

2021

CORPORATE GOVERNANCE REPORT

NOVABASE

CORPORATE GOVERNANCE REPORT

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

A. SHAREHOLDER STRUCTURE

I. Capital Structure

1. *Shareholder base (share capital, number of shares, share distribution to shareholders), including indication of shares not admitted to trading, different categories of shares, underlying rights and duties and the percentage of capital that each category represents (article 29-H, paragraph 1, sub-paragraph a).*

General Information on Capital Structure

Share capital on 31 December 2021 (€)	54,638,425.56
Total shares	31,401,394
Number of unlisted shares	0
Different categories of shares	Only ordinary shares exist

The company's share capital is fully paid up.

Ordinary shares grant general rights such as the right to vote, to participate in general meetings of shareholders, to receive information, profit sharing and pre-emptive rights in capital increases, as well as the generally applicable obligations of capital contributions and loyalty.

There are no categories of shares with special rights.

Shareholdings

Holding subject to NOVABASE Shareholders' Agreement	Number of shares	% share capital and voting rights
HNB - S.G.P.S., S.A. ¹	10,810,823	34.43%
Pedro Miguel Quinteiro Marques Carvalho	2,097,613	6.68%
Luís Paulo Cardoso Salvado ¹	1	0.00%
Álvaro José da Silva Ferreira ¹	1	0.00%
José Afonso Oom Ferreira de Sousa ¹	1	0.00%
TOTAL ²	12,908,439	41.11%

¹ José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira are the controlling shareholders and directors of HNB - S.G.P.S., S.A., having signed a shareholders' agreement for all of this company's share capital.

² Total holding attributable to shareholders José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, and Pedro Miguel Quinteiro Marques de Carvalho, pursuant to the NOVABASE shareholders' agreement described in point 6 of this report.

	Number of shares	% share capital and voting rights
Partbleu, Sociedade Gestora de Participações Sociais, S.A. ¹	3,180,444	10.13%

¹ At the time of receiving notice of the qualified holding, NOVABASE was informed that 72% of this company was indirectly held by Miguel Pais do Amaral, who was attributed the corresponding voting rights.

	Number of shares	% share capital and voting rights
IBI - Information Business Integration, A.G. ¹	4,549,188	14.49%

¹ At the time of receiving notice of the qualified holding, NOVABASE was informed that José Sancho García is the controlling shareholder of this company, and therefore was attributed the corresponding voting rights.

	Number of shares	% share capital and voting rights
Lazard Frères Gestion SAS	1,570,870	5.00%

The above holdings correspond to the last positions notified to the company in reference to 31 December 2021 or before.

Even so, over the course of 2022, NOVABASE received the following notifications with regard to IBI - Information Business Integration, A.G., as duly disclosed to the market:

- 09/03/2022 - acquisition of 10,000 shares
- 10/03/2022 - acquisition of 3,887 shares
- 11/03/2022 - acquisition of 6,000 shares
- 14/03/2022 - acquisition of 3,487 shares
- 15/03/2022 - acquisition of 3,710 shares
- 16/03/2022 - acquisition of 2,916 shares
- 18/03/2022 - acquisition of 650 shares
- 21/03/2022 - acquisition of 9,350 shares
- 28/03/2022 - acquisition of 1,005 shares
- 31/03/2022 - acquisition of 8,995 shares
- 01/04/2022 - acquisition of 10,000 shares

2. Restrictions on the transferability of shares, such as consent of sale clauses or restrictions on ownership of shares (article 29-H, paragraph 1, sub-paragraph b).

The articles of association's clauses do not limit the transfer or ownership of NOVABASE shares.

3. Number of treasury shares, percentage of corresponding share capital and percentage of corresponding voting rights (article 29-H, paragraph 1, sub-paragraph a).

On 31 December 2021, NOVABASE had 699,480 treasury shares representing 2.23% of share capital and corresponding voting rights for the treasury shares held.

Notwithstanding the 699,480 treasury shares in question, 91,539 shares were attributed to director Paulo Jorge de Barros Pires Trigo in 2020, following the exercising of NOVABASE stock options held by this director per the terms and conditions detailed in point 72. of this report. These shares corresponding to the options exercised will be withheld by NOVABASE for a period of three years from their exercising, and their ownership will not be transferred to this director until the end of this period, conditional upon the company's positive performance during this time.

4. *Significant agreements that the company is a party to and will come into force in the future which can be altered or terminated in the event of a change in the control of the company resulting from a tender offer, along with the respective effects, unless, by their very nature, their disclosure is seriously harmful to the company, except if the company is specifically obliged to disclose such information as a result of legal h (article 29-H, paragraph 1, sub-paragraph j).*

These do not exist.

5. *Applicable scheme for the renewal or revocation of defensive measures, in particular those aimed at limiting the number of votes that can be held or exercised by a single shareholder individually or in conjunction with other shareholders.*

As a public company, NOVABASE has not implemented any defensive measure for unsolicited takeover bids.

