



Corporate Governace Report

Annual Report 2019



CORPORATE GOVERNANCE REPORT – 2019

PART I

INFORMATION ON SHAREHOLDER STRUCTURE, ORGANISATION AND CORPORATE GOVERNANCE

A. SHAREHOLDER STRUCTURE

I

Capital structure

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

The share capital, fully subscribed and paid up, is 84,000,000.00 euros, represented by 168,000,000 book-entry shares, of a nominal value of 0.50 euros each. These shares correspond to an equal number of voting rights, under number 1 of article 8 of the memorandum of association, which establishes that each share corresponds to one vote. There are no different classes of shares and the existing shares have all been listed for trading.

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

There are no restrictions to the transfer of shares.

- 3. Number of own shares, the percentage of share capital that these shares represent and the corresponding percentage of voting rights that corresponded to these own shares (article 245-A, number 1, subparagraph a)).**

The company does not hold any own shares.



4. **Significant agreements to which the company is a party and which come into effect, are amended or terminate in the event of a change in the control of the company following a takeover bid, and the respective consequences, except where due to their nature the disclosure thereof would be seriously detrimental to the company; this exception shall not apply where the company is specifically obliged to disclose such information pursuant to other legal requirements (article 245-A, number 1, subparagraph j).**

Under the terms of the (i) Loan agreement concluded by Impresa Serviços e Multimédia (in the meantime incorporated by merger into Impresa), in March 2005, with Banco BPI, S.A., of the value of M€ 152.5 for the acquisition of 49% of the share capital of SIC, (ii) the Loan agreement concluded by SIC, in June 2013, with Banco BPI, SA, of the value of M€ 17, to support cash flow, (iii) the Loan Agreement concluded with Banco BIC Portugal, S.A., of the value of M€ 11, to support cash flow; and (iv) the Pledged Current Account concluded with Banco BPI, SA, of the value of up to M€ 10.45, concluded on 12 January 2016, to support cash flow, the banks may terminate the agreements or declare the early and immediate maturity of the obligation to repay the borrowed funds, if IMPREGER's holding in IMPRESA falls below 50.01% of the share capital and/or of the voting rights of this company.

Under the terms of the SIC - Sociedade Independente de Comunicação S.A. bond issue, in July 2019, of the value of M€ 51, the bondholders may demand its early repayment if Francisco José Pereira Pinto de Balsemão, or his legal successors, no longer hold, directly or indirectly, the majority of the share capital and voting rights of the issuer.

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

There are no countermeasures, particularly those that provide for a restriction on the number of votes capable of being held or exercised by one shareholder individually or together with other shareholders.

6. **Shareholders' agreements that the company is aware of and may lead to restrictions on the transfer of securities or voting rights (article 245-A, number 1, subparagraph g)).**

There are no agreements outside the scope of the memorandum of association known to the company which may lead to restrictions on the transfer of securities or the exercise of voting rights.

II

Shareholdings and Bonds Held

7. **Details of the natural or legal persons who, directly or indirectly, are holders of qualifying holdings (article 245-A, number 1, subparagraphs c) and d) and article 16), with details of the percentage of capital, votes attributed, and the source and causes of attribution.**



Qualifying shareholder	Quantity of Shares Held	Percentage voting rights
IMPREGER - Sociedade Gestora de Participações Sociais, S.A.		
* Directly (a)	84,514,588	50.306%
* Through the Chairman of the Board of Directors, Francisco José Pereira Pinto de Balsemão	2,520,000	1.500%
* Through the Deputy Chairman of the Board of Directors, Francisco Maria Supico Pinto Balsemão	8,246	0.005%
* Through the Chairman of the Supervisory Board, António Flores de Andrade	160	0.000%
Total Imputable	87,042,994	51.811%
(a) - IMPREGER – Sociedade Gestora de Participações Sociais, S.A. is majority held by BALSEGER – Sociedade Gestora de Participações Sociais, S.A., of which 99.99% of the voting rights are imputable to Francisco José Pereira Pinto de Balsemão.		
Madre Entretenimento SGPS, Unipessoal, Lda.		
* Directly (a)	7,501,243	4.465%
Total Imputable	7,501,243	4.465%
(a) – Madre Entretenimento SGPS, Unipessoal, Lda. is held by Madre – Empreendimentos Turísticos, S.A., which in turn is held by António da Silva Parente, and majority held by Universal Management Foundation. Universal Management Foundation is controlled by António da Silva Parente, hence the corresponding voting rights are also imputable to him.		
BANCO BPI, S.A.		
* Directly	6,200,000	3.690%
Total Imputable	6,200,000	3.690%
Santander Asset Management, S.A.		
* Through Fundo Santander Acções Portugal	4,017,958	2.392%
* Through Fundo Santander PPA	58,137	0.035%
Total Imputable	4,076,095	2.426%
Newshold - S.G.P.S.		
* Directly (a)	4,038,764	2.404%
Total Imputable	4,038,764	2.404%
(a) – Newshold – S.G.P.S., S.A. is 91.25% held by Pineview Overseas, S.A., hence the corresponding voting rights are also imputable to it.		



8. **Indication of the number of shares and bonds held by members of the management and supervisory bodies.**

Indication of IMPRESA shares:

Members of the Management and Supervisory Bodies who ended their terms of office on 16 April 2019	Shares			
	Held on 31/12/2018	Acquired	Transferred	Held on 16/04/2019
Alexandre de Azeredo Vaz Pinto	140	0	0	140
António Soares Pinto Barbosa	0	0	0	0
José Manuel Archer Galvão Teles	0	0	0	0

Alexandre de Azeredo Vaz Pinto (Member of the Board of Directors and Chairman of the Audit Committee) – Held 140 IMPRESA shares as at 31/12/2018, a position which remained the same as at 16/04/2019, date of the end of the term of office, since there was no acquisition/divestment.

António Soares Pinto Barbosa (Member of the Board of Directors and of the Audit Committee) – Made no acquisition/divestment between 31/12/2018 and the end of the term of office

José Manuel Archer Galvão Teles (Member of the Board of Directors) – Made no acquisition/divestment between 31/12/2018 and the end of the term of office.

Members of the Management and Supervisory Bodies who started their terms of office on 16 April 2019	Shares			
	Held on 16/04/2019	Acquired	Transferred	Held on 31/12/2019
Manuel Guilherme Oliveira e Costa	0	0	0	0
Ana Filipa Mendes Magalhães Saraiva Mendes	0	0	0	0

Manuel Guilherme Oliveira e Costa (Member of the Board of Directors and Chairman of the Audit Committee) – Made no acquisition/divestment from the start of the term of office to 31/12/2019.

Ana Filipa Mendes Magalhães Saraiva Mendes (Member of the Board of Directors and of the Audit Committee) – Made no acquisition/divestment from the start of the term of office to 31/12/2019.



Members of the Management and Supervisory Bodies who renewed their terms of office on 16 April 2019	Shares			
	Held on 31/12/2018	Acquired	Transferred	Held on 31/12/2019
Francisco José Pereira Pinto de Balsemão	2,520,000	0	0	2,520,000
Francisco Pedro Presas Pinto de Balsemão	5,100	0	0	5,100
Francisco Maria Supico Pinto Balsemão	8,246	0	0	8,246
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	0	0	0	0
João Nuno Lopes de Castro	0	0	0	0

Francisco José Pereira Pinto de Balsemão (Chairman of the Board of Directors) – Held 2,520,000 IMPRESA shares as at 31/12/2018, a position which remained the same as at 31/12/2019, since there was no acquisition/divestment during 2019. IMPREGER – Sociedade Gestora de Participações Sociais, S.A., in which he holds the position of Chairman of the Board of Directors and is a majority shareholder of IMPRESA, held 84,514,588 IMPRESA shares as at 31/12/2018, a position which remained the same as at 31/12/2019, since there was no acquisition/divestment during 2019. IMPREGER is majority held by BALSEGER, Sociedade Gestora de Participações Sociais, S.A., in which 99.99% of the voting rights are imputable to Francisco José Pereira Pinto de Balsemão.

Maria Mercedes Aliú Presas Pinto de Balsemão, wife of Francisco José Pereira Pinto de Balsemão, held 868 IMPRESA shares as at 31/12/2018, a position which remained the same as at 31/12/2019, since there was no acquisition/divestment in 2019.

Francisco Pedro Presas Pinto de Balsemão (Chief Executive Officer) – Held 5,100 IMPRESA shares as at 31/12/2018, a position which remained the same as at 31/12/2019, since there was no acquisition/divestment in 2019.

Francisco Maria Supico Pinto Balsemão (Deputy Chairman of the Board of Directors) – Held 8,246 IMPRESA shares as at 31/12/2018, a position which remained the same as at 31/12/2019, since there was no acquisition/divestment in 2019. IMPREGER – Sociedade Gestora de Participações Sociais, SA, of which he is a Director, held 84,514,588 shares as at 31/12/2018, a position which remained the same as at 31/12/2019, since there was no acquisition/disposal of shares in 2019.

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia (Member of the Board of Directors and of the Audit Committee) – Made no acquisition/divestment in 2019.

João Nuno Lopes de Castro (Member of the Board of Directors) – Made no acquisition/divestment from the start of the term of office to 31/12/2019.



Statutory Auditor who ended the term of office on 16 April 2019	Shares			
	Held on 31/12/2018.	Acquired	Transferred	Held on 16/04/2019
Deloitte & Associados, SROC, S.A.	0	0	0	0
Luís Augusto Gonçalves Magalhães (ROC) – (Alternate)	0	0	0	0

Statutory Auditor who started the term of office on 16 April 2019	Shares			
	Held on 16/04/2019.	Acquired	Transferred	Held on 31/12/2019
BDO & Associados, SROC, Lda.	0	0	0	0
Pedro Aleixo Dias (ROC) – (Alternate)	0	0	0	0

Indication of SIC 2019-2022 Bonds:

In 2019, SIC – Sociedade Independente de Comunicação, S.A., a subsidiary 100% owned by IMPRESA – Sociedade Gestora de Participações Sociais, S.A., issued and admitted to trading 1,700,000 bonds, with a total nominal value of € 51,000,000, maturing on 11 July 2022.

Members of the Management and Supervisory Bodies of IMPRESA	SIC 2019-2022 Bonds			
	Held on 10/07/2019**	Acquired	Transferred	Held on 31/12/2019
Francisco José Pereira Pinto de Balsemão	100	0	0	100
Francisco Pedro Presas Pinto de Balsemão	0	0	0	0
Francisco Maria Supico Pinto Balsemão	0	0	0	0
Manuel Guilherme Oliveira e Costa	0	0	0	0
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	0	0	0	0
Ana Filipa Mendes Magalhães Saraiva Mendes	0	0	0	0
João Nuno Lopes de Castro	0	0	0	0

*Nominal unit value of €30

**Date of admission to trading of the SIC 2019-2022 Bonds on the regulated Euronext Lisbon market

Francisco José Pereira Pinto de Balsemão (Chairman of the Board of Directors) – Held 100 SIC 2019-2022 Bonds as at 10/07/2019, a position which remained the same as at 31/12/2019, since there was no acquisition/divestment in 2019.



Francisco Pedro Presas Pinto de Balsemão (Chief Executive Officer) - Made no acquisition/divestment in 2019.

Francisco Maria Supico Pinto Balsemão (Deputy Chairman of the Board of Directors) - Made no acquisition/divestment in 2019.

Manuel Guilherme Oliveira e Costa (Member of the Board of Directors and Chairman of the Audit Committee) – Made no acquisition/divestment in 2019.

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia (Member of the Board of Directors and of the Audit Committee) – Made no acquisition/divestment in 2019.

Ana Filipa Mendes Magalhães Saraiva Mendes (Member of the Board of Directors and of the Audit Committee) – Made no acquisition/divestment in 2019.

João Nuno Lopes de Castro (Member of the Board of Directors and of the Audit Committee) – Made no acquisition/divestment in 2019.

Statutory Auditor of IMPRESA	SIC 2019-2022 Bonds			Held on 31/12/2019
	Held on 10/07/2019**	Acquired	Transferred	
BDO & Associados, SROC, Lda.	0	0	0	0
Pedro Aleixo Dias (ROC) – (Alternate)	0	0	0	0

*Nominal unit value of €30

**Date of admission to trading of the SIC 2019-2022 Bonds on the regulated Euronext Lisbon market

9. **Special powers of the management body, especially as regards resolutions on capital increase (article 245-A, number 1, subparagraph 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 the powers and the mode of implementing the powers assigned.**

Regarding deliberations on capital increases, the memorandum of association does not define any empowerment of the Board of Directors, but may, however, make proposals to this effect to the General Meeting, which is solely responsible for this matter.

10. **Information on any significant business relationships between qualifying shareholders and the company.**

The following business relations exist with qualifying shareholders:

- With IMPREGER – lease agreement for premises (head office) of which IMPRESA is the tenant.
- With BPI – financing agreements (see point 4).
- With SP Televisão (Madre Group) – television production agreements (see point 90).



B. GOVERNING BODIES AND COMMITTEES

I

GENERAL MEETING

a) Composition of the Board of the General Meeting

11. Identification and position held by the members of the Board of the General Meeting and respective term of office (beginning and end).

The composition of the General Meeting for the current term of office (2019-2022 four-year period) is as follows:

Chairman: Manuel de Abreu Castelo Branco

Secretary: Maria João da Silva Dias Gonçalves dos Santos

b) Exercising the right to vote

12. Any restrictions on the right to vote, such as restrictions on voting rights subject to holding a number or percentage of shares, deadlines for exercising voting rights, or systems whereby the financial rights attaching to securities are separated from the holding of securities (article 245-A, number 1, subparagraph f));

There are no restrictions on the right to vote.

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 number 1 of article 20.

There are no statutory rules with the characteristics referred to above.

14. Identification of shareholders' resolutions that, imposed by the articles of association, may only be taken with a qualified majority, in addition to those legally provided, and details of this majority.

There are no statutory rules on constitutive and deliberative quorum numbers, and the General Meetings comply with the rules established in the law.



II

MANAGEMENT AND SUPERVISION

a) Composition

15. Identification of the adopted corporate governance model.

The corporate governance model adopted is the one referred to in subparagraph b) of number 1 of article 278 of the Commercial Company Code, i.e. with a Board of Directors, comprising an Audit Committee and a Statutory Auditor.

16. Statutory rules on procedural requirements and matters applicable to the appointment and replacement of members, as applicable, of the Board of Directors, the Executive Board and the General and Supervisory Board (article 245-A, number 1, subparagraph h)).

The General Meeting is responsible for appointing the members of the management and supervisory bodies at the beginning of each term of office.

At the meeting of the Board of Directors held on 2 July 2012, the position of Chief Executive Officer (CEO) was created with responsibility in all areas, which is maintained in the current term of office (2019-2022) by deliberation of the Board of Directors elected in 2019, at its meeting of 2 May 2019.

Directors are replaced in accordance with the provisions laid down in the Commercial Company Code, i.e. through co-optation within sixty days, or if this does not occur, by appointment of the Audit Committee, with the selection being ratified at the following General Meeting, which is valid until the end of the period for which the director had been elected.

When applicable, the Statutory Auditor will be replaced by his/her substitute.

17. Composition, as applicable, of the Board of Directors, the Executive Board and the General and Supervisory Board, indicating the statutory minimum and maximum number of members, statutory duration of term of office, number of permanent members, date of first appointment and end of the term of office for each member.

The composition of the Board of Directors for the current term of office (2019-2022 four-year period) is as follows:

Chairman:	Francisco José Pereira Pinto de Balsemão
Deputy Chairman:	Francisco Maria Supico Pinto Balsemão
Members:	Francisco Pedro Presas Pinto de Balsemão (CEO)
	Manuel Guilherme Oliveira da Costa
	Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia
	João Nuno Lopes de Castro
	Ana Filipa Mendes de Magalhães Saraiva Mendes



The term of office of the Board of Directors, composed of three to eleven members, is four years, with their re-election permitted for successive four-year periods, without detriment to the limitations imposed by law to companies issuing tradable securities in regulated markets. According to the composition mentioned above, the Board of Directors has 7 permanent members.

Members of the Board of Directors	Date of 1st appointment	Term of office
Francisco José Pereira Pinto de Balsemão	18/01/1990	31/12/2022
Francisco Maria Supico Pinto Balsemão	05/02/2001	31/12/2022
Francisco Pedro Presas Pinto de Balsemão	06/03/2016	31/12/2022
Manuel Guilherme Oliveira da Costa	16/04/2019	31/12/2022
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	28/01/2008	31/12/2022
João Nuno Lopes de Castro	29/04/2015	31/12/2022
Ana Filipa Mendes de Magalhães Saraiva Mendes	16/04/2019	31/12/2022

18. Distinction to be drawn between executive and non-executive members of the Board of Directors and, as regards non-executive members, indication of members who may be considered independent, or, where applicable, identification of independent members of the General and Supervisory Board.

Pursuant to the previous point, only one director, Francisco Pedro Presas Pinto de Balsemão (CEO), has executive functions.

Among the six non-executive members, based on the criteria included in point 18.1 of Annex I of the CMVM Regulation number 4/2013 and of number 5 of article 414 of the Commercial Company Code, the following three members are independent: Manuel Guilherme Oliveira da Costa, João Nuno Lopes de Castro and Ana Filipa Mendes de Magalhães Saraiva Mendes.

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.

Francisco José Pereira Pinto de Balsemão

Member of the Council of State (since July 2005). Chairman of the Selection Panel of the Pessoa Award (since 1987), Chairman of the General Council of the Sá Carneiro Institute (since 1998), member of the “Consejo de Protectores ”of “Fondación Carolina ”(since 2001), member of the Council of Curators of the Portuguese-Brazilian Foundation (since April 2004), member of the Steering Committee of the Ibero-American Forum (since May 2004) and Co-Chair (since November 2018), member of the Advisory Board of the magazine “Quaderns del Cac”, published by the Audiovisual Council of Catalonia (since August 2018), member of the Advisory Council of ISEG - Higher Education Institute of Economics and Management (since



April 2009), Chairman of the General Council of AEM - Association of Issuers of Market Listed Securities (since February 2014), Chairman of the General Council of PMP - Private Media Platform (August 2014), Chairman of the Board of the "Encontros de Cascais" [Cascais Meetings] (since November 2018). Doctor Honoris Causa from Universidade Nova de Lisboa (April 2010) and Universidade da Beira Interior (October 2010).

Member of the Steering Committee of the Bilderberg Meetings (1983-2015), member of the Advisory Council of ISEG - Higher Education Institute of Economics and Management (2010-2014), Associate Professor at the Faculty of Social and Human Sciences of Universidade Nova de Lisboa (1987-2002), Chairman of the Board of Directors of the "European Institute for the Media" (1990-1999), Chairman of the "European Television and Film Forum" (1997-2003), Deputy Chairman of the "Journalistes en Europe" Foundation (1995-2003), Chairman of the "European Publishers Council" (1999-2014), member of the Executive Committee of the "Global Business Dialogue"(1999-2002), member of the General Council of COTEC Portugal – Business Association for Innovation (2003-2006), member of the International Advisory Board of the Santander Group (2004-2014), member of the Advisory Board of Universidade de Lisboa (from January 2007 to May 2009), Member of the Committee for the Review of the Strategic Concept of National Defence (June 2012), member of the Selection Panel of the "Príncipe/Princesa de Astúrias de Cooperação Internacional" Award (1985-1986 and 1996-2015), Non-executive Director of the Daily Mail and General Trust plc (2002-2017), Chairman of the Board of the Faculty of Social and Human Sciences of Universidade Nova de Lisboa (2009-2017), External Advisor to the chairman of the 72nd General Assembly of the UN (September 2017 to September 2018) and Chairman of the Board of the General Meeting of COTEC Portugal - Business Association for Innovation (2016-2018).

Law degree from the Lisbon Law School (FDL), where he attended the supplementary Political and Economic Sciences. Journalist, management secretary (1963-1965) and director (1965-1971) of the Diário Popular newspaper. Founder and director of the Expresso newspaper (1973-1980), founder of the Social Democratic Party (1974), Member of Parliament and deputy chairman of the Constitutional Parliament (1975), Member of Parliament in 1979, 1980 and 1985, Deputy Minister of State for the 6th Constitutional Government (1980) and Prime Minister for the 7th and 8th Constitutional Governments (1981-1983). Founder and main driver of the launch of SIC (1992), the first private television channel in Portugal.

Francisco Maria Supico Pinto Balsemão

Degree in Electrotechnical and Computer Engineering, Telecommunications and Electronics Branch, from the Higher Technical Institute (IST), Universidade Técnica de Lisboa.

Post-Graduation Course in Telecommunications Business Management (1998/99) from ISTP - Higher Institute of Transport, organised by the ISTP, APDC - Portuguese Association for the Development of Communications and the Enterprise Institute of Madrid (IE).

Participation and completion of the EJE Programme – Young Entrepreneurial Engineer (1993/1994), promoted by the State Secretariat for Youth, Junitec (Junior Enterprises of IST (Higher Technical Institute)) and ITEC (Technological Institute for Community Europe).

At TMN - Telecomunicações Móveis Nacionais, S.A., Director of International Business and Roaming (from October 1997 to March 2000), Product Manager at the Products and Services Department for the Corporate Market of the Products and Services Development and Management Division (from April 1997 to October 1997) and Project Manager at the Products and Services Innovation and Development Department of the Direction of Communication and Marketing Division (from December 1995 to April 1997).



Member of the Management Board of AAAIST - Association of Alumnae of Instituto Superior Técnico in the biennium 2000-2002, and chairman of its Communication and Image Committee from 1995 to 2000. Member of the National Management Board (Region of the South/Islands) of APIGRAF - Portuguese Association of Graphic, Visual Communication and Paper Manufacturing Industries in the biennium 2005-2007.

Observer member of the Advisory Board of ICP/ANACOM - National Communications Authority (representing SIC); member of the assessment board of the Professional Aptitude Exams of the Telecommunications Technician courses ministered by INETE – Instituto de Educação Técnica and EPET – Escola Profissional de Electrónica e Telecomunicações (representing APDC), and senior advisor for Portugal of the Investment Banking Division of the North American multinational bank, Lehman Brothers, from July 2006 until the bankruptcy of this institution (on 15 September 2008), and member of the Iberian Advisory Board of American technology multinational Oracle up to June 2014 (having, since 2006, been a member of the Iberian Advisory Board of SUN Microsystems, a company subsequently acquired by Oracle); and, from 2006 to 2014, was a member of the Iberian Advisory Board of Thomson-Reuters Aranzadi, a Spanish publisher of specialised contents for the legal market, belonging to the Canadian multinational Thomson-Reuters (world leader in the provision of specialised contents for professionals: legal, tax-related, financial, scientific).

Member of the Board of Directors of ACEPI – Association of Electronic Commerce and Interactive Advertising - from November 2005 to May 2019 (Director of its B2C Specialised Group from 2001 to 2005); alternate member of the Board of Directors of API - Portuguese Press Association from 2007 to 2016; chairman of the general meeting of ANETIE - National Association of Information Technology and Electronics Companies from 2015 to 2018 (member of the Board of Directors from 2010 to 2012, and deputy chairman of the general meeting from 2012 to 2014); liaison person between IMPRESA, SGPS and COTEC Portugal – Business Association for Innovation until December 2019; member of the Advisory Board of the Faculty of Economics and Management of Universidade Católica do Porto (Católica Porto Business School) from 2010 to 2018.

Chairman of the National Board of ANJE (National Association of Young Entrepreneurs) from May 2009 to October 2013, having been its deputy chairman from 2003 to 2006 and its assistant chairman from 2006 to 2009. During the period in which he was chairman of ANJE, he was also: chairman of the Executive Committee of Portugal Fashion; member of the Economic and Social Council of Portugal; member of the Supervisory Board of RTP2; member of the Advisory Board of AIESEC Portugal (international association of economics and management students); member of the Executive Committee of the Civic Movement "New Portugal – Options of a Generation"; and deputy chairman of the General Board of CIP – Confederation of Portuguese Industry from 2011 to 2013, having been a member of the Board of Directors of CIP – Confederation of Portuguese Industry in 2010.

Member of the Board of Directors of APDC – Portuguese Association for the Development of Communications since 2016 (member of its Board of Directors from 2001 to 2011, director of its magazine "Comunicações" from 2011 to 2012, and commissioner for the media from 2012 to 2016); deputy chairman of the Board of Directors of AIP/CE – Portuguese Industrial Association/Business Confederation since 2015 (deputy chairman of the Board of Directors from 2007 to 2011 and member of the General Board from 2012 to 2015); chairman of the supervisory board of EF - Association of Family Companies; member of the General Board of APDSI – Association for the Promotion and Development of the Information Society, member of the General Board of AEP – Business Association of Portugal since 2014;

Chairman of the Board of Directors of the Youth Foundation since January 2014, having been its deputy chairman in 2013.



Francisco Pedro Presas Pinto de Balsemão

Law graduate of Universidade Nova de Lisboa (1998-2003), Erasmus programme at Universitat Pompeu Fabra, Barcelona (2002), Master of Laws - LLM (2006-2007) at University of Oxford, England, General Management Course at Nova School of Business and Economics of Universidade Nova de Lisboa (2008), Advanced Management Program at Universidade Católica Portuguesa, Lisbon, and Kellogg School of Management, Chicago (USA) (2011), Management Course "Orchestrating Winning Performance / Leading the Family Business", at IMD Business School, Lausanne (Switzerland) (2012) and "Journey to Business Transformation" at Esade Business School, taught at Singularity University (NASA Research Park) in Silicon Valley (2018).

Junior Associate (2003-2005) and Associate (2005-2006) at Linklaters (Lisbon), Assistant Adviser in the Portugal Mission at the United Nations, New York (USA) (2007), Senior Associate at Heidrick & Struggles (2008-2009).

Member of the BE Nova Board, between 2011 and 2013, advisory services to the Director of the Faculty of Management and Economics of Universidade Nova de Lisboa in the taking of strategic decisions on the future of the institution.

Nominated for the European Counsel Awards 2012 – General Commercial category.

Masters Capital Humano 2015 in the category of "Best strategy of motivation and engagement of the employees".

Elected for the General Counsel (GC) Powerlist of the Iberian Peninsula, award attributed by the company Legal 500 (2016).

Member of the Advisory Board of Imagens de Marca, magazine providing information on brand communication (January 2017).

Member of the St. Julian's School Association.

Elected Director of the International Academy of Television Arts & Sciences (November 2017).

Member of the Advisory Board of the Forum for Competitiveness, for the 2018-2020 three-year period.

Member of the Council of the Faculty of Social and Human Sciences of Universidade Nova de Lisboa for the 2018-2021 four-year period.

Elected Personality of the Year 2019 in the area of Media by the Meios & Publicidade magazine.

IMPRESA: Director of Human Resources (September 2009 to September 2011), Director of Human Resources and Legal Affairs (October 2011 to September 2012), Human Resources, Legal and Sustainability COO (October 2012 to March 2016), Company Secretary (September 2011 to January 2016) and Deputy Chairman of the Management Board of SIC Esperança since 2013.

Manuel Guilherme Oliveira da Costa

Graduate from ISCEF - Higher Institute of Economics and Finance, in 1973, and Post-Graduation (DEA) in "Économie et Finances Internationales" from the University of Paris I (Panthéon – Sorbonne), in 1981.



Currently performs the duties of Chairman of the Board of Directors of Phyxius Management and Phyxius Holding (companies of the Phyxius Project, in progress since 2015) and Director of Metalsorim, S.A..

Previous duties:

Chairman of the Board of Directors of Tegopi, S.A., between 2015 and 2017.

Business Consultant and Coordinator of the "NEXUS" Circle of Reflection, at UCP-CRP, between 2013 and 2016.

Chairman of the Board of Directors of RTP – Rádio e Televisão de Portugal, S.A., between 2008 and 2012.

Member of the Board of Directors (non-executive) and of the Audit Committee of IMPESA, S.G.P.S, S.A., from April 2007 to December 2007

Chairman of the Supervisory Board of Sonae Industria, S.G.P.S., S.A., from May 2007 to December 2007.

Chairman of the Supervisory Board of Modelo Continente, S.G.P.S., S.A., from May 2007 to December 2007.

Member of the Board of Directors of InvestAlentejo, S.G.P.S., from 2004 to March 2007.

Member of the Board of Directors of various participated companies of InvestAlentejo, from 2004 (Ipaper, Sete e Meio Herdades, CAJAP) to March 2007.

Member of the Board of Directors of Soporcel, S.A., from 2001 to 2004.

Member of the Board of Directors of Portucel, S.A., from 2001 to 2004.

Member of the Board of Directors of Sonae Industria, S.A., from 2001 to 2002.

Member of the Board of Directors of various participated companies of Sonae Indústria, from 2001 to 2003 (SPDF – Sonae Produtos e Derivados Florestais, S.G.P.S., Socelpac, S.G.P.S., Ecociclo – Energia e Ambiente, S.A., Maiequipa – Gestão Florestal, S.A.).

Chairman of the Board of Directors of Gescartão, S.G.P.S., from 2000 to 2005.

Chairman of the Board of Directors of Portucel Viana, S.A., from 2000 to 2005.

Membro do Conselho de Administração da Imocapital, S.G.P.S., de 2000 a 2004.

Member of the Board of Directors of Portucel Viana Energia, S.A., from 2003 to 2005.

Member of the Board of Directors of Portucel Embalagem, S.A., from 2000 to 2003.

Member of the Board of Directors of Portucel Recicla, S.A., from 2000 to 2003.

Member of the Board of Directors of LEPE, S.A., from 2000 to 2003.

Chairman of the Board of Directors of ICEP - Investimento, Comércio e Turismo de Portugal, from 1996 to 2000 (January).

Member (non-executive) of the Board of Directors of FIEP – Fundo para a Internacionalização da Economia Portuguesa, S.A., from 1998 to 2000.

Chairman of the General Council of CPD, Portuguese Design Centre, from 1998 to 2000.

Director-coordinator of the International Trade Department of Banco Borges e Irmão, from 1994 to 1996.



Advisor to the Chairman of the Board of Directors of Banco de Fomento e Exterior, S.A., from 1992 to 1996.

Director of the Centre for Management Studies and Applied Economics of Universidade Católica Portuguesa - Oporto Regional Centre, from 1991 to 1993.

Manager of the company Unicordas, Lda. In the area of international trade and transports, from 1984 to 1991.

Associate Researcher at CEPIL Centre d'Études Prospectives et d'Informations Internationales, Paris), from 1981 to 1984.

Assistant Professor at the School of Economics of Porto, from 19774 to 1993.

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

PhD in Management, specialising in Accountancy, from ISCTE, in October 2009.

Master's in Economics, from the School of Economics of Universidade do Porto, in March 2001.

Degree in Business and Management Management, from the School of Economics and Business Management of Universidade Católica Portuguesa, in September 1991.

Statutory Auditor (ROC number 1133).

Assistant Professor at the School of Economics and Management of Universidade Católica Portuguesa (Católica Porto Business School).

Partner of the company Novais, Anacoreta e Associado, SROC, Lda.

OROC representative at the Accounting Working Party of the Fédération des Experts-Comptables Européens - Accountancy Europe.

Member of the list of tax arbitrators of the Administrative Arbitration Centre.

Member of the Scientific Board of the Portuguese Tax Association.

Author of the books "Anexo em SNC - Guia prático", co-authored with Sónia Costa Matos and Rui Neves Martins, published by Vida Económica, 2011 and "Instrumentos Financeiros Derivados: Enquadramento Contabilístico e Fiscal", published by Universidade Católica Editora, 2000.

João Nuno Lopes de Castro

Director of the Centre for Digital Business and Technology of Nova School of Business and Economics.

Post-doctorate at Stanford University in 2010.

Doctorate in Engineering Systems from the Massachusetts Institute of Technology in 2010.

Masters (ABD) in Engineering Design from the Instituto Superior Técnico in 2004.

Licentiate degree in Electrical Engineering and Computers from the Faculty of Engineering of Universidade do Porto in 2000.

Chairman of the Portuguese-American Post-Graduate Society for the 2007-2008 term of office and chairman of the general meeting in the following term of office.



Considerable professional and consulting experience in the development of new technological, innovative or strategic solutions at Canal de Notícias de Lisboa, Sonae.com, Cisco Systems, Metro do Porto, UMIC and Sumol+Compal.

Guest speaker invited regularly in advanced and executive training programmes on topics related to Entrepreneurship, Innovation and Product Development.

Ana Filipa Mendes de Magalhães Saraiva Mendes

Degree in Business Management from Universidade Católica Portuguesa, in 1993.

Until February 2019, he was a member of the capital restructuring team of InterCement Participações, S.A. [São Paulo, Brasil ("InterCement")] and of the former Cimpor – Cimentos de Portugal, S.G.P.S., S.A. ("Cimpor"), now known as InterCement Portugal, S.A.. In this group, she accumulated the responsibilities of Investor Relations Director of InterCement and Official Representative for Capital Market Relations of InterCement Portugal, S.A., as well as External Communication Director and Crisis Corporate Manager of both companies, and Secretary of the company and of the Board of the General Meeting for InterCement Portugal, S.A..

In 1996, she joined Cimpor's Investor Relations Office and between 2004 and 2009 she cumulatively took on duties in the Studies and Strategic Planning Department.

She was an auditor and consultant at KPMG, in the Banking and Insurance area (Lisbon, Portugal), between 1993 and 1996.

She was an advisor to the marketing department at Alcatel - SEC (Toronto, Canada) in 1992.

20. Customary and significant 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.

The known family relationships between the indicated members of the boards and qualifying shareholders in the company are:

The Chairman of the Board of Directors, Francisco José Pereira Pinto de Balsemão, is father of the Deputy Chairman of the Board of Directors, Francisco Maria Supico Pinto Balsemão and of the Chief Executive Officer, Francisco Pedro Presas Pinto de Balsemão.

The known professional or business relationships between the indicated members of the boards and qualifying shareholders in the company are:

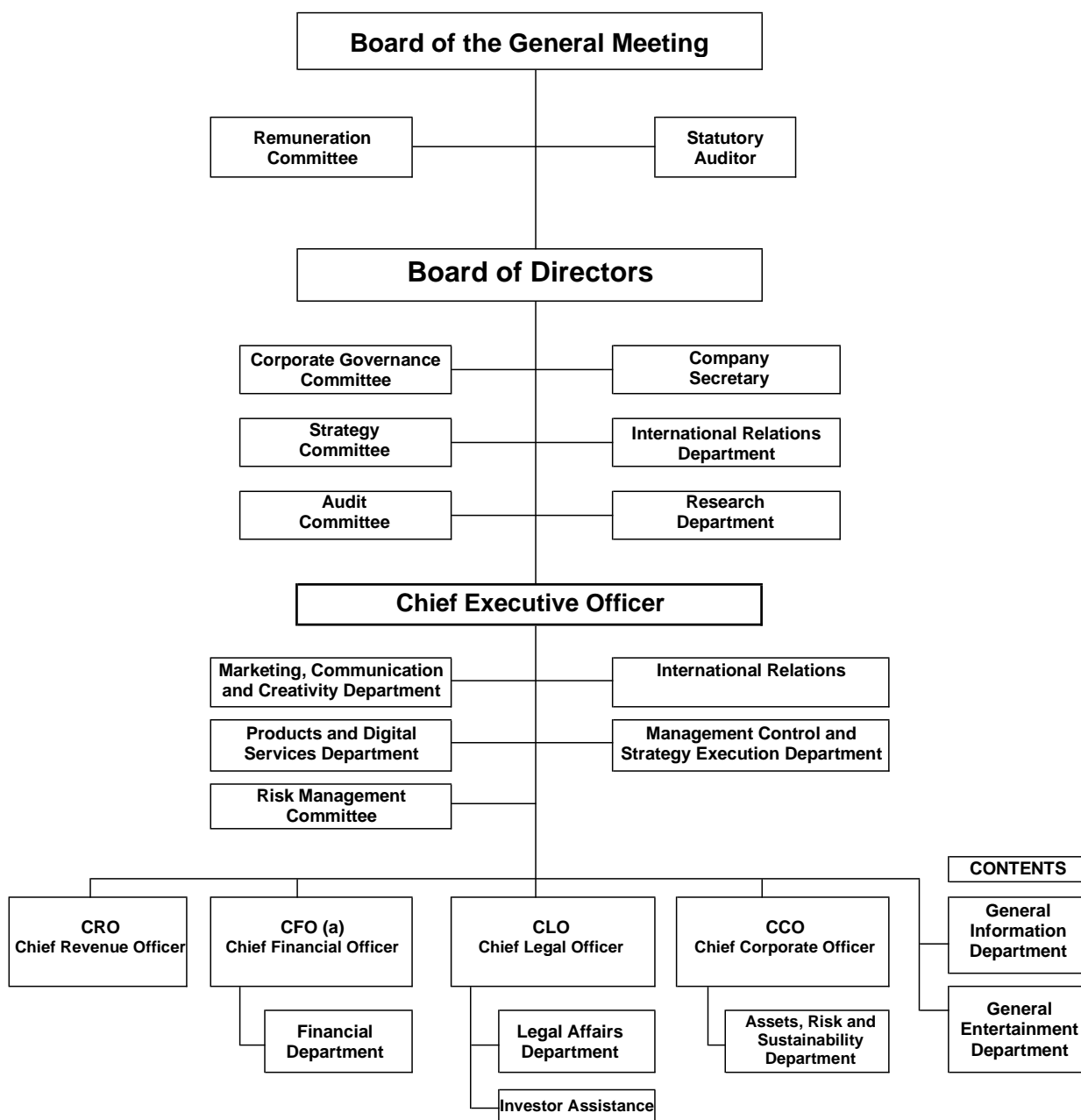
The Chairman of the Board of Directors, Francisco José Pereira Pinto de Balsemão, and the Deputy Chairman of the Board of Directors, Francisco Maria Supico Pinto Balsemão, are, respectively, Chairman and Member of the Board of Directors of IMPREGER – Sociedade Gestora de Participações Sociais, S.A., majority shareholder of IMPRESA.

The Chairman of the Board of Directors, Francisco José Pereira Pinto de Balsemão, is Chairman of the Executive Board of Directors of BALSEGER, S.G.P.S., S.A., which is the majority shareholder of IMPREGER – Sociedade Gestora de Participações Sociais, S.A.



21. Organisational charts or flowcharts concerning the allocation of powers between the Companies' various governing bodies, committees and/or departments, including information on delegating powers, particularly in relation to the delegation of the company's daily management.

IMPRESA GROUP OPERATIONAL CHART



(a) is also the Market Liaison Officer



DISTRIBUTION OF DUTIES

The **Board of Directors** is the body responsible for the management of the Company's activities, as established in the Commercial Companies Code and in the memorandum of association, being responsible, in particular, for:

- a) the Company's representation, actively and passively, in court and out of court;
- b) negotiation and signing of all contracts, including arbitration conventions, regardless of their scope, nature and form, in which the company is involved;
- c) acquisition, sale, encumbrance or any other form of corporate asset transaction;
- d) contracting loans, as well as provision of the necessary guarantees, regardless of their extent and nature;
- e) confession, discontinuance or transactions relative to any judicial proceeding;
- f) the constitution of authorised corporate representatives, empowered as deemed appropriate, pursuant to the terms and limits established in the law and memorandum of association;
- g) delegation of specific duties and powers to any director, with the scope established in the respective deliberation;
- h) the constitution of specialised committees and commissions;
- i) establishing the objectives and management policies of the Company and Impresa Group;
- j) preparing the annual activity and financial plans;
- k) establishing the technical and administrative organisation of the Company and IMPRESA Group and the internal operating standards concerning the staff and their remuneration;
- l) managing the Company's corporate business and conducting all the acts and operations pertaining to its corporate object which do not fall under the duties of other Company bodies;
- m) approving Transactions with Related Parties, under the terms of the Policy of And Control of Transactions with Related Parties and Prevention of Situations of Conflicts of Interest;
- n) performing all other duties assigned by law or by the General Meeting.

The **Chairman of the Board of Directors** is responsible, in particular, for:

- a) promoting the meetings of the Board of Directors as deemed necessary, calling them, chairing them, and deciding on all matters concerning the functioning of the Board;
- b) exercising all powers and carrying out, alone, all acts delegated by the Board of Directors;
- c) chairing joint meetings of the Board of Directors and Audit Committee that are held in the cases established in the memorandum of association, in the law and applicable regulations;
- d) chairing the Strategy Committee and the Corporate Governance Committee;
- e) institutionally representing the Group and coordinating institutional relations, with the Institutional Relations Department being dependent on the Chairman of the Board of Directors;
- f) chairing the Group's Staff Meeting;
- g) striving to ensure the proper execution of the determinations of the Board of Directors.



The Board of Directors delegated the Company's daily management to a Chief Executive Officer, without prejudice to the duties and powers assigned to the Audit Committee, under the terms of the Regulation of the Audit Committee and the provisions in the memorandum of association, the law and other applicable regulations.

Within the scope of the delegation of powers established in the Regulation of the Board of Directors, the following duties and powers were delegated to the Chief Executive Officer:

- a) the hiring and dismissing of workers and/or employees, approval of internal regulations, and exercise of the powers inherent to employer entities, including disciplinary power;
- b) the opening and operating of bank accounts;
- c) the conclusion of contracts deemed necessary to the development of the corporate object, including financial lease contracts;
- d) the deliberating of holding stakes in the share capital of companies to be incorporated in the future or that are currently incorporated, and the disposal of equity stakes;
- e) the acquisition, disposal or encumbrance of movable and fixed assets, including automobiles;
- f) the contracting of loans or other similar financial liabilities;
- g) the opening, closing or transfer of establishments or part of them;
- h) the collaboration in the definition of the Impresa Group's Strategic Plan, within the Strategy Committee;
- i) the collaboration in the definition of the editorial strategy of the different trademarks of the Impresa Group, within the Supra Editorial Committee;
- j) the coordination of the Impresa Group's operating management;
- k) the coordination of the areas of Human Resources; Management Control and Strategic Execution; Marketing, Communication and Creativity; Digital Products and Services; Information; Entertainment and External Communication;
- l) the individual supervision of the Chief Operating Officers (COO) in the main policies and decisions of their respective areas;
- m) the chairing of the Impresa Group's Operational Coordination meetings;
- n) the chairing of the meetings with each COO and first-line management staff, as well as other ad hoc meetings not attended by the Chairman of the Board of Directors;
- o) the chairing of the presentations of the accounts of the Impresa Group.

Without prejudice to the Policy on Appraisal and Control of Transactions with Related Parties and Prevention of Situations of Conflicts of Interest, the Chief Executive Officer:

- (i) must obtain prior authorisation from the Chairman of the Board of Directors when any act to be conducted or authorised, namely any of the previously mentioned acts, implies the undertaking of commitments or the payment of values higher than € 500,000 or involves the disposal of assets of value higher than this same amount;
- (ii) must obtain the authorisation of the Board of Directors for acts of value higher than € 1,000,000 (one million euros);
- (iii) the authorisation of the Chairman of the Board of Directors or of the Board of Directors shall not be necessary, according to the case in question, when involving acts included in the Company's annual budget, already approved by the Board of Directors.



MATTERS WHICH CANNOT BE DELEGATED

The following matters cannot be delegated by the Board of Directors, in particular:

- a) Co-optation of directors;
- b) Request to call general meetings;
- c) Approval of annual reports and accounts;
- d) Provision of deposits and personal or real guarantees by the company;
- e) Change of registered office under the terms established in the memorandum of association;
- f) Company merger, demerger and transformation projects;
- g) Definition of the Group's strategic options;
- h) Organisation and coordination of the Group's business structure;
- i) Approval of the annual budget.

All the members of the Board of Directors are called appropriately and in due time to the meetings of the body and receive the respective minutes.

All other members of the Board of Directors and of the Remuneration Committee may request from the CEO all and any information relative to the activities of IMPRESA and its participated companies. Usually, these requests for information are made in writing (namely by electronic mail), but they may also be made by telephone or in the presence of the persons concerned (normally during meetings of the Board of Directors). After these requests have been made, and if the CEO does not have all the data to enable an immediate and full response (in writing or verbally), these requests are forwarded internally to the structure of IMPRESA and/or its participated companies. In this last case, and on average, the response to the request will take approximately 5 business days to be given to the member of the governing body who requested it. If this member is not satisfied with the abovementioned answer, the process is re-started, and involves the number of iterations required until the request has been met in an entirely satisfactory manner.

b) Functioning

- 22. Existence 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.**

There are operating regulations for the Board of Directors, Corporate Governance Committee and Audit Committee, which may be consulted on the company website - www.impresa.pt.

- 23. 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.**

The Board of Directors met 18 times throughout the year, with members having registered the following attendance:



Attendance of the Members of the Board of Directors with term of office until 16/04/2019 (6 meetings):

Francisco José Pereira Pinto de Balsemão (Chairman)	100.00%
Francisco Maria Supico Pinto Balsemão (Deputy Chairman)	100.00%
Francisco Pedro Presas Pinto de Balsemão	100.00%
Alexandre de Azeredo Vaz Pinto	100.00%
António Soares Pinto Barbosa	100.00%
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	100.00%
José Manuel Archer Galvão Teles	100.00%
João Nuno Lopes de Castro	100.00%

Attendance of the Members of the Board of Directors with term of office until 16/04/2019 (12 meetings):

Francisco José Pereira Pinto de Balsemão (Chairman)	91.67 %
Francisco Maria Supico Pinto Balsemão (Deputy Chairman)	100.00 %
Francisco Pedro Presas Pinto de Balsemão	100.00 %
Manuel Guilherme Oliveira da Costa	91.67 %
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	100.00 %
João Nuno Lopes de Castro	100.00 %
Ana Filipa Mendes de Magalhães Saraiva Mendes	100.00 %

24. Indication of the competent governing bodies to conduct the performance assessment of the executive directors.

The mission of the Corporate Governance Committee is, among others, to assess the performance of the Chief Executive Officer, in accordance with article 6, number 2, subparagraph b), clause ii of the Regulation of the Corporate Governance Committee.

In accordance with article 7, number 5 of the Regulation of the Board of Directors, non-executive directors are also responsible, pursuant to the law, for the general surveillance of the action of the Chief Executive Officer.

25. Predefined criteria for assessing the performance of the executive directors.

The Corporate Governance Committee Assessed the performance of the Chief Executive Officer (CEO) based on the following seven criteria: Communication, Improvement and Innovation, Responsibility, Collaboration and Teamwork, Decision Making, Leadership and Orientation for the future.

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.



* Francisco José Pereira Pinto de Balsemão

In addition to the professional curriculum and relevant activities reported in point 19, he performs the following duties in other companies:

a) Group Companies

- Chairman of the Board of Directors of IMPRESA PUBLISHING, S.A.
- Chairman of the Board of Directors of SIC – Sociedade Independente de Comunicação, S.A.

b) Companies outside the Group

- Chairman of the Executive Board of Directors of BALSEGER-SGPS, S.A.
- Chairman of the Board of Directors of IMPREGER – Sociedade Gestora de Participações Sociais, S.A.
- Manager of Sociedade Francisco Pinto Balsemão, SGPS, LDA.
- Manager of Sociedade Turística da Carrapateira, LDA.
- Manager of Estrelícia – Investimentos Imobiliários, Unipessoal, LDA.

* Francisco Maria Supico Pinto Balsemão

In addition to the professional curriculum and relevant activities reported in point 19, he performs the following duties in other companies:

a) Group Companies

- Deputy Chairman of the Board of Directors of IMPRESA Publishing, S.A.
- Deputy Chairman of the Board of Directors of SIC – Sociedade Independente de Comunicação, S.A.

b) Companies outside the Group

- Chairman of the Board of Directors of SPECTACOLOR Portugal, S.A.
- Deputy Chairman of the Board of Directors of COMPTA – Equipamentos e Serviços de Informática, S.A.
- Director of IMPREGER – Sociedade Gestora de Participações Sociais, S.A.
- Director of BROADLOOP – INVESTMENTS, S.A.
- Director of EUROTEMPUS, S.A.
- Director of LIFETIME VALUE, S.A.
- Manager of SEGMENTABILITY, LDA.
- Manager of ENCOREXPRESS – Investments, SGPS, LDA.
- Manager of BORN TO RUN – Consultoria Empresarial, LDA.
- Manager of INCLUDES EVERYONE, LDA.
- Manager of CASUAL PORTION, LDA.



* Francisco Pedro Presas Pinto de Balsemão

In addition to the professional curriculum and relevant activities reported in point 19, he performs the following duties in other companies:

a) Group Companies

- Chairman of the Board of Directors of InfoPortugal – Sistemas de Informação e Conteúdos, S.A.
- Chairman of the Board of Directors of IMPRESA OFFICE & SERVICE SHARE – Gestão de Imóveis e Serviços, S.A.
- Director of IMPRESA PUBLISHING, S.A.
- Director of SIC – Sociedade Independente de Comunicação, S.A.
- Chairman of the Management Board of GMTS (Global Media e Technology Solutions) Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal Lda.

b) Companies outside the Group

Does not hold any position in other companies.

* Manuel Guilherme Oliveira da Costa

In addition to the professional curriculum and relevant activities reported in point 19, he performs the following duties in other companies:

Companies outside the Group

- Chairman of the Board of Directors of Phyxius Management and of Phyxius Holding (companies of the Phyxius Project, in progress since 2015)
- Director of Metalsorim, S.A.

* Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

In addition to the professional curriculum and relevant activities reported in point 19, she performs the following duties in other companies:

Companies outside the Group

- Chairman of the Audit Committee and Non-Executive Director of CTT, S.A.
- Member of the Governing Board of Ordem dos Revisores Oficiais de Contas (OROC)
- Non-Executive Director of SFS - Gestão de Fundos, SGFI, S.A.
- Chairman of the Supervisory Board of Centro Hospitalar de São João
- Chairman of the Supervisory Board of Sogrape S.G.P.S., S.A.
- Member of the General Board and of the Executive Committee of the Commission of Accounting Standards.

* João Nuno Lopes de Castro

In addition to the professional curriculum and relevant activities reported in point 19, he performs the following duties in other companies:



Companies outside the Group

- Ganexa Seed Capital – General Partner

* Ana Filipa Mendes de Magalhães Saraiva Mendes

Does not hold any position in other companies.

c) Committees within the Management or Supervisory Body and Board Delegates

27. Identification of the committees created within the Board of Directors, the General and Supervisory Board and the Executive Board, where applicable, and place where the operating regulations can be viewed.

The following committees have been created within the Board of Directors: Audit Committee, Corporate Governance Committee and Strategy Committee.

The operating regulations of the Audit Committee, the Corporate Governance Committee and the Strategy Committee may be consulted on the company website.

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

The Member of the Board of Directors, Francisco Pedro Presas Pinto de Balsemão, is the current Chief Executive Officer, appointed by the Board of Directors at its meeting on 2 May 2019.

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

Audit Committee

The **Audit Committee** is responsible, without prejudice of all other duties entrusted by the law, memorandum of association and this regulation, for:

- a) overseeing the company's management;
- b) ensuring compliance with the law and the memorandum of association;
- c) preparing the annual report on its oversight activity and expressing an opinion on the report, accounts and proposals presented by the Board of Directors;
- d) following and overseeing the process of preparation and disclosure of financial information;
- e) supervising the legal review of accounts;
- f) monitoring, appraising and commenting on the risk policy defined by the Board of Directors;
- g) monitoring and appraising the risk management system and the internal control system, as well as, when applicable, the internal audit function, particularly concerning the process of



preparation of financial information, without breaching its independence and proposing to the Chief Executive Officer measures aimed at improving its operation that prove necessary;

- h) checking, when deemed appropriate and in the manner deemed suitable, the regularity of the book-keeping, its underlying accounting records, as well as the situation of any assets or values possessed by the Company in any capacity;
- i) issuing prior and binding opinions to the Board of Directors on the internal process of approval of business and transactions with related parties, under terms defined by the Committee;
- j) receiving disclosures of irregularities occurred within the Company and presented by shareholders, employees or others;
- k) calling the General Meeting when the Chairman of the respective Board, entrusted with this duty, does not do so;
- l) examining the Company's book-keeping, whenever deemed convenient;
- m) issuing binding opinions on the giving of advances on profit during a financial year;
- n) certifying that the disclosed annual report on corporate governance structure and practices includes the elements referred to in article 245-A of the Securities Market Code;
- o) analysing efficacy in compliance with the legal, regulatory or other applicable requirements, as well as those arising from any investigations by the Chief Executive Officer and their conclusions (including the application of any penalties) in cases of proven non-compliance;
- p) analysing the conclusions of any examinations conducted by inspectors of governmental or regulatory entities, as well as observations of non-compliance made by the external auditors of the IMPRESA Group;
- q) ensuring the appropriate conditions for provision of audit services within the premises of the IMPRESA Group.

The Audit Committee's financial oversight activity also includes:

- a) supervising the process of preparation and disclosure of financial information and submitting to the Chief Executive Officer recommendations or proposals to ensure its integrity;
- b) issuing opinions on the correctness and completeness of the annual management report, including the non-financial statement, the annual accounts and proposals presented by the Company's management, and other documents to be submitted to the regulatory entities of financial markets, in which it should in particular express its agreement or not with the annual management report and accounts, and include the statement foreseen in subparagraph c) of number 1 of article 245 of the Securities Market Code;
- c) monitoring the legal review of the individual and consolidated annual accounts, namely their implementation, taking into account any findings and conclusions of the Securities Market Commission (CMVM), the competent authority for audit oversight;
- d) informing the management of the findings of the legal review of accounts, explaining how this contributes to the integrity of the process of preparation and disclosure of financial information, and the role performed by the Committee in this process.



In its oversight of business between related parties and conflicts of interest, the Committee is responsible for:

- a) monitoring and supervising the mechanisms implemented for approval, control and disclosure of transactions with related parties, namely the Policy on Appraisal and Control of Transactions with Related Parties and Prevention of Situations of Conflicts of Interest;
- b) submitting recommendations to the Board of Directors concerning measures of prevention and identification of conflicts of interest;
- c) indicating, in its annual report, the opinions endorsed in relation to transactions with Related Parties and the adequacy of the respective policy for purposes of prevention and resolution of conflicts of interest.

In the process of selection of the Company's statutory auditor, and pursuant to article 16 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014, the Committee is responsible for:

- a) selecting, through a formal market tender process, at least two statutory auditors to be proposed to the General Meeting, recommending and justifying their preference for one of them, after appraisal of their qualifications and independence for performance of duties.
- b) inviting any statutory auditors or audit firms to submit proposals to render legal accounts review services.
- c) preparing, for the purposes of the provisions in the previous subparagraph, tender documents aimed at the invited entities, so as to enable understanding the activity of IMPRESA, the type of legal review of accounts that will be carried out, including criteria of transparent and non-discriminatory selection that will be used to assess the submitted proposals.

In the relations with the Company's statutory auditor, the Audit Committee is responsible for:

- a) annually analysing the proposed provision of the Company's legal review of accounts services, proposing the remuneration of these services and, whenever applicable, checking the adequacy and approving the provision of non-audit services by the Company's statutory auditor and, if different, by the statutory auditors of its participated companies, except for the prohibited non-audit services established in article 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014;
- b) analysing the proposed annual planning of the work of the Company's statutory auditor and, if different and so deemed, of the auditor of its participated companies;
- c) holding regular meetings with the Company's statutory auditor and, if different, with the statutory auditor of its participated companies;
- d) checking and monitoring the independence of the Company's statutory auditor and, if different, of the statutory auditor of its participated companies;
- e) analysing the performance of the statutory auditor and respective adequacy to carry out the legal review of accounts, proposing to the Chief Executive Officer the cancellation of the contract or dismissal whenever there are fair grounds for the purpose;
- f) ensuring the appropriate conditions for provision of the statutory auditor's services within the premises of the IMPRESA Group.



The Audit Committee is the main interlocutor of the Statutory Auditor, namely within the scope of the audit of the accounts, its reports and conclusions, and appraisal of the internal control system.

Whenever deemed appropriate, the Committee shall contact the Company's statutory auditor directly and, if different, the statutory auditor of its participated companies, in order to obtain clarifications.

The content of the external auditors' reports is presented and analysed in detail at these meetings, which are held prior to the Board of Directors meetings, so that the Audit Committee is the first body of the Group to examine the content of the reports. Suggestions made by the Statutory Auditor aimed at improving the company's internal control measures and implementing better accounting practices and the results of the legal review of the accounts are subsequently reported and discussed with the Board of Directors.

The Audit Committee also holds regular meetings with the Chief Financial Officer of the IMPRESA Group in order to monitor and propose recommendations with respect to the process of preparation and disclosure of financial information, as well as to discuss other matters deemed relevant.

For purposes of monitoring the efficacy of the internal control and risk management systems, the Audit Committee holds meetings with a number of managers of the IMPRESA Group and assesses the need to outsource specialised services, taking into account, in particular, the non-existence of an internal audit department at the Group.

All the minutes of the Audit Committee meetings are distributed to all the members of the Board of Directors.

Corporate Governance Committee

The Corporate Governance Committee is composed of three non-executive members of the Board of Directors and holds meetings twice a year and whenever called by its Chairman or at the request of any of its members. The Corporate Governance Committee has the general task of assisting the Board of Directors:

- a) in perfecting the Company's governance and oversight model, the organisational structure and the governance principles and practices by which it will be governed;
- b) Preparing and implementing rules of conduct, aimed at imposing observance of the applicable provisions and strict ethical and deontological principles in the performance of duties assigned to the members of the governing bodies and employees of the Company.

In the performance of its duties concerning the Company's governance and oversight model, the Corporate Governance Committee is particularly responsible for:

- a) endeavouring to ensure full compliance with the legal and regulatory requirements, recommendations and good practices relative to the Company's governance model;
- b) proceeding with the annual appraisal of the following aspects:
 - i. The Company's corporate governance structure, principles and practices;



- ii. Efficiency and overall performance of the Chief Executive Officer or the members of the Executive Committee;
 - iii. Efficacy of the corporate governance system and appropriate measures for its improvement.
- c) recommending the Board of Directors' endorsement, in conformity with ethical, deontological and corporate governance principles, of the necessary policies, rules and procedures for compliance with the applicable legal, regulatory and statutory provisions, as well as the recommendations, standards and best practices, both national and international, on corporate governance matters;
- d) supporting the Board of Directors and Audit Committee in the appraisal of the systems of identification and resolution of conflicts of interest;

The Corporate Governance Committee should also collaborate in the preparation of the annual corporate governance report regarding matters within its jurisdiction.

All the minutes of the Corporate Governance Committee meetings are distributed to all the members of the Board of Directors.

Strategy Committee

The Strategy Committee is composed of the Chairman of the Board of Directors, the Chief Executive Officer and another two non-executive members of the Board of Directors and holds meetings twice a year and whenever called by its Chairman. The Strategy Committee is responsible for assisting the Chairman of the Board of Directors in the definition of high-level strategic objectives of IMPRESA, namely:

- a) in the preparation of the IMPRESA Group's Strategic Plan (three-year plan), which should be submitted for approval by the Board of Directors;
- b) in the assessment, follow-up and monitoring of the implementation of this Plan and its annual review, designing any necessary proposed changes;
- c) in the submission of recommendations of action to the Board of Directors, taking into account the IMPRESA Group's Strategic Plan;

All the minutes of the Strategy Committee meetings are distributed to all the members of the Board of Directors.

III SUPERVISION

a) Composition

30. Identification of the supervisory body corresponding to the adopted model.



The corporate governance model adopted is the one referred to in subparagraph b), number 1 of article 278 of the Commercial Company Code, i.e. with a Board of Directors, comprising an Audit Committee (with supervisory functions) and a Statutory Auditor.

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 this information is already included pursuant to number 17.

The Audit Committee, for the current term of office (2019-2022 four-year period), is composed of the following 3 members of the Board of Directors:

Chairman: Manuel Guilherme Oliveira da Costa
Members: Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia
Ana Filipa Mendes de Magalhães Saraiva Mendes

The term of office of the Audit Committee is four years, which coincides with the term of office of the other governing bodies.

The Audit Committee is composed of members from the Board of Directors, appointed by the General Meeting, with their re-election permitted for successive four-year periods, without detriment to the limitations imposed by law to companies issuing tradable securities in regulated markets.

Members of the Audit Committee	Date of 1st appointment	Term of office
Manuel Guilherme Oliveira da Costa	16/04/2019	31/12/2022
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	28/01/2008	31/12/2022
Ana Filipa Mendes de Magalhães Saraiva Mendes	16/04/2019	31/12/2022

32. Identification, as applicable, of the members of the Supervisory Body, the Audit Committee, the General and Supervisory Board and the Financial Matters Committee, who are considered to be independent, under the terms of article 414, number 5 of the CSC, and reference to the section of the report where this information already appears pursuant to paragraph 18.

As mentioned in point 18, Manuel Guilherme Oliveira da Costa and Ana Filipa Mendes de Magalhães Saraiva Mendes are independent members of the Audit Committee.

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 this information already appears pursuant to number 21.

See point 19.



b) Functioning

34. **Existence and place where the operating regulations can be viewed, as applicable, of the Supervisory Board, the Audit Committee, the General and Supervisory Board and the Financial Matters Committee, and reference to the section of the report where this information already appears pursuant to number 22.**

See point 22.

35. **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 this information already appears pursuant to number 23.**

The Audit Committee met 14 times throughout the year.

Attendance of the Members of the Audit Committee with term of office until 16/04/2019 (3 meetings):

Alexandre de Azeredo Vaz Pinto (Chairman)	100.00%
António Soares Pinto Barbosa	100.00%
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	100.00%

Attendance of the Members of the Audit Committee with term of office until 16/04/2019 (11 meetings):

Manuel Guilherme Oliveira da Costa (Chairman)	100,00%
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	100.00%
Ana Filipa Mendes de Magalhães Saraiva Mendes	100.00%

36. **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 bodies throughout the financial year, and reference to the section of the report where such information already appears pursuant to number 26.**

See point 26.

c) Powers and duties

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

Whenever applicable, the Audit Committee assesses and gives it approval of the contracting of the Statutory Auditor to provide services other than auditing, provided that they are not prohibited by article 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council and that this respects the limit established in article 4 of the same Regulation. The assessment seeks to ensure that the independence of the Statutory Auditor is not placed in question and takes into account the reasonableness of the proposed prices, the level of knowledge of the activity sector and the continuous monitoring of the company's business.



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

See point 29 for a description of the powers and duties of the Audit Committee.

IV STATUTORY AUDITOR

39. Identification of the statutory auditor and the partner representing the statutory auditor.

The Statutory Auditor, elected for the current term of office (2019-2022 four-year period), is Deloitte & Associados, SROC, LDA, registered at the CMVM under number 20161384, which is represented by the partner Rui Carlos Lourenço Helena.

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

The Statutory Auditor carries out duties with the company since 16/04/2019.

41. Description of other services provided by the statutory auditor to the company.

In 2019, the services other than auditing carried out by the Statutory Auditor of Impresa, S.G.P.S, S.A. refer to the verification, required by the banking authorities, of the contractual obligations (ratios) contained in the loan agreements (reliability assurance services).

As noted in point 37, the contracting of the Statutory Auditor to provide additional services other than auditing, in addition to the assurance of the auditor's independence, took into consideration, namely, the reasonableness of the proposed prices and level of knowledge of the activity sector and the continuous monitoring of the company's business.

V EXTERNAL AUDITOR

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

See point 39 (Chapter IV).



- 43. Indication of the number of years that the external auditor and respective partner representing it in carrying out these duties consecutively carries out duties with the company and/or group.**

See point 40 (Chapter IV).

- 44. Policy and periodicity of the rotation of the external auditor and respective partner representing it in carrying out these duties.**

At the end of each term of office, the Audit Committee assesses and discusses the conditions of independence and the performance of the duties of the Statutory Auditor, with a view to a possible rotation. The Committee also verifies compliance with the limitations of terms of office contained in article 54 of Law 140/2015 of 7 September, which approves the Statutes of the Ordem dos Revisores Oficiais de Contas (OROC).

Whenever there is a rotation of auditors, the Audit Committee selects the Statutory Auditor to be proposed to the General Meeting for election, and justifiably recommends its option, as provided for in paragraph f) of number 3 of article 4 of Law 148/2015 of 9 September, which contains the Legal Framework on Audit Supervision.

In 2019, the Statutory Auditor was rotated, since the former auditor had reached the limitation of mandates provided for in the aforementioned article 54 of the Statutes of the Ordem dos Revisores Oficiais de Contas (OROC). Thus, the Audit Committee developed, with the support of the CFO and the Financial Department of the Group, an organized selection process for the Statutory Auditor for the 2020-2023 term of office. The selection process was open to various entities and complied with transparent and non-discriminatory selection criteria, in addition to the analysis of the conditions of independence of candidates to the tender. The final selection of the two auditors proposed for election at the General Meeting, as well as the recommendation of the Audit Committee for the auditor who was elected at that Meeting, was based on objective criteria relating to knowledge of the sector in which the Impresa Group operates, experience in auditing public interest entities, technical quality and seniority of the team of professionals and proposed financial conditions.

- 45. Indication of the body responsible for assessing the external auditor and periodicity with which this assessment is made.**

The Audit Committee regularly assesses and discusses the conditions of independence and the performance of the duties of the Statutory Auditor.

- 46. Identification 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 this recruitment.**

The Audit Committee assesses and approves the contracting of the Statutory Auditor for the provision of services other than auditing. The assessment and approval process seeks to ensure that the independence of the Statutory Auditor is not placed in question and takes into



account the reasonableness of the proposed prices, the level of knowledge of the activity sector and the continuous monitoring of the company's business. The Audit Committee also verifies whether the value of these services is below the limit imposed by Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014.

In 2019, the Statutory Auditor, in addition to the statutory audit services, provided IMPRESA with reliability assurance services, for the purposes of bank financing.

47. **Indication 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 follows European Commission Recommendation number C (2002) 1873 of 16 May):**

By IMPRESA (a)	In Euros	In %
Statutory audit services	€ 22,400	92%
Reliability assurance services	€ 1,820	8%
Tax advisory services	€ 0	0%
Other non-statutory audit services	€ 0	0%
By other entities of the Group (a)		
Statutory audit services	€ 0	0%
Reliability assurance services	€ 0	0%
Tax advisory services	€ 0	0%
Other non-statutory audit services	€ 0	0%
Overall Total	€ 24,220	100%

(a) Including individual and consolidated financial statements

C. INTERNAL ORGANISATION

I

ARTICLES OF ASSOCIATION

48. **Rules applicable to the amendment of the company's articles of association (article 245-A, number 1, subparagraph h)).**

There are no rules on the alteration of the company's memorandum of association, except those arising from the applicable law.



II

REPORTING OF IRREGULARITIES

49. Means and policy on the reporting of irregularities in the company.

The Audit Committee created and approved an internal system for the communication of irregularities in 2007, aimed at preventing and eliminating irregular practices, thereby avoiding damages caused by their continuation. In 2019, the Audit Committee proposed amendments to improve and fine-tune the reporting of irregularities system, having approved a new version of the Regulation on Procedures to be Adopted for Reporting Irregularities.

This system, whose Regulations are disclosed on the IMPRESA website and IMPRESA Group Intranet network, ensures the confidentiality of the information provided and defines the procedures for receiving, recording and processing reports on misconduct, in conformity with the applicable legal and regulatory provisions, received by the IMPRESA Group from shareholders, workers, clients, suppliers and others, on matters of:

- a) Accounting;
- b) Internal Accounting Controls;
- c) Audits;
- d) Risk Control;
- e) Abuse of Privileged Information;
- f) Fraud or Corruption;
- g) Money Laundering and Terrorist Financing.

In the case of reporting of irregularities, the investigation process is conducted and supervised by the Audit Committee, in compliance with the legislation in force, which will be responsible for drawing up a final duly substantiated report on the facts ascertained during the investigation and with the proposed closing of the case or the adoption of suitable measures.

It also ensures that the rights of IMPRESA Group company employees will not be harmed by the communication of irregular practices.

Over the course of 2019, similarly to 2018, there were no communications under this Regulation.

III

INTERNAL CONTROL AND RISK MANAGEMENT

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



The following bodies, at IMPRESA, are responsible for the internal audit and/or implementation of the internal control system:

- Risk Management Committee;
- Assets, Risk and Sustainability Department;
- Financial Department;
- Legal Affairs Department;
- Institutional Relations Department.

51. Explanation, including the organisational chart, of the relations of hierarchical and/or functional dependence with respect to other bodies or committees of the company.

The relations of dependence are defined in the organisational structure in point 21.

52. Existence of other functional areas responsible for risk control.

In addition to the areas indicated in point 50, operating under the terms described in point 54, there are no other areas responsible for risk control.

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

Economic risks (activity and facilities):

Risks primarily related to situations which affect the current operation of companies, namely fire, loss of production of newspapers and magazines, broadcasting cuts in television activity, and failure of computer systems.

Financial risks (credit, liquidity, exchange rate and interest rate risk):

Credit risk is essentially related to the accounts receivable arising from advertising sales. In order to reduce credit risk, the Issuer company has defined credit granting policies, with credit ceilings per customer and collection deadlines, and financial discount policies for early repayment or cash payment.

Liquidity risk can occur if the financing sources, such as cash flow from operating activities, divestment, credit lines and financing activities, do not meet the financing needs, such as cash outflow for operating and financing activities, investments, shareholder remuneration and repayment of debt.

Exchange rate risk is essentially related to the acquisition of television programmes.

Interest rate risk is essentially related to interest paid in relation to the contracting of financing with variable interest rates, which are consequently exposed to changes in market interest rates.

Legal Risks (Legislation):

Risks related to compliance with the legislation in force, applicable to the corresponding sector, primarily in terms of the operating subsidiaries (TV Law, Press Law, ERC Law, Advertising Law, etc.).



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

The management of the IMPRESA Group takes particular care to adopt risk management mechanisms aimed at minimising any consequences on the business, people or assets of the Group, arising from any intentional or unintentional threats.

The IMPRESA Group has two bodies which enable the pursuit of this objective:

- a) Risk Management Committee – this Committee is responsible for identifying the risks and events that might generate risks inherent to the activities developed by the different Group companies, as well as analysing the impact, following-up and monitoring the identified risks. The Risk Management Committee holds periodic meetings with the Audit Committee, disclosing and proposing any necessary measures for the assessment of the implemented risk management system.
- b) Assets, Risk and Sustainability Department - supervises insurance contracting at the level of the IMPRESA Group, in order to achieve the most appropriate solutions to cover the insurable risks.
- c) Financial Department - develops the following aspects on risk control:
 - Negotiation, contracting and management of bank financing, in order to meet the financial needs of the IMPRESA Group;
 - Negotiation and contracting of appropriate financial instruments, aimed at reducing exposure to interest and exchange rate risks;
 - Definition of credit granting policies, with credit ceilings per customer and collection deadlines.
- d) Legal Affairs Department and Institutional Relations Department - monitor the relationship with the regulators (ERC, CMVM, AdC, ANACOM) on matters with an impact on the activity developed by the IMPRESA Group and, at the level of the operating subsidiaries, follow the applicable legislation to the corresponding sector (TV Law, Press Law, ERC Law, Advertising Law, etc.), in order to minimise the risks associated to any non-compliance.

Also at the level of the operating subsidiaries, plans relative to external situations which may affect current company operation, namely fires, production stoppages, broadcasting failure, IT system failures, etc., have been established and implemented, with the objective of safeguarding people and goods, and ensuring, as far as possible, the continuity of production not only of newspapers and magazines but also of television activities and digital contents.

With regards to financial information, the Chief Executive Officer, in coordination with the Audit Committee and CFO, supervises its preparation and disclosure, in order to ensure a true and fair view of the situation, combined with an honest review of business development and, moreover, prevent undue access to relevant information by third parties.

55. Main details on the internal control and risk management systems implemented in the company regarding the procedure for reporting financial information (article 245-A, number 1, subparagraph m)).



Before the Board of Directors meetings, scheduled in advance (with the exception of any exceptional meetings) and with this schedule being agreed by all, the non-executive members of the Board of Directors, therefore including all the members of the Audit Committee, receive all the documentation related to the points on the agenda in due time, and may request additional information on any points on the agenda, propose the inclusion of other points they would like to see discussed, and propose to the Chairman of the Board of Directors the attendance of the meeting of any employee or director of IMPRESA and its participated companies who might be related to the discussion of one (or more) points on this same agenda. The non-executive members of the Board of Directors also receive the minutes of the meetings of the Group's Operating Coordination, between the Chief Executive Officer and the COO responsible for the different business areas, and all the information and documentation of an economic and financial nature, in particular concerning investment, management control and bank debt evolution, as well as any other related to the Group's activity, such as for example information on human resources, evolution of publication sales and audiences, etc.

The Chief Executive Officer, in coordination with the Audit Committee and CFO, supervises the preparation and disclosure of financial information, in order to ensure a true and fair view of such information, combined with an honest review of business development and, moreover, prevent undue access to relevant information by third parties.

The documents providing accounts are drawn up based on information provided by the different companies of the Group and, in particular, by the shared services. The Group has implemented mechanisms and procedures for internal control of the process of closing accounts and disclosure of financial information, taking into account the detected risks and defining time limits, requirements and obligations for financial reporting. This entails the definition and communication of schedules, tasks and responsibilities among the employees involved in the process of drawing up the financial reporting documentation.

The Group's Financial Department reviews the adopted accounting policies, identifies the relevant or unusual transactions, analysing, whenever necessary, with the Audit Committee, the appropriate accounting treatments and corresponding requirements on disclosure, and identifies the transactions that involve judgements or estimates, defining calculation methods, assumptions and all other pertinent information.

Mechanisms for communication between each segment and the Financial Department are defined, so as to ensure that any new operations were properly identified and treated from an accounting perspective, namely by coordination between the Financial Department and the Management Control of each segment and the Group.

The Audit Committee, in particular, as indicated in point 29, holds regular meetings with the Statutory Auditor in order to assess whether conditions have been created for the adequate performance of their work. The content of the Statutory Auditor's reports is presented and analysed in detail at these periodic meetings, which are held prior to the Board of Directors-meetings, so that the Audit Committee is the first body of the Group to examine the content of the reports. Suggestions made by the Statutory Auditor aimed at improving the company's internal control measures and implementing better accounting practices are subsequently presented and discussed with the Board of Directors.

The financial information is only disclosed after approval by the Board of Directors, under the legal terms.



IV INVESTOR ASSISTANCE

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

IMPRESA has a Market Liaison Officer (who is also the CFO) and an Investor Relations Officer, providing assistance to investors, in order to ensure permanent communication and the institutional relations with the universe of investors and analysts, as well as with the regulated market where IMPRESA shares are listed for trading (Euronext Lisbon), and the respective regulatory and supervisory entities.

The Market Liaison Officer and the Investor Relations Officer operate as interlocutors between the Board of Directors of IMPRESA, investors and the market. Their function is to ensure the timely and accurate availability of information concerning the Group, in compliance with applicable legal and regulatory provisions, in particular with regard to the disclosure of privileged information and other reports to the market, as well as the publication of annual and interim financial information following the procedure described in point 55.

The Investor Assistance contacts are:

Edifício IMPRESA
R. Calvet de Magalhães, 242
2770-022 Paço de Arcos
Tel.:+351 213 929 780
Email: impresa@impresa.pt

57. Market Liaison Officer.

The Market Liaison Officer is Paulo Miguel dos Reis who is also Chief Financial Officer (CFO).

Contact:

Edifício IMPRESA
R. Calvet de Magalhães, 242
2770-022 Paço de Arcos
Tel.:+351 213 929 780
Email: impresa@impresa.pt

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

All the requests for information (received by telephone, email or mail) are replied to at the earliest opportunity, and there are no pending requests relative to 2019 or from preceding years.



V WEBSITE

59. Address(es).

The company website address is “www.impresa.pt”.

60. Place where information on the firm, public company status, head office and other details referred to in article 171 of the Commercial Company Code is available.

The details relative to all the information referred to in article 171 of the Commercial Company Code is available on the company website, in *investors/contacts*.

61. Place where the articles of association and operating regulations of the bodies and/or committees are available.

The articles of association are available on the company website, in *investors/corporate governance/articles of association*.

The regulations of the bodies and committees are available on the company website, in *investors/corporate governance*.

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

Information on the names of the governing bodies' members is available on the company website, in *investors/governing bodies*.

Information on investor support contacts is available on the company website, in *investors/contacts*.

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.

Information on the financial accounts reporting is available on the company website, in *investors/annual reports*.

64. Place where the notice convening the general meeting and all the preparatory and subsequent information related thereto is disclosed.

Information on the General Meetings is available on the company website, in *investors/general meetings*.



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.**

Information on the historical archive of the General Meetings is available on the company website, in *investors/general meetings*.

D. REMUNERATIONS

I

POWER TO ESTABLISH

66. **Details of the powers for establishing the remuneration of governing bodies, members of the executive committee or chief executive officer and directors of the company.**

The remuneration of the members of the Board of Directors is established by a Remuneration Committee, elected by the General Meeting.

II

REMUNERATION COMMITTEE

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

The composition of the Remuneration Committee for the current term of office (2019-2022 four-year period) is as follows:

Chairman: Fernando António de Lacerda Andresen Guimarães
Members: Manuel Soares Pinto Barbosa
José Luis Rosado Catarino

The business of the Remuneration Committee was conducted by its members, with no natural or legal persons having been contracted to provide assistance. However, in order to carry out its duties and ensure its responsibilities, the Remuneration Committee may call upon the members of the governing bodies, workers, employees and consultants of the Company.

The Remuneration Committee may also conclude contracts for provision of services and/or assistance with consultants or other advisers or experts, as deemed necessary for pursuit of the objectives and exercise of the duties, powers and responsibilities established in the Regulation of this Committee. The remuneration committee should, however, ensure that the



services are provided independently and that the respective providers do not provide other services to the company, or to others in a controlling or group relationship, without the express authorisation of the committee.

All the (non-remunerated) members of this Committee are independent.

All the minutes of the Audit Committee meetings are distributed to all the members of the Board of Directors.

As established in article 7, number 7 of the Regulation of the Remuneration Committee, in order to provide information or clarifications to shareholders, the Chairperson 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 management bodies or, if such presence has been requested by the shareholders.

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

All the members of the Remuneration Committee have knowledge and experience for this position, due to the pursuit of their professional activity.

III

REMUNERATION STRUCTURE

69. Description of the remuneration policy of the Board of Directors and Supervisory Bodies referred to in article 2 of Law 28/2009, of 19 June.

In a context of major digital change and competition in the Media, in which the activity developed by the IMPRESA Group is immersed, the capacity to motivate and retain the best professionals on the market, as well as transform their contribution into true teamwork, is one of the main critical factors for success.

The Remuneration Committee of the IMPRESA Group has defined a compensation strategy for the executive and non-executive members of the Board of Directors, with the following key objectives:

- (i) Signal recognition of merit (Meritocracy);
- (ii) Determine the attribution of variable remuneration in accordance with criteria that are easy to understand (Simplification);
- (iii) Ensure balance between the interests of the company and those of the shareholders (Reasonableness).

Considering these objectives, the Remuneration Committee of IMPRESA deliberated on:



- (i) Definition of the value of the fixed remuneration of all the executive and non-executive members of the Board of Directors;
- (ii) Implementation of a Variable Remuneration Model for the Chief Executive Officer.

Considering the current duties of the Chairman of the Board of Directors, stipulated in the organisation and management model of the IMPRESA Group, the Remuneration Committee deliberated to extend the application of the variable remuneration model also to the Chairman of the Board of Directors (in force since 2014).

Multiannual variable remuneration model 2017-2019:

Following best market practices, the Remuneration Committee deliberated, with reference to the 2017-2019 three-year period, the application of a multiannual variable remuneration model, with deferred payment for 3 years.

This multiannual variable remuneration model considers 3 bonus levels, corresponding to 1, 2 and 3 times the respective monthly gross remuneration, based on the following cumulative criteria, defined annually:

- a) Positive assessment of performance;
- b) Achievement of a consolidated value of Net Remunerated Debt;
- c) Achievement of a consolidated value of EBITDA.

For the financial year of 2019, taking into account the achievement of all the defined criteria and the very positive evolution of the IMPRESA Group, with emphasis on the successful concentration of people and operations in the expanded facilities of the IMPRESA building in Paço de Arcos, the Remuneration Committee deliberated the attribution of a variable remuneration of three times the monthly gross remuneration to the Executive Chief Officer and one and a half times the monthly gross remuneration to the Chairman of the Board of Directors.

Multiannual variable remuneration model 2020-2022:

Following best market practices, the Remuneration Committee deliberated, with reference to the 2020-2022 three-year period, the application of a multiannual variable remuneration model, with deferred payment for 3 years.

This multiannual variable remuneration model considers 6 bonus levels, corresponding to 1 to 6 times the respective monthly gross remuneration, based on the following cumulative criteria, defined annually:

- a) Positive assessment of performance;
- b) Achievement of a consolidated value of Net Remunerated Debt;
- c) Achievement of a consolidated value of EBITDA.



- 70. Information on how the remuneration is structured in order to enable the alignment of the interests of the members of the management body with the long term interests of the company, as well as on how this is based on performance assessment and discourages excessive risk-taking.**

See point 69.

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

See point 69.

- 72. Deferred payment of the variable component of remuneration, specifying the period of deferral.**

See point 69.

- 73. 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.**

Not applicable since there is no attribution of a variable remuneration in shares in the company.

- 74. Criteria on which the allocation of variable remuneration on options is based and details of the period of deferral and exercise price.**

Not applicable since there is no attribution of a variable remuneration in shares in the company.

- 75. Key factors and grounds for any annual bonus scheme and any additional non-financial benefits.**

Not applicable since there is no attribution of bonuses and/or non-financial benefits in the company.

- 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.**

Among the members that compose the Board of Directors, only the Chairman benefits from a supplementary retirement scheme, through the "Impresa Publishing & Asociadas" Pension Fund, created in 1987, which covers directors, journalists and other paid staff recruited up to 5 July 1993, as indicated in the information presented in Note 33.1 of the Annex to the consolidated financial statements of IMPRESA.



The supplement attribution plan consists of the following rules and characteristics:
"Journalists and directors who have worked for the company for 10 years or more are entitled to a supplementary retirement subsidy, due to old age or disability, the amount of which is calculated as follows, with there being no commitments regarding future updating:

- a) Journalists and directors who have worked for the company for 10 years will receive a subsidy equivalent to half the difference between the pension paid by Social Security and their pensionable salary;
- b) For every year worked after 10 years, this supplement will increase by 1%, until the sum of the pension and the supplement totals 90% of their pensionable salary.

Retirement due to old age is defined as that granted to employees aged over 66 years old.

Retirement due to disability is defined as that recognised and granted to employees by Social Security.

Pensionable salary is defined as the value of all the remunerations (base salary, bonuses and allowances) determined for the year of 2002.

Any employee may remain at the service of the Associate, by common agreement, after the old age retirement date. In this case, the value of the pension will be calculated as defined above, based on the pensionable salary and pensionable working time on the date the employee in question completed 66 years of age.

Pension supplements are calculated using the formula used by Social Security to calculate pensions which was in force on 5 July 1993."

For the financial year ended 31 December 2019, pension supplements in the amount of € 184,739.38 were paid by the Pension Fund to the Chairman of the Board of Directors.

The retirement plan described above is included in the information provided in the IPO of IMPRESA in 2000 and, since then, in all documents presenting the accounts.

IV REMUNERATION DISCLOSURE

- 77. Indication of the amount relating to the annual remuneration paid as a whole and individually to members of the company's board of directors, including fixed and variable remuneration and as regards the latter, reference to its different components.**



Remuneration of the Board of Directors (in euros)			
Non-executive	Fixed	Variable	Total
Renewal of the term of office on 16/04/2019 (from 01/01/2019 to 31/12/2019)			
Chairman of the Board of Directors – Francisco José Pereira Pinto de Balsemão	€ 106,400.00	€ 11,400.00	€ 117,800.00
Deputy Chairman of the Board of Directors – Francisco Maria Supico Pinto Balsemão	€ 49,000.00	n.a.	€ 49,000.00
Chief Executive Officer – Francisco Pedro Presas Pinto de Balsemão	€ 280,000.00	€ 60,000.00	€ 340,000.00
Member of the Audit Committee – Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	€ 40,012.00	n.a.	€ 40,012.00
Member of the Board of Directors – João Nuno Lopes de Castro	€ 30,002.00	n.a.	€ 30,002.00
Start of the term of office on 16/04/2019 (from 16/04/2019 to 31/12/2019)			
Chairman of the Audit Committee – Manuel Guilherme Oliveira da Costa	€ 28,525.00	n.a.	€ 28,525.00
Member of the Audit Committee – Ana Filipa Mendes de Magalhães Saraiva Mendes	€ 28,525.00	n.a.	€ 28,525.00
End of the term of office on 16/04/2019 (from 01/01/2019 to 16/04/2019)			
Chairman of the Audit Committee – Alexandre de Azeredo Vaz Pinto	€ 18,467.00	n.a.	€ 18,467.00
Member of the Audit Committee – António Soares Pinto Barbosa	€ 18,467.00	n.a.	€ 18,467.00
Member of the Board of Directors – José Manuel Archer Galvão Teles	€ 13,847.00	n.a.	€ 13,847.00
Total	€ 613,245.00	€ 71,400.00	€ 684,645.00

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

No amounts were paid, for any reason whatsoever, by other companies in a control or group relationship, or that are subject to a common control.

79. **Remuneration paid as participation in profit and/or bonuses and reasons for the awarding of these bonuses and/or participation in profit.**

See points 69 and 77.



80. Compensations paid or due to former executive directors relative to the termination of their functions during the financial year.

No compensation was paid under this item.

81. Indication of the annual remuneration paid, as a whole and individually, to the members of the company's supervisory body for the purposes of Law number 28/2009, of 19 June.

The members of the Audit Committee are remunerated as directors, having received, in 2019 and as referred to in point 77, the following remunerations:

Remuneration of the Members of the Audit Committee		
Non-executive	Fixed	Variable
Renewal of the term of office on 16.04.2019 (from 01/01/2019 to 31/12/2019)		
Member of the Audit Committee – Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	€ 40,012.00	n.a.
Start of the term of office on 16.04.2019 (from 16/04/2019 to 31/12/2019)		
Chairman of the Audit Committee – Manuel Guilherme Oliveira da Costa	€ 28,525.00	n.a.
Member of the Audit Committee – Ana Filipa Mendes de Magalhães Saraiva Mendes	€ 28,525.00	n.a.
End of the term of office on 16.04.2019 (from 01/01/2019 to 16/04/2019)		
Chairman of the Audit Committee – Alexandre de Azeredo Vaz Pinto	€ 18,467.00	n.a.
Member of the Audit Committee – António Soares Pinto Barbosa	€ 18,467.00	n.a.
Total	€ 133,996.00	€ 0.00

82. Indication of the remuneration in the reference year of the Chairman of the Board to the General Meeting.

The Chairman of the Board of the General Meeting Board earned the sum of 6,500 euros for the performance of his duties during the financial year of 2019.



V

AGREEMENTS WITH REMUNERATION IMPLICATIONS

- 83. Established contractual limitations to compensation payable for the unfair dismissal of directors and its relevance to variable component of remuneration.**

There are no established contractual limitations to compensation payable for the unfair dismissal of directors. In this case, the provisions of article 403, number 5 of the Commercial Companies Code shall apply.

- 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 number 3 of article 248-B 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, number 1, subparagraph I)).**

There are no agreements whatsoever between the company and members of the management body and directors, pursuant to number 3 of article 248-B of the Securities Market Code, which foresee the payment of indemnities in the case of resignation, dismissal without just cause or termination of the work contract, following a change of company control.

VI

SHARE ALLOCATION AND/OR STOCK OPTION PLANS

- 85. Details of the plan and persons included therein.**

There is no share allocation and/or stock option system in the company.

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

See point 85.

- 87. Stock option rights for company employees and staff.**

See point 85.

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

See point 85.



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 this purpose, reference is made to the concept arising from IAS 24).

In 2019, the Board of Directors approved the Policy on Appreciation and Control of Transactions with Related Parties and Prevention of Conflicts of Interest, which establishes that the execution of transactions with related parties is subject to the supervision of the Audit Committee, without prejudice to the approval by the Board of Directors.

The Policy on Appreciation and Control of Transactions with Related Parties and Prevention of Conflicts of Interest defines "Relevant Transaction" as "legal transactions, whether costly or free of charge, or any transfer of resources, services or obligations worth one million euros or more".

The conduct of Relevant Transactions requires the Audit Committee's favourable prior opinion. If the Audit Committee issues an unfavourable opinion, the management body may decide to go ahead with the Relevant Transaction, demonstrating, in a substantiated manner, that this transaction is especially important and advantageous in the pursuit of IMPRESA's corporate interest, despite the Audit Committee's position.

Contracts concluded between the Company and its directors, directly or through intermediaries, must be authorised previously by determination of the Board of Directors, in which the interested party cannot vote, and receive the favourable prior opinion of the Audit Committee, otherwise they will be deemed null and void.

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

In 2019, a contract for the provision of television production services between SIC and SP Televisão was subject to approval by the Audit Committee. The Audit Committee assessed the terms of the contract and concluded that it forms part of the day-to-day development of SIC's business, considering the defined terms and conditions to be normal. Furthermore, the technical specifications relative to the Amendments to the Loan Agreements of Banco BPI, S.A. Were analysed.

91. Description of the procedures and criteria applicable to the intervention of the supervisory board for the purpose of prior assessment of business to be carried out between the company and owners of qualifying holdings or entities which are in any relationship with them, under the terms of article 20 of the Securities Market Code.

See point 89.



II

DATA ON BUSINESS DEALS

- 92. Indication 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 this information.**

The information on business dealings with related parties is reported in Note 34 of the Notes to the Consolidated Financial Statements of IMPRESA.

DIVERSITY OF THE MANAGEMENT AND SUPERVISORY BODIES

- 93. Diversity of the management and supervisory bodies.**

Diversity is, of course, part of IMPRESA's organisational culture, reflected in the vast and diverse professional experience of its Directors (as evidenced by the biographies in this report) and in the age of its members, with a view to maintaining a balance between seniority and youth.

For the 2019-2022 four-year period, the General Meeting elected two women to the Board of Directors, with a total of 7 members, one of whom has been a Board member for 12 years. The issue of gender equality is one of the founding principles of the IMPRESA Group and this is the premise that guides the measures included in the Plan for Equality, disclosed by the Group. It provides for the development of measures and actions, to be implemented in 2020, that promote conditions of professional integration and career development on equal terms for men and women, encouraging the elimination of gender discrimination and promoting practices that facilitate the reconciliation of family and personal and professional life.

The process of selection of candidates for election of the members of the Board of Directors should promote diversity and integration of different skills, training and professional experience, while seeking to boost a balanced gender representation, in conformity with article 3, number 3 of the Regulation of the Board of Directors.



PART II

ASSESSMENT OF CORPORATE GOVERNANCE

1. Identification of the adopted Corporate Governance Code.

The company has adopted the Corporate Governance Code of the Portuguese Institute of Corporate Governance (IPCG).

2. Analysis of compliance with the adopted Corporate Governance Code.

RECOMMENDATIONS:

Chapter I - GENERAL PROVISIONS

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

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

Adopted (Points 54 to 65).

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

I.2.1. Companies should establish standards and requirements regarding the profile of new members of their governing bodies, which are suitable according to the roles to be carried out. Besides individual attributes (such as competence, independence, integrity, availability, and experience), these profiles should take into consideration general diversity requirements, with particular attention to gender diversity, which may contribute to a better performance of the governing body and to the balance of its composition.

Adopted (Points 16 to 19, 25, 26 and 93).

In conformity with article 2, number 4 of the Regulation of the Board of Directors, the proposals for election of the members of the Board of Directors should be submitted to the General Meeting duly substantiated with respect to the candidate's profile and curriculum, so that the shareholders can appraise the candidate's adequacy to the duties to be performed.

According to article 3 of the Regulation of the Board of Directors, the members of the Board of Directors should show high ethical principles, values and behaviour compatible with the standards required for the performance of their duties at the Company, as well as capacity to exercise critical, pondered, constructive and independent judgements. The members of the Board of Directors should also show appropriate availability and professional qualifications, which requires taking the following factors into account:



- a) academic qualifications, specialised training and professional experience in relevant fields for the Company's activity;
- b) nature, size and complexity of previous activities, in particular, length of service, seniority and responsibilities;
- c) nature, size and complexity of the duties that shall be performed at the Company.

I.2.2. The company's management and supervisory boards, as well as their committees, should have internal regulations — namely regulating the performance of their duties, their Chairmanship, periodicity of meetings, their functioning and the duties of their members —, and detailed minutes of the meetings of each of these bodies should be carried out.

Adopted (Points 21, 22, 27 and 29).

I.2.3. The internal regulations of the governing bodies — the management body, the supervisory body and their respective committees — should be disclosed, in full, on the company's website.

Adopted (Points 22, 27, 29 and 34).

I.2.4. The composition, the number of annual meetings of the management and supervisory bodies, as well as of their committees, should be disclosed on the company's website.

Adopted (Points 17, 18, 23, 29, 31 and 35).

I.2.5. The company's internal regulations should provide for the existence and ensure the functioning of mechanisms to detect and prevent irregularities, as well as the adoption of a policy for the communication of irregularities (whistleblowing) that guarantees the suitable means of communication and treatment of those irregularities, but safeguarding the confidentiality of the information transmitted and the identity of its provider, whenever such confidentiality is requested.

Adopted (Point 49) In addition to the adoption of the Regulation on Procedures to be Adopted for Reporting Irregularities, the Regulations of the Board of Directors, the Audit Committee and the Corporate Governance Committee also provide for the detection and prevention of irregularities and conflicts of interest.

I.3. Relationships between the Company bodies

I.3.1. The articles of association, or other equivalent means adopted by the company, should establish mechanisms that, within the limits of applicable laws, permanently ensure the members of the management 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 management board, without impairing the access to any other documents or people that may be requested for information.

Adopted (Points 21, 29 and 55).



I.3.2. Each of the company's bodies 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 articles of association, of each of the remaining bodies and committees.

Adopted (Points 21, 29 and 55).

I.4. Conflicts of interest

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

Adopted. In accordance with article 11 of the Regulation of the Board of Directors, the members of the Board of Directors must promptly inform the Chairman of the Board of Directors about facts that could constitute or give rise to a conflict between their own interests and corporate interests, and must abstain from participating and voting in the meeting at which the respective matter is discussed and voted on, without prejudice to the duty to provide information and clarifications requested by the Board of Directors.

Business conducted between the Company and any of its participated companies with directors, owners of the qualifying holdings, or entities with which these are in any relationship, must be authorised by the Board of Directors.

The prevention and detection of situations of conflicts of interest are subject to the Policy on Appraisal and Control of Transactions with Related Parties and Prevention of Situations of Conflicts of Interest, available for consultation on the IMPRESA Group website (www.impresa.pt), without prejudice to all other duties arising from the law and internal regulations.

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.

Adopted. In accordance with article 11, number 2 of the Regulation of the Board of Directors, article 5, number 5 of the Regulation of the Audit Committee and article 9, number 1 of the Policy for the Appraisal and Control of Transactions with Related Parties and Prevention of Situations of Conflicts of Interest, in the decisions of the Board of Directors, Executive Committee (when applicable) or Audit Committee, should any of its members be prevented from deciding on the matter under discussion at the meeting, due to a potential conflict of interest, they shall declare themselves to be prevented from participating and intervening in the respective discussion and voting, without prejudice to the duty to provide information and clarifications as requested by the body in question.

I.5. Related party transactions

I.5.1. The management body should define, in accordance with a previous favourable and binding opinion of the supervisory body, the type, the scope and the minimum individual or aggregate value of related party transactions that: (i) require the previous authorization of the management board, and (ii) due to their increased value require an additional favourable report of the supervisory body.



Adopted (Points 89 to 91).

I.5.2. The management body should report all the transactions contained in Recommendation 1.5.1. to the supervisory body, at least every six months.

Adopted. In conformity with article 4, number 7 of the Policy for Appraisal and Control of Transactions with Related Parties and Prevention of Situations of Conflicts of Interest and with article 11, number 5 of the Regulation of the Board of Directors, the Board of Directors reports to the Audit Committee on a biannual basis on transactions with Related Parties.

Chapter II - SHAREHOLDERS AND GENERAL MEETING

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.

Adopted (Points 1, 5, 6 and 12 to 14).

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.

Adopted (Points 1, 5, 6 and 12 to 14).

II.3. The company should implement adequate means for the exercise of voting rights through postal votes, including by electronic means.

Partially adopted. The company ensures the exercise of voting rights through postal votes, but not by electronic means. The company considers that, given the concentration of the capital structure (existence of a majority shareholder) and the culture of proximity that characterises the Group, the physical participation of shareholders or their representatives should be promoted, to the detriment of means that, besides not having been requested by them and whose absence does not constitute an obstacle to the exercise of voting rights, may increase the risk of dissemination of information outside the universe of shareholders and entail high implementation costs, ultimately diverging from those that are the interests of the company and its shareholders.

II.4. The company should implement adequate means in order for its shareholders to be able to digitally participate in general meetings.

Not adopted. The company considers that, given the concentration of the capital structure (existence of a majority shareholder) and the culture of proximity that characterises the Group, the physical participation of shareholders or their representatives should be promoted, to the detriment of means that, besides not having been requested by them and whose absence does not constitute an obstacle to the exercise of voting rights, may increase the risk of dissemination of information outside the universe of shareholders and entail high implementation costs, ultimately diverging from those that are the interests of the company and its shareholders.

II.5. The articles of association, 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.

Not applicable.

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 management body, and which are likely to harm the free transferability of shares and a shareholder assessment of the performance of the members of the management body.

Adopted (points 4 and 83). The contracts referred to in point 4 of the report are not likely to harm the economic interest of the company in the transfer of shares and the free assessment by shareholders of the performance of directors, since, considering the size of the company and the concentration of the capital structure (existence of a majority shareholder), they have as a condition of ownership the maintenance of this participation as a guarantee of the continuity of management stability, as well as the credibility of the company in the market where it operates.

Chapter III – NON-EXECUTIVE MANAGEMENT, MONITORING AND SUPERVISION

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

Not adopted. The company considers that the current size and structure of the board of directors does not justify the appointment of a lead independent director. Of the 7 members that make up this body, 3 are also members of the Audit Committee, and only 1 of the directors is not part of the specialised committees.

III.2. The number of non-executive members of the management body, as well as the number of members of the supervisory body and the number of members of the financial matters committee must be appropriate to the size of the Company and the complexity of the risks inherent in its activity, but sufficient to ensure, with efficiency, the duties which they have been attributed.

Adopted (Points 17, 18, 31 and 32). For the 2019-2022 four-year period, the management body is composed of 6 non-executive members (of which 3 members belong to the Audit Committee) and 1 executive member, who exercises the position of Chief Executive Officer. The Company considers that the number of non-executive directors is adequate and ensures the effective monitoring, supervision, inspection and evaluation of the company's management activity, taking into account, in particular, its size, shareholder structure, as well as the characteristics inherent to its activity.

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

Adopted (Points 17 and 18).



III.4. Each company should include a number of non-executive directors that corresponds to no less than one third, but always plural, who satisfy the legal requirements of independence. For the purposes of this recommendation, an independent person is one who is not associated with any specific group of interest of the company, nor under any circumstance likely to affect his/her impartiality of analysis or decision, namely due to:

- (i) Having carried out functions in any of the company's bodies for more than twelve years, either on a consecutive or non-consecutive basis;**
- (ii) Having been a prior staff member of the company or of a company which is considered to be in a controlling or group relationship with the company in the last three years;**
- (iii) Having, in the last three years, provided services or established a significant business relationship with the company or a company which is considered to be in a controlling or group relationship, either directly or as a shareholder, director, manager or officer of the legal person;**
- (iv) Having been a beneficiary of remuneration paid by the company or by a company which is considered to be in a controlling or group relationship, in addition to the remuneration resulting from the exercise of a director's duties;**
- (v) Living in a non-marital partnership or being 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;**
- (vi) Being a qualifying shareholder or representative of a qualifying shareholder.**

Adopted. Among the six non-executive members, the following four members are independent, considering the criteria contained in recommendation III.4 of the IPCG Code: Manuel Guilherme Oliveira da Costa, Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia, João Nuno Lopes de Castro and Ana Filipa Mendes de Magalhães Saraiva Mendes.

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).

Not applicable.

III.6. Non-executive directors should participate in the definition, by the management body, of the strategy, main policies, business structure and decisions that should be deemed strategic for the company due to their amount or risk, as well as in the assessment of the accomplishment of these actions.

Adopted (Points 18, 21 and 29). The present composition of the Board of Directors gives it an eminently non-executive character. Of its 7 members, only the Chief Executive Officer assumes executive functions.

The definition of the Group's strategic options and the organisation and coordination of its corporate structure are the responsibility of the Board of Directors and are among the matters that cannot be delegated to the Chief Executive Officer. The Strategy Committee has been set up within the Board of Directors and must be assisted in this matter.



Within this framework, the non-executive directors, within the Board of Directors, participate in the definition of the main objectives and policies of the Group, making the Chief Operating Officers ("COO") responsible for their implementation.

On a monthly basis, within the Board of Directors, the non-executive directors assess strategic execution not only through the use of financial and operational indicators, but mainly through the Chief Executive Officer's presentations on the challenges and risks facing the Group, bringing to discussion the initiatives to be adopted to achieve the defined strategic objectives.

III.7. The general and supervisory board should, within its legal and statutory competences, collaborate with the management body in defining the strategy, main policies, business structure and decisions that should be deemed strategic for the company due to their amount or risk, as well as in the assessment of the accomplishment of these actions.

Not applicable.

III.8. The supervisory body, in observance of the powers conferred to it by law, should, in particular, monitor, evaluate, and pronounce itself on the strategic lines and the risk policy defined by the management body.

Not adopted. The members of the Audit Committee, within the scope of their general duties, supervise the management of the company and, as members of the Board of Directors, participate in the definition of strategic options. In addition, the Chairman of the Audit Committee sits as non-executive director on the Strategy Committee.

As regards risks, the Audit Committee is responsible for monitoring, evaluating and commenting on the risk policy to be defined by the Board of Directors and for monitoring and evaluating the risk management system and the internal control system.

III.9. Companies should create specialised internal committees that are adequate to their dimension and complexity, separately or cumulatively covering matters of corporate governance, remuneration, performance assessment, and appointments.

Partially adopted (Point 29). The company has a Corporate Governance Committee, created within the Board of Directors, which is responsible for assessing the overall performance of the Chief Executive Officer. It also has a Remuneration Committee which, although not an "internal committee", under the Glossary of the IPCG Code, is appointed by the General Meeting of Shareholders and is responsible for setting the remuneration of each of the directors, taking into account the duties performed and the economic situation of the Company. In this respect, the Company considers that the existence of this Committee is sufficient for the pursuit of good practices with regards to remuneration.

As regards the creation of a Nomination Committee, the company considers that its size and the concentration of the capital structure (existence of a majority shareholder) do not justify it. However, article 2 of the Regulation of the Board of Directors provides that the proposals for election of the members of the Board of Directors should be submitted to the General Meeting duly substantiated with respect to the candidate's profile and curriculum, so that the shareholders can appraise the candidate's adequacy to the duties to be performed.



III.10. Risk management systems, internal control and internal audit systems should be structured in terms adequate to the dimension of the company and the complexity of the inherent risks of the company's activity.

Partially adopted (Points 29 and 50 to 55). Although the Company does not currently have an internal audit department, the implementation of internal control systems is the responsibility of the Risk Management Committee, the Assets, Risk and Sustainability Department, the Financial Department, the Legal Affairs Department and the Institutional Relations Department, which work together according to the complexity of the risks inherent to the company's activity. For purposes of monitoring the efficacy of the internal control and risk management systems, the Audit Committee holds meetings with a number of managers of the IMPRESA Group and assesses the need to outsource specialised services.

III.11. The supervisory body and the committee for financial affairs should supervise the effectiveness of the systems of risk management, internal control and internal audit, and propose adjustments where they are deemed to be necessary.

Adopted (Points 29 and 55).

III.12. The supervisory body should provide its view on the work plans and resources of the internal auditing service, including the control of compliance with the rules applied to the company (compliance services) and of internal audit, and should be the recipient of the reports prepared by these services, at least regarding matters related with approval of accounts, the identification and resolution of conflicts of interest, and the detection of potential irregularities.

Partially adopted (Points 21, 29, 49 and 50 to 55). The Risk Management Committee holds periodic meetings with the Audit Committee, disclosing and proposing any necessary measures for the assessment of the implemented risk management system.

According to article 7, number 1, subparagraph g) of the Regulation of the Audit Committee, it is responsible for monitoring and appraising the risk management system and the internal control system, as well as, when applicable, the internal audit function, particularly concerning the process of preparation of financial information, without breaching its independence and proposing to the Chief Executive Officer measures aimed at improving its operation that prove necessary;

The Audit Committee is the main interlocutor of the Statutory Auditor, namely within the scope of the audit of the accounts, its reports and conclusions, and appraisal of the internal control system.

Chapter IV – EXECUTIVE MANAGEMENT

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

Adopted. See article 2, number 3 and articles 7 ("Delegation of Powers") and 8 ("Scope of Delegation of Powers") of the Regulation of the Board of Directors.



IV.2. The management 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.

Adopted (Point 21) See articles 7 (“Delegation of Powers”) and 8 (“Scope of the Delegation of Powers”) of the Regulation of the Board of Directors.

IV.3. In matters of risk assumption, the management body should set objectives and look after their accomplishment.

Not adopted. However, there is a follow-up and monitoring system for the risks listed in point 53, and this mission is the responsibility of the Risk Management Committee, the Asset, Risk and Sustainability Department, the Financial Department, the Legal Affairs Department and the Institutional Relations Department, which work in articulation, taking into account the complexity of the risks inherent to the company's activity (point 54).

IV.4. The supervisory body 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 management body.

Not adopted. The Audit Committee is responsible for monitoring, evaluating and commenting on the risk policy to be defined by the Board of Directors, and for monitoring and evaluating the risk management system and the internal control system. To this end, the Audit Committee meets regularly with the Risk Management Committee, the Statutory Auditor and, on a monthly basis, evaluates the financial and operational indicators that are regularly provided to it.

Chapter V – EVALUATION OF PERFORMANCE, REMUNERATION AND APPOINTMENT

V.1. Annual evaluation of performance

V.1.1. The management body should annually evaluate its performance as well as the performance of its committees and delegated 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.

Partially adopted. The Corporate Governance Committee is responsible for assessing the performance of the Chief Executive Officer, in accordance with article 6, number 2, subparagraph b), clause ii) of the Regulation of the Corporate Governance Committee. The minutes of the Corporate Governance Committee meetings, which include the assessment of the performance of the Chief Executive Officer, as well as his self-assessment, are presented to the Board of Directors.

In accordance with article 7, number 5 of the Regulation of the Board of Directors, non-executive directors are also responsible, pursuant to the law, for the general surveillance of the action of the Chief Executive Officer. (Point 24).



In accordance with Article 7, number 6 of the same Regulation, the creation by the Board of Directors of specialised committees for the practice of certain management acts shall be subject to the same surveillance by the Board of Directors.

V.1.2. The supervisory body should supervise the company's management, especially, by annually assessing the accomplishment of the company's strategic plans and of the budget, the risk management, the internal functioning of the management body and its committees, as well as the relationship with the company's other bodies and committees.

Partially adopted (Points 29 and 55). See also III.6., considering that the Audit Committee is composed of 3 non-executive directors.

V.2. Remuneration

V.2.1. The remuneration should be set by a committee, the composition of which should ensure its independence from management.

Adopted (Points 66 and 67).

V.2.2. The remuneration committee should approve, at the start of each term of office, execute, and annually confirm the company's remuneration policy for the members of its boards and committees, including the respective fixed components. As to executive directors or directors periodically invested with executive duties, in the case of the existence of a variable component of remuneration, the committee should also approve, execute, and confirm the respective criteria of attribution and measurement, the limitation mechanisms, the mechanisms for deferral of payment, and the remuneration mechanisms based on the allocation of options and shares of the company.

Adopted (Points 69 to 72).

V.2.3. The statement on the remuneration policy of the management and supervisory bodies referred to in article 2 of Law number 28/2009, of 19 June, shall also contain the following:

- (i) The total remuneration amount itemised by each of its components, the relative proportion of fixed and variable remuneration, an explanation of how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the company, and information on how the performance criteria were applied;**
- (ii) Any remuneration from companies that belong to the same group as the company;**
- (iii) The number of shares and share options granted or offered, and the main conditions for the exercise of those rights, including the exercise price and date and any change thereof;**
- (iv) Information on the possibility to request the reimbursement of variable remuneration;**
- (v) Information on any deviation from the procedure for the implementation of the approved remuneration policy, including the explanation of the nature of the exceptional circumstances and the indication of the specific elements subject to derogation;**
- (vi) Information on the enforceability or non-enforceability of payments claimed in regard to the termination of office by directors.**

Partially adopted, namely, in relation to sub-points (i), (ii) and (iii).



V.2.4. For each term of office, the remuneration committee should also approve the directors' pension benefit policies, when provided for in the articles of association, and 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.

Not adopted with regards to the pension scheme (the plan in force for the CBD is prior to IMPRESA's stock market flotation. As to the second aspect, in the absence of contractual limitations foreseen for the compensation to be paid for dismissal without just cause of a director, the provisions of article 403, no. 5 of the Commercial Companies Code shall apply (Point 83).

V.2.5. 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 bodies and committees or, if such presence has been requested by the shareholders.

Adopted (Point 67).

V.2.6. 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. The remuneration committee should ensure that the services are provided independently and that the respective providers do not provide other services to the company, or to others in a controlling or group relationship, without the express authorisation of the committee.

Adopted (Point 67).

V.3. Director remuneration

V.3.1. 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.

Adopted (Point 69).

V.3.2. A significant part of the variable component should be partially deferred in time, for a period of no less than three years, thereby connecting it to the confirmation of the sustainability of the performance, in the terms defined by a company's internal regulation.

Adopted (Point 69).

V.3.4. 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.



V.3.5. The remuneration of non-executive directors should not include components dependent on the performance of the company or on its value.

Not adopted (Points 21 and 69). As referred to in point 69, considering the current duties of the Chairman of the Board of Directors, stipulated in the organisation and management model of the IMPRESA Group, and set out in point 21, the Remuneration Committee deliberated to extend the application of the variable remuneration model also to the Chairman of the Board of Directors. As for the remuneration of the remaining non-executive directors, the recommendation is adopted.

V.3.6. The company should be provided with suitable legal instruments so that the termination of a director's time in office before its term does not result, directly or indirectly, in the payment to such director of any amounts beyond those foreseen by law, and the company should explain the legal mechanisms adopted for such purpose in its corporate governance report.

Adopted (Points 83 and 84).

V.4. Appointments

V.4.1. The company should, in terms that it considers suitable, but in a demonstrable form, promote that proposals for the appointment of the members of the company's governing bodies are accompanied by a justification in regard to the suitability of the profile, the skills and the curriculum vitae to the duties to be carried out.

Adopted. See recommendation I.2.1..

V.4.2. 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. As also mentioned in recommendation III.9, with regard to the creation of a Nomination Committee, the company considers that its size and the concentration of the capital structure (existence of a majority shareholder) do not justify it. However, article 2 of the Regulation of the Board of Directors provides that the proposals for election of the members of the Board of Directors should be submitted to the General Meeting duly substantiated with respect to the candidate's profile and curriculum, so that the shareholders can appraise the candidate's adequacy to the duties to be performed.

V.4.3. This nomination committee includes a majority of non-executive, independent members.

Not applicable. See previous point V.4.2..

V.4.4. 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. See previous point V.4.2..



Chapter VI - RISK MANAGEMENT

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

Partially adopted (Point 21). With regards to the risk policy, see explanation of recommendation IV.3.

VI.2. Based on its risk policy, the company should establish a system of risk management, 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; (iv) the monitoring procedures, aiming at their follow-up; and (v) the procedure for control, periodic evaluation and adjustment of the system.

Adopted (Points 29 and 50 to 55).

VI.3. The company should annually evaluate the level of internal compliance and the performance of the risk management system, as well as future perspectives for amendments of the risk framework previously defined.

Adopted (Points 29, 50 to 54).

Chapter VII – FINANCIAL INFORMATION

VII.1. Financial information

VII.1.1. The supervisory body's internal regulation should impose the obligation to supervise the suitability of the preparation process and the disclosure of financial information by the management body, including suitable accounting policies, estimates, judgements, relevant disclosure and its consistent application between financial years, in a duly documented and communicated form.

Adopted (Point 29) See article 7 ("Powers") of the Regulation of the Audit Committee.

VII.2. Statutory audit of accounts and supervision

VII.2.1. Through the use of internal regulations, the supervisory body should define:

- (i) The criteria and the process of selection of the statutory auditor;**
- (ii) The methodology of communication between the company and the statutory auditor;**
- (iii) The monitoring procedures destined to ensure the independence of the statutory auditor;**
- (iv) The services, besides those of accounting, which may not be provided by the statutory auditor.**

Adopted (Point 29).

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.

Adopted (Point 29).



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.

Adopted (Point 29).

VII.2.4. The statutory auditor should, within their powers, verify the application of policies and systems of remuneration of governing bodies, the effectiveness and the functioning of the mechanisms of internal control, and report any irregularities to the supervisory body.

Not applicable.

VII.2.5. The statutory auditor should collaborate with the supervisory body, immediately providing information on the detection of any relevant irregularities as to the accomplishment of the duties of the supervisory body, as well as any difficulties encountered whilst carrying out their duties.

Not applicable.

Lisbon, 19 March 2020

The Board of Directors:

Francisco José Pereira Pinto de Balsemão

Francisco Maria Supico Pinto Balsemão

Francisco Pedro Presas Pinto de Balsemão

Manuel Guilherme Oliveira e Costa

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