		
V.1. Annual Performance Assessment		
V.1.1. (1) The management body should assess its performance annually, taking into account the fulfilment of the company's strategic plan and budget, risk management, its internal functioning and the contribution of each member to the effect, and the relationship between society's bodies and commissions.	Complied	Item 21
V.1.1. (2) Idem in relation to the performance of the committees of the management body.	Not Applicable	
V.1.1. (3) Idem in relation to the performance of executive directors.	Complied	
V.2. Remuneration		
V.2.1. The company must set up a remuneration committee, the composition of which ensures its independence from management, which may be the remuneration committee designated under the terms of article 399 of the Portuguese Companies Code.	Complied	Items 67 and 68
V.2.2. The setting of remunerations should be the responsibility of the remuneration committee or the general meeting, on the proposal of that committee.	Complied	Items 67,68 e and Appendix II
V.2.3. For each mandate, the remuneration committee or the general meeting, on a proposal from that committee, must also approve the maximum amount of all compensation to be paid to the member of any body or committee of the company due to the respective termination of functions, proceeding the disclosure of said situation and amounts in the government report or in the remuneration report.	Complied	Items 80, 83, 84 and Appendix II
V.2.4. In order to provide information or clarifications to the shareholders, the chairman or, when unable to do so, another member of the remuneration committee must be present at the annual general meeting and at any other meetings if the respective agenda includes a matter related to the remuneration of the members of corporate bodies and commissions or if such presence has been required by shareholders.	Complied	Part I, Item B I. – General Meeting
V.2.5. Within the company's budgetary limitations, the remuneration committee must be able to freely decide whether to hire, by the company, the necessary or convenient consultancy services for the exercise of its functions.	Complied	Appendix II
V.2.6. The remuneration committee must ensure that those services are provided independently and that the respective providers are not contracted to provide any other services to the company itself or to others that are in a controlling or group relationship without the express authorization of the committee.	Complied	Appendix II
V.2.7. In view of the alignment of interests between the company and the executive directors, part of their remuneration must be of a variable nature that reflects the	Complied	Appendix II

sustained performance of the company and does not encourage the taking of excessive risks.		
V.2.8. A significant part of the variable component must be partially deferred over time, for a period of not less than three years, associating it, necessarily, to the confirmation of the sustainability of performance, under the terms defined in the company's internal regulations.	Complied	Appendix II
V.2.9. When the variable remuneration comprises options or other instruments directly or indirectly dependent on the value of the shares, the beginning of the exercise period must be deferred for a period of not less than three years.	Not Applicable	Appendix II
V.2.10. The remuneration of non-executive directors must not include any component whose value depends on the performance of the company or its value.	Complied	Appendix II
V.3. Appointments		
V.3.1. The company must, under the terms it deems appropriate, but in a manner susceptible of demonstration, promote that the proposals for the election of the members of the governing bodies are accompanied by reasons regarding the adequacy of the profile, knowledge and curriculum to the function to be performed by each candidate.	Complied	Appendix I
V.3.2. Unless the size of the company does not justify it, the function of monitoring and supporting the appointments of senior managers should be assigned to an appointments committee.	Not Applicable	Item 15
V.3.3. This commission includes a majority of independent non-executive members.	Not Applicable	
V.3.4. The appointments committee must make available its terms of reference and must, as far as its competences, induce transparent selection processes that include effective mechanisms for identifying potential candidates, and that the ones with the greatest merit are chosen for the proposal, best suited the requirements of the function and promote, within the organization, an adequate diversity including gender.	Not Applicable	
VI. RISK MANAGEMENT		
VI.1. (1) The management body must discuss and approve the strategic plan.	Complied	Items 21 and 54
VI.1. (2) The management body must discuss and approve the company's risk policy, which includes the setting of limits in terms of risk-taking.	Complied	
VI.2. The supervisory body must organize itself internally, implementing periodic control mechanisms and procedures in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the management body.	Complied	Items 21, 34 and 54
VI.3. The internal control system, comprising the functions of risk management, compliance and internal audit, must be structured in terms appropriate to the size of the company and the complexity of the risks inherent in its activity, with the supervisory body evaluating it and, in within the scope of its competence to monitor the effectiveness of this system, propose any necessary adjustments.	Complied	Items 21, 34 and 54

VI.4. The supervisory body must give its opinion 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 any necessary adjustments.	Complied	Items 21, 34 and 54
VI.5. The supervisory body should be the recipient of the reports made by the internal control services, including the functions of risk management, compliance and internal audit, at least when matters related to the rendering of accounts, identification or resolution of conflicts of interests and the detection of potential irregularities	Complied	Items 21 and 34
VI.6. (1) Based on its risk policy, the company should establish a risk management function, identifying (i) the main risks to which it is subject in the development of its activity, VI.6. (2) (ii) the probability of their occurrence and their impact, VI.6. (3) (iii) the instruments and measures to be adopted in view of the respective mitigation and VI.6. (4) (iv) the monitoring procedures, aiming at their monitoring.	Complied Complied Complied Complied	Items 53, 54 and 55
VI.7. The company must establish procedures for inspection, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance and the performance of that system, as well as the prospect of changing the risk framework previously defined.	Complied	Items 21 and 51
VII. FINANCIAL INFORMATION		
VII.1. Financial Information		
VII.1.1. The internal regulation of the supervisory body should require that it supervise the adequacy of the process of preparation and disclosure of financial information by the management body, including the adequacy of accounting policies, estimates, judgments, relevant disclosures and their consistent application among exercises, in a duly documented and communicated manner.	Complied	Items 21 and 34
VII.2. Statutory audit and inspection		
VII.2.1. Through internal regulations, the supervisory body must define, under the terms of the applicable legal regime, the inspection procedures aimed at ensuring the independence of the statutory auditor.	Complied	Items 21 and 34
VII.2.2. (1) The supervisory body should be the main interlocutor of the statutory auditor in the company and the first recipient of the respective reports, VII.2.2. (2) it is incumbent upon him, namely, to propose the respective remuneration and to ensure that, within the company, the appropriate conditions for the provision of services are ensured.	Complied Complied	Items 21 and 34
VII.2.3. The supervisory body must annually assess the work carried out by the statutory auditor, its independence and suitability for the exercise of functions and propose to the competent body its dismissal or the termination of the contract for the provision of its services whenever there is just cause for that purpose.	Complied	Items 21 and 45

APPENDIX I

Curricular elements of the members of the board of directors

Luís Maria Viana Palha da Silva (Chairman of the Board of Directors and Managing Director)

Date of Birth

18th February 1956

Education

He completed a degree in Economics from the Instituto Superior de Economia of the Technical University of Lisbon in 1978 and a degree in Business Management from the Portuguese Catholic University, Lisbon, in 1981.

Professional Experience

In 1981 he began his professional career at Quimigal, in the areas of Metal Marketing and Chemical Supplies. After a stint in the companies of the Leon Lévy Group, as deputy of the Managing Director and with responsibilities in the financial areas, he joined COVINA, Companhia Vidreira Nacional, where he held the functions of Member of the Board, also in the financial area. He assumed the position of Member of the Board of IPE- Investimentos e Participações do Estado in 1991 and held the position of Secretary of State for Commerce in the XII Constitutional Government, between 1992 and 1995. In the last year, he began to perform functions at Cimpor-Cimentos de Portugal, having actively participated, as Director of Strategic Planning and Chief Financial Officer, in the last phases of privatization of the company and in the process of internationalization of its activity, following the different operations of acquisition of cement companies in Brazil, Egypt, Tunisia, among others, and being responsible for Investor Relations. In 2001, he began to serve as CFO of Jerónimo Martins, a position that would accumulate with the CEO from 2004 until 2010. In these years, he directed and collaborated in the financial restructuring process and the refocus of the group's business in Poland and food retail. He also maintained, during these years at Jerónimo Martins, the responsibilities of Investor Relations. In 2012, he assumed the position of Executive Vice President of Galp, with the responsibility of the refining and retail areas (downstream). In 2015, he became chairman of PHAROL's Board of Directors, accumulating these functions, initially with those of Chief Executive Officer and, from 2017, with those of Managing Director. In addition, he also assumes Management functions in the subsidiary of PHAROL in Brazil, the telecommunications company Oi with interruption in 2018-2020. Since 2021, he has been a non-executive member of the Board of Directors of Oi, S.A.. In 2019, he is elected Chairman of the Board of the Edp General Assembly position that accumulates, by inderence, with that of member of the General and Supervisory Board of the same company. Since 2018, he has been a non-executive member of the Board of Directors of Nutrinveste, a leading company in several food businesses in Portugal. He served as President of AEM - Association of Issuers of Portugal, President of Apetro - Association of Portuguese Oil Companies and EPIS- Entrepreneurs for Social Inclusion, a non-governmental organization

of social and educational support to young people. He attended several training courses, namely at the Wharton School of Economics at the University of Pennsylvania (AMP).