6. *Shareholders' agreements that are known to the company and which may lead to restrictions in terms of transferring securities or voting rights (article 29-H, paragraph 1, sub-paragraph g).*

On 30 April 2021, NOVABASE announced to the market that it was notified by its shareholders José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, Pedro Miguel Quinteiro Marques de Carvalho and João Nuno da Silva Bento with regard to a new shareholders' agreement and qualified holding.

Information on the terms and conditions of the shareholders' agreement, and on the updated qualified holding in the announcement, is shown below:

“1. New NOVABASE Shareholders’ Agreement

Pursuant to and for the purposes of article 1, sub-paragraph c) and article 2 of CMVM Regulation no. 5/2008, and in compliance with articles 17 and 19 of the Securities Code and applicable Community provisions, it is now announced, on today’s date, with a view to ensuring shareholder stability until the end of the next 2021- 2023 term of office of NOVABASE’s corporate boards, that a new NOVABASE shareholders’ agreement (“Shareholders’ Agreement”) has been signed.

The new Shareholders’ Agreement was signed between shareholders José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Pedro Miguel Quinteiro Marques de Carvalho and Álvaro José da Silva Ferreira (hereinafter called the “Shareholders”) for 10,488,072 NOVABASE shares (hereinafter called the “Restricted Shares”) directly or indirectly held between them, corresponding to 33.40% of NOVABASE’s share capital, and with João Nuno da Silva Bento having withdrawn from the Shareholders’ Agreement.

Shareholders José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira are the controlling shareholders of the company HNB - S.G.P.S., S.A., (hereinafter called “HNB”), pursuant to the HNB shareholders’ agreement signed between them.

The company HNB is an indirect vehicle for the ownership of NOVABASE shares (“Vehicle”), pursuant to the Shareholders’ Agreement.

The new Shareholders’ Agreement entered into force on 30 April 2021, shall be valid until 31 May 2024 and replaces, in relation to the signatories to the new agreement, the previous shareholders’ agreement in force through that date (as duly announced to the market on 16 October 2017), whose essential terms and conditions have been reproduced.

2. Qualified holding - changes to composition

Following the non-renewal of the shareholders' agreement by João Nuno da Silva Bento, the qualified holding of the signatories to the shareholders' agreement was no longer attributed; in addition, HNB - S.G.P.S., S.A., announced that, on 29 April 2021, it had entered into an agreement for the acquisition of the 1,025,070 shares representing 3.26% of the capital and voting rights of NOVABASE held by João Nuno da Silva Bento through the company Mediaries - Serviços de Consultoria e Gestão Lda controlled by him, for the unit price of €3.715 per share. This acquisition is conditional upon (i) the holding of the NOVABASE General Meeting of Shareholders called for 25 May 2021; and (ii) fulfilment by João Nuno Bento in this meeting of his commitment to vote assumed under the previous shareholders' agreement.

In the wake of these changes, shareholders José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Pedro Miguel Quinteiro Marques de Carvalho and Álvaro José da Silva Ferreira continue to have a qualified holding, which currently totals 12,908,439 shares representing 41.11% of NOVABASE's share capital and voting rights, as follows:

Restricted Shares

Shareholders	Number of Restricted Shares	% of Shareholders' Agreement	% Voting Rights (Total)
Held through HNB			
José Afonso Oom Ferreira de Sousa	2,884,712	27.50%	9.19%
Luís Paulo Cardoso Salvado	2,798,639	26.68%	8.91%
Álvaro José da Silva Ferreira	2,707,105	25.81%	8.62%
HNB Total	8,390,456	80.00%	26.72%
José Afonso Oom Ferreira de Sousa	1	-	-
Luís Paulo Cardoso Salvado	1	-	-
Álvaro José da Silva Ferreira	1	-	-
Pedro Miguel Quinteiro Marques de Carvalho	2,097,613	20.00%	6.68%
TOTAL	10,488,072	100%	33.40%

Non-Restricted Shares

Shareholders		Number of Shares not Restricted	% Voting Rights (Total)
Held through HNB			
	José Afonso Oom Ferreira de Sousa	1,232,854	3.93%
	Luís Paulo Cardoso Salvado	815,615	2.60%
	Álvaro José da Silva Ferreira	371,898	1.18%
	HNB Total	2,420,367	7.71%
José Afonso Oom Ferreira de Sousa		0	-
Luís Paulo Cardoso Salvado		0	-
Álvaro José da Silva Ferreira		0	-
Pedro Miguel Quinteiro Marques Carvalho		0	-
TOTAL		2,420,367	7.71%

Total (Restricted Shares + Non-Restricted Shares)

Shareholders	Total Number of Shares (Restricted + Non-Restricted)	% Voting Rights (Total)
Held through HNB¹		
José Afonso Oom Ferreira de Sousa ¹	4,117,566	13.11%
Luís Paulo Cardoso Salvado ¹	3,614,254	11.51%
Álvaro José da Silva Ferreira ¹	3,079,003	9.81%
HNB Total	10,810,823	34.43%
José Afonso Oom Ferreira de Sousa	1	-
Luís Paulo Cardoso Salvado	1	-
Álvaro José da Silva Ferreira	1	-
Pedro Miguel Quinteiro Marques Carvalho	2,097,613	6.68%
Total²	12,908,439	41.11%

¹ José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira have ownership, directly or indirectly through controlled companies, of all of the shares of HNB - S.G.P.S., S.A., having signed a shareholders' agreement for all of this company's share capital. Includes the shares of shareholder João Nuno da Silva Bento, under the purchase and sale agreement entered into with HNB - S.G.P.S., S.A., on 29 April 2021

² Total holding attributable to shareholders José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and Pedro Miguel Quinteiro Marques de Carvalho, pursuant to the NOVABASE Shareholders' Agreement.

In view of the number of treasury shares currently held in the portfolio by NOVABASE, the total holding in question would correspond to 41.994% of NOVABASE's voting rights.

3. Terms and conditions of the Shareholders' Agreement

The following content of the NOVABASE Shareholders' Agreement is noteworthy:

- A) The need for agreement by a majority equal to or greater than two thirds of votes corresponding to Restricted Shares to establish terms by which these shares may be bought and sold, with shareholders agreeing not to initiate sales or purchases of any kind outside of this agreement;
- B) Need for unanimity of all Shareholders to acquire NOVABASE shares or sign agreements giving these Shareholders or a Vehicle qualified holdings exceeding one-third or 50% of NOVABASE's voting rights, pursuant to article 20 of the Securities Code, according to whether the Shareholders' immediately prior shareholdings are less or more than one-third of these voting rights;
- C) Notwithstanding the above, each Shareholder is authorized to acquire NOVABASE shares not considered Restricted Shares up to a maximum of 1.50% of all voting rights, per Shareholder, provided that such acquisitions do not give the Shareholders or a Vehicle more than 50% of the

- voting rights corresponding to NOVABASE's share capital. NOVABASE shares acquired in this manner will not be considered Restricted Shares, unless agreed so by unanimous decision;
- D) The Shareholders undertake to ensure that their descendants in the first degree (who have not yet reached legal age) will not acquire any NOVABASE shares in return for payment;
 - E) If, due to a breach of the Shareholders' Agreement, a qualified shareholding exceeding one third or 50% of NOVABASE's voting rights is allocated to the Shareholders or a Vehicle, pursuant to article 20 of the Securities Code, the procedure to suspend the tender offer obligation, as provided for in article 190 of the Securities Code, must be immediately initiated. Any shareholder responsible for allocating such voting rights, and who fails to execute the proper procedures to suspend and terminate the obligation for a tender offer, will be obliged to launch the tender offer individually;
 - F) In all of the following matters, the shareholders must exercise, directly or through a Vehicle, if applicable, their voting rights at NOVABASE's General Meetings of Shareholders by a strict majority equal to or greater than two-thirds of votes corresponding to Restricted Shares: dividend policy to be adopted, management compensation and bonus policy for corporate board members, increases and decreases in share capital, elimination of the right of preference in increases in capital, composition of corporate boards, NOVABASE mergers and spin-offs, and changes to the articles of association, acquisitions or disposals representing investments or disinvestments exceeding €2.5 million and definition of the strategic plan (including relevant changes to the strategic plan currently in force, as announced to the market);
 - G) Obligation to draw up, together with all Shareholders before the elections at the General Meeting of Shareholders, proposals to appoint members to NOVABASE's corporate boards;
 - H) Obligation of shareholders to vote, or to make a Vehicle vote, at General Meetings of Shareholders exclusively in favour of decisions previously passed by a two-thirds or greater majority of shareholders having voting rights corresponding to Restricted Shares;
 - I) Any shareholder who is dismissed without just cause from his/her management duties at NOVABASE, or at a company directly or indirectly held by NOVABASE, as applicable, while the Shareholders' Agreement is in force may opt to terminate his/her participation in the agreement. In the remaining cases, and except in specific situations of death, interdiction, incapacity or disability governed by the Agreement, shareholders may only terminate their participation in the Shareholders' Agreement with approval by a majority at least equal to or greater than two-thirds of votes corresponding to Restricted Shares;
 - J) Any party in breach of its obligations arising from the Shareholders' Agreement shall be subject to the respective provisions concerning penalties for the non-performance of this agreement.

Under the terms of new Shareholders' Agreement, the rights and obligations described above must be exercised and fulfilled directly by the shareholders or, when applicable, through the actions of a Vehicle.”

“

[end of transcription of announcement]

The NOVABASE Shareholders' Agreement is valid until 31 May 2024.

II. Shareholdings and Bonds

7. Identification of legal or natural persons who directly or indirectly own qualified holdings (article 29-H, paragraph 1, sub-paragraphs c) and d) and article 16), with specific percentages of capital and votes attributed, and the source and causes of the attribution.

Shareholdings

Holding subject to NOVABASE Shareholders' Agreement	Number of shares	% share capital and voting rights
HNB - S.G.P.S., S.A. ¹	10,810,823	34.43%
Pedro Miguel Quinteiro Marques Carvalho	2,097,613	6.68%
Luís Paulo Cardoso Salvado ¹	1	0.00%
Álvaro José da Silva Ferreira ¹	1	0.00%
José Afonso Oom Ferreira de Sousa ¹	1	0.00%
TOTAL ²	12,908,439	41.11%

¹ Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and José Afonso Oom Ferreira de Sousa are the controlling shareholders and directors of HNB - S.G.P.S., S.A., having signed a shareholders' agreement for all of this company's share capital.

² Total holding attributable to shareholders Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, José Afonso Oom Ferreira de Sousa and Pedro Miguel Quinteiro Marques de Carvalho, pursuant to the NOVABASE shareholders' agreement described in point 6 of this report.

	Number of shares	% share capital and voting rights
Partbleu, Sociedade Gestora de Participações Sociais, S.A. ¹	3,180,444	10.13%

¹ At the time of receiving notice of the qualified holding, NOVABASE was informed that 72% of this company was indirectly held by Miguel Pais do Amaral, who was attributed the corresponding voting rights.

	Number of shares	% share capital and voting rights
IBI - Information Business Integration, A.G. ¹	4,549,188	14.49%

¹ At the time of receiving notice of the qualified holding, NOVABASE was informed that José Sancho Garcia is the controlling shareholder of this company, and therefore was attributed the corresponding voting rights.

	Number of shares	% share capital and voting rights
Lazard Frères Gestion SAS	1,570,870	5.00%

The above holdings correspond to the last positions notified to the company in reference to 31 December 2021 or before.

Even so, over the course of 2022, NOVABASE received the following notifications with regard to IBI - Information Business Integration, A.G., as duly disclosed to the market:

- 09/03/2022 - acquisition of 10,000 shares
- 10/03/2022 - acquisition of 3,887 shares
- 11/03/2022 - acquisition of 6,000 shares
- 14/03/2022 - acquisition of 3,487 shares
- 15/03/2022 - acquisition of 3,710 shares
- 16/03/2022 - acquisition of 2,916 shares
- 18/03/2022 - acquisition of 650 shares
- 21/03/2022 - acquisition of 9,350 shares
- 28/03/2022 - acquisition of 1,005 shares
- 31/03/2022 - acquisition of 8,995 shares
- 01/04/2022 - acquisition of 10,000 shares

As stated in point 1, there are no categories of shares with special rights.

8. *Number of shares and bonds held by members of managing and supervisory boards. [NOTE: the information should be presented in accordance with the provisions of s articles 447, paragraph 5 of the Commercial Companies Code]*

Holdings of Members of the Managing and Supervisory Boards (article 447, paragraph 5 of the Commercial Companies Code)¹

Owner	#	%
	Shares ¹	Capital and Voting Rights
Pedro Miguel Quinteiro Marques de Carvalho (non-executive member of the Board of Directors)	2,097,613	6.68
Manuel Saldanha Tavares Festas alternate of the Audit Board)	74,986	0.24

María del Carmen Gil Marín (executive member of the Board of Directors)	23,001	0.07
João Luis Correia Duque (Board of Auditors member)	500	0.00
Luís Paulo Cardoso Salvado ² (Chairperson of the Board of Directors)	1	0.00
Álvaro José da Silva Ferreira ² (executive member of the Board of Directors)	1	0.00
José Afonso Oom Ferreira de Sousa ² (non-executive member of the Board of Directors)	1	0.00
José Sancho García ³	0	0.00
Madalena Paz Ferreira Perestrelo de Oliveira	0	0.00
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	0	0.00
Álvaro José Barrigas do Nascimento (Chairperson of the Audit Board)	0	0.00
Fátima do Rosário Piteira Patinha Farinha (full member of the Audit Board)	0	0.00
KPMG & Associados - SROC, S.A., represented by Susana de Macedo Melim de Abreu Lopes ⁴ (acting statutory auditor and representative)	0	0.00
Maria Cristina Santos Ferreira (alternate statutory auditor)	0	0.00

¹ The shareholding of each of these corporate board members corresponds to the last position notified to the company in reference to 31 December 2021 or before.

² Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and José Afonso Oom Ferreira de Sousa are shareholders of HNB - S.G.P.S., S.A., a company where they hold management positions. On 31 December 2021, HNB - S.G.P.S., S.A., held 10,810,823 shares representing 34.43% of NOVABASE's share capital and respective voting rights.

³ José Sancho García is the controlling shareholder of IBI - Information Business Integration, A.G., a company which held, on 31 December 2021, 4,549,188 shares representing 14.49% of NOVABASE's share capital and corresponding voting rights.

⁴ It was represented by partner Paulo Alexandre Martins Quintas Paixão until 22 December 2021.

In addition, the following transactions of NOVABASE shares were made in 2021 by the persons referred to in article 447 of the Commercial Companies Code ("CSC"):

Entity	Transaction	Date	Place	Number of Shares	Unit Price (€)
HNB - S.G.P.S., S.A.	Purchase	13/01/2021	Outside of a trading platform	650,924	3.300
HNB - S.G.P.S., S.A.	Purchase	28/05/2021	Outside of a trading platform	1,025,070	3.715
IBI - Information Business Integration, A.G. ¹	Purchase	24/06/2021	Outside of a trading platform	341,690	3.715
Rent Profit, S.L. ¹	Sale	30/07/2021	Euronext Lisbon	10	4.530
José Sancho García / Pilar Thomas Rios ²	Sale	30/07/2021	Euronext Lisbon	3,704	4.561

IBI - Information Business Integration, A.G ¹	Purchase	30/07/2021	Euronext Lisbon	3,714	4.509
IBI - Information Business Integration, A.G ¹	Purchase	08/11/2021	Euronext Lisbon	40,208	4.650
IBI - Information Business Integration, A.G ¹	Purchase	09/11/2021	Euronext Lisbon	59,792	4.749
IBI - Information Business Integration, A.G ¹	Purchase	15/11/2021	Euronext Lisbon	1,634	4.744
IBI - Information Business Integration, A.G ¹	Purchase	17/11/2021	Euronext Lisbon	12,905	4.746

¹ Company managed and administered by the spouse of director José Sancho García.

² The shares in question were deposited in a securities account held jointly by the director in question and his spouse Pilar Thomas Ríos.

There were no encumbrances or other acquisitions or disposals of shares representing the share capital of the company or companies in a group or control relationship with it, nor any promissory agreements, options contracts, repurchase agreements or others with similar effects on these shares, beyond those referred to in this document.

Beyond the transactions listed above, no other transactions of the type described above were performed by the persons referred to in article 447, paragraph 2, sub-paragraphs a) through d) of the Commercial Companies Code.

Finally, it should be noted that neither the company nor any company in a group or control relationship with it is an issuer of bonds.

9. Special powers of the board of directors, namely with respect to decisions to increase capital (article 29-H, paragraph 1, sub-paragraph i), specifying, in this regard, the date on which they were given, the date until which they can be exercised, the maximum ceiling of the capital increase, the amount already issued under the allocation of powers and the means of implementing the powers granted.

NOVABASE's managing board has no special powers vis-à-vis those granted by law.

10. Information on the existence of significant business relationships between holders of qualified holdings and the company.

In 2021, to the best the company's knowledge, NOVABASE had no significant business relationships with holders of qualified holdings or entities related or previously related to them.

B. CORPORATE BOARDS AND COMMITTEES

I. General Meeting of Shareholders

a) Composition of the general meeting board

11. Identification, position and term of office (beginning and end) of members of the general meeting board.

The members of NOVABASE's general meeting board, elected in the General Meeting of Shareholders held on 25 May 2021 for the three-year period of 2021-2023, are Chairperson António Manuel da Rocha e Menezes Cordeiro and Secretary Catarina Maria Marante Granadeiro.

The Chairmanship of the General Meeting of Shareholders has the necessary and appropriate means to exercise its duties, having access to a work room and secretarial services at the company. In addition, the Chairmanship of the General Meeting of Shareholders has 10 people (7 of whom belong to the company's staff) at its disposal dedicated to working specifically on the organization and management of the General Meeting of Shareholders.

b) Exercising of voting rights

12. Possible restrictions on voting rights, such as limitations on exercising voting rights based on ownership of a number or percentage of shares, deadlines for exercising a voting right or special systems for equity (article 29-H, paragraph 1, sub-paragraph f).

NOVABASE has no restrictions on voting rights, nor any limitations on voting based on a number or percentage of shares. Moreover, there are no systems related to asset content rights.

Shareholders may be represented at the General Meeting of Shareholders, pursuant to the law.

Shareholders may be represented by sending a letter addressed to the Chairmanship of the General Meeting of Shareholders at least three days before the date set for the meeting.

If the shares are jointly owned only a common representative, or his/her representative, may participate in the General Meeting of Shareholders.

Postal voting is permitted under the articles of association, provided that the following are observed:

a) Shareholders with a voting right may exercise this right by post by means of a signed statement clearly indicating their voting intention for each point on the meeting's agenda. For this purpose, shareholders may use the postal voting form which will be made available at the company's website in a timely fashion;

b) A legible photocopy of the shareholder's identity card or citizen's card must accompany the voting form. If the shareholder is a legal person, the voting form must be signed by one of its representatives, and his/her signature must be notarized in that capacity;

c) Voting forms, together with the items specified in the preceding subparagraphs, must be placed in a sealed envelope addressed to the Chairperson of the General Meeting of Shareholders, delivered by hand to the company's registered office, or delivered to this office by registered mail by the third working day preceding the date of the General Meeting of Shareholders. However, individuals who submit a voting form accompanied only by a legible photocopy of the shareholder's identity card or citizen's card may, alternatively, use the email address specified for this purpose in the meeting notice;

d) The Chairperson of the General Meeting of Shareholders must ensure the authenticity and confidentiality of postal votes until the time of voting;

e) If the shareholder or his/her representative attends the General Meeting of Shareholders in person, his/her respective postal vote will be annulled;

f) Postal votes will be counted as 'No' votes in relation to items for discussion submitted after these votes' date of issue.

Although not specifically mentioned in the articles of association, electronic voting is referred to in meeting notices, and follows the same principles as those of postal voting.

The remaining deadlines and requirements for exercising voting rights are exclusively those established by law and by applicable recommendations.

13. Maximum percentage of voting rights that can be exercised by a single shareholder or by shareholders having any of the relationships referred to in article 20, paragraph 1 with that shareholder.

No such limitation exists.

14. Shareholder decisions which, pursuant to the articles of association, can only be made by a qualified majority, in addition to those provided for by law, specifying these majorities.

The company has no mechanisms that hinder the passing of resolutions by shareholders. There are no shareholder decisions which, pursuant to the articles of association and beyond those provided for by law, can only be made by a qualified majority or a decision-making quorum greater than that provided for by law.

II. Management and Supervision

(Board of Directors, Executive Board of Directors and General and Supervisory Board)

a) Composition

Board of Directors on 31 December 2021

Luís Paulo Cardoso Salvado

Álvaro José da Silva Ferreira
María del Carmen Gil Marín
José Afonso Oom Ferreira de Sousa
Pedro Miguel Quinteiro Marques Carvalho
José Sancho García
Madalena Paz Ferreira Perestrelo de Oliveira
Rita Wrem Viana Branquinho Lobo Carvalho Rosado

15. Identification of governance model used.

NOVABASE has been a publicly-traded company since July 2000. It operates according to a governance model whose suitability and performance are assessed regularly by the Board of Directors to help optimize its performance in closer alignment with the interests of all stakeholders - those interested in NOVABASE's corporate activities, namely shareholders, investors, customers, suppliers, other business partners and employees.

In view of the mounting challenges of internationalization and competition revolving around NOVABASE's business, the corporate governance system in place at the company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the company's size and specific circumstances.

Therefore, beginning in 2015, NOVABASE adopted a reinforced Latin corporate governance model comprised of a Board of Directors, Audit Board and Statutory Auditor (ROC). In this model, a substantially more agile day-to-day management structure was implemented, with the Board of Directors able to delegate the day-to-day running of the company to one or more directors (managing directors) or to an Executive Committee of 3 to 9 members.

Following the General Meeting of Shareholders of 25 May 2021 (which, among other decisions, elected the members of the corporate boards and Remuneration Committee for three-year period of 2021-2023), for the purpose of implementing a substantially more agile day-to-day management structure, the elected Board of Directors delegated NOVABASE's daily management to managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, thereby not creating an Executive Committee for this term of office. Along these lines, the decision was made to grant special responsibilities to director María del Carmen Gil Marín, pursuant to article 407, paragraph 1 of the Commercial Companies Code. The activities of these managing directors are supervised by the non-executive directors.

Moreover, NOVABASE has a general meeting board elected for three-year terms of office, along with a Remuneration Committee appointed by the General Meeting of Shareholders to establish the remuneration of each corporate board member based on the duties performed and the company's

financial status. The company also designates a secretary and respective substitute, under the terms of article 446-A of the Commercial Companies Code, to perform the duties established by law.

NOVABASE constantly analyses the implementation of this model in order to refine its corporate governance practices, whenever possible, and tailor the model to the demands and challenges faced by the company.

16. Article of association rules on procedural requirements and matters applicable to the appointment and replacement of members, as applicable, of the Board of Directors, Executive Board of Directors and General and Supervisory Board (article 29-H, paragraph 1, sub-paragraph h).

The members of NOVABASE's Board of Directors are appointed and replaced under the terms of the law, namely the provisions of articles 390 and following of the Commercial Companies Code. Article 14, paragraph 1 of the company's articles of association state that a Board of Directors shall be responsible for managing the company's business, with full and exclusive powers of representation, comprised of at least three and at most nineteen members elected by the General Meeting of Shareholders.

Furthermore, pursuant to article 14 paragraph 2 of the company's articles of association, the General Meeting of Shareholders is responsible for appointing the Chairperson of the Board of Directors, which will elect its own chairperson if the General Meeting of Shareholders fails to do so.

With regard to the absence and replacement of members of the management, pursuant to the articles of association, those who fail to attend over one third of the meetings held in a financial year, without justification approved by the Board of Directors, shall be considered permanently absent and subject to replacement pursuant to the law and the Board of Directors' regulations.

Article 8 of the articles of association states that members of the management are elected by the General Meeting of Shareholders for three-year terms, subject to re-election one or more times, and that, at the end of their terms of office, they shall keep their positions until the appointment of new members.

NOVABASE believes that the suitability of the governing board members' profile to their respective duties is essential for fostering a robust, effective corporate governance and proper composition of the interests of the company's various stakeholders. In weighing up the profile of the corporate board members to be elected, the election proposals approved by shareholders tend to be based not only on individual criteria (such as candidates' expertise, integrity, willingness and experience in the sectors where NOVABASE does business), but also on diversity requirements.

Pursuant to article 29-H, paragraph 1, sub-paragraph q) of the Securities Code (CVM), following is a summary of NOVABASE's diversity policy for its governing and supervisory boards, how this policy was applied and its results in the 2021 financial year.

NOVABASE believes that it employs an ongoing approach of diversity in the composition of its managing and supervisory boards, helping to improve the performance of the relevant boards and providing balance in their composition, with a particular focus on gender diversity.

On 12 April 2018, NOVABASE's Board of Directors approved a formal diversity policy for its managing and supervisory boards, which is available to the public at the company's website. The approved policy is primarily rooted in the following commitments on the part of NOVABASE:

- Compliance with Law no. 62/2017 of 1 August, since gender diversity allows for different management styles and complementary approaches;
- With regard to age, there must be a balance between experience and maturity and the youth and energy needed for the fast-paced innovation of NOVABASE’s highly dynamic sector (information technologies);
- With regard to qualifications and education, in addition to areas associated with technology, various other areas of knowledge must also be represented, in view of the mounting importance of multidisciplinary in team performance.

The following are noteworthy with regard to the application and results of NOVABASE’s diversity policy in the 2021 financial year:

- With regard to full members on NOVABASE’s corporate boards performing duties in 2021, NOVABASE’s corporate boards had a total of 10 men and 4 women;
- Throughout 2021, NOVABASE’s corporate board members ranged from 32 to 68 years in age. Their areas of core training included engineering, law, mathematics, economics, management and philosophy;
- Therefore, the Board of Directors for the 2021-2023 term of office was comprised of 37.5% female members, thereby exceeding the minimum referred to in Law no. 62/2017 of 1 August (33.3%), also including one female member granted special responsibilities pursuant to article 407, paragraph 1 of the Commercial Companies Code.

17. Composition, as applicable, of the Board of Directors, Executive Board of Directors and General and Supervisory Board, stating the minimum and maximum number of members, term of office, number of full members, inauguration date and end date of each member’s term of office, in accordance with the articles of association.

As stated above, article 8 of the company’s articles of association states that members of the Board of Directors are elected by the General Meeting of Shareholders for three-year terms, subject to re-election one or more times, and that, at the end of their terms of office, they shall keep their positions until the appointment of new members.

NOVABASE’s articles of association also state that the Board of Directors may be comprised of at least three and at most nineteen members.

On 31 December 2021, the Board of Directors had eight full members, as shown in the following table:

Director	Inauguration date	End of term of office
Luís Paulo Cardoso Salvado	18 March 1998	31 December 2023
Álvaro José da Silva Ferreira	10 May 2018	31 December 2023

María del Carmen Gil Marín	10 May 2018	31 December 2023
José Afonso Oom Ferreira de Sousa	24 January 1991	31 December 2023
Pedro Miguel Quinteiro Marques Carvalho	24 January 1991	31 December 2023
José Sancho García	25 May 2021	31 December 2023
Madalena Paz Ferreira Perestrelo de Oliveira	25 May 2021	31 December 2023
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	25 May 2021	31 December 2023

Pursuant to article 14 of the articles of association, the Board of Directors may delegate the day-to-day running of the company to one or more members of the Board of Directors (managing directors) or to an Executive Committee consisting of three to nine members.

Following the General Meeting of Shareholders of 25 May 2021 (which, among other decisions, elected the members of the corporate boards and Remuneration Committee for the 2021- 2023 term of office), the elected Board of Directors delegated, on this same date, NOVABASE's daily management to managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira. Along these lines, the decision was made to grant special responsibilities to director María del Carmen Gil Marín, pursuant to article 407, paragraph 1 of the Commercial Companies Code. The activities of these managing directors are supervised by the non-executive directors.

18. Distinction between executive and non-executive members of the Board of Directors and, for the latter, identification of members who can be considered independent or, when applicable, identification of independent members of the General and Supervisory Board.

Member of the Board of Directors	Category	Independent ¹
Luís Paulo Cardoso Salvado	Executive (Chairperson)	No
Álvaro José da Silva Ferreira	Executive	No
María del Carmen Gil Marín	Non-executive	No

José Afonso Oom Ferreira de Sousa	Non-executive	No
Pedro Miguel Quinteiro Marques Carvalho	Non-executive	No
José Sancho García	Non-executive	No
Madalena Paz Ferreira Perestrelo de Oliveira	Non-executive	No
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	Non-executive	No

¹ Under the terms of CMVM Regulation no. 4/2013, Annex I, point 18.1.

In view of the number of directors (eight), the six non-executive members of the Board of Directors are sufficient in number to ensure effective monitoring, supervision and assessment of the activity of the remaining members of the managing board (see points 24 and 27 of this report with regard to the assessment of the other directors). In fact, the number of non-executive directors accounts for 75% of all directors, which is a truly significant proportion, above all considering the company's size and the respective free float, as resulting from this report. Furthermore, NOVABASE's non-executive members have professional qualifications, educations and backgrounds which differ between themselves, but which are relevant at various levels for NOVABASE's main business areas, thereby representing diverse areas of knowledge among non-executive members to support the executive members' monitoring, supervision and understanding of the business.

In view of the company's size, its need for agility and efficient management, its shareholder structure and respective free float, its various levels of internal control (including supervisory boards completely comprised of persons independent from the management and qualified shareholders, with the important note that, under the Anglo Saxon corporate governance model previously in effect at the company, only those management members with positions on the Auditing Committee were independent), and the vast set of options benefiting shareholder participation and the exercising of rights, NOVABASE does not believe that independent directors are needed to ensure the protection of the interests of all stakeholders.

19. Professional qualifications and other relevant background information of each member, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors.

Director	Professional Qualifications	Other background information ¹
Luís Paulo Cardoso Salvado	<ul style="list-style-type: none"> MBA in Information Management from Universidade Católica Portuguesa 	<ul style="list-style-type: none"> Chairperson of the Board of Directors and Managing Director of Novabase S.G.P.S., S.A. <p>Formerly:</p>

	<ul style="list-style-type: none"> • Graduate in Electrotechnical and Computer Engineering at Instituto Superior Técnico (IST - Higher Technical Institute) 	<ul style="list-style-type: none"> • CEO • Member of the Board of Directors Performance Assessment Committee and the Corporate Governance Assessment Committee • CFO, CHRO and CLO of the NOVABASE Group • CEO of Novabase Consulting, S.A. • Director of various NOVABASE Group companies
<p>Álvaro José da Silva Ferreira</p>	<ul style="list-style-type: none"> • Mergers and Acquisitions Program - Harvard Business School • Private Equity and Venture Capital Program - Harvard Business School Executive Education • MBA - Universidade Nova de Lisboa • Graduate in IT Engineering - Universidade Nova de Lisboa 	<ul style="list-style-type: none"> • Managing Director of Novabase S..G.P.S., S.A. <p>Formerly:</p> <ul style="list-style-type: none"> • COO Value Portfolio • Director of various NOVABASE Group companies
<p>María del Carmen Gil Marín</p>	<ul style="list-style-type: none"> • MBA - INSEAD • Academic cycle of PhD in the Environment and Alternative Energies - UNED • Higher Degree in Electronic Engineering - Universidade Pontificia de Comillas (I.C.A.I.) <p>Extensive executive training, including: Stanford University (Cyber Security), UCLA Anderson School of Management (Santander-UCLA W50), Nova School of Business & Economics (Boards Governance) and Harvard Business School (Leadership)</p>	<p>Director of Novabase S.G.P.S., S.A. with special responsibilities</p> <p>Formerly:</p> <ul style="list-style-type: none"> • Executive Director of Novabase S.G.P.S., S.A. (COO Value Portfolio, CIO and CISO) • Head of Investor Relations Novabase S.G.P.S., S.A. • Director of various NOVABASE Group companies • Member of the Audit Board of Associação de Emitentes de Mercado (A.E.M.) • Member of Audit Board of Investor Relations Forum • Strategic Marketing Professor at Universidad Pontificia de Comillas • Strategic consultant at The Boston Consulting Group • Corporate Finance - Investment Banker at Lehman Brothers
<p>José Afonso Oom Ferreira de Sousa</p>	<ul style="list-style-type: none"> • MBA from Universidade Nova de Lisboa • Master's in Electrotechnical Engineering from IST 	<ul style="list-style-type: none"> • Non-executive Director of Novabase S.G.P.S., S.A. <p>Formerly:</p> <ul style="list-style-type: none"> • Director without delegated areas

	<ul style="list-style-type: none"> • Graduate in Electrotechnical Engineering from IST • Graduate in Philosophy from Universidade Católica de Lisboa 	<ul style="list-style-type: none"> • Member of the Board of Directors Performance Assessment Committee • Member of the Corporate Governance Assessment Committee • CLO and CFO of NOVABASE Group • Director of various NOVABASE Group companies
Pedro Miguel Quinteiro Marques Carvalho	<ul style="list-style-type: none"> • Graduate in Applied Mathematics from Universidade de Lisboa 	<ul style="list-style-type: none"> • Non-executive Director of Novabase S.G.P.S., S.A. <p>Formerly:</p> <ul style="list-style-type: none"> • Director without delegated areas • Member of the Board of Directors Performance Assessment Committee • Director responsible for the administrative and logistics area • CIO of NOVABASE Group • Director of various NOVABASE Group companies
José Sancho García	<ul style="list-style-type: none"> • Telecommunications Engineer- Universidad Politécnica de Madrid 	<ul style="list-style-type: none"> • Non-executive Director of Novabase S.G.P.S., S.A.
Madalena Paz Ferreira Perestrelo de Oliveira	<ul style="list-style-type: none"> • Doctorate in Law (legal/civil sciences) from the University of Lisbon School of Law • Completion of academic part of the Master's degree in Legal Sciences at the Faculty of Lisbon • Graduate in Law from the University of Lisbon School of Law • Attendance at the 17th Postgraduate Course in Securities Law, organized by the Securities Institute (Instituto dos Valores Mