



Corporate Governance Report

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Part I

Mandatory information on Shareholder Structure, Organisation and Corporate Governance

Introduction

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

The report follows the structure of Annex I of the previously mentioned CMVM Regulation.

The rules of the Securities Market Code to which this report refers are those prior to its revision by Law 99-A/2021, of 31st December, by virtue of the transitory provision contained in paragraph 1 of article 19 of said Law.

A. Ownership Structure

I. Capital Structure

1. **The capital structure (share capital, number of shares, distribution of capital by shareholders, etc.), including an indication of shares that are not admitted to trading, different classes of shares, and related rights and duties and the capital percentage that each class represents (Article 245-A/1a)).**

The share capital, fully subscribed and paid up is 180,135,111.43€, being represented by 526,225,508 of ordinary, nominative shares with no nominal value.

All shares are admitted to trading on the Euronext Stock Exchange, with the code ISIN PTINAOAPO008, confer the same right to participate in the Company's results and benefit from the same voting weight: - 1 vote per share, this without prejudice to the limitation on voting rights contained in Article 13-A of the Articles of Association which states that "Votes cast by a shareholder, in his own name or as representative of another, exceeding one third of the total votes corresponding to the share capital will not be considered."

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

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

2. **Restrictions on the transfer of shares, such as clauses on consent for disposal, or limits on the ownership of shares (Article 245-A/1b)).**

There are no restrictions to the free transfer of ownership of the shares other than the ones arising from the applicable law (namely the obligation to launch a public tender offering when the shareholder ownership exceeds 1/2 of the total voting rights).

3. **Number of own shares, the percentage of share capital that it represents and corresponding percentage of voting rights that would correspond to own shares (Article 245-A/1a)).**

The company does not hold any own share.

4. **Important agreements to which the company is a party and that come into effect, are amended or terminated in cases such as a change in the control of the company after a takeover bid, and the respective effects, except where due to their nature, the disclosure thereof would be seriously detrimental to the company; this exception does not apply where the company is specifically required to disclose said information pursuant to other legal requirements (Article 245-A/1j)).**

The Company is not a party to any agreement that will come into force, be amended or terminated in the event of a mere change in the Company's controlling shareholder.



5.

A regime to which the renewal or revocation of defensive measures is subject, in particular those that provide for the limitation of the number of votes capable of being held or exercised by a single shareholder, individually or together with other shareholders.

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

6.

Shareholders' agreements that the company is aware of and that may result in restrictions on the transfer of securities or voting rights (Article 245-A/1/g)).

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

II. Shareholdings and Bondholdings

7.

Identification of natural or legal persons which, directly or indirectly, own qualified shareholdings (Art 245-A/1/c) and d) and Art 16), with detailed information on the percentage of capital and attributable votes and the source and causes of such attribution.



The shareholders with qualifying holding on 31 December 2021 were:

QUALIFIED HOLDINGS			
	ORDINARY SHARES	% ORDINARY SHARES	% VOTING RIGHTS
Parpública - Participações Públicas SGPS, S.A.	236,199,384	44.89%	33.33%
Shares attributed to Millennium BCP (Art. 20 CVM)	112,996,710	21.47%	21.47%
- Banco Comercial Português, S.A.	93,513,669	17.77%	17.77%
- Pension Fund of BCP Group	19,483,041	3.70%	3.70%
Nova Expressão SGPS, S.A.	43,500,000	8.27%	8.27%
Novo Banco	34,445,831	6.55%	6.55%
Total Qualified Holdings	427,141,925	81.17%	69.62%

Last update: 31 December 2021.

The shares from BCP Group Pension Funds have been allocated to Banco Comercial Português, S.A. in accordance with article 16 of CVM and the opinion on generic allocation of voting rights to pension Funds from CMVM on 25 May 2006, as stated in the statement of Banco Comercial Português, S.A., which was the object of a notice issued by the company on 25 February 2008.

8.

A list of the number of shares and bonds held by members of the management and supervisory boards (NOTE: the information should be provided so that Article 447/5 CCC is complied with).

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

9.

Special powers of the Board of Directors, especially as regards resolutions on the capital increase (Article 245-A/1/i)) with an indication as to the allocation date, time period within which said powers may be carried out, the upper ceiling for the capital increase, the amount already issued pursuant to the allocation of powers and mode of implementing the powers assigned.

The Board of Directors is not currently authorized to increase the company's capital under the provisions of Article 456 of the Portuguese Companies Code. Notwithstanding the foregoing, on 10 July 2019, 15,000 convertible bonds into shares, until July 2026, were issued under the terms and conditions approved by resolution of the General Meeting of 15 November 2018, with the nominal value of € 1,000 each, in the global amount of € 15,000,000, fully subscribed and paid by Papyrus GmbH by payment of part of the price for which Inapa acquired Papyrus Deutschland GmbH & Co. KG and Papyrus Deutschland Verwaltungs GmbH.

In order to accommodate the conversion of such obligations, by the same General Meeting, a capital increase from the current € 180,135,111.43 to € 195,135,111.43 was approved.

10.

Information on the existence of significant relationships of a commercial nature between the holders of qualifying holdings and the company.

No business or operations took place, outside normal market conditions, between the company and owners of qualifying holdings or entities with which they are in any type of relationship, in accordance with Article 20 of the CVM (Securities Code).

The transactions with related entities are described on Note 33 of the consolidated financial statements.

B. Statutory Bodies and Committees

I. General Assembly

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

11.

Identification and position of the members of the Board of the General Meeting and respective term of office (start and end).

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

- Chairman – Nuno Galvão Teles
- Secretary – Ricardo Andrade Amaro

The current composition of the Board of the General Meeting, was established for the period 2019-2021, jointly with the election of the Governing Bodies in the General Meeting of 23 May 2019.

Besides the support of the secretary, the Chairman of the Board of the General Meeting also has the support of the company's secretary as well as its administrative services that are deemed adequate and sufficient for the right performance of his duties.

b) Exercising the right to vote.

12.

Any restrictions on voting rights, such as limitations on the exercise of voting rights depending on the ownership of a number or percentage of shares, time limits imposed on the exercise of voting rights or systems for detaching voting rights from ownership rights (Article 245-A/1/f)).

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

Pursuant to the provisions of Article 23-C, No. 1 of the Securities Code, as amended by Decree-Law 49/2010, of 19 May, "the following shall have the right to participate in the General Meeting and to discuss and vote in whoever, on the record date, corresponding to 0 hours (GMT) of the 5th trading day prior to the day the meeting is held, holds shares that confer, according to the law and the articles of association, at least one vote", being that by virtue of the provisions of paragraph 5 of Article 13 of the company's bylaws, each share registered in the name of a shareholder counts one vote.

Statutory regulations on the exercise of voting by post are set out in paragraph 2 of Article 13 of the company's bylaws, which stipulate that:

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

The ballot paper and the model of proxy are available on the company's website, and interested shareholders may send such documentation by registered post or via email indicated in the notice, in order to exercise their right to vote, with no need to be physically present to exercise the vote.

The company intends to maintain the option of sending voting bulletins by e-mail, thus allowing shareholders to participate in the GM at a distance.

The company's bylaws do not contain any rules regarding detachment system of any equity rights.

The company considers that it is in the best interest of its shareholders not to implement a telematics voting system, as there was no request or intention of participation on a General Meeting from a shareholder or potential investors to use such a system, i) on past General Meetings there was always a low number of participants and ii) the implementation of a system allowing telematics voting in a safe way, would represent a significant cost and iii) makes available to its shareholders the possibility of sending the voting bulletin by e-mail.

Without prejudice to the foregoing, during the validity of Law 1-A/2020, of March 19, amended by Law No. 4-A/2020, of April 6, Law No. 4-B/2020, of April 6, Law No. 14/2020, of May 9, Law No. 16/2020, of May 29, Law No. 28/2020, of July 28, Law No. 58-A/2020, of September 30, Law No. 75-A/2020, of December 30, Law No. 1-A/2021, of January 13 and Law No. 4-B/2021, of February 1, which establishes exceptional and temporary measures to respond to the epidemiological situation caused by the coronavirus SARS-CoV-2 and the disease COVID-19, the telematic participation in the company's general meetings will be governed by the provisions of 1 of its Article 5, which provides that "the participation by telematic means, namely video or teleconference of members of collegiate bodies of public or private entities in the respective meetings, does not impede the regular functioning of the body, namely with regard to quorum and deliberations, however, it must be registered, in the respective minutes, the form of participation".

13.

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

At the General Meeting held on 15 November 2018, it was reviewed the disposition of the company's contract that foresees the limitation of voting rights expressed by one shareholder. This provision, currently, provides that the votes cast by one shareholder, in his own name or in representation of another, which exceed one third of the total votes corresponding to the share capital, will not be considered. The voting rights corresponding to shares held by a shareholder with a common domain, are also covered by this statutory provision, being proportionally limited when affecting several shareholders.

It is established that the Board of Directors has to submit every five years for resolution by the General Meeting, a proposal to change or maintain this statutory provision, without aggravated quorum requirements relative to complementarily quorum established by law. On this deliberation all votes are counted, not being applied the limitation of votes.

14.

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

The company's articles of association do not contemplate other qualified majorities for the adoption of corporate resolutions besides those deriving from the law, namely:

- The General Meeting shall decide at first call about changes in the Articles of Association, mergers, asset split, transformation, dissolution and other issues that require a qualified majority, without specifying it, shareholders must be present or duly represented by those whose holding shares represent at least 1/3 of the share capital; on a second call the General Meeting can decide independently of the represented share capital (Article 383, paragraphs 2 and 3 of the Companies Act - CSC);
- The resolutions indicated in the previous paragraph, the decision has to be approved by 2/3 of the votes cast, irrespective of whether the meeting is held at first or second call; however, if, at second call, shareholders holding at least half of the share capital are present or represented, decisions on such matters may be taken by a majority of the votes cast.

II. Management and Supervision (Board of Directors, Executive Board and General and Supervisory Board)

a) Composition (throughout the said year).

15.

Details of corporate governance model adopted.

According to the resolution of the General Meeting of May 31, 2007, the company adopted as a model of administration and supervision the contemplated in paragraph b), of No. 1, of article 278 CSC, a Board of Directors, comprising an Audit Committee, and Statutory Auditor.

At the Board of Directors meeting on 29 May 2019, it was approved the Board of Directors' regulations and the creation of an Executive Committee, to which the current management of the company was delegated.

The regulations of the Board of Directors were recently revised, at a Board meeting on 23 December 2020, in order to accommodate the revision of the Regulations on Transactions of the Company with Related Parties, approved at that same meeting.

Article 4 of the Board of Directors' regulations stipulates that the Board shall meet ordinarily once a quarter.

The Company's articles of association provide in article 21 that the members of the Audit Committee shall be appointed at a General Meeting, which shall be composed of three members, one of whom shall serve as chair. The chairman shall be responsible for convening the respective meetings.

The audit committee shall ordinarily meet at least every two months. In addition, the Executive Committee makes available, when requested, the supporting documentation of its deliberations and other documents that it keeps on file.

The minutes of each meeting of the Board of

Directors, the Executive Committee and the Audit Committee were drawn up and are available for consultation by the Governing Bodies at the company's headquarters, and the Chairman of each Body is available to provide any clarification.

The minutes of the meetings of the Executive Committee are regularly shown to the Audit Committee, whose minutes of the meetings are regularly presented to all members of the Board of Directors.

Pursuant to the provisions of the Board of Directors Regulations approved on 29 May 2019, as amended by resolution of 23 December 2020, whenever the Chairman of the Board of Directors exercises executive functions, the independent directors must designate amongst them, a leading independent director to, inter alia, (i) act, whenever that necessary, as interlocutor with the Chairman of the Board of Directors and with the other directors, (ii) ensure that they have the set of conditions and means necessary for the performance of their duties; and (iii) coordinate them in the performance evaluation by the management body.

16.

Articles of association rules on the procedural requirements governing the appointment and replacement of members of the Board of Directors, the Executive Board and the General and Supervisory Board, where applicable. (Article 245-A/1/h)).

In conformity with provision of paragraph 1 of Article 18 of the company's bylaws, the Board of Directors should be composed by 5 to 12 members, elected on the General Meeting.

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

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

In conformity with the provisions of paragraph 7 of

Article 18 of its Bylaws, "if the Board of Directors is composed of fewer members than the maximum set forth in item 1 of this article and it deems it necessary for the management of the company business to increase the number of Directors, it may appoint two new members prior to the next scheduled annual General Meeting. Clearly, this must not result in more than the limit of twelve members for the Board of Directors as stipulated in these articles of association. The first annual General Meeting to be held after such appointment will either confirm or reject the advice of the Board of Directors with regard to the number of Directors. If the instruction is confirmed, the appointment of the new members will be ratified."