Awarded, in Portugal, with the Grand Cross of the Order of Merit (2015).

Maria do Rosário Amado Pinto Correia (Director)

Date of Birth

10th October 1958

Education

Degree in Economics from the Católica Lisbon School of Business and Economics (1980)

Master of Business Administration, Nova School of Business (1983)

MBA from the Wharton School (1981)

Lycée Français Charles Lepierre, Lisbonne – Baccalaureat (1975)

Professional Experience

Corporate executive

- More than a decade of experience on Companies' Boards
- 40 years experience in Corporate Executive and Academia roles
 - Management
 - Consultancy
 - Academic teaching and executive education program coordination
- Performed in various capacities in listed, multinational, and Portuguese SME companies
- With international experience and residency

Expertise

- Technical expertise in Customer Centric Organization Focus, namely in Branding, Advertising & Communication, Satisfaction & Relationship Management and Customer Journey & Experience
- International Business Development, including setting up companies overseas, leading their international transition processes and market expansion programs
- Business turnaround and re-structuring, including acquisition and integration as well as divesting and judiciary recovery processes

Industries

- Academic Education (Undergraduate, MBA and Executive Education Programs Coordination and Lecturer)
- Telecommunications & Post Office
- Branding & Advertising & Communication
- Luxury & Fashion
- Hospitality

Board Positions

- Sport Lisboa e Benfica- Futebol, SAD
 - Board Member (Jan 22 to date)
- Sixty Degrees SGFIM, S.A.
 - Board Member (Apr 2019 to date)
- Experienced Management, SA
 - Board Member (Sep 2018 to date)
- Fundiestamo, SGOIC, S.A.
 - Member of the Supervisory Board (Apr 2018 to date)
- Oi S.A.
 - Alternate Board Member and Member of the HR Committee (2016 to 2018)

- PHAROL, SGPS S.A.
 - Board Member (2015 to date)
- Ferreira Marques & Irmão
 - Chairwoman of the Board (2012-2015)
- PT Group
 - Advisor to the Board of PT International (2007)
 - Board member at PT Asia (2005 – 2007)
 - Chairwoman and Legal Representative of CTTC/Archway Beijing (2005-2007)
- Ogilvy Group Lisboa
 - Advisor to the Chairwoman and CEO (1994-2002)

CEO or equivalent positions

- Experienced Management (2018 to 2021)
- Ferreira Marques & Irmão (2012-2015)
- Macau Cable TV, PT Group (2005-2007)
- Ogilvy One Lisbon (1994-2002)
- Marie Claire Portugal (1992-1994)

Managerial and consulting positions

- Católica Lisbon School of Business and Economics
 - Head of Executive Consultancy, Centre of Applied Economics (2017 to date)
 - Head of Business Development, Executive Education in Asia and Brazil (2012 – 2015)
- Católica Lisbon Centre for Applied Economics (2012)
 - Senior consultant, projects at OGMA and MasterCard
- NNS S.A.
 - Senior consultant with projects at Correa & Terenas, BeWith, Grupo Celff and MyBrand (2008-2012)
- PT Group
 - Founder and Head, Client Satisfaction Department, PT-SGPS (2004)
 - Head, Knowledge Management and Communication Department, PT Comunicações (2003)
- McCann-Erickson Group
 - Group Leader, McCann-Erickson (1990-1992)
 - Team Manager, McCann Direct (1987-1990)
- CTT, Correios de Portugal
 - Founder and Head, Direct Mail Office (1985-1987)
 - Product Manager, Financial Products and Letters (1981-1994)

Academia Positions

- Católica Lisbon School of Business and Economics (1977-1980, 1987-2004, and 2008 to date)
 - Lecturer, Program Coordinator and International Business Development, Executive Education
 - Lecturer, Undergraduate and MBA Programs
 - Business development, Executive consultancy
- Universidade de S Jose, Macau (2005-2012)
 - Invited Lecturer, Undergraduate and MBA Program
- Nova School of Business (1980-1987)
 - Assistant Teacher

Lifelong Learning (most relevant)

- Course On Corporate Governance, Master On Finance Program, CLSBE, Lisboa, 2018
- Program For Non-Executive Board Members, IPCG (Corporate Governance Portuguese Institute), Lisbon, 2016
- Doing Business In Angola, Abreu Advogados, Lisbon, 2010
- Managing Cable And IPTV, CAASBA, Singapore, 2005
- Senior Management Program, Ogilvy Worldwide, Various Locations, 2001/2002

- Senior Leadership Program, Chicago University For Mccaan Worldwide, Chicago, 1991
- Direct Marketing Symposium In Montreux, Switzerland, 1984 - 1987
- Business Turnaround, Wharton School, Lisbon, 1983

Memberships/Professional Affiliations

- Alumni Católica
- AAAMBA (alumni MBA Nova)
- Ordem dos Economistas (professional association of Portuguese economists)
- WPO (Women Presidents Organization)
- IPCG (Portuguese Corporate Governance Institute)
- We Connect (Worldwide women business organization)
- GBRW (Global Board Ready Women)
- WOB (Women on Board)

Non profit organizations

- Alumni Católica - Director
- AAAMBA - Director and Member of the Consulting Board
- Fundação do Gil - Fund raiser supporter

Maria Leonor Martins Ribeiro Modesto (Director)

Date of Birth

20th January 1958

Education

She graduated in Economics at the Portuguese Catholic University in 1980. In September of 1987 she completed the Ph.D. in Economics at the Catholic University of Louvain. In 2004 she obtained the Agregação in Economics from the Portuguese Catholic University.

Professional Experience

She began her academic career as an Assistant Professor at the Portuguese Catholic University in 1988. She was promoted to Associate Professor in April 1998, and has been a Full Professor of the same university since June 2008.

Managing Partner of Modelling Mind Lda., since June 2010

Between 1988 and 1992 she coordinated the Quantitative Methods Group of the Center for Applied Studies of the Portuguese Catholic University. She was a consultant to the Portuguese Ministry of Finance from 1994 to 1998. She directed the Research Unit of the Faculty of Economics and Business of the Portuguese Catholic University from 1997 to 2004, and from 2007 to 2014. She was director of the Center for Applied Studies of the Portuguese Catholic University from 2008 to December 2017. Leonor Modesto was Dean for research at CLSBE - Católica Lisbon School of Business and Economics - from 2012 to 2014. Between 2015 and 2019 she was President of the Scientific Council of CLSBE.

She has been the principal investigator of numerous research projects funded by the European Commission, the Portuguese Foundation for Science and Technology, the Programme Pessoa and Integrated Luso-French Actions.

Her research interests cover macroeconomic dynamics, more specifically endogenous business cycles, and the functioning of the labor market, with articles published in journals such as the Journal of Economic Theory, Economic Theory, Journal of Economic Dynamics and Control, Journal of Mathematical Economics,

Macroeconomic Dynamics, International Journal of Industrial Organization, Mathematical Social Sciences, Economic Modelling, Journal of Population Economics or Labor Economics.

She was President of ASSET the "Southern European Association for Economic Theory" between 2009 and 2011, having been Vice-president of the same association between 2007 and 2009.

She has been an associate editor of Economics Bulletin since 2013.

Ana Cristina Ferreira Dias (Director appointed by Novo Banco, S.A., to exercise the position in her own name)

Date of Birth

5th March 1970

Education

Degree in Economics – Faculdade de Economia da Universidade Nova de Lisboa (1988-1992)
Post-Graduate in Corporate Finance – CEMAF/Indeg – ISCTE (1998-1999)
Degree in History – Universidade Aberta (2006-2013)
Master in Portuguese Multidisciplinary Studies – Universidade Aberta (2012-2016)

Recent Professional training and participation in *executive assessment* processes

2018 – Participation in the *Talent Lab* program, developed by Novo Banco, with *executive assessment*, carried out by the consultancy firm Mercer Jason for selected staff, with a view to i) identifying successors to the NB's first-line management and ii) investing in the individual development of these employees.

2018 – Attended and passed the 2nd edition of *Advanced Executive Program* – Novo Banco, taught by *Nova School of Business and Economics*;

Professional Experience

From October 2020 to date, Coordinating director of the Shareholders office of Novo Banco, SA ("NB"), reporting directly to Board of Directors, with transversal functions in management, institutional representation, monitoring and reporting - corporate and activity - at the level of the portfolio of equity investments held, both in entities of the NB Group and in other participated companies, whether companies, Restructuring Funds or other investment funds and other entities.

From October 2015 until September 2020, Director in the Business Development and NPA Department ("DDNN") of NB, being responsible for the Strategic Development and NPA Unit, the team managing organised processes of disposal of non-strategic assets, namely equity stakes in companies, financial institutions and investment funds, as well as non-performing loans ("NPL") portfolios.

Most representative projects:

- Contracted in December 2018 and September 2019 and with financial close throughout 2019 and 2020: organisation of competitive processes, management of internal and external team (advisors) and negotiation with investors, of the purchase and sale agreements of the two largest NPL portfolios transactions ever performed in the Portuguese market, representing a total divestment of around Eur 3.5 MM;
- With financial close in October 2019: organisation of competitive process, management of internal and external team (advisors) and participation in the negotiation with investor of contracts for i) distribution and ii) purchase and sale of 100% of the capital of the insurer GNB Vida;
- With signature in May 2018: participation in the negotiation with the Resolution Fund (FdR), and consequent internal implementation and with the counterparty, of the servicing contract for the assets covered by the contingent capital mechanism (CCA);

- Since 2015: organisation and management of competitive sales processes, negotiation with investors and contracting of transactions for the disposal of NB equity stakes, in companies and investment funds such as: Empark, ES Ventures, NB Asia, among others.

Other permanent assignments:

- Since 2013, monitoring and follow-up of equity financial participations and institutional representation of NB as:
 - (a) participant, among others, in the six Corporate Restructuring Funds, where the NB holds a stake of more than Eur 1 MM, being the focal point both in the relationship with the fund management companies (ECS, Oxy Capital and Explorer) and with the supervisors, European Central Bank (ECB), Bank of Portugal (BdP) and the other participants (BCP, CGD, among others)
 - b) shareholder in companies such as Nanium, Portugal Ventures, Hospital de Loures - Gestora do Edifício, GNB Concessões and Líneas;

From 2017 to 2019, production of the annual disinvestment planning exercise, in the medium term, of the stock of non-performing assets (NPA), formally approved by the NB's management and supervisory bodies and submitted to the regulators, as well as representing the NB in the plan's monitoring interactions with the BCE.

Current positions representing the NB*:

Member of the Board of Directors of Hospital de Loures - Sociedade Gestora do Edifício, S.A., since 2017.

Member of the Board of Directors of Líneas - Concessões de Transportes, SGPS, S.A., since 2017

Member of the Board of Directors of GNB Concessões, SGPS S.A., since 2018

Member of the Board of Directors of PHAROL, SGPS S.A. since 2021

* appointment to other positions, as administrator of companies and funds, still in the process of formalisation.

Professional positions until 2015

From 2013 to 2015 - Director in different departments of Banco Espírito Santo ("BES") and then NB, with responsibilities for:

- (i) developing instruments to follow up and monitor equity stakes in companies and investment funds, as well as institutional representation of the NB before these entities;
- ii) to conduct proceedings
- iii) Internal advisory in the design and contracting of corporate credit restructuring processes.

2012 - Director at Banco Espírito Santo de Investimento ("BESI") - Corporate Modernisation Office, participating in the management of the Venture Capital Fund "PME Capital Growth" as well as monitoring the underlying asset portfolio.

2005-2011 - on loan from BESI to ESCOM - Espírito Santo Commerce, SA, acting as Advisor to the Board of Directors, focused on the assessment of opportunities and structuring of international investment projects, particularly in Angola, in diversified sectors such as: (i) mining (exploration of the Luó and Chimbongo diamond concessions); (ii) energy (project for hydroelectric dam in Luapasso); (iii) real estate (several buildings in Luanda) and (iv) agriculture and livestock (conception of a project for banana production and export in partnership with Chiquita, in the Lobito region), among others.

2004/2005 - on secondment from BESI, as Advisor to the Board of Directors of Sporting Gestão, SA, with the role of conceiving and developing a Management Planning and Control model for the various business units of the Sporting Group.

From 1997 to 2004 - Evolution from Management Assistant to Director at BESI, in financial advisory functions for companies and consortia in Project Finance and Corporate - Mergers and Acquisitions, in diversified sectors such as transport and infrastructures, environment (water and sanitation, waste), leisure and health. Some emblematic projects and mandates:

- Advisory to public railway transport companies (CP, Metro de Lisboa and Metro do Porto) in projects of: i) reorganisation of business units and public service contractualisation; ii) investment, based on the structuring of multilateral financing and cross-border lease operations of rolling stock (1997-2000);
- Assistance to municipalities, multi-municipal systems and competing consortia in public service water and sanitation concessions (1998-2000);

- Economic and financial assessment of IPE - Águas de Portugal, SGPS's shareholdings (1999);
- Advisory to the Espírito Santo Group on acquisitions of private health units (2000);
- Advisory to the consortium that won the 20-year concession for the Santa Apolónia – Sotagus container terminal (2000-2001);
- Advising Sport Lisboa e Benfica in the design, development and project finance of the new Luz Stadium (2001-2003).

From 1992 to 1997 - at Banco Português do Atlântico ("BPA"), succeeded by Banco Comercial Português ("BCP") - Enterprise credit and risk analyst, at the Economic-Financial Analysis Office of the Southern Commercial Department, with specialisation in the analysis of: i) medium term investment projects, particularly within the scope of the incentive systems of the second Community Support Framework; ii) economic groups; iii) construction credit; iv) municipal credit.

Pedro Zañartu Gubert Morais Leitão (Director)

Date of Birth

29th June 1965

Education

Management Degree, Best Student BPA Award – Universidade Católica Portuguesa, completed in 1988
 Northwestern University, Kellogg Graduate School of Management - Evanston, Illinois, USA, Master in Management, Dean's List (Top 10%), completed in 1992
 Portuguese Army, Escola Prática do Serviço de Transportes – Figueira da Foz, Portugal
 Officer (Top 10%), completed in 1990

Professional Experience

Tenured CEO, with a successful track record in managing start-ups and acquisitions, turn-arounds and build-ups for private equity shareholders in various sectors in Portugal, Brazil and other Portuguese-speaking countries. Experience in non-executive roles for listed companies in Portugal and Brazil.

- Energy - Led the build-up of a fuel retailer and biodiesel producer in Portugal;
- Telecommunications – Led the restructuring of a corporate-focused telecom operator in Portugal;
- Insurance – Managed the launch of a new company in Angola, helped launch a direct operation in Portugal;
- Internet – Launched a Portal and Service Provider, managed it as a self-sustaining operation for 9 years;
- Education – Launched an e-Learning operation in Portugal, followed an acquired operation in Brazil;
- Technology retail – Managed the build-up of a consumer technology retailer in Iberia;
- Media – Presided the Portuguese Media Confederation.

PRIQ

Chairman and Chief Executive Officer of PRIQ
 Portugal

Nov. 2013 – Today

PRIQ is a biodiesel producer and fuel retailer with 2020 consolidated revenues of 890M€ and recurrent EBITDA of 34M€, employing ~820 direct employees. Since 2013, PRIQ doubled its revenues and EBITDA through a combination of new station openings, purchasing contracts negotiations and use of innovative feedstock in biodiesel production. The company was successfully sold to Spanish conglomerate DISA, who have invited me to stay on.

ONI

Chairman and Chief Executive Officer of ONI
Portugal, Mozambique

Apr. 2012 – Oct. 2013

ONI was a fixed telecoms operator focused on corporate, institutional and wholesale clients in the Portuguese market, with FY2013 revenues of 110M€ and EBITDA of 16M€, employing ~360 people. I was hired to sustain the company throughout the Euro crisis, I left after the company was sold to Altice.

LEYA

Chief Executive Officer of UnYLeYa
Portugal, Brazil, Mozambique, Angola

Sep. 2010 – Mar. 2012

UnYLeYa is the e-Learning arm of leading Portuguese-language publisher LeYa. We launched an operation from scratch in Portugal, which also serves the Mozambique and Angola markets, and acquired an existing operation in Brazil with revenues of over €25 million. I left LeYa to join ONI.

GARANTIA SEGUROS

Chief Executive Officer
Angola

Apr. 2009 – Jul. 2010

Garantia was the 7th non-life insurance license in the Angolan market. I launched the operation with a small team in January 2010 and issued \$4M in premiums until May, when a shareholder dispute led to my resignation.

GRUPO MEDIA CAPITAL

Chief Executive Officer of the Internet business unit
Portugal

Aug. 1999 – Nov. 2008

Grupo Media Capital has been the leading media group in Portugal since 2002, with a “free-to-air” television (TVI), a radio group (MCR), and an Internet portal (IOL). I launched and managed the Internet operation from 1999 to 2008, achieving growth both organically and through acquisitions, the operation being self-sustainable throughout.

SONAE MC

Business development manager
Portugal;

1998 - 1999

Worten

Brand Manager
Portugal and Spain;

1997 - 1998

Sonae MC is the retail arm of Sonae, a industrial conglomerate. I developed the store opening plan for Worten and initiated its implementation, leading the design of 12 stores. After Paulo Azevedo left MC to become CEO in Sonae’s Telecom operation, I became Business Development Manager. One year later, I left to join Media Capital.

MCKINSEY & COMPANY

Associate - Portugal, Spain, Angola;
Analyst - Portugal, Spain;

1992 - 1997

1988 – 1989

I led and participated in management consulting projects in a variety of sectors, geographies and contexts, such as:

- Redesign of the corporate center role for a leading Portuguese industrial conglomerate
- Performance evaluation of the own-brand product line for the largest Portuguese modern retail chain
- Credit recovery process redesign for a mid-sized Portuguese Bank
- Business plan development for the entry in the Angola market of the largest Portuguese private bank
- Development of the Marketing plan for a large Portuguese food manufacturer
- Design and launch of new products and channels for a credit card issuer in Portugal

- Interim management support in the launch of a new direct-writing car insurance operation in Portugal
- Organizational structure review for the Portuguese Airport operator
- Validation of the network growth plan for the Lisbon Underground operator

THE MAC GROUP

Summer intern

Chicago, Illinois, USA;

June – July 1991

Professional Non- Executive Experiences

PHAROL

Non-Executive Director

Portugal;

April 2015 - Today

PHAROL is an investment conglomerate listed in the Lisbon Euronext stock exchange. Currently its main asset is a shareholding stake in Brazilian telecom operator Oi. I am independent to any shareholder in the company.

OI

Non-Executive Director

Brazil;

Oct. 2015 – Oct. 2018

Oi is the owner and operator of the largest fixed telecom network and the 4th mobile telecom operator in Brazil, with assets of ~\$US20B and revenues of ~\$US7B in 2020. I was recommended to this position by PHAROL.

VILLASBOAS-ACP

Non-Executive Director

Portugal;

Sep. 2013 – Nov. 2019

VillasBoas-ACP is one of the four largest insurance brokers operating in Portugal. The company is controlled by my cousin Miguel Morais, who invited me for a non-executive advisory role in the company's board.

CONFEDERAÇÃO PORTUGUESA DE MEIOS DE COMUNICAÇÃO SOCIAL

Chairman

Portugal;

Mar. 2007 – Mar. 2009

CPMCS is the Portuguese media sector's confederation, representing the "Free-to-air" televisions, the national radios, the Radio and the Press Associations in its relationship with the Government, the regulators and the public opinion.

Avelino Cândido Rodrigues (Director appointed by Oi, S.A., to exercise the position in her own name)

Date of Birth

26th November 1959

Education

Graduated Law School from the University of Lisbon School of Law, with a PgD on Markets, Institutions

and Financial Instruments from Nova School of Business and Economics/Nova School of Law/ Oporto Derivative Stock Exchange Association and courses on Public Administration procedures (in external good and services contracts) and IT contracts.

Professional Experience

Enrolled in the (Lisbon) Portuguese Bar Association in 1990, as an intern, having been assigned the ultimate professional license no. 9966L and made his registration as a Lawyer with the (Rio de Janeiro) Brazilian Bar Association in 2008, where he has been given the professional license no. 164944 - RJ.

Started his law practice as an independent lawyer and also in a “partnership” with other colleagues, but with this own law firm, until 2007, year in which he participated, as a founding partner, in the constitution of the law firm “ACR & Associados - Law Firm R.L.”, firm where he is a main shareholder and CEO since its establishment.

Worked and works mainly as a lawyer for companies and his professional activity ranges from Corporate, Contracts, Administrative, IT, Copyright and Industrial Property, Criminal, Labor and Insolvency Law, Litigation, Investments and Legal Opinions draw ups.

In 2019 was appointed as member of the BoA of PHAROL, SGPS S.A.

CV data of the members of the Compensation Committee

António Sarmiento Gomes Mota (Member of the Compensation Committee)

Date of Birth

10th June 1958

Education

Graduate in Business Organization and Management, ISCTE – Instituto Universitário de Lisboa (1981). MBA, Universidade Nova de Lisboa (1984). Doctor in Management, ISCTE (2001).

Professional Experience

He has a corporate career of over 20 years in management positions in the banking, consulting and financial services fields. He was Director of ISCTE Business School from 2003 to 2012 and President of INDEG/ISCTE from 2005 to 2012. He is a Professor at ISCTE Business School since 2005. He has a large experience as consultant in the areas of strategy, corporate assessment and risk management for Portuguese and international corporations. He is the author of various reference works in the financial field. He has held leadership positions in various Boards of Directors and Supervisory Boards in Portuguese listed corporations.

Since 2021 he is the Chairman of the Board of Directors of EDP Renováveis, S.A. and Chair of the Nominations, Remuneration and Corporate Governance Committee, since 2019 he is the Chairman of the Audit Board of MYSTICINVEST HOLDING S.A. and since 2016 and Chairman of the Portuguese Institute of Corporate Governance.

He was Chairman of the Board of Directors of CTT, S.A. from 2017 to 2020 and Vice Chairman from 2014 to 2017 | Chairman of the Board of Directors (non-executive) of SDC Investimentos, SGPS S.A. from 2013 to 2016 | Member of the General and Supervisory Council from 2009 to 2018; Member of the Audit

Committee (2009/2015) and Performance and Competition (2012/2015) and Chairman of the Audit Committee of EDP – Energias de Portugal, S.A. from 2015 to 2019.

Member of the Compensation Committee of PHAROL, SGPS S.A. since 2013.

Francisco de Lacerda (Member of the Compensation Committee)

Date of Birth

24th September 1960

Education

Graduated in Management & Business Administration, Universidade Católica Portuguesa (1982). Certified in the International Directors Program, INSEAD, France (2019/2020). Several other training programs in INSEAD.

Professional Experience

Non-Executive Independent Director of Endesa Energia, the largest electricity production, distribution and commercialization company in Spain, since 2015, Chairman of its Audit and Compliance Committee since 2020 (Committee that has been a member since 2015) and member of the Nomination and Remuneration Committee between 2015 and 2020 and also since 2021. Member of the Board of Cotec Portugal since 2015 (Chairman from 2015 to 2018).

During 25 years up to 2008 he held various positions in investment, corporate and retail banking, including CEO of Banco Mello and Executive Member of the Board of Directors of Millennium BCP (the #1 private sector bank in Portugal), then from 2010 to 2012 was CEO of Cimpor – Cimentos de Portugal SGPS, S.A., at that time an international cement group operating in 12 countries, from 2008 to 2012 Non-Executive Independent Director of EDP Renováveis (also member of the Audit Committee and later of the Remuneration Committee), Chief Executive Officer (CEO) of CTT – Portugal Post from 2012 to 2019, where he led its privatization, and Chairman of Banco CTT since inception in 2015 to 2019.

Non-Executive Independent Director of Endesa Energia, Spain, from 2015, Chairman of the Audit and Compliance Committee since 2020 Chairman of the Audit and Compliance Committee from 2020 (Committee that has been a member since 2015) and member of the Nomination and Remuneration Committee between 2015 and 2020 and also since 2021 | Manager of Imagegate – Consultoria de Negociação, Lda. since 2021 | Manager of Ventos Cuidadosos – Negócios e Investimentos. Lda., since 2021 | Chief Executive Officer (CEO) of CTT – Correios de Portugal, SA from 2012 to 2019, also Chairman of the Board of Directors from 2012 to 2017 and Vice Chairman from 2017 to 2019 and member of the Corporate Governance, Evaluation and Nominations Commission from 2014 to 2016 | Chairman of the Board of Directors of Banco CTT from 2015 to 2019, also Chairman of the Board's Remuneration Commission and member of the Selection Commission from 2015 to 2019 and Chairman of the Shareholders Remuneration Commission from 2016 to 2019 | Chairman of CTT Expresso – Serviços Postais e Logística, SA from 2014 to 2019 | Chairman of Tourline Express Mansajeria, SLU from 2014 to 2019 | Member of the Board of Directors of Portuguese Foundation of Communications from 2012 to 2019 | Chairman of the General Meeting of Shareholders of Correio Expresso de Moçambique, SA since 2013 | Member of the Board of Directors of International Post Corporation from 2014 to 2017 | Chairman of the Board of Cotec Portugal from 2015 to 2018, member of the Board from 2018 | Member of the Board of AEM – Associação de Empresas Emitentes de Valores Cotados em Mercado from 2014 to 2017 | Member of the General Council of Cascais Yacht Club from 2006 to 2020, Vice-Commodore from 2016 to 2020.

Pedro Miguel Ribeiro de Almeida Fontes Falcão (Member of the Compensation Committee)

Date of Birth

17th September 1970

Education

Graduated in Business Management in 1993 from Universidade Católica Portuguesa (Lisbon), concluded in 1999 an MBA from Harvard Business School and a PhD in Management with unanimous praise and distinction, in 2008, by Iscte-IUL. He attended executive programs at HEC Paris and Harvard Kennedy School, among others, and attended the Advanced Program for Non-Executive Directors of the Portuguese Institute of Corporate Governance.

Professional Experience

He started his career in 1993 as Founder, Partner and Manager of "Diacalai", a startup selling innovative imported products. In 1994, he taught at the Universidade Católica Portuguesa, having subsequently taught again from 2000 to 2002. In 1995, he joined the investment bank of the BCP Group (Banco Císf), in the corporate finance department, having participated in large-scale projects. In 1999, he went to Vodafone / Telecel where he was responsible for the development of the company's e-commerce area in Portugal. Two years later, he was a consultant at Arthur D. Little, where he developed advisory projects to analyze the economic environment and markets for sectors, and strategic and strategic planning advice. From 2003 to 2013, he developed financial and strategic analysis and advisory projects, including evaluations of business projects, advice on business transactions, restructuring and redefinition of business strategies, raising and executing advisory services in the implementation of turn-around projects and negotiating investment projects. From 2005, he became a Visiting Professor at Iscte-IUL, having been Associate Dean at Iscte Business School from 2014 to 2016, and co-director of the Executive MBA at ISCTE Executive Education. He was a non-executive member of the Board of Directors and Member of the Audit Committee of Caixa Geral de Depósitos from 2013 to 2016, having also been a member of the Remuneration Committee from 2015 to 2016. Member of the Board of the Ordem dos Economistas since 2018 to 2022.

From 2015 to 2018 he was a member of the Conselho Fiscal of Pharol, SGPS, and in 2018 he became a member of the company's Remuneration Committee, until now.

Currently, he is also Chairman of the Conselho Fiscal of Montepio Holding, Banco BEM, Montepio Crédito and Montepio Valor, positions held in 2018. He is a member of the Conselho Fiscal of BMO-GAM Portugal since 2017.

He is a consultant in the business area.

CV data of the members of the Fiscal Council

José Eduardo Fragoso Tavares de Bettencourt (Chairman of the Fiscal Council)

Date of Birth

24th October 1960

Education

Catholic Lisbon School of Business & Economics, Portugal
Graduate Studies in European Economy (1 discipline left behind due to military service) – 1983/1984
Nova, School of Business & Economics, Portugal – Degree in Economics – 1978/1983

Professional Experience

April 2021	Chairman of the Fiscal Council elected for the years 2021-2023
May 2017/Dec. 2020	<p>Board Member of Novo Banco – Chief Operating Officer and Head of the Credit Department;</p> <p>Deliver NB Group cost targets by category – staff, G&A expenses and depreciation; Est-2020 Operating Costs €426M; Staff €246M; G&A €146M; depreciation €34M;</p> <p>Deliver and execution of the IT strategic plan including “run the bank” and “change the bank”, namely Digital enablers, data-lake, payments hub, Mifid 3 and new default definition;</p> <p>Reshape operations to realise cost initiatives and efficiencies, namely automation and robotics and non-core outsourcing. Meeting all the pre-defined SLA's;</p> <p>Implement the new operating model under the COVID-19 new environment, while maintaining operational and IT usability and security;</p> <p>Lead the Credit Committee (Conselho Financeiro de Crédito);</p> <p>Lead the Procurement and Costs Committee;</p> <p>Member of the following Committees: Costs (Responsible); Credit (responsible); Compliance; Financial Control; Product; Risk; Digital Transformation; Impairment; Management Information; Operational Risk;</p> <p>And Steering: DMIF2; Data Quality; New Distribution Model; Cyber Security; Data-Protection; PSD2/Payments; Law 83/anti-money laundering and terrorist prevention.</p>
2013/2014	<p>Sabatic Period after retirement from the Santander Group; Golden Assets Commercial Director; Independent asset management boutique targeting Multifamily Offices Providing; Independent Financial Advisor</p>
2012/2013	<p>Santander Asset Management Portugal; President of the Board Santander Asset Management SGPS S.A.; President of the Board Santander Pensões – Sociedade Gestora de Fundos de Pensões (Pension Funds); Assets under management 7 billion euros; Reporting to the Group’s Asset Management Business managed by Juan Alcaraz part of the global Santander Asset Management, Insurance and Private Banking Division run by Javier Marin; President of the Board Santander Asset Management - Sociedade Gestora de Fundos de Investimento Mobiliário, SA.</p>
2009/2011	<p>President of Sporting Club de Portugal (pure passion); Elected by the club members with 90% of votes in July 2009; President of the Board of Sporting Club de Portugal Football Company.</p>
2006/2009	<p>Board Member in Santander Totta SGPS and Banco Santander Totta responsible for the retail network- 600 branches- and for the premium, private and middle market business segments, reporting to the President Nuno Amado; Elected member of the TOP 200 Santander Group; ROE 24%;</p>

€737MM Pre-Tax Income;
 1.0 b operating income;
 1.8 MM clients;
 Ratio past-due>90d loans 0,5%;
 Cost to income 41,8%;
 €33b worth of assets.

2004/2006	Board Member of Banco Santander Totta responsible for Human Resources (6.000 staff and €285MM budget) and deputy of the President Antonio Horta Osorio; Responsible for the PMO of the group's new operating system -Parthenon implementation and the Tagus project allowing the bank to improve its leading position in cost efficiency.
2001/2004	Board Member of Sporting Club Portugal Football Company; Leading the Youth Academy project, one of the most reputed in the World; Winner of the Portuguese League 2001/2002(the last league title won by the club) Super cup and Cup winner.
1998/2001	Chief of staff of Banco Santander Totta's, President António Horta Osorio; Board Member of Crédito Predial Português (non-executive); Board Member of Banco Santander Portugal; Board Member of Santander Leasing Company.
1997/1998	Board Member of Banco Santander de Negócios SA., Head of Private Banking.
1993/1997	Board Member of Banco de Comércio e Indústria, Retail and Middle Market; Hired by Santander after its first acquisition in Portugal.
1992	Director of Banco Mello, Head of Assurfinance Business. Opening the first assurfinance branches with Império Insurance Company.
1991	Director of Barclays Bank PLC., Head of Retail Business; Opening the first sixty branches in Portugal.
1985/1991	Vice-President of Citibank Portugal SA., Head of World Corporate Banking Group reporting to Don Van Wart Division Group Head; Before, Credit analyst, also responsible for the target market Sectorial Risk Assets Acceptances Criteria and Central Liability Control, including the bank's exposure limits to the Republic of Portugal.

Professional Accreditation

2020	FATCA and CRS - 03.2020 (on an e-learning basis).
2019	Training on the Prevention of Money Laundering and Terrorist Financing - 11.2019 (on an e-learning basis).
2019	Information Security - 20.2019 (on an e-learning basis).
2019	Technical Seminar "New Trends in Digital - Impact, Challenges and Opportunities for Banking" - 06.2019.
2018	Technical Seminar "Emotional Intelligence" - 11.2018.
2018	Business Continuity - 20.2018 (on an e-learning basis).

2018	General Data Protection Regulation - 05.2018 (on an e-learning basis).
2018	CRS Common Reporting Standard - 01.2018 (on an e-learning basis); Training on the Prevention of Money Laundering and Terrorist Financing - 12.2017 (on an e-learning basis).
2017	Induction Program NOVO BANCO: Organizational Structure - business areas, roles and responsibilities of the business units, reporting lines and committees; Regulatory Framework and Legal Requirements; Strategic Planning and Budget Execution; Financial Markets; Risk Management; Governance, regulation, guidelines and methodologies of the internal control system and internal control department role / Assessment of the internal control system's effectiveness and adequacy – the internal audit function; Financial Statements; Compliance - code of conduct and conflict of interests' policies, compliance policies, internal controls, regulation and supervision;
2017	Nova School of Business and Economics – Executive Education - Advance Executive Program NOVO BANCO, First Edition – Banking Business.
2016	Health and Safety at Work (on an e-learning basis).
2015	Certification of the GNB Code of Conduct (on an e-learning basis).
2009	Liderando el Crecimiento de Grupo (Santander) Módulo 3.
2008	Liderando el Crecimiento de Grupo (Santander) Módulo 2.
2007	Liderando el Crecimiento de Grupo (Santander) Módulo 3.
2005	Insead Senior Management Workshop.
1997	Bank Insurance Seminar EFMA (Bruxelas); Mercados Financeiros e Gestão de Carteiras (Santander Banca Privada Interna Bill Wates/David Zenoff.
1996	Internacional Private Banking (Cádiz);
1995	Kottler on Marketing (Londres);
1991	Citicorp Corporate Finance;
1991	Capital Markets (Citibank);
1990	World Corporate Conference (Citibank New York);
1989	Bourse Game (Citibank Jersey) – 1989;
1988	Interest Rate and Foreign Exchange Management (Citibank Londres) -1988;

1987

Credit and Risk Management (Citibank Londres) – 1987;

Isabel Maria Beja Gonçalves Novo (Member of the Fiscal Council)

Date of Birth

1st April 1967

Education

Graduated in Business Management at Instituto Superior de Ciências do Trabalho e da Empresa, she completed a postgraduate degree in Finance (European Business Certificate) at South Bank University, in London, and attended the International Management Programme at INSEAD, in Fontainebleau, France. She also attended the Executive Management programmes (i) Managing for Success, in Belgium (promoted by BNP Paribas) and (ii) Leadership for Growth, in France (promoted by Fortis Bank).

Professional Experience

She began her professional career as a credit analyst at Générale Bank – Sucursal em Portugal, between 1991 and 1993, the year she was appointed alternate Head of Credits at the same institution, a position she held until 1995.

Between 1995 and 2010 she served as Head of Credits at Fortis Bank – Sucursal em Portugal, having been responsible for the coordination of the entire credit process and monitoring of the credit portfolio, including loan agreements and respective collaterals, as well as for the management of non-performing loans. In this period, she was a legal representative of the Branch near Banco de Portugal, member of the Steering Committee and member of the Credit Committee, with a delegated credit authority of up to € 10 million.

Between 2010 and 2012, she was the Head of Credits at BNP Paribas Fortis – Sucursal em Portugal, responsible for managing the credit analyst teams of both Fortis Bank – Sucursal em Portugal and BNP Paribas Fortis – Sucursal em Portugal. She was responsible for the restructuring of the Credit Departments of the two banks, promoting the integration of the respective teams and leading the harmonization of the credit process of the two institutions. In this period, she was a legal representative of the Branch near Banco de Portugal.

Between 2013 and 2017 she was Vice-President at the Portuguese Triathlon Federation.

Since 2013, she provides financial and business consulting and advisory services, with participation in several projects from different geographies (with an emphasis on Mozambique, Portugal, Angola and Cape Vert) and industries (banking, telecommunications, industry, education and tourism, amongst others).

Member of the Supervisory Board of BEST, Banco Electrónico de Serviço Total, S.A. from December 2016 to November 2021.

Positions Currently held

Member of the Supervisory Board of ActivoBank, S.A., since December 2021

Member of the Supervisory Board of Interfundos – Sociedade Gestora de Organismos de Investimento Coletivo, S.A., since November 2021

Member of the Supervisory Board of Touro Capital Partners – SCR, S.A., since March 2021

Member of the Supervisory Board of PHAROL SGPS, S.A., since May 2015

João Manuel Pisco de Castro (Member of the Fiscal Council)

Date of Birth

22th September 1954

Education

Graduated in Electrotechnical Engineering, Telecommunications and Electronics track from Instituto Superior Técnico (1983) | MBA from Faculdade de Economia, Universidade de Lisboa (1990)

Professional Experience

Member of the Supervisory Board of PHAROL, SGPS S.A.
Director of Grupo Visabeira, SGPS S.A.
Director of VisabeiraConstructel, S.A.
Chairman of Vista Alegre USA
Director of Real Life – Tecnologias de Informação, S.A.
Director of Constructel (Rússia)
Director of Birla – Visabeira LTD
President of MOB – Indústria de Mobiliário, S.A. to 2017
President of Faianças da Capoa – Indústria de Cerâmica, S.A. to 2017
President of Pinewells, S.A. to 2017
President of Visagreen, S.A. to 2017
Director of Visacasa, S.A. to 2017
Director of Constructel (Bélgica) to 2017
Director of Constructel Sweden AB to 2017
Director of Constructel (UK) até 2017
Director of Constructel GmbH to 2017
Director of Constructel (France) to 2017
President of Instituto de Gestão Financeira e de Infra-Estruturas da Justiça, I.P. from 2007 to 2009
Member of the Board of Directors of Grupo Visabeira SGPS S.A. from 2002 to 2007
Member of the Board of Director of Visabeira Telecomunicações e Construção, SGPS S.A. from 2002 to 2006
Directors of Visabeira Serviços SGPS, S.A. from 2003 to 2005.

Paulo Ribeiro da Silva (Alternate Member of the Fiscal Council)

Date of Birth

2nd april 1966

Education

Graduated in Financial Audit – ISCAL – Instituto Superior de Contabilidade e Administração de Lisboa
Post-graduated in Corporate Finance – INDEG/ISCTE
Post-graduated in Security and Computer Auditing – ISTEAC – Instituto Superior de Tecnologias Avançadas

Professional Experience

Partner of JM Ribeiro da Cunha & Associados, SROC, Lda since 2018
Partner Manager of BRAVI – Fiscalidade e Consultoria, Lda. Since November 2017

Complementary information to the curricula of the Governing Bodies

In line with recommendations 1.2.1 of the Corporate Governance Code of the Portuguese Institute of Corporate Governance 2018 ("IPCG Code"), revised in 2020, PHAROL provides this complementary information to the curricula of the governing bodies on the individual attributes and diversity requirements of them, which can contribute to their effective performance.

This document, focusing on the curricula presented by the members of the Board of Directors, Fiscal Council and Compensation Committee, elected in the General Meeting on April 30, 2021, is intended to contribute to a more detailed and objective analysis of the members of these bodies, materializing the specification of the criteria and requirements relating to individual attributes as set out in the IPCG Company Government Code.

Composition of the Board of Directors, Fiscal Council and Compensation Committee

- Board of Directors composed of six members
- Fiscal Council composed of three full members and one alternate
- Compensation Committee of Salaries composed by three members

The composition of these bodies is appropriate to the size of the company and its activity. It allows the promotion of an effective functioning and performance of the Board of Directors, considering aspects such as (i) the legal framework (composition of 3 to 7 members, in accordance with the statutes of PHAROL, and Recommendations III.2 to III.4 of IPCG code regarding the appropriate number of executives, non-executive and independent directors), (ii) the necessary skills, experience and knowledge and (iii) the appropriate level of diversity.

1. Individual Attributes

1.1. Academic Training, Competence and Experience

In the field of academic training and in accordance with the respective curricula, the members of the Board have complementary training at the international level, which includes Masters, MBA's and PhDs. We point out that the administrators Dr. Luis Palha da Silva, Dra. Ana Cristina Ferreira Dias, Dr. Maria do Rosário Pinto Correia, Dr. Pedro Morais Leitão, Dr. Jorge Freire Cardoso and Dr. Maria Leonor Ribeiro Modesto, all have training in economics and management.

The members of the FC have the qualifications required and adequate to carry out these functions with qualifications, training and solid knowledge in auditing or accounting.

The curricula presented by all members of the FC show a vast experience in the exercise of functions in supervisory bodies in multiple sectors. The President of the FC, Dr. José Eduardo Fragoso Tavares de Bettencourt, has a vast accumulated experience of more than 30 years of professional life in the banking area, including the international business areas, cost optimization, commercial network management, risk, IT, operations and project management. It should be noted that he held top management positions in banking and also had a role in sports management.

Dr. João Manuel Pisco de Castro, member of the FC, has extensive experience in executive management of companies, in executive and non-executive positions, both national and international.

Dr. Isabel Maria Gonçalves Novo also presents a curriculum with a solid background and extensive

experience in the area of supervision, of which we highlight Financial and Management Consulting and her role in the management of the Risk and Credit Analysis department at a Financial Institution.

The alternate member of the FC, Dr. Paulo Ribeiro da Silva, also has experience in the areas of accounting and taxation.

The members of the FC have experience in the financial and risk management areas and, on the whole, training and experience in listed companies.

Regarding the competence and experience of the members of the Board, the following stand out:

a) Leadership, Strategy and Management

The six members that make up the Board have extensive management experience and have held positions of direction and administration, which gives them capabilities and strategic vision, promoting strong competence in the area of leadership of the Company.

The Chairman of the Board of Directors, Dr. Luis Palha da Silva, has skills, knowledge and extensive experience in executive management in management functions in listed and large companies. The top management positions that he held, contribute very positively to his performance as Chief Executive Officer, namely in the context of the company's future planning.

b) International Area

Almost all the members of the Board of Directors have extensive experience in the international domain, having performed management functions in international companies or in Portuguese companies with international expansion. This experience was decisive for the acquisition of cultural background, a transversal element to all of them. Can be seen from the respective curricula, the administrators are Dr Luis Palha da Silva, Dr Maria do Rosário Pinto Correia, Dr Pedro Morais Leitão and Dra. Ana Cristina Ferreira Dias. Also, at the international level, and in the area of Law and top academic area, the administrator, Dr Avelino Cândido Rodrigues and the administrator, Dr Maria Leonor Ribeiro Modesto, stand out, respectively.

c) Financial Area and Risk

Board members have developed their training and / or professional career in consulting activities or in management functions that have allowed them to acquire solid skills in the areas of finance, investment and risk management.

d) Legal and Regulation

In this context, the expertise of the member of the Board of Directors, Dr. Avelino Cândido Rodrigues, stands out for his training in Law and extensive professional experience in the various legal fields, both in Portugal and in Brazil.

e) Corporate Governance, Social Responsibility and Ethics

The skills in this area are highlighted by the Chairman of the Board of Directors and Chief Executive Officer, Dr. Luis Palha da Silva, who has several years of professional experience in executive and non-executive positions in companies with strong corporate governance components, responsibility and ethics, such as Jerónimo Martins and Galp Energia. He also currently serves on the EDP Supervisory Board.

1.2. Independence and Integrity

The members of the Board of Directors and CF meet the necessary conditions to exercise their functions and fulfill their duties of diligent action and in the interest of the Company, with impartiality and impartiality, since the rules regarding conflicts of interest are still in force at PHAROL, in particular:

(a) within the scope of the deliberations of the Board of Directors (when the administrators in conflict are prevented from participating and voting);

(b) with respect to transactions with related parties, which are subject to principles and procedures approved by the Board of Directors and by the FC aimed at promoting the pursuit of the social interest.

The Board and FC demonstrated the ability to maintain compliance with legal and conduct duties in relation to the activity they have been developing and have the conditions for the performance of functions in the interest of the Company and in accordance with standards of loyalty and integrity.

It is PHAROL's practice to have in the list of its management elements indicated by shareholders with qualified holdings and with a long-term investment perspective for closer monitoring of the Company's management.

As for the strategic definition and assessment of the risks inherent to the company, the supervisory functions of non-executive and independent directors are guaranteed.

FC members declare that they comply with the independence requirements defined by law (according to the national criteria laid down in Article 414 of the Commercial Companies Code and on the basis of the information provided by them).

1.3. Availability

The members of the Board of Directors and CF have shown their full willingness to carry out their duties, closely monitoring the company's activity, either through meetings or through regular reports by the Chief Executive Officer.

2. Diversity Level

2.1. Gender Diversity

PHAROL complies with Law No. 62/2017 and promotes gender diversity in all its governing bodies.

2.2. Renewal and retention of knowledge and seniority

The curricula referred to in this document show a balance between, on the one hand, renewal/rotation and, on the other hand, retention of knowledge given the permanence of functions in the Company of Board and FC since 2018, including the President of the Board (who simultaneously serves as Delegated Director of the Company), as well as the Chairman of the Fiscal Council.

The composition of the Board and FC present diversification at the age level allowing an adjusted balance between the need for extensive experience suitable for the performance of the required functions and the necessary openness to new challenges.

3. Individual profile of members and composition of the Compensation Committee

The three members of the Compensation Committee, Dr. António Sarmento Gomes Mota, Dr. Francisco Lacerda and Dr. Pedro Miguel Ribeiro de Almeida Fontes Falcão as a whole, for their academic background, extensive experience in administration and consulting, demonstrate skills, experience and knowledge in the areas of remuneration policy, human resources, international area, financial and risk area, leadership and legal and regulatory area.

Conclusions

Following a more detailed deepening of the curricula presented by the members of the Board of Directors, members of the Fiscal Council and members of the Compensations Committee, bodies elected by PHAROL shareholders in 2021, it is concluded that, in addition to the components of diversity and individual characteristics (such as seniority, cultural background and gender), they have skills, knowledge, skills and experience that are crucial for them to , as a whole, meet the necessary conditions to pursue the best interests of the Company and its Shareholders.

APPENDIX II

“Declaration on the remuneration policy for the members of the management and supervisory bodies

With the entry into force of Law no. 50/2020, of 25 August, and the consequent repeal of Law no. 28/2009 of 19 June, the Remuneration Committee of Pharol SGPS, SA (hereinafter the Company) passes to be obliged to prepare a Remuneration Policy for its members of the management and supervisory bodies in accordance with the new legal regime.

The present Remuneration Policy thus reflects the work carried out by the Remuneration Committee, based on the previous statements on the remuneration policy and taking into account the aforementioned new legal framework.

The drafting of the remuneration policy is the exclusive responsibility of this Remuneration Committee, composed of three members, all of whom are independent from management.

The remuneration policy presented below also took into account the very specific characteristics of the Company, whose activity is essentially centered on the management of a financial participation (in the Brazilian Company OI SA) and on the recovery of a set of credits on the Company, in the process of bankruptcy, Rio Forte. In this context, the Company also has a very small staff (7 full-time employees).

Thus, several of the relevant dimensions to be considered in the remuneration policy introduced by Law no. 50/2020, particularly in the fields of sustainability, social responsibility and how the conditions of employment and remuneration of workers were taken into account in the said policy have, in this Company, a very limited scope.

1. Introduction

The year 2020 represented the third and final year of the current mandate of the governing bodies. The Remuneration Committee understood that there were no reasons to introduce changes to the policy defined at the beginning of this term, which received the approval of the shareholders and which is summarized in the following points.

2. Remuneration Policy for non-executive Directors and members of the Fiscal Council:

The remuneration of the non-executive members of the Board of Directors and of the members of the Fiscal Council consists of a fixed annual remuneration (divided into 14 times per year), without attendance fees. There is no place for the attribution of any non-pecuniary benefit.

No changes were made to the fixed remunerations in force that reflect a level of remuneration appropriate

to the responsibility of the functions performed and promoting their good performance.

There is no provision for any form of variable remuneration for the non-executive members of the management body and the supervisory body.

3. Executive Directors Remuneration Policy

The remuneration of the Executive Directors, which has been implemented since March 27, 2017 in the remuneration of the Managing Director, comprises a fixed component and a variable component.

A) Fixed remuneration

The fixed remuneration component has remained unchanged throughout the term and takes into account (i) the fact that the executive management is concentrated in a single person (Managing Director), (ii) that the Managing Director accumulates the functions of chairman of the Company's board of directors and (iii) reflect the conditions practiced in the market for functions of a similar nature in order to foster an adequate talent retention.

The Managing Director has the only non-financial benefits of using a vehicle (including fuel and tolls) and life insurance in line with normal market practices.

B) Variable Remuneration

The variable remuneration is associated with the performance of the Managing Director. The allocation of variable remuneration takes into account the different degrees of achievement in relation to the specific objectives previously approved, associated with objective, simple, transparent and measurable performance indicators. The Remuneration Committee maintained without any changes the two criteria defined for this mandate, namely: the Total Shareholder Return (TSR) of the Company's shares (weight of 80%) and the Operational Efficiency of the Company, measured by the relationship between budgeted recurring costs and real (20% weight).

The variable remuneration has a maximum value corresponding to 100% of the value of the annual fixed remuneration, a limit that drops to 50%, in the 2nd and following years of the mandate, in case the accumulated TSR is not positive.

Thus, the variable remuneration will represent a maximum of 50% of the total annual remuneration.

The variable remuneration will be paid in cash, 50% in the month following the date of approval of accounts by the general shareholders' meeting and 50% with a deferral of 3 years and subject to verification of the positive performance of the Company in the period considered, to be carried out by the Remuneration Committee, which will take into account the financial sustainability and economic situation of the Company, in addition to exceptional factors and which are not under the management control and that may affect the performance of the Company.

These remuneration principles and indicators for determining the variable component of remuneration contribute to the Company's corporate strategy, its long-term interests and its sustainability, in that:

- i) A 50% ceiling was set for the weight of the variable remuneration in the total remuneration, thus creating a reasonable balance between the incentive to perform and the non-taking of excessive risks;
- ii) The retention of 50% of the variable remuneration and only paid if there is a positive performance of the Company in the following 3 years introduces an adequate focus on sustainability and continuity in the management of the Company;
- iii) Finally, the criteria defined for determining the variable remuneration reveal an adequate articulation with the nature of the Company's activity, focusing on profitability and creation of sustained value and organizational efficiency.

In another context, the insertion of the conditions of employment and remuneration of the Company's workers in the remuneration policy was met (and, remember, the Company has a staff of 7 people), by defining that both remuneration systems they are based on the same principle stated in this policy, the valuation of market conditions for the functions performed and the enhancement of talent acquisition and retention.

4. Allocation of shares and options

Currently, there are no plans for the attribution of shares or options to the current mandate.

5. Supplementary pension or early retirement schemes

There is no regime in force for granting a supplementary pension or early retirement to any member of the management and supervisory bodies.

6. Termination of duties of the Managing Director

If the Managing Director ceases to function, for any reason other than dismissal for cause, the payment of the variable remuneration amounts determined and which are deferred can only be made at the time of the termination of the management relationship if, until that time. date, there are sufficient and sustained indications that the performance of the Company will be predictably positive in the remaining period in terms that, in all probability, would allow the payment of said deferred component.

7. Variable remuneration reversal clause ("clawback")

The reversal through the retention and / or return of the variable remuneration whose payment already constitutes an acquired right may be required, by resolution of the Remuneration Committee, if (i) there is a judicial condemnation of a Director for unlawful performance that determines changes adverse effects on the Company's equity situation; (ii) there is a serious or fraudulent non-compliance with the code of conduct

or internal regulations with significant impact, or situations that justify a just cause for dismissal; (iii) and / or false statements and / or errors and omissions that are materially relevant in the financial statements to which the conduct of the administrator has contributed decisively.

8. Signing of contracts and agreements between the Company and members of the management and supervisory bodies

There are not and have never been established by this Commission any payment agreements regarding the dismissal or termination of duties of members of supervisory bodies. In addition, this Commission has defined, in this context, two fundamental principles:

- i) The Directors must not enter into contracts, either with the Company or with third parties, which have the effect of mitigating the risk inherent to the variability of the remuneration fixed by the Company;
- ii) In case of dismissal or termination by agreement of the management relationship, when proven to be due to its inadequate performance, no compensation will be paid to the administrators.

9. Accumulation of remuneration

The Remuneration Committee authorized, with effect from 2021, that the Managing Director, by integrating the board of directors of the Company under Brazilian law OI SA, within the scope of the minority interest held by the Company in that Company, can accumulate the remuneration of that function with the remuneration earned in the Company. The Remuneration Committee had already authorized in the past (2015) the accumulation of remuneration in the Company with remuneration earned in OI S.A. Furthermore, it is the understanding of the commission that the assumption of these functions is important for the proper management of said participation. The committee was also aware that the assumption of these functions, due to the very delicate economic and financial situation in which OI S.A finds itself, represents a risk and an increased responsibility for the Managing Director. In considering this set of elements, the Remuneration Committee decided to authorize said accumulation.

10. Remuneration of the board of the general meeting

The values approved in 2018 for the president and secretary of the general meeting board were maintained.

11. Statutory Auditor's remuneration policy

The Company's Statutory Auditor is remunerated in accordance with normal remuneration practices and conditions for similar services, following the conclusion of a service provision contract with the Company, following a proposal by the Supervisory Board.

12. Use of consultants

The board of directors provided the Remuneration Committee with all the conditions so that it could freely contract externally the consultancy services necessary for the exercise of its functions. As in the previous year, the commission considered that there was no need to use such services but that, if necessary, it would always ensure that they were provided independently and that the respective providers would never be hired to provide any other services to the Company itself or to the Company. others that are in a dominant or group relationship with it without the express authorization of the commission.

Lisbon, April 8, 2021

On behalf of the Remuneration Committee

António Gomes Mota”

APPENDIX III

Code of Ethics and Conduct

PHAROL's Code of Ethics and Conduct, approved in 2021, represents the set of principles and rules that govern the internal and external relations of PHAROL, SGPS SA with its stakeholders and was created with the fundamental objective of sharing these principles and rules well and to promote and encourage its adoption.

Said Code must be interpreted together with the other regulatory instruments of the policies assumed by PHAROL, as well as with the legislation and/or regulation that is, at any time, applicable.

With this Code of Ethics and Conduct, PHAROL, SGPS S.A. has the following fundamental objectives:

- Establish and consolidate relationships of trust between all the Company's stakeholders;
- Clarify, with employees, the rules of conduct that they must scrupulously observe, both in their reciprocal relationships and in the relationships that, on behalf of the Company, they establish with shareholders, suppliers, competing companies, regulatory authorities, or supervision, and other stakeholders.
- View sustainability as a responsibility shared by all employees.
- To promote environmental awareness, the responsible use of natural resources and the preservation of the environment, namely the promotion of eco-efficient management that minimizes the environmental impacts resulting from the company's activity and from each employee in their daily work.

The general rules of conduct set out in this Code apply to the employees of PHAROL, SGPS SA, being understood as such the members of the governing bodies and other managers, directors, executives and other workers and employees in another capacity, their implementation being monitored on a permanent basis. by the company's management bodies.

The full text of the Code of Ethics and Conduct is available for consultation on the Company's official website (www.pharol.pt) and can also be made available through Investor Relations.