Paragraphs 8 and 9 of article 18 of the Bylaws, establish that "if a Director fails to attend more than two meetings of the Board of Directors in a calendar year without good reason accepted by the latter, this will be considered definitive absence of the Director in question" and "The Board of Directors will elect replacements for any members deemed definitively absent, dismissed under the terms of the law, or who resign their post. Any replacements thus made will remain in force until the end of the term to which the members of the Board of Directors who made the selection were elected, unless the selection is not ratified by the first subsequent General Meeting. Replacements must be submitted to the General Meeting for approval, as stipulated by Article 393 (4) of the Company Code."

Finally, paragraph 5 of article 18 of the Bylaws states that "The Board of Directors may delegate the day-to-day management of the company to one or more Directors or an Executive Committee".

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

17.

Composition of the Board of Directors, the Executive Board and the General and Supervisory Board, where applicable, with details of the articles of association's minimum and maximum number of members, duration of term of office, number of effective members, date when first appointed and end of the term of office of each member.

According to the Bylaws, the Board of Directors is composed by five to twelve members, elected by the General Meeting, for periods of 3 years renewable, being able to delegate the daily management of the company to an Executive Committee.

In the use of this prerogative, the Board of Directors decided on 29 May 2019 to delegate the daily management to an Executive Committee, being the composition of the two entities the following:



	BOARD OF DIRECTORS AND FUNCTION	EXECUTIVE COMMITTEE AND FUNCTION	DATE OF FIRST APPOINTMENT	END OF TERM OF OFFICE
Diogo Francisco Bastos Mendes Rezende	Chairman	Chairman	07.29.15	12.31.21
Frederico João de Moser Lupi	Member	Member	10.01.15	12.31.21
Inês Patrícia Arêde Simões Louro	Member	Member	05.23.19	12.31.21
João Miguel Pacheco de Sales Luís	Member		05.07.13	12.31.21
Victor Maurílio Silva Barros	Member*		05.23.19	12.31.21
Emília Noronha Galvão Franco Frazão	Member		05.23.19	12.31.21
Patrícia Isabel Sousa Caldinha	Member		05.23.19	12.31.21

* Lead independent director



18.

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

The independence criteria that served as a basis to the evaluation of the function of the Directors were the provisions set out in the Companies Act - Articles 414 and regulation 4/2013 of CMVM.

In assessing the independence criteria of non-executive directors, the provisions of CVM Regulation No. 4/2013 (in particular, Article 18.1) and the Commercial Companies Code (Article 414, paragraph 5, letter b)) were taken into account.

When applying the criteria deriving from the IPCG code (2018), there were no discrepancies in the assessment of the independence of managers.

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

The Board of Directors elected for the 2019-2021 term as its Chairman Diogo Francisco Bastos Mendes Rezende, who combines these functions with Chairman of the Executive Committee.

It was elected for the functions of lead independent director, the Chairman of the Audit Committee, Victor Maurílio Silva Barros, with the mission of i) to act as an interlocutor with the Chairman of the Board of Directors, ii) to ensure that the necessary conditions and means exist, for the performance of the functions the independent directors and iii) to coordinate the performance evaluation of the management body.

19.

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



Diogo Francisco Bastos
Mendes Rezende
Chairman

ACADEMIC QUALIFICATIONS

- Degree in Economics by Nova University of Lisbon
- MBA from INSEAD

PROFESSIONAL QUALIFICATIONS

- Chairman of the Board of Directors/Management of the subsidiary companies of Inapa Group (since 2015):
 - Inapa Portugal Distribuição de Papel, S.A.
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa France, SAS
 - Inapa España Distribución de Papel, S.A.
 - Inapa Belgium, S.A.
 - Inapa Packaging, SAS
 - Inapa Packaging, GmbH
 - Inapa Merchants Holding, Ltd
 - Europackaging – Investimentos, Participações e Gestão, Lda.
 - Inapa Packaging, Lda.
 - Korda Kagit Pazarlama Ve Ticaret Anonim Şirketi
 - Inapa Complot GmbH
- CEO of Ford Lusitana (from 2004 to 2014)
- Assistant professor of Applied Entrepreneurship on Masters Programs (from 2013 to 2015) and member of the Consulting Board (from 2011 to 2015) at NOVA School of Business and Economics.
- CEO of Chrysler Jeep in Portugal (1998-2003)
- Marketing professor at NOVA SBE (from 1996 to 1998).
- Marketing and Sales Director of Ford Lusitana (from 1992 to 1998)
- Strategic Consultant at ESFI - Strategy and Finance (from 1990 to 1991)



Frederico João
de Moser Lupi

ACADEMIC QUALIFICATIONS

- Degree in Economics by Nova University of Lisbon
- Three post-graduate executive programs from INSEAD (Fontainebleau, France)

PROFESSIONAL QUALIFICATIONS

- Director/general manager of the following subsidiary companies of Inapa Group:
 - Inapa Portugal – Distribuição de Papel, S.A.
 - Inapa España Distribución de Papel, S.A.
 - Inapa France, SAS
 - Inapa Shared Center, Lda.
 - Inapa Belgium, S.A.
 - Korda Kagit Pazarlama Ve Ticaret Anonim Şirketi
 - Inapa Angola, S.A.
- CFO of EIP group (in 2015)
- Director of Real Estate Business in BCP (from 2011 to 2014)
- Commercial Director of Retail Network in Millennium BCP (from 2007 to 2010)
- Member of the Executive Committee of Millennium Bank in Athens, responsible for Private Banking and Bancassurance (from 2005 to 2006)
- Director coordinator of Millennium Bank in Athens (from 2003 to 2004)
- Commercial Director of Banco Pinto e Sotto Mayor (2003)
- Bancassurance Director (from 1996 to 2002), being a member of the management of BCP group (since 2002)
- Financial Director and deputy administration in Lusalite (from 1993 to 1995)



Inês Patrícia
Arede Simões Louro

ACADEMIC QUALIFICATIONS

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

PROFESSIONAL QUALIFICATIONS

- Director/manager of the following subsidiaries of the Inapa Group (since 2019):
 - Inapa Portugal – Distribuição de Papel, S.A.
 - Inapa España Distribución de Papel, S.A.
 - Inapa France, SAS
 - Inapa Deutschland, GmbH
 - Korda Kagit Pazarlama Ve Ticaret Anonim Şirketi
- Corporate Director of Strategic Planning and Control at the Group ETE (2016-2019)
- Director of Strategic Planning and Pricing at Portugal Telecom (2009-2015)
- Director of Strategic Planning and Control of Portugal Telecom (2006-2009)
- Business Development Director of PT Comunicações (2004-2005)
- Corporate Responsible for Planning and Control of Portugal Telecom (2002-2003)
- Director of Planning and Management Control at PTM.com (2001-2002)



Victor Maurílio
Silva Barros

ACADEMIC QUALIFICATIONS

- PhD in Management with specialization in Finance by ISEG - University of Lisbon
- Master in Finance by ISEG - University of Lisbon
- Postgraduate Diploma in Regional and International Taxation
- BSc in Management by University of Madeira
- Certified Accountant CFA® charterholder by CFA Institute
- Advanced program for Non-Executive Directors - Portuguese Corporate Governance Institute

PROFESSIONAL QUALIFICATIONS

- Member of the Fiscal Council of IDEFE/ISEG Executive Education (since 2017)
- Assistant Professor of Finance at ISEG - University of Lisbon (since 2016)
- Faculty Advisor of ISEG in the CFA Institute Research Challenge (since 2015)
- Teaching Assistant at ISEG - University of Lisbon (2013-2016)
- Member of the Supervisory Board of IDEFE/ISEG Executive Education (since 2017)
- Researcher at ADVANCE/CSG - Research in Social Sciences and Management (since 2011)



Emília de Noronha
Galvão Franco Frazão

ACADEMIC QUALIFICATIONS

- Degree in Business Management by Universidade Católica
- Advanced Program for Non-Executive Directors - Portuguese Corporate Governance Institute

PROFESSIONAL QUALIFICATIONS

- Member of the Association's Board of Directors - Fundo de Assistência do Crédito Agrícola Mútuo (FACAM) (since 2020)
- Member of the Fiscal Council of Monte d'Alva - Alimentação, S.A. (since 2020)
- Member of the SGEHR Fiscal Council - Sociedade Gestora e Exploradora de Hotéis e Resorts S.A. (since 2019)
- Non-executive member of the Board of Directors of FUNDIESTAMO - Sociedade Gestora de Organismos de Investimento Coletivo, S.A. (since 2019)
- Coordinating Director at Novo Banco (2013-2017)
- Non-Executive Director at Espírito Santo Capital - Sociedade de Capital de Risco (2013-2015)
- Executive Director at Espírito Santo Capital - Sociedade de Capital de Risco (2000-2013)
- Executive Director at IAPMEI (1999-2000)
- Director at Banco Espírito Santo de Investimento, S.A. (1991-1999)
- Professor to the Bachelor's degree at Universidade Católica (1988-1991 and 1994-1998)



Patrícia Isabel
Sousa Caldinha

ACADEMIC QUALIFICATIONS

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

PROFESSIONAL QUALIFICATIONS

- Member of the Supervisory Board of Insight Venture – Sociedade de Capital de Risco, S.A. (desde 2021)
- Member of the Supervisory Board de Águas do Tejo Atlântico, S.A. (desde 2021)
- Member of the Board of Directors of the Order of Statutory Auditors (since 2020)
- Chairman of the Registration Committee of the Order of Statutory Auditors (since 2020)
- Member of the Fiscal Council of EPAL – Empresa Portuguesa das Águas Livres, S.A. (since 2018)
- Provides, privately, the activity of Chartered Accountant and related services (since 2012)
- Director at Auto Jardim do Algarve – Automóveis de Aluguer, S.A. (2005–2007)
- Director at JMTC – Sociedade Gestora de Participações Sociais, S.A. (1998–2005)
- Manager at Auto Jardim do Algarve – Automóveis de Aluguer, Lda. (1997–2012)
- Manager at Auto Colibri – Reparações Auto, Lda. (1997–2012)
- Auditor at António Borges & Associados, Sociedade de Revisores Oficiais de Contas (1995–2015)
- Consultant at António Borges & Associados – Consultores Associados, S.A. (1995–2004)



João Miguel Pacheco
de Sales Luís

ACADEMIC QUALIFICATIONS

- PADE (Program for Top Corporate Managers) from AESE (1999/2000)
- MBA by NOVA University (1997)
- Chartered Accountant
- Degree in Business Management by Universidade Autónoma de Lisboa (1981)

PROFESSIONAL QUALIFICATIONS

- Member of the Audit Committee of Banco Caixa Geral de Angola (since 2022)
- Chairman of the Supervisory Board of Banco Internacional de São Tomé Príncipe (since 2019)
- Chairman of Foundation FORSDI - Obra Social das Religiosas Dominicanas Irlandesas (since 2015)
- Chairman of Supervisory Board of Unicre – Instituição Financeira de Crédito, S.A. (2013–2018)
- Top manager of the retail network of BCP (2008–2012)
- Commercial manager of the retail network at BCP (2003–2008)
- Top manager of the brokerage business of BCP Investimento (2001–2003)
- Top Manager of Private Banking Southern Area (2000–2001)
- Top Manager of “Internacional Private Banking” (1998–2000)
- Marketing Manager at Companhia de Seguros Ocidental (1997–1998)
- Commercial Manager at Nova Rede (1995–1997)
- General Manager of BCPI (BCP’s company of Asset Management) (1991–1994)
- Senior Technician of the Department of Studies and Planning of BCP (1986–1991)
- Senior Technician of Planning and Control at Sorefame (Metallurgical and Railway Industry) (1986–1991)

The lists proposed for Board of Directors election are accompanied by a curriculum vitae of the candidates, in order to assess the suitability of the members for the exercise of the mandate that includes the academic qualifications and a description of the professional activity throughout their careers. This information is made available to shareholders within the deadlines set forth in the law for the elective General Meetings.

In the elections held on 23 May 2019, the gender balance criteria of the Board of Directors and Audit Committee were met, with each gender representing at least $\frac{1}{3}$ in each body.

To date, no specific criteria have been established relating to the individual profile or attributes of the members of the Board of Directors.

20.

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

There are no family, professional or business relationships of members of the Board of Directors with shareholders with a qualified stake greater than 2% of voting rights.

21.

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

General Meeting

Remuneration Committee		Board of Directors					
Nuno Galvão Teles Chairman	Non-executive	Executive					
Pedro Vilas Boas	Victor Barros Lead independent director	Diogo Rezende Chairman					
Tiago Estevinho	Emília Frazão	Frederico Lupi					
	Patrícia Caldinha	Inês Louro					
	João Sales Luís						
Audit Committee		Executive Committee		Corporate Center			
Victor Barros Chairman	Diogo Rezende Chairman	David Pedroso*	Internal audit				
Emília Frazão	Frederico Lupi	António Alvim	Legal				
Patrícia Caldinha	Inês Louro	João Alvarinho	IT				
		Hugo Rua	Investor Relations				
		Carlos Alves	Consolidation				
		Sofia Picoto	Finance and Planning				
		Gilbert Trepmann	Graphic				
		Antoine Lequitte	Office				
* Also reports to Audit Committee							
Germany		France		Spain		Portugal	
Thomas Schimanowski		Afonso Chaby		Ginés Ramírez		Ginés Ramírez	
Martin Tewes		Marc Gautier		Pedro Huidobro		Miguel Moreira	
Hugo Rua				Miguel Moreira		Luís Ferreira	
Alexander Herbst							
Achim Thörner		Turkey		Belux		Angola	
Jürgen Luzar		Suzi Matat		Chris Luyten		José Mendes Coelho	

By resolution of the Board of Directors dated 29 May 2019, the following powers were delegated to the respective Executive Committee, pursuant to the provisions of paragraphs 3 and 4 of Article 407 of the Portuguese Companies Code, the following powers were delegated to the Executive Committee, without prejudice to the power of the Board of Directors to adopt resolutions on the same matters pursuant to paragraph 8 of the same legal provision:

- The day-to-day management of the Company;
- Monitoring and coordination of subordinate companies, including the definition of management and control guidelines;
- Setting out plans for the implementation of Company and Group policies, objectives and strategy for approval by the Board of Directors;
- Setting out general guidelines concerning the Company's internal organisation, including internal control and risk management, for approval by the Board of Directors;
- Compiling operational budgets, medium and longterm investment and development plans of the Company, for approval by the Board of Directors;
- Approving contracts for the procurement of goods and services by the Company up to a limit of € 500,000
- Negotiating and concluding short-term financing agreements for the Company, under the terms and conditions that it deems most appropriate to defend the Company's interests;
- Provide financial support to subsidiaries, according to a structure and conditions more adequate to the best interest of the Company;
- Negotiating and celebrating agreements that change, substitute or renew financing contracts of the company, including commercial paper programs, under the terms and conditions most favourable to the interest of the company;
- Negotiating new bank finance agreements with a term longer than a year and a day to fund the Company and its subsidiary companies and the issuing of corporate bonds and commercial paper programs, for which purpose binding the Company under any such transactions shall be made expressly conditional to a prior resolution of the Board of Directors to the effect;
- Purchasing, selling and pledging goods or assets accounted for as fixed assets of the Company in accordance with budgets approved by the Board of Directors;
- Purchasing, selling and pledging goods or assets accounted for as fixed assets of the Company not included in budgets approved by the Board of Directors up to a value of 1.5% of the realized share capital per item;
- Purchasing, selling or pledging shares in other companies, provided the transactions in question do not exceed 2.5% of the realized share capital per item, above which limit prior approval from the Board of Directors shall be required;
- Deliberate on the realization of investments, divestitures and restructurings in and by the subordinate company;
- Renting or letting out any buildings or sectional title properties;
- Representing the Company in court and out of court, either as plaintiff or as defendant, as well as proposing and filing any legal suits, admitting guilt, withdrawing or settling out of court and committing to abide by arbitration proceedings;
- Entering into, amending and terminating employment contracts and exercising powers of discipline over the staff;
- Opening, transacting and closing bank accounts;
- Appointing duly mandated representatives of the Company.

The Regulation of the Board of Directors approved states that it is Inapa's Board of Directors competence, non-delegable on the Executive Committees, to:

- Deliberate on the matters stated on paragraphs a) and m) of Article 406 of the CSC (the Portuguese Companies Code);

- Deliberate, under the terms and limits established in Article 503 of the CSC (the Portuguese Companies Code), on binding instructions to Subordinated Companies;
- Deliberate on proposal from the Executive Committee, on the budget and plan of the Company and the Group;
- Deliberate on acquisition or sale of majority or dominance stakes, as well as those subject to a special process of acquisition or sale under the terms of CVM (Portuguese Securities Code);
- Deliberate, on proposal from the Executive Committee, on the setting of the company's strategic objectives in terms of risk-taking and on the respective internal control and management systems.

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

The strategic plan for 2019-2021, where the priorities, policies and strategic objectives are set out, was discussed and approved at a meeting of the Board of Directors on 12 December 2019 in order to incorporate the very relevant integration into the Group of the new German subsidiary Papyrus Deutschland, which was only completed in July 2019, and only after that date it was possible to access relevant data for the establishment of the strategic plan. The supervisory body also gives its opinion on the strategic guidelines and that the risk policy is adapted to society's objectives.

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

The Board of Directors and Audit Committee annually assess the adequacy of the risk mitigation measures present in the Company, jointly defining a work program that monitors the maintenance of the adequacy of the measures in progress and allows adjustments to be made whenever justified.

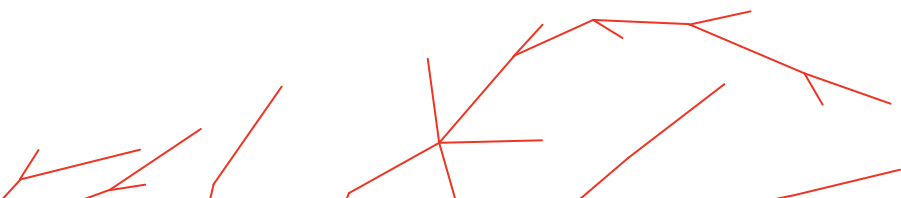
It is important to note that in the aforementioned resolution the Board of Directors of May 29, 2019, has granted to the Chairman of the Executive Committee, according to provisions stipulated in paragraph 6 of Article 407 CSC (the Portuguese Companies Code), the following duties:

- Ensure that all relevant information is provided to the other members of the Board of Directors, regarding the operations and resolutions of the Executive Committee;
- Ensure the fulfilling of the delegation limits and the company's strategy.

The Chairman of the Executive Committee sends regular notices and the minutes of the Executive Committee meetings to the Chairman of the Audit Committee and they are filed and available for consultation by the other members of the governing bodies at the company's headquarters. The notices, decision support materials and minutes of the Board of Directors are distributed to all company directors, including those who are also part of the Audit Committee, and they may also request additional clarification or access to other documents.

In conformance with the provisions of applicable legislation and with the aforementioned resolution of the Board of Directors of 29 May 2019, as amended by resolution of 23 December 2020, and respective regulations, the following powers have specifically been granted to the Audit Committee:

- Supervising the administration of the Company;
- Ensuring due compliance with the law and the provisions of the Bylaws;
- Verifying due compliance of the accounting books, records and supporting documentation;



- Verifying, when and in the form deemed convenient, cash balances and stocks of any type of goods or assets owned by the Company or held in lieu of security or in trust or under any other entitlement;
 - Verifying the accuracy of the financial statements;
 - Verifying whether the accounting policies and valuation criteria adopted by the Company are conducive to appropriately represent its assets and results;
 - Compiling, on an annual basis, an audit report on its audit and supervisory action and issuing an opinion on the annual report and accounts and proposals of the Board of Directors, where it states its agreement or not on the management report and financial statements and include the declaration subscribed by its members, according to Article 245, number 1, paragraph c) of CVM (the Portuguese Securities Code);
 - Convening a meeting of the General Meeting of Shareholders, having a duty so to act, should its Chairman fail to do so;
 - Auditing the efficacy of the risk management system, the internal control system and the internal audit system;
 - Being the recipient of reports on irregularities which shareholders, employees of the Company or other parties may submit;
 - Auditing the process of preparation and disclosure of financial statements;
 - Validate if the Governance Report includes the elements referred on Article 245-A of CVM (Portuguese Securities Code);
 - Propose to the General Meeting of Shareholders the appointment of a Chartered Accountant and Auditor, approve annually the scope of its work and remuneration, approve any additional services and oversee its independence;
 - Provide its previous opinion on the regulation on transactions with related parties and its amendments, as well as on transactions with related parties under the terms established in said regulation;
 - Notifying the Office of the Public prosecutor if any contraventions of the law constituting a public crime of which it may have become aware;
 - Contracting for the provision of expert services in order to assist one or more of its members in the performance of their duties.
- In the performance of its duties the Audit Committee meets with the external auditor and the chartered accountant – the two functions are assigned to the same entity – and is the first recipient of the reports.
- The Audit Committee makes an assessment of the work performed by the auditor, receives its reports, regularly monitors the progress of the work and the adequacy of its resources.
- Annually, the Audit Committee makes an assessment of the work performed by the auditor and the chartered accountant.
- In case it considers adequate its dismissal, it should propose its substitution in the General Meeting.
- The Audit Committee annually gives its opinion on the report and accounts submitted by management, which lists the strategic pillars and objectives of the current mandate.
- The Statutory Auditor and external auditor carries out work on the company every six months. The audit work plan is reviewed jointly with the Audit Committee. The continuation of the work, including its completion, is monitored by the Audit Committee, being this Committee the first recipient of the reports.
- In the scope of its work, the Statutory Auditor carried out:
- Identification and evaluation of risks of material misstatement of the financial statements due to fraud or error;
 - An understanding of the internal control relevant to the audit;
 - An assessment of the adequacy of accounting policies;

- A conclusion about the appropriation of the use of the continuity assumption and whether there is any material uncertainty related to events or conditions that could raise significant doubts about the ability to continue the activities;
- An assessment of the overall presentation, structure and content of the financial statements;
- A communication with those in charge of governance, including the oversight body, scope, planned audit schedule and significant audit findings including any significant weaknesses in internal control identified during the audit;
- A communication to the heads of governance, including the supervisory body, on the most important matters in auditing the financial statements for the year;
- A statement to the supervisory body on compliance with relevant ethical requirements regarding independence and any relationships that may be perceived as threats to independence.

b) Functioning.

22.

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

In the resolution of the Board of Directors of 29 May 2019, the regulations of the following corporate bodies were approved: Board of Directors, Executive Committee and Audit Committee, the first of which was reviewed on 23 December 2020 in order to accommodate the revision of the Regulation on Transactions with Related Parties that was approved at that time.

The above-mentioned regulations are set out in a single document (the Board of Directors' Regulations) that can be obtained in the company's headquarters (Rua Braamcamp 40 - 9.º D - Lisbon, Portugal) or through the website www.inapa.com

23.

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

From 1 January 2021 to 31 December 2021, the Board of Directors had the following assiduity:

- Number of meetings: 14
- Attendance of each member:
 - Diogo Francisco Bastos Mendes Rezende: 100%
 - Frederico João de Moser Lupi: 93%
 - João Miguel Pacheco de Sales Luís: 100%
 - Inês Patrícia Arede Simões Louro: 100%
 - Victor Maurílio Silva Barros: 100%
 - Emília Noronha Galvão Franco Frazão: 100%
 - Patrícia Isabel Sousa Caldinha: 100%

From 1 January 2021 to 31 December 2021 the Executive Committee of the Board of Directors:

- Number of meetings: 34
- Attendance of each member:
 - Diogo Francisco Bastos Mendes Rezende: 100%
 - Frederico João de Moser Lupi: 100%
 - Inês Patrícia Arede Simões Louro: 100%

24.

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

The performance assessment of executive directors is done by the General Meeting, the Board of Directors and, within its own competence, the Audit Committee.

For remuneration purposes the performance assessment of the executive directors still lies to the Remuneration Committee.

25.

Predefined criteria for assessing executive directors' performance.

The performance assessment of executive directors is based on the following criteria that are stated in the remunerations policy:

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

26.

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

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

The functions that each member has inside and outside the company are the following:

João Miguel Pacheco de Sales Luís

In the Company:

- Member of the Board of Directors

In the Group:

- None

Outside the Group:

- President of Foundation FOSRDI - Fundação da Obra Social das Religiosas Dominicanas Irlandesas (since 2015)
- Chairman of the Supervisory Board of Banco Internacional de São Tomé Príncipe (since 2019)
- Member of the Audit Committee of Banco Caixa Geral de Angola (since 2022)

Victor Maurílio Silva Barros

In the Company:

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

In the Group:

- None

Outside the Group:

- Assistant professor of Finance of ISEG - Universidade de Lisboa (since 2016)
- Member of the Fiscal Council of IDEFE/ISEG Executive Education (since 2017)
- Chairman of the Supervisory Board of Rádio e Televisão de Portugal, S.A. (since 2021)

Emília Noronha Galvão Franco Frazão

In the Company:

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

In the Group:

- None

Outside the Group:

- Member of the SGEHR Fiscal Council – Sociedade Gestora e Exploradora de Hotéis e Resorts S.A. (since July 2019)
- Non-executive member of the Board of Directors of FUNDIESTAMO - Sociedade Gestora de Organismos de Investimento Coletivo, S.A. (since september 2019)
- Member of the Association's Board of Directors – Fundo de Assistência do Crédito Agrícola Mútuo (FACAM) (since 2020)
- Member of the Fiscal Council of Monte d'Alva – Alimentação, S.A. (since January 2020)

Patrícia Isabel Sousa Caldinha

In the Company:

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

In the Group:

- None

Outside the Group:

- Member of the Board of Directors of the Order of Statutory Auditors (since 2020)
- Member of the Fiscal Council of Insight Venture - Sociedade de Capital de Risco (since 2021);
- Provides on a private basis the activity of Statutory Auditor and related services;
- Member of the Fiscal Council of EPAL – Empresa Portuguesa das Águas Livres, S.A. (since 2018);
- Member of the Fiscal Council of Águas do Tejo Atlântico, S.A. (since 2021)

The 3 executive members work on a full-time basis in the day-to-day management of the company and its subsidiaries.

The functions each member has inside and outside the company are the following:

Diogo Francisco Bastos Mendes Rezende

In the Company:

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

In the Group:

- Chairman of the Board of Directors/Management Board of:
 - Inapa Portugal Distribuição de Papel, S.A.
 - Inapa Deutschland Holding, GmbH
 - Inapa Deutschland, GmbH
 - Inapa France, SAS
 - Inapa España Distribución de Papel, S.A.
 - Inapa Belgium, S.A.
 - Inapa Packaging, SAS
 - Inapa Merchants Holding, Ltd
 - Europackaging – Investimentos, Participações e Gestão, Lda.
 - Inapa Packaging, Lda.
 - Inapa Packaging, GmbH
 - Korda Kagit Pazarlama Ve Ticaret Anonim Şirketi
 - Inapa Complott GmbH

Outside the Group:

- Manager of Bica Consult, Lda.

Inês Patrícia Arede Simões Louro

In the Company:

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

In the Group:

- Director/Manager of:
 - Inapa Portugal – Distribuição de Papel, S.A.
 - Inapa España Distribución de Papel, S.A.
 - Inapa France, SAS
 - Inapa Deutschland, GmbH
 - Korda Kagit Pazarlama Ve Ticaret Anonim Şirketi

Outside the Group:

- None

Frederico João de Moser Lupi

In the Company:

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

In the Group:

- Director/Manager of:
 - Inapa Portugal – Distribuição de Papel, S.A.
 - Inapa España Distribución de Papel, S.A.
 - Inapa France, SAS
 - Inapa Shared Center, Lda.
 - Inapa Belgium, S.A.
 - Korda Kagit Pazarlama Ve Ticaret Anonim Şirketi
 - Inapa Angola, S.A.

Outside the Group:

- None

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

27.

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

The Board of Directors has created an Executive Committee, in which it has delegated the daily management of the company.

Given the small size of the company, bearing in mind the provisions of Article 413/2 of the CSC (Portuguese Companies Code) - as the company is below two of the three thresholds, net turnover and number of employees - to the limited number of members of the Board of Directors - 7 -, the functions performed by its Audit Committee (which would overlap with other committees), and the number of Members of the Board of Directors that are part of the Executive Committee (3) and the Audit Committee (3), only remaining one independent director, without executive or auditing functions (1), the Board considered that the appointment of any of the indicative special committees is not justifiable.

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

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

28.

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

The Executive Committee has the following composition:

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

29.

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

The competences of the Audit and Executive Committees are detailed on section 21.

III. Supervision (Supervisory Board, the Audit Committee or the General and Supervisory Board)

a) Composition (throughout the said year).

30.

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

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

31.

Composition of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Financial Matters Committee, where applicable, with details of the articles of association's minimum and maximum number of members, duration of term of office, number of effective members, date of first appointment, date of end of the term of office for each member and reference to the section of the report where said information is already included pursuant to paragraph 17.

Paragraph 4 of article 22 of the company's bylaws states that "The Audit Committee of the Board of Directors will comprise of three members who fulfil the applicable legal requirements, one of whom will act as Chairperson, to be appointed by the General Meeting from among the members of the Board of Directors".

The members of the Audit Committee are elected by the General meeting for a 3 years term.

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

	POST	DATE OF 1 ST APPOINTMENT	TERM OF THE MANDATE
Victor Maurílio Silva Barros	Chairman	05.23.19	12.31.21
Emília de Noronha Galvão Franco Frazão	Member	05.23.19	12.31.21
Patrícia Isabel Sousa Caldinha	Member	05.23.19	12.31.21

The Company believes that the current composition of the Audit Committee with three independent members is appropriate given the size of the Company and the complexity of the risks of its activity, and to carry out its assigned duties with efficiency.

32.

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

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

33.

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

On section 19 of this report, the qualifications of each member of the Audit Committee are further described.

b) Functioning.

34.

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

The regulations of the Audit Committee, integrated in the Rules and Regulations of the Board of Directors, are accessible to the shareholders and anyone that is interested in the company's website
- www.inapa.com - or on its headquarters.

35.

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

From January 1 until December 31, 2020:

- Number of meetings: 16
- Attendance of each member:
 - Victor Maurílio Silva Barros: 100%
 - Emília Noronha Galvão Franco Frazão: 100%
 - Patrícia Isabel Sousa Caldinha: 100%

36.

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

The Audit Committee members are in part-time regime relatively to the management of the company and do not have any functions in the company or the Group, besides the ones relative to their role as members of the Board of Directors.

The function of the Audit Committee members outside the company and the Group were/are the following:

- **Victor Maurílio Silva Barros**
 - Assistant professor of Finance of ISEG - Universidade de Lisboa (since 2016)
 - Member of the Fiscal Council of IDEFE/ISEG Executive Education (since 2017)
 - Chairman of the Fiscal Council of Rádio e Televisão de Portugal, S.A. (since 2021)
- **Emília Noronha Galvão Franco Frazão**
 - Member of the SGEHR Fiscal Council - Sociedade Gestora e Exploradora de Hotéis e Resorts S.A. (since July 2019)
 - Non-executive member of the Board of Directors of FUNDIESTAMO - Sociedade Gestora de Organismos de Investimento Coletivo, S.A. (since september 2019)
 - Member of the Association's Board of Directors - Fundo de Assistência do Crédito Agrícola Mútuo (FACAM) (since 2020)
 - Member of the Fiscal Council of Monte d'Alva - Alimentação, S.A. (since January 2020)

- **Patrícia Isabel Sousa Caldinha**

- Member of the Board of Directors of the Order of Statutory Auditors (since 2021);
- Chairman of the Registration Committee (since January 2021);
- Member of the Fiscal Council of Insight Venture - Sociedade de Capital de Risco (since 2021);
- Provides on a private basis the activity of Statutory Auditor and related services;
- Member of the Fiscal Council of EPAL - Empresa Portuguesa das Águas Livres, S.A. (since 2018);
- Member of the Fiscal Council of Águas do Tejo Atlântico, S.A. (since 2021)

c) Powers and Duties.

37.

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

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

The Audit Committee analyses the different audit services and the proposals presented by the external auditor or a member of its network, previously evaluated and communicated by the Executive Committee, in order to ensure that: (i) the contracting of additional services does not jeopardize the independence of the external auditor; (ii) the balance between the statutory audit services and the additional audit services whose provision is being analysed is ensured; and (iii) the additional services under consideration are not prohibited and considering the permitted provisions to be waived by each member state in accordance with EU Regulation No. 537/2014 of the European Parliament and of the Council, of April 16.

38.

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

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

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

IV. Statutory Auditor

39.

Details of the statutory auditor and the partner that represents same.

The statutory auditor is the firm Deloitte & Associados, SROC, S.A. represented by Jorge Carlos Duarte Batalha Catulo Appointed Chartered Accountant.

40.

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

The statutory auditor – Deloitte – is presently serving its third mandate, after being appointed for these duties on 15 April 2016, in substitution of the company PricewaterhouseCoopers.

Jorge Carlos Duarte Batalha Catulo represents the statutory audit company Deloitte & Associados, SROC, S.A. since 15 April 2016.

41.

Description of other services that the Statutory Auditor provides to the company.

Deloitte & Associados, SROC S.A. and other entities belonging to the same network provided other permitted services mentioned in paragraph 46.

V. External Auditor

42.

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

The external auditor is the firm Deloitte & Associados, SROC, S.A represented by Jorge Carlos Duarte Batalha Catulo.

The external auditor has the CMVM registration number 20160607.

43.

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

The external auditor is presently serving its second mandate, after being appointed for the first time for these duties on 15 April 2016, in substitution of the company PricewaterhouseCoopers.

The partner in charge is serving since 15 April 2016.

44.

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

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

45.

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

In addition to the General Assembly, the Audit Committee evaluates the performance of the external auditor. In this context, this Committee is responsible for monitoring and evaluating the services provided by the external auditor (auditing and not related to auditing). To carry out this monitoring, the Commission integrates meetings with the external auditor in its agenda in order to: (i) monitor and evaluate the work already done and in progress; (ii) learn about the scope and planning of the audit; (iii) analyse the audit work schedule; and (iv) analyse and assess the conclusions of its audit reports. The Commission works with the external auditor on a regular basis and ensuring adequate working conditions for the performance of all services provided, in order to monitor its independence throughout the year. Likewise, the external auditor must sign a declaration attesting his independence annually.

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

In addition, and in accordance with current auditing standards, the external auditor must, within the scope of its powers, verify the application of the remuneration policies and systems of the governing bodies, the effectiveness and functioning of the internal control mechanisms and report any deficiencies and irregularities to the Audit Committee.

Similarly, the external auditor confirms its independence annually in its Legal Certification of Accounts/Audit Report.

46.

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

The contracting of services other than auditing, provided to the Group in Portugal and abroad, is subject to a rigorous analysis in order to prevent any conflicts of interest with the External Auditor or a member of its network. Any type of work other than auditor services that may have potential conflict of interest should not be provided. These services are also assessed for compliance with Law 140/2015 of 9 September and Regulation EU No. 537/2014 of the European Parliament and of the Council of 16 April.

The Audit Committee approved at a meeting on 15 October 2021, the "Terms of Reference for Procedures for the selection of the ROC for 2022-2024 triennium", in which it established ex-ante and in abstract the criteria and requirements for the selection of the Statutory Auditor and external auditor to be proposed to the General Meeting.

It is on the basis of these Terms of Reference that it proposes to the General Meeting the election of the Statutory Auditor and external auditor for the three-year period 2022-2024.

In addition to the auditing work, which includes the statutory audit services, the External Auditor fees are related to the following distinct auditing services: support within the scope of the capital increase of Inapa Belgium and, in the case of the Company, the limited review of the half-yearly consolidated financial statements.

47.

Details of the annual remuneration paid by the company and/or legal entities in a control or group relationship to the auditor and other natural or legal persons pertaining to the same network and the percentage breakdown relating to the following services (For the purposes of this information, the network concept results from the European Commission Recommendation No. C (2002) 1873 of 16 May):

BY THE COMPANY*	2021
Value of account review services (€)	46,500
Value of reliability assurance services (€)	21,000
Value of tax consulting services (€)	-
Value of services other than account review (€)	-
TOTAL	67,500
BY ENTITIES IN THE GROUP*	2021
Value of account review services (€)	395,000
Value of reliability assurance services (€)	22,500
Value of tax consulting services (€)	-
Value of services other than account review (€)	-
TOTAL	417,500

* Including individual and consolidated accounts

C. Internal Organisation

I. Articles of the Association

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

48.

The rules governing amendment to the articles of association (Article 245-A/1/h).

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

For the General Meeting to deliberate on this matter on first convening, shareholders holding shares representing at least 1/3 of the share capital must be present or duly represented; on second convening, the Meeting may deliberate whatever the number of shareholders present and the capital they represent (Art. 383, No. 2 and 3 CSC).

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

By virtue of its paragraph 4, the limitation of voting rights contemplated in paragraph 1 of Article 13-A shall also apply to resolutions to amend the memorandum of association.

II. Reporting of Irregularities

49.

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

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

- 1) The employees of Inapa Group (management and staff of the parent company, Directors, and management and staff of its affiliate companies) are bound to report any irregular practices of which they may have become aware being perpetrated in Inapa Group companies to the following officials:
 - a) To the Chairman of the Executive Committee of the Board of Directors of Inapa – Investimentos, Participações e Gestão, S.A. should such irregular practices involve the management and staff of the parent company, Directors or the management of its affiliate companies;
 - b) Without prejudice to what stated on the following paragraph, to the Chairman of the Audit Committee of the Board of Directors should such irregular practices involve the Directors of Inapa – Investimentos, Participações e Gestão, S.A. or of its supervisory board and/or its staff;
 - c) To the Chairman of the Board of Directors should such irregular practices involve a member of the Audit Committee of the Board of Directors of Inapa – Investimentos, Participações e Gestão, S.A.;
 - d) By email ethics@inapa.com when related with other employees from affiliate companies.
- 2) In the situations referred in sub-paragraph a) of paragraph 1 above, the Chairman of the Executive Committee shall submit such allegations, with the urgency deemed necessary, to the Chairman of the Audit Committee of the Board of Directors.

- 3) Such allegations shall be submitted in writing, and their author shall be entitled to demand from the recipient a written statement to the effect that the information in question shall be treated in the strictest confidence.
- 4) The reporting official shall be assured that, barring allegations of a calumnious nature, any information provided within the scope of these regulations shall neither be raised as grounds for instituting proceedings against him or her nor for any unfavourable treatment towards him or her.

To be able to act in a swift manner, the company decided that communications should be directed to the executive members or the legal head of the Group. Notwithstanding this communication being performed normally to the CEO or the legal head of the Group, the Audit Committee is informed of all communications that are performed, analysing any irregularities and monitoring its resolutions.

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

III. Internal Control and Risk Management

50.

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

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

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

Within the scope of the action described above, the Audit Committee is regularly the head of internal audit regularly presents the reports made under

his direction within the scope of his powers, who, whenever appropriate, adopts the adequate measures for the complete clarification and determination of responsibilities of the identified situations. The Audit Committee also supervises the effectiveness of the risk management and internal control system.

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

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

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

51.

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

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

52.

Other functional areas responsible for risk control.

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

53.

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

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

The Inapa Group classifies the risks to which it is exposed into four major categories: strategic risks, operational risks, compliance risks, and financial risks.

Strategic Risks

RISK AREA	DESCRIPTION	MANAGEMENT
Macro-economic Trends	The economy behaviour in general can impact the performance of the Group, namely at the top line level. A slowdown in economic activity levels or a reduction in consumer and producer confidence indexes may cause a slowdown or fall in paper demand, namely the demand for writing and printing paper, thereby affecting its operations, sales, earnings, and the financial situation of the Group.	Because Inapa's business is present in eight European countries and in Angola and Turkey, its external activity accounts for more than 95% of its turnover. These circumstances naturally expose Inapa's business to risks arising from the performance of each economy. On the other hand, it is also a risk mitigation factor due to the less likely occurrence of the same pattern of economic behaviour in all markets at the same time.
Changes of consumption/ demand patterns	The paper distribution business is sensitive to changes in the behavioral patterns of demand, mainly in segments such as advertising and media, and also to changes in the distribution structure.	Inapa Group operates in different geographies and has sought to diversify its business base, increasing the weight of complementary businesses.
Balance between supply and demand	The balance between supply and demand depends on a variety of factors, among which we highlight the trends in the production capacity installed and the level of economic activity and evolution of consumption patterns. Besides the productive capacities in different geographies, the trends in the paper demand in emerging markets like China and India and its impact on those markets' suppliers, the impact of exchange rate fluctuations on the various markets competitiveness, and some regulatory issues that affect the world paper trade are all factors which, either in combination or in isolation, may directly or indirectly impact the performance of the Company, its financial situation and its earnings.	Inapa Group operates in different geographies and has sought to diversify its business base, developing commercial relationships with producers located on different continents and increasing the weight of complementary businesses.
Structure of the sector	The paper distribution business has undergone structural changes, with concentration movements between operators, particularly in Europe. This competitive environment may directly and indirectly affect the company's future strategic decisions and, consequently, its positioning in each market, as well as the corresponding results and asset allocation. In a context of sector consolidation, Inapa may be the target of a public tender offer.	Inapa Group has sought to broaden its portfolio of products and partners and continually invests in improving efficiency in order to ensure its competitiveness.

RISK AREA	DESCRIPTION	MANAGEMENT
Environmental Risks	Given the growing ecological concern, legal and regulatory requirements in this area are expected to increase significantly. Failure to comply may result not only in financial penalties, but also in difficulties to have access financing and reputational damage.	Inapa has incorporated in its strategic plan sustainability goals and reducing the ecological footprint Inapa develops its activity seeking to adopt practices that promote sustainable development of the environment, through the promotion of certified products and reducing its ecological footprint. In the case of the paper sector, most of the environmental impact is downstream of Inapa's operations, in the production of paper. Hence the adoption of initiatives, together with suppliers, to adopt environmentally sustainable practices.

Operational Risks

RISK AREA	DESCRIPTION	MANAGEMENT
Disruptive events: Natural disasters, resulting from global warming	The activity is exposed to possible natural disasters and abnormal weather conditions that may arise as a consequence of global warming.	All Inapa warehouses are insured against possible losses caused by these types of phenomena. Given the high number of warehouses and their geographic dispersion, we consider that exposure to this type of risk is relatively low, as it is possible to continue operations if one of the locations is affected.
Disruptive events: Pandemics	The company's operational activity is subject to the risks of the emergence of pandemics. The implementation of measures that influence the mobility of people or goods by government entities may have a significant impact on the company's operations and the financing of the activity. Disruptions in the transport network at an international level or in countries where the Group or its main suppliers operate may bring limitations on the supply of products and influence the Group's activity.	Operational risks are mitigated (i) by the high geographical dispersion of Inapa's operations, both at Group level and at the level of each of its national operations and its suppliers, and (ii) by the contingency plans adopted by each Group company, which ensure that, except in the areas of warehousing and transportation, which require the physical presence of employees, the others can be ensured, in essence, through telework.
Disruptive events: Armed conflict	Armed conflict and the application of international economic sanctions can have significant impacts on product demand, availability or prices.	The geographical dispersion of sales and supply mitigates these risks.
Purchase price fluctuations/ Pricing management	The ability to reflect increases in paper and/or fuel prices in the selling prices of products/services is not fully elastic. It may occur that the margins of products sold/services rendered are affected directly or through increases in transport costs associated with distribution, thus exerting a negative effect on the activity, financial situation and Group results.	Inapa has at its disposal some means of mitigating this risk, among which stand out its systems, which in the sales process, introduce authorization levels in accordance with the margin generated by the operation. In addition, the inventory levels with which Inapa operates minimize the impact of price changes.
Disruptions in storage and distribution	Significant and/or prolonged interruptions in the ability to serve the customer in terms of distribution may lead to deterioration of the Inapa Group's image/reputation, with an impact on Sales.	Group companies are constantly seeking to improve logistical processes in order to maximise customer experience at the lowest cost.
Disruptions and property damage	The Group's units are subject to the risks inherent to any economic activity, such as accidents or breakdowns that may cause damages to the Group's assets or temporary interruptions in the activity.	These risks are monitored by Inapa on an ongoing basis by means of the processes and information systems it implemented, and some of the operational risks are covered by insurance policies. The normal development of the business may be temporarily affected by risks arising from the merger or restructuring of subsidiaries.

RISK AREA	DESCRIPTION	MANAGEMENT
Customer retention/loyalty	Inapa's performance depends on its ability to secure its customer base.	Besides having a very significant number of clients (over 80,000), geographical dispersion, and a wide range of competitive, top-quality products and an appropriate level of pre and post-sales service, Inapa has been developing a customer loyalty program to its traditional customer base by offering an integrated range of products and services that complement its core business, thus increasingly asserting itself in the paper market as a global service provider.
Credit Risk	The aggravation of global economic conditions affecting economies on a local scale may cause difficulties for the Group's customers in meeting their obligations to Inapa.	Inapa has maintained since 2011 an insurance policy to cover the credit risk of its operating subsidiaries in large European insurance companies. This insurance covers the main countries of the Group, thus covering most of the Group's sales. Regardless of the coverage contemplated above, Inapa also manages credit risk by acting as follows: each Group company has its credit collections committee, composed of the CEO, CFO and heads of Sales and Procurement; the credit limits defined are registered in the IT system and inhibit new orders for customers whose limit is fully used; the credit limits are subject to annual review and/or whenever there is relevant information arising from the recommendation of the internal and external monitoring systems; the approval of sales above the defined credit limits is only made by the Board of Directors of each Group company.
Human Resources	The Group's ability to successfully implement the outlined strategy depends on its ability to retain and, whenever necessary, recruit the most qualified and competent employees for each function.	Although the Group's human resources policy is oriented towards achieving these objectives, it is not possible to guarantee that in the future there will be no limitations in this area. Recent reinforcement of skills in this area at corporate level.
IT	The Group's operations are also dependent on IT processing. This involves the maintenance and processing of financial reporting records, monitoring and control of logistics, warehousing, and transportation operations, and accounting. Inapa may also be exposed to risks related to the migration processes of its base systems, which may have a transitory effect on its operations.	Despite regular assessment of the computer systems and the fact that their capabilities have proven to be adequate it is not possible to absolutely guarantee the complete identification and timely correction of all IT system problems, nor the systematic success in implementing technological improvements
Cyber security	The risk of computer fraud/cyber attack is something that has been gaining an international dimension, and it is not possible to fully mitigate this risk, despite the measures and procedures implemented.	Investment in security policies. Periodic assessment. Employee training in best practices. Main risks covered by insurance.

Compliance Risks

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

Financial Risks*

RISK AREA	DESCRIPTION	MANAGEMENT
Interest rates	As Inapa does not hedge its exposure to adverse changes in interest rates, such changes may have a negative impact on its performance, financial situation, and earnings.	As a way of managing these variations, the Group's financial area constantly follows the development of the market, and is able to use financial instruments to minimise the effects of interest rates volatility.
Currency risk	The exposure to currency risk is limited because the aggregate value of sales in currencies other than Euro (namely kwanza and Turkish lira) represents less than 2% of the total sales of the Group.	Constant monitoring of exchange rate trends in the countries to which the Group is exposed.
Investment	The Group's operations require investments. Risk that the Inapa Group may not be able to finance its operations, namely in terms of investment, or that it may only be able to do so at a higher cost.	Inapa expects to fund its investments by mobilizing cash flows generated from operating activities. Should these activities fail to generate sufficient income, Inapa may be required to partly fund the envisaged investments with funding from external sources, including bank loans and/or capital markets.
Liquidity/ Working Capital	For the development of its operations, Inapa needs working capital. More adverse economic scenarios that lead to changes in the commercial and financial policies of our partners, including suppliers, customers, or financial institutions, could create working capital needs that may influence liquidity levels.	Inapa manages liquidity risk by seeking to ensure that the Group's financial debt has a high medium and long-term component with maturities that adequately match its ability to generate cash resources, through access to credit facilities on current accounts. Treasury management is done locally in each Group company supervised by the Holding Company. Cash flow forecasts are updated and regularly monitored by the Holding. Cash flow forecasts are updated and regularly monitored.
Pension Funds	Inapa grants supplementary retirement and survivor's pension plans to the employees of its subsidiaries Inapa France, SAS, Inapa Packaging SAS, Semaq Emballages, S.A., Papyrus Deutschland and Papier Union GmbH. It accounts for the inherent costs and associated charges in accordance with the provisions of International Accounting Standard nr. 19 (IAS 19). The amount recorded in the consolidated accounts under liabilities for pension benefits is based on predefined actuarial assumptions, whereas the beneficiaries of the pension plans may live longer than expected and, as such, may benefit from the plan beyond the period provided for, since they are defined benefit pension plans. Therefore, pension liabilities may exert an adverse constraint on cash flows.	Inapa periodically reviews the actuarial calculations.
Consolidation of accounts and reporting	Risk of making errors in the preparation of internal and external reports.	Inapa has internal and external control methods to mitigate these risks. Implementation of SAP in all Group companies will bring a strong contribution, with the alignment of processes/procedures.

* In the notes to the consolidated financial statements (3, 8 and 9) you can find more detail on the various aspects of financial risk management.

54.

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

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

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

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

55.

Core details on the internal control and risk management systems implemented in the company regarding the procedure for reporting financial information (Article 245-A/1/m)).

The process of disclosure of financial information is monitored by both the management and supervisory bodies, as well as by business units and the corporate centre. The accounting documents and other financial information are prepared by the Consolidation and Planning and Control Departments, based on the information provided by the business units.

The Audit Committee, throughout the year, monitors the implementation of the systematized formalization of the relevant data and elements that make up Inapa's risk management and internal control system, as well as the implementation of common IT platforms to strengthen control mechanisms.

IV. Investor Assistance

56.

Department responsible for investor assistance, composition, functions, the information made available by said department and contact details. The Company has an Investor Relations Office headed by the responsible for relations with the market.

The company provides investor support through the Market Relations representative.

Roles of Investor support:

- To provide all investors – corporate or particular – with the most complete and accurate information, in the strict respect for the applicable legislation, concerning the corporate structure of the Company and the Group, on the rights and duties of the shareholders in conformance with the legislation and the Company's Articles of Association, on its financial and economic situation according to the disclosed elements and the indication of the probable calendar of the most relevant events of corporate initiative.
- To provide investors, in due respect for applicable legislation, with any additional or complementary information and clarification they may ask for and on the aforementioned items of information.

Type of information made available:

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

Assess means to the office:

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

57.

Market Liaison Officer.

The Company's representative for market relations is Mr. Hugo Duarte de Oliveira Rua.

58.

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

The investor relations received a small number of information requests, by email or phone, having answered all the requests within one business day.

V. Website

59.

Address.

The corporate website on the internet is: www.inapa.com.

60.

Place where information on the firm, public company status, headquarters and other details referred to in Article 171 of the Commercial Companies Code is available.

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

61.

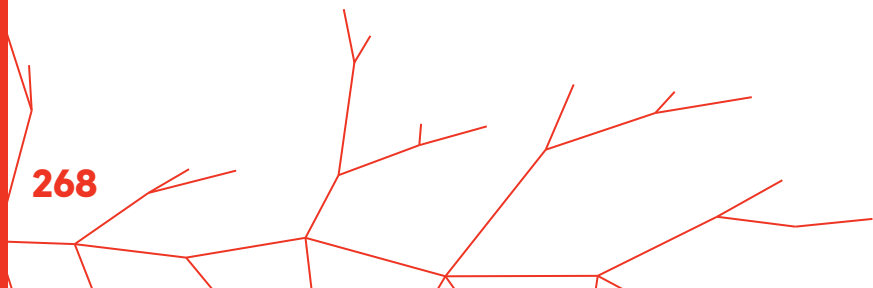
Place where the articles of association and regulations on the functioning of the boards and/or committees are available.

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

62.

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

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



63.

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

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

64.

Place where the notice convening the General Meeting and all the preparatory and subsequent information related thereto is disclosed.

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

65.

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

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

D. Remuneration

I. Power to Establish

66.

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

The remuneration of the Governing Bodies is determined by:

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

The company considers its directors, according to paragraph 3 of article 248.º B from CVM, exclusively the members of the Board of Directors and Audit Committee.

II. Remuneration Committee

67.

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

On the General Meeting of 23 May 2020, it was elected the following remunerations committee:

- Chairman: Nuno Galvão Teles;
- Member: Pedro Manuel Macedo Vilas Boas;
- Member: Tiago Manuel Rodrigues Estevinho.

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

The Chairman of the Remuneration Committee was not present at the General Meeting of 21 May 2021, due to prophylactic confinement in the context of the COVID-19 pandemic, where the proposal on the remuneration policy was considered and voted on remuneration policy.

68.

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

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

Nuno Galvão Teles

Academic qualifications

- Undergraduate degree in Law, Faculty of Law, University of Lisbon
- LL.M. in International Commercial Law, University of London
- Registered with the Portuguese Bar Association

Professional qualifications

- Partner at Morais Leitão, Galvão Teles, Soares da Silva & Associados, Sociedade de Advogados, R.L. and head of the corporate, commercial and capital markets teams
- He has been with Morais Leitão, Galvão Teles, Soares da Silva & Associados, Sociedade de Advogados R.L. since 1987

Pedro Manuel Macedo Vilas Boas

Academic qualifications

- Degree in Business Management and Administration from the School of Economics and Business Sciences of Universidade Católica Portuguesa Sciences by the Catholic University of Portugal
- Course in "PDO - Programme for Operational Directors", Catholic Lisbon School of Business and Economics
- Course in "PADE - Programme for Top Management of Companies" by AESE - School of Management and Business

Professional qualifications

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

Tiago Manuel Rodrigues Estevinho

Academic qualifications

- Bachelor degree in Economics, Nova Business School
- Postgraduate Diploma in Finance, Nova Business School
- Master in Finance, Nova Business School

Professional qualifications

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

III. Remuneration Structure

69.

Description of the remuneration policy of the Board of Directors and Supervisory Boards as set out in Article 2 of Law No. 28/2009 of 19 June.

I. Introduction

Pursuant to and for the purposes of compliance with Article 26-A et seq. of the Portuguese Securities Code (as amended by Law No. 50/2020 of 25 August), the Remuneration Committee of Inapa - Investimentos, Participações e Gestão, S.A. ("**Inapa**" or "**Company**") shall submit to the General Assembly for approval a remuneration policy for the members of the Company's management and supervisory bodies every four years and whenever a relevant change occurs in the remuneration policy in force ("**Remuneration Policy**").

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

In this Remuneration Policy, the remuneration practices in force were analysed and suggestions were made to ensure that such practices are adequate and reflect the risk profile and long-term objectives of the Company, taking into consideration market practices and assuming that they should be based on uniform, consistent, fair and balanced criteria. The evolution of the remuneration system of the other Inapa employees was also subject to due consideration, considering the current conditions of employment and the current economic situation, in order to ensure an alignment of the remuneration evolution of the executive members with the remuneration evolution of the other employees of the companies in a controlling or group relationship with Inapa or controlled by Inapa ("**Group**").

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

independent in relation to the members of the management and supervisory bodies of supervisory bodies of the Company and with knowledge and experience in matters of remuneration.

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

Thus, for the purposes of compliance with applicable legal and regulatory provisions, the Remuneration Committee hereby submits for approval by the Annual General Meeting, to be held on May 21, 2021, the Remuneration Policy applicable to the members of Inapa's corporate bodies.

II. Remuneration policy to the Governing Bodies

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

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

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

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

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

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

III. Remuneration policy for non-executive directors, including members of the Audit Committee en effect

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

Fixed component

The paid fixed remuneration to non-executive directors corresponds to a fixed amount, paid 14 times a year.

The members of the Audit Committee of the Board of directors of Inapa receive a supplement to their remuneration as non-executive directors (referred to in the previous paragraph), paid 12 times a year.

Specifically, the value of the remuneration of non-executive directors was determined for the 2019/2021 term of office. In 2020, the fixed remuneration paid to non-executive directors corresponds to the amount indicated in Inapa's Governance Report.

Variable component

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

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

IV. Fixed and variable components of the variable remuneration of executive members of the Board of Directors

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

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

Fixed component

The value of the fixed component was determined for the 2019/2021 term of office. In 2020, the fixed remuneration paid to executive directors correspond to the amount indicated in Inapa's Governance Report for 2019 and were paid 14 times a year.

A review of the base remuneration of the executive directors shall be carried out at least at the end of each term of office, which shall also imply a weighing up, according to benchmark criteria, of the total

remuneration model practiced by comparable companies in order to ensure at all times that the remuneration model of the executive members of the Board of Directors remains a balanced, fair, and competitive model, both nationally and internationally (given Inapa's growing exposure to markets outside Portugal).

Variable component

The awarding of variable remuneration is based on degrees of achievement of quantitative and qualitative objectives that are associated with objective, simple, transparent and (in relation to quantitative objectives) measurable performance indicators, assessed annually as outlined below:

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

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

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

Quantitative component

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

Qualitative component

- If the overall performance registered is level 1 ("Well Below Expected"), no addition to the variable component is calculated for this purpose;
- If the overall performance registered is level 2 ("Somewhat Below Expected"), an amount of 4% of the fixed reference remuneration of each executive member of the Board of Directors is due;

- If the overall performance registered is of level 3 ("As Expected"), the following is due 20% of the fixed reference remuneration of each executive member of the Board of Directors;
- If the overall registered performance is of level 4 of "Above Expected" (level 4), the amount of 24% of the fixed reference remuneration of each executive member of the Board of Directors;
- If the overall performance registered is level 5 ("Much Above Expected"), an amount of 30% of the fixed reference remuneration of each executive member of the Board of Directors is due.

5. The annual key performance indicators (and weightings) against the year 2021 budget are as follows:

Quantitative component

- Sustainability - Reduction of the weight of debt in the balance sheet (30%);
- Profitability - % annual growth rate of recurrent EBITDA (30%);
- Profitability - % annual savings on operating costs (15%);
-
- Activity - % annual turnover growth (Packaging and Viscom) (15%);
- ESG - % of purchasing volume with sustainable production standards (10%).

Qualitative component

- Leadership skills of the BD and contribution to the performance of the EC (40%);
- Relation with Stakeholders (35%);
- Contribution to Inapa's reputation (25%).

6. The variable remuneration is subject, wholly or partially, to mechanisms for (a) reduction of the variable remuneration at a time prior to its attribution (malus) and (b) reversion through the retention of part or all of the variable remuneration awarded, whose payment of any of its installments has not yet been made (claw back), the latter mechanism being applied as a supplement in the event that the reduction mechanism proves insufficient, in the following situations:
- i) The executive member of Inapa's Board of Directors in question participated directly and decisively or was responsible for an action that resulted in significant losses for Inapa;
 - ii) Serious or fraudulent breach of Inapa's code of conduct or internal rules by the executive member of the Board of Directors with a significant negative impact on Inapa, or situations justifying just cause of dismissal of the executive member of the Board of Directors; and/or
 - iii) False statements and/or material errors or omissions in Inapa's financial statements for which the objective conduct of the executive member of the Board of Directors has contributed decisively.

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

8. Payment of the variable remuneration corresponding to the financial year in which the executive member of the Board of Directors ceases functions shall not be due, except in situations of termination by mutual agreement, retirement, death, disability or in any other case of early termination of the term of office, for reasons not attributable to the executive member of the Board of Directors namely change of control of the Company, among others, following a takeover bid or other fact unconnected to the executive

member of the Board of Directors), in which case the variable remuneration shall be due pro rata temporis. In particular, the executive member of the Board of Directors shall not be entitled to a variable remuneration for the performance of his duties during the period between the start of the financial year and the date of the elective general meeting (under the terms of the provisions of Article 391 of the Portuguese Companies Code), should the executive member of the Board of Directors not be re-elected.

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

Benefits

Also the following benefits are assigned to Executive Directors:

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

V. Remuneration policy of the Statutory Auditor

The Statutory Auditor of the Company is remunerated in the terms and conditions agreed in the service agreement entered into between it and Inapa, in accordance with market practices and the legal and recommendation framework.

VI. Characteristics of supplementary or early retirement pension schemes

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

VII. Definition, revision or renewal of the Remuneration Policy

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

The review and application of the Remuneration Policy of the member of Inapa's corporate bodies will be done according to the following Principles:

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

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

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

Whenever the Remuneration Policy is revised, all relevant changes introduced will be described, as well as how those changes reflect the votes and opinions expressed by shareholders on the remuneration policy, as well as the Remuneration Reports (included in the Corporate Governance Report and to be prepared under the provisions of Article 245-C of the Securities Code issued on that policy since the last vote on it at the General Meeting.

VIII. Derogation of the Remuneration Policy

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

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

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

Any action by the Remuneration Committee to derogate from the Remuneration Policy Remunerations will be disclosed in the Remuneration Report for the year in question, included in the Governance Report and to be prepared under the provisions of Article 245-C of the Securities Code.

IX. Stock plans or stock options

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

X. Existence of contracts signed between Inapa and members of its corporate bodies; enforceability or unenforceability of payments relative to the dismissal and termination of duties of directors

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

In particular:

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

XI. Contracting consultancy services

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

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

70.

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

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

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

- 1) The variable remuneration is paid in cash, taking into account the following reference values (Target) and maximum limits:
 - i. Minimum value of the variable remuneration attributable 13.6% of the fixed remuneration of the respective executive member of the Board of Directors;
 - ii. Variable remuneration target 20% of the fixed remuneration of the respective executive member of the Board of Directors;
 - iii. Maximum value of the remuneration attributable - 30% of the fixed remuneration of the respective executive member of the Board of Directors.
- 2) Specifically, the attribution and calculation of the amount of variable remuneration is based on the results of the performance evaluation of the executive members of the Board of Directors, carried out with reference to the entire calendar year in question, and is determined considering the following components:
 - i) Quantitative Component includes the assessment of Inapa's performance through quantitative indicators, with an overall weight of 80%;

- ii) Qualitative component - comprises the weighted average of the skills assessment of the executive member of the Board of Directors of Inapa in question, with an overall weight of 20%.

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

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

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

71.

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

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

72.

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

In the remuneration policy approved at the General Meeting of 21 May 2021, a deferral of the variable component (non-existent) was not established.

73.

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

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

None of the directors holds any shares in the Company.

74.

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

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

75.

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

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

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

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

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

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

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

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

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

76.

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

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

IV. Remuneration Disclosure

77.

Indication of the annual remuneration earned from the company, on an aggregate and individual basis, by the members of the company's management body, including fixed and variable remuneration and, with regard to the latter, reference to the different components that gave rise to it.

	INAPA - IPG		SUBSIDIARIES	
	FIXED REMUNERATION IN 2021	VARIABLE REMUNERATION IN 2021	FIXED REMUNERATION IN 2021	VARIABLE REMUNERATION IN 2021
Diogo Francisco Bastos Mendes Rezende	€ 350,000.00	-	-	-
Frederico João de Moser Lupi	€ 259,000.00	-	-	-
Inês Patrícia Arede Simões Louro	€ 259,000.00	-	-	-
Victor Maurílio Silva Barros	€ 65,708.33	-	-	-
Emília de Noronha Galvão Franco Frazão	€ 16,500.00	-	-	-
Patrícia Isabel Sousa Caldinha	€ 16,500.00	-	-	-
João Miguel Pacheco Sales Luís	€ 10,500.00	-	-	-

The average annual remuneration of the Company's full-time equivalent employees, excluding members of the management and supervisory bodies, during the last five financial years was € 64,526.98.

78.

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

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

79.

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

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

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

80.

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

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

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

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

In the event of the termination of the duties of the executive members of the Board of Directors, before the end of the term of office due to dismissal for just cause or due to the verification of another situation giving rise to the application of the malus or claw back mechanisms, the last will lose the right to receive all the variable remuneration paid but not paid.

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

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

81.

Details of the annual remuneration paid, as a whole and individually, to the members of the company's supervisory board for the purposes of Law No. 28/2009 of 19 June.

The Audit Committee members remunerations is described under section 77.

During 2021 the audit Committee member were:

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

82.

Details of the remuneration in the reference year of the Chairman of the Board of the Shareholders' General Meeting.

The Remuneration Policy Statement submitted by the said committee, approved on 23 May 2019, sets the remuneration of the Chairman of the Board of the Shareholders' General Meeting at € 5,000.00 (five thousand euros) for each meeting that he/she chairs.

During the reference year, there was one General Meeting, for which it was paid the approved remuneration of € 5,000.00 (five thousand euros).

V. Agreements with Remuneration Implications

83.

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

No contractual limitations have been established to pay eventual compensations for the unfair dismissal of directors.

The remuneration policy adopted does not provide for contractual limitations on any compensation payable to directors for dismissal without just cause or any express mechanisms for demanding any indemnity or compensation, without prejudice to that which is legally due. The Company does not have any agreements in place with members of its management body and/or directors that provide for compensation in the event of resignation, unfair dismissal or termination of employment following a change in control of the Company.

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

- In the event of termination of duties of the executive member of the Board of Directors, for any reason (other than dismissal for good cause or due to the verification of another situation giving rise to the application of the malus or claw back mechanisms), after the end of the variable remuneration period, but before the full payment of the respective variable remuneration, the full variable remuneration will be paid.
- The payment of the variable remuneration corresponding to the fiscal year in which the executive member of the Board of Directors ceases functions shall not be due, except in cases of termination by mutual agreement, retirement, death, invalidity or in any other case of early termination of the mandate, for reasons not attributable to the executive member of the Board of Directors (in particular, changes in the control of the Company, among others, following a takeover bid or other fact unrelated to the executive member of the Board of Directors), in which case variable remuneration will be due pro rata temporis. In particular, the executive member of the Board of Directors shall not be entitled to a variable remuneration for the performance of his/her duties during the period between the beginning of the financial year and the date of the elective general meeting (under the terms of the provisions of article 391, No. 4 of the Portuguese Companies Code), should the executive member of the Board of Directors not be re-appointed.

84.

Reference to the existence and description, with details of the sums involved, of agreements between the company and members of the board of directors and managers, pursuant to Article 248-B/3 of the Securities Code that envisages compensation in the event of resignation or unfair dismissal or termination of employment following a takeover bid. (Article 245-A/1/i)).

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

VI. Share-allocation and/or Stock Option plan

85.

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

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

86.

Characteristics of the plan (allocation conditions, non-transfer of share clauses, criteria on share-pricing and the exercising option price, the period during which the options may be exercised, the characteristics of the shares or options to be allocated, the existence of incentives to purchase and/or exercise options).

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

87.

Stock option plans for the company employees and staff.

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

88.

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

The Company does not have any share-allocation or stock option scheme to award shares in the capital of the Company to its governing bodies or personnel and has no control mechanisms in case of eventual voting rights exercised by employees.

E. Transactions with Related Parties

I. Control mechanisms and Procedures

89.

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

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

Related entities, for the purposes of the aforementioned regulation, are understood to be those considered as such in the international standards adopted pursuant to Regulation (EC) No. 1606/2002, of the European Parliament and of the Council, of 19 July and in particular:

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

- The spouse of the key management member or person living with him or her in de facto union, dependent descendants and other dependents;
 - Any entity that is directly or indirectly dominated by the key management element, constituted for its benefit or that this is also a key management element.
- e) The entity over which a key management element or person closely related to it exercises control, joint control or significant influence or over which they have, directly or indirectly, significant voting power;
- f) The entity that is a post-employment benefit plan for the benefit of employees of the company or company in a controlling or group relationship.

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

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

TYPE OF TRANSACTION	LIMIT
Purchasing and selling of goods and service	750,000 €
Financial investments	5,000,000 €
Loans and other type of funding, excluding simple renewals	10,000,000 €
Other transactions	500,000 €

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

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

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

90.

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

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

91.

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

The procedures and criteria are described in section 89.

II. Data on Business Deals

92.

Details of the place where the financial statements including information on business dealings with related parties are available, in accordance with IAS 24, or alternatively a copy of said data.

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

III. Other Elements

93.

Means of preventing and managing conflicts of interest.

In December 2017 the Board of Directors approved a new Code of Conduct that covers all employees and directors of the Inapa Group (including the members of the Board of Directors of the Company).

The Code of Conduct indicates that there is a conflict of interest when your personal activities interfere, or seem to interfere, with your judgment in acting in the best interest of Inapa.

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

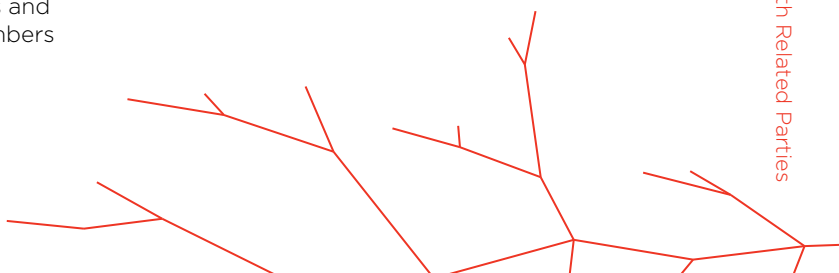
Members should not use their position in Inapa to get special treatment for themselves or their family or someone with meaning that is relevant to them. It applies to the purchase of products, sales, investments, contracting selection of contractors or suppliers or any other business relationships.

All external professional activities, whether paid or not, must be communicated and can not raise any conflicts of interest with Inapa. No assets of the company may be used during the exercise of any external professional activity.

If any director is in a situation of possible conflict of interests, he or she must notify the Chairman of the Board of Directors, or if the potential conflict affects him/her, to the Chairman of the Audit Committee, and exclude himself/herself from the decision-making process.

It is further envisaged that no employee, manager or director should participate in the decision-making related to a company where it may have a direct or indirect financial interest.

Finally, the Code of Conduct further stipulates those gifts, meals, entertainment or any favour from suppliers, service providers or customers should not be accepted that could compromise or appear to compromise their judgment when making objective decisions in the best interests of the Inapa.



Part II

Corporate Governance Assessment

I. Details of the corporate governance code implemented.

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

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

- The Company's Head Office, at Rua Braamcamp, 40 - 9.º D, Lisbon - Portugal;
- The company's corporate website: www.inapa.pt;
- The website of Comissão do Mercado de Valores Mobiliários (CMVM): www.cmvm.pt.

The company hereby informs that this Report will be available for consultation in all of the aforementioned locations and may be obtained separately or as an Addendum to the Annual Report and Accounts of the Company, of which it is an integral part.

2.

Compliance analysis of the implemented Corporate Governance Code.

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

For each of the recommendations, it is stated whether or not it is adhered to. An explanation is provided through the references to the articles in Part I - mandatory information on the shareholder structure, organization and governance of the company and complemented, in the case of non follow-up, partial follow-up or when the recommendation was considered not applicable, by further information is presented after the table, in point 3 - Other Information.

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
CHAPTER I – GENERAL		
General principle:		
Corporate Governance should promote and enhance the performance of companies, as well as of capital markets, and strengthen the trust of investors, employees and the general public in the quality and transparency of management and supervision, as well as in the sustained development of the companies.		
I.1. Company's relationship with investors and disclosure		
Principle:		
Companies, in particular its directors, should treat shareholders and other investors equitably, namely by ensuring mechanisms and procedures are in place for the suitable management and disclosure of the Company's information.		
Recommendations:		
I.1.1. The Company should establish rigorous mechanisms to ensure the timely disclosure of information to its governing bodies, shareholders, investors and other stakeholders, financial analysts, and to the markets in general.	Yes	22 34 56 to 65

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
I.2. Diversity in the composition and functioning of the company's governing bodies		
Principles:		
I.2.A. Companies ensure diversity in the composition of its governing bodies, and the adoption of criteria based on individual merit, in the appointment procedures that are exclusively within the powers of the shareholders.		
I.2.B. Companies should be provided with clear and transparent decision structures and ensure a maximum effectiveness of the functioning of their governing bodies and commissions.		
I.2.C. Companies ensure that the functioning of their bodies and committees is duly recorded, namely in minutes, to allow an understanding not only of the meaning of the decisions taken, but also of their grounds and opinions expressed by their members.		
Recommendations:		
I.2.1. Companies should establish standards and requirements regarding the profile of new members of their governing bodies, which are suitable according to the roles to be carried out. Besides individual attributes (such as competence, independence, integrity, availability, and experience), these profiles should take into consideration general diversity requirements, with particular attention to gender diversity, which may contribute to a better performance of the governing body and to the balance of its composition.	No	15 to 19 26 33
I.2.2. The company's managing and supervisory boards, as well as their internal committees, should have internal regulations - namely regulating the performance of their duties, their Chairmanship, periodicity of meetings, their functioning and the duties of their members —, disclosed in full on the company's website. Minutes of the meetings of each of these bodies should be drawn out.	Yes	15 to 19 21 to 23 27 34
I.2.3. The composition and the number of annual meetings of the managing and supervisory bodies, as well as of their committees, should be disclosed on the company's website.	Yes	22 23 34 35 61
I.2.4. A policy for the communication of irregularities (whistleblowing) should be adopted that guarantees the suitable means of communication and treatment of those irregularities, with the safeguarding of the confidentiality of the information transmitted and the identity of its provider, whenever such confidentiality is requested.	Yes	49

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
I.3. Relationships between the company bodies		
Principle:		
Members of the company's corporate bodies, especially directors, should create, considering the duties of each of the boards, the appropriate conditions to ensure balanced and efficient measures to allow for the different governing bodies of the company to act in a harmonious and coordinated way, in a possession of the suitable amount of information in order to carry out their respective duties.		
Recommendations:		
I.3.1. The bylaws, or other equivalent means adopted by the company, should establish mechanisms that, within the limits of applicable laws, permanently ensure the members of the managing and supervisory boards are provided with access to all the information and company's collaborators, in order to appraise the performance, current situation and perspectives for further developments of the company, namely including minutes, documents supporting decisions that have been taken, calls for meetings, and the archive of the meetings of the managing board, without impairing the access to any other documents or people that may be requested for information.	Yes	15 21
I.3.2. Each of the company's boards and committees should ensure the timely and suitable flow of information, especially regarding the respective calls for meetings and minutes, necessary for the exercise of the competences, determined by law and the bylaws, of each of the remaining boards and committees.	Yes	15 21
I.4. Conflict of interests		
Principle:		
The existence of current or potential conflicts of interest, between members of the company's boards or committees and the company, should be prevented. The non-interference of the conflicted member in the decision process should be guaranteed.		
Recommendations:		
I.4.1. The members of the managing and supervisory boards and the internal committees are bounded, by internal regulation or equivalent, to inform the respective board or committee whenever there are facts that may constitute or give rise to a conflict between their interests and the company's interest.	Yes	93
I.4.2. Procedures should be adopted to guarantee that the member in conflict does not interfere in the decision-making process, without prejudice to the duty to provide information and other clarifications that the board, the committee or their respective members may request.	Yes	93

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
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I.5. Related party transactions

Principle:

Due to the potential risks that they may hold, transactions with related parties should be justified by the interest of the company and carried out under market conditions, subject to principles of transparency and adequate supervision.

Recommendations:

I.5.1. The managing body should disclose in the corporate governance report or by other means publicly available the internal procedure for verifying transactions with related parties.	Yes	38 89 to 91
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I.5.2. The managing body should report to the supervisory body the results of the internal procedure for verifying transactions with related parties, including the transactions under analysis, at least every six months.	Yes	89 to 91
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CHAPTER II – SHAREHOLDERS AND GENERAL MEETING

Principles:

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

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

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

Recommendations:

II.1. The company should not set an excessively high number of shares to confer voting rights, and it should make its choice clear in the corporate governance report every time its choice entails a diversion from the general rule: that each share has a corresponding vote.	Yes	1 12 13
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II.2. The company should not adopt mechanisms that make decision making by its shareholders (resolutions) more difficult, specifically, by setting a quorum higher than that established by law.	Yes	14
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II.3. The company should implement adequate means for the remote participation by shareholders in the general meeting, which should be proportionate to its size.	Yes	12
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PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
II.4. The company should also implement adequate means for the exercise of remote voting, including by correspondence and electronic means.	Yes	12
II.5. The bylaws, which specify the limitation of the number of votes that can be held or exercised by a sole shareholder, individually or in coordination with other shareholders, should equally provide that, at least every 5 years, the amendment or maintenance of this rule will be subject to a shareholder resolution – without increased quorum in comparison to the legally established – and in that resolution, all votes cast will be counted without observation of the imposed limits.	Yes	5 13
II.6. The company should not adopt mechanisms that imply payments or assumption of fees in the case of the transfer of control or the change in the composition of the managing body, and which are likely to harm the economic interest in the free transferability of shares and a shareholder assessment of the performance of the members of the managing body.	Yes	16 69 80 83 84

CHAPTER III – NON-EXECUTIVE MANAGEMENT, MONITORING AND SUPERVISION

Principles:

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

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

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

Recommendations:

III.1. Without prejudice to the legal powers of the Chair of the managing body, if he or she is not independent, the independent directors should appoint a coordinator from amongst them (Lead Independent Director), namely, (i) act, when necessary, as an interlocutor near the chair of the board of directors and other directors, (ii) make sure there are the necessary conditions and means to carry out their functions; and (iii) coordinate the independent directors in the assessment of the performance of the managing body, as established in recommendation V.1.1.	Yes	18
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PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
<p>III.2. The number of non-executive members in the managing body, as well as the number of members of the supervisory body and the number of the members of the committee for financial matters should be suitable for the size of the company and the complexity of the risks intrinsic to its activity, but sufficient to ensure, with efficiency, the duties which they have been attributed. The formation of such suitability judgment should be included in the corporate governance report.</p>	Yes	17 18 27 31
<p>III.3. In any case, the number of non-executive directors should be higher than the number of executive directors.</p>	Yes	18
<p>III.4. Each company should include a number of non-executive directors that corresponds to no less than one third, but always plural, who satisfy the legal requirements of independence. For the purposes of this recommendation, an independent person is one who is not associated with any specific group of interest of the company, nor under any circumstance likely to affect his/her impartiality of analysis or decision, namely due to:</p> <ul style="list-style-type: none"> i. Having carried out functions in any of the company's bodies for more than twelve years, either on a consecutive or non-consecutive basis; ii. Having been a prior staff member of the company or of a company which is considered to be in a controlling or group relationship with the company in the last three years; iii. Having, in the last three years, provided services or established a significant business relationship with the company or a company which is considered to be in a controlling or group relationship, either directly or as a shareholder, director, manager or officer of the legal person; iv. Having been a beneficiary of remuneration paid by the company or by a company which is considered to be in a controlling or group relationship other than the remuneration resulting from the exercise of a director's duties; v. Having lived in a non-marital partnership or having been the spouse, relative or any first degree next of kin up to and including the third degree of collateral affinity of company directors or of natural persons who are direct or indirect holders of qualifying holdings, or having been a qualified holder or representative of a shareholder of qualifying holding; vi. Being a qualifying shareholder or representative of a qualifying shareholder. 	Yes	18 20 32
<p>III.5. The provisions of paragraph (i) of recommendation III.4 does not inhibit the qualification of a new director as independent if, between the termination of his/her functions in any of the company's bodies and the new appointment, a period of 3 years has elapsed (cooling-off period).</p>	Not applicable	18
<p>III.6. The supervisory body, in observance of the powers conferred to it by law, should assess and give its opinion on the strategic lines and the risk policy prior to its final approval by the management body.</p>	Yes	21 38 54

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
III.7. Companies shall have special committees in the areas of corporate governance, appointments and performance assessment, separately or cumulatively. In the event of the creation of the Remuneration Committee established in Article 399 of the Companies Code, and if this is not forbidden by law, this recommendation can be complied with by assigning to this committee competence in the aforementioned areas.	Yes (created Remuneration Committee)	24
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CHAPTER IV - EXECUTIVE MANAGEMENT

Principles:

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

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

Recommendations:

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

V.1. Annual evaluation of performance

Principle:

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

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
Recommendation:		
V.1.1. The managing body should annually evaluate its performance as well as the performance of its committees and executive directors, taking into account the accomplishment of the company's strategic plans and budget plans, the risk management, the internal functioning and the contribution of each member of the body to these objectives, as well as the relationship with the company's other bodies and committees.	Yes	18 24 25 27 38
V.2. Remuneration		
Principles:		
V.2.A. The remuneration policy of the members of the managing and supervisory boards should allow the company to attract qualified professionals at an economically justifiable cost in relation to its financial situation, induce the alignment of the member's interests with those of the company's shareholders — taking into account the wealth effectively created by the company, its financial situation and the market's — and constitute a factor of development of a culture of professionalization, sustainability, promotion of merit and transparency within the company.		
V.2.B. Directors should receive compensation:		
(i) That suitably remunerates the responsibility taken, the availability and the expertise placed at the disposal of the company;		
(ii) That guarantees a performance aligned with the long-term interests of the shareholders and promotes the sustainable performance of the company; and		
(iii) That rewards performance.		
Recommendations:		
V.2.1. The company should create a remuneration committee, the composition of which should ensure its independence from the management, which may be the remuneration committee appointed under the terms of article 399 of the Commercial Companies Code.	Yes	66 to 68
V.2.2. The remuneration should be set by the remuneration committee or the general meeting, on a proposal from that committee.	Yes	66 to 68
V.2.3. For each term of office, the Remuneration Committee or the General Meeting, on a proposal from that committee, should also approve the maximum amount of all compensations payable to any member of a board or committee of the company due to the respective termination of office. The said situation as well as the amounts should be disclosed in the corporate governance report or in the remuneration report.	No	69 to 81 83 to 86

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
V.2.4. In order to provide information or clarifications to shareholders, the chair or, in case of his/her impediment, another member of the remuneration committee should be present at the annual general meeting, as well as at any other, whenever the respective agenda includes a matter linked with the remuneration of the members of the company's boards and committees or, if such presence has been requested by the shareholders.	Yes	69 80
V.2.5. Within the company's budgetary limitations, the remuneration committee should be able to decide, freely, on the hiring, by the company, of necessary or convenient consulting services to carry out the committee's duties.	Yes	67 69
V.2.6. The remuneration committee should ensure that those services are provided independently and that the respective providers do not provide other services to the company, or to others in controlling or group relationship, without the express authorization of the committee.	Yes	67 69
V.2.7. Taking into account the alignment of interests between the company and the executive directors, a part of their remuneration should be of a variable nature, reflecting the sustained performance of the company, and not stimulating the assumption of excessive risks.	Yes	69 70
V.2.8. A significant part of the variable component should be partially deferred in time, for a period of no less than three years, being necessarily connected to the confirmation of the sustainability of the performance, in the terms defined by a company's internal regulation.	No	69 to 72
V.2.9. When variable remuneration includes the allocation of options or other instruments directly or indirectly dependent on the value of shares, the start of the exercise period should be deferred in time for a period of no less than three years.	Not applicable	74
V.2.10. The remuneration of non-executive directors should not include components dependent on the performance of the company or on its value.	Yes	69
V.3. Appointments		
Principle:		
Regardless of the manner of appointment, the profile, the knowledge, and the curriculum of the members of the company's governing bodies, and of the executive staff, should be suited to the functions carried out.		
Recommendations:		
V.3.1. The company should, in terms that it considers suitable, but in a demonstrable form, promote those proposals for the appointment of the members of the company's governing bodies are accompanied by a justification in regard to the suitability of the profile, the skills and the curriculum vitae to the duties to be carried out.	No	19

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
V.3.2. The overview and support to the appointment of members of senior management should be attributed to a nomination committee unless this is not justified by the company's size.	Not applicable (due to its size, the Company considers that it does not justify to create a nomination committee)	27
V.3.3. This nomination committee includes a majority of non-executive, independent members.	Not applicable (company has no nomination committee)	27
V.3.4. The nomination committee should make its terms of reference available, and should foster, to the extent of its powers, transparent selection processes that include effective mechanisms of identification of potential candidates, and that those chosen for proposal are those who present a higher degree of merit, who are best suited to the demands of the functions to be carried out, and who will best promote, within the organisation, a suitable diversity, including gender diversity.	Not applicable (company has no nomination committee)	27
CHAPTER VI - INTERNAL CONTROL		
Principle:		
Based on its mid and long-term strategies, the company should establish a system of risk management and control, and of internal audit, which allow for the anticipation and minimization of risks inherent to the company's activity.		
Recommendations:		
VI.1. The managing body should debate and approve the company's strategic plan and risk policy, which should include the establishment of limits on risk-taking.	Yes	21 54
VI.2. The supervisory board should be internally organised, implementing mechanisms and procedures of periodic control that seek to guarantee that risks which are effectively incurred by the company are consistent with the company's objectives, as set by the managing body.	Yes	21 50 53 54 55
VI.3. The internal control systems, comprising the functions of risk management, compliance, and internal audit should be structured in terms adequate to the size of the company and the complexity of the inherent risks of the company's activity. The supervisory body should evaluate them and, within its competence to supervise the effectiveness of this system, propose adjustments where they are deemed to be necessary.	Yes	50 to 55

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
VI.4. The supervisory body should provide its view on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance and internal audit functions, and may propose the adjustments deemed to be necessary.	Yes	21 50 to 55
VI.5. The supervisory body should be the recipient of the reports prepared by the internal control services, including the risk management functions, compliance and internal audit, at least regarding matters related to the approval of accounts, the identification and resolution of conflicts of interest, and the detection of potential irregularities.	Yes	21 49
VI.6. Based on its risk policy, the company should establish a risk management function, identifying (i) the main risks it is subject to in carrying out its activity; (ii) the probability of occurrence of those risks and their respective impact; (iii) the devices and measures to adopt towards their mitigation; and (iv) the monitoring procedures, aiming at their accompaniment.	Yes	50 to 55
VI.7. The company should establish procedures for the supervision, periodic evaluation, and adjustment of the internal control system, including an annual evaluation of the level of internal compliance and the performance of that system, as well as the perspectives for amendments of the risk structure previously defined.	Yes	21 54 55
CHAPTER VII - FIANCIAL INFORMATION		
VII.1. Financial Information		
Principles:		
VII.A. The supervisory body should, with independence and in a diligent manner, ensure that the managing body complies with its duties when choosing appropriate accounting policies and standards for the company, and when establishing suitable systems of financial reporting for risk management, internal control, and internal audit.		
VII.B. The supervisory body should promote an adequate coordination between the internal audit and the statutory audit of accounts.		
Recommendation:		
VII.1.1. The supervisory body's internal regulation should impose the obligation to supervise the suitability of the preparation process and the disclosure of financial information by the managing body, including suitable accounting policies, estimates, judgments, relevant disclosure and its consistent application between financial years, in a duly documented and communicated form.	Yes	21 38

PRINCIPLE/RECOMMENDATIONS	COMPLIANCE	REMISSION PART I
VII.2. Statutory audit of accounts and supervision		
Principle:		
The supervisory body should establish and monitor clear and transparent formal procedures on the relationship of the company with the statutory auditor and on the supervision of compliance, by the auditor, with rules regarding independence imposed by law and professional regulations.		
Recommendations:		
VII.2.1. By internal regulations, the supervisory body should define, according to the applicable legal regime, the monitoring procedures aimed at ensuring the independence of the statutory auditor.	Yes	21 37 38 41 44 to 47
VII.2.2. The supervisory body should be the main interlocutor of the statutory auditor in the company and the first recipient of the respective reports, having the powers, namely, to propose the respective remuneration and to ensure that adequate conditions for the provision of services are ensured within the company.	Yes	21
VII.2.3. The supervisory body should annually assess the services provided by the statutory auditor, their independence and their suitability in carrying out their functions, and propose their dismissal or the termination of their service contract by the competent body when this is justified for due cause.	Yes	21 38 45

3.

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

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

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

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

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

I.5.2. – There were no transactions with related entities that lacked specific control.

Nevertheless, the quarterly reporting procedure for transactions with related parties was complied with.

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

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

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

V.2.8. – The variable remuneration of executive directors provided for in the remuneration policy remuneration policy does not provide for deferral of the variable remuneration. However, provision is made for all or part of the variable remuneration to be subject to malus or claw back clauses.

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

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

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

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

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

VI.6. - The probability of occurrence of the risks and respective impacts are not currently included in the risk policy.



inapa

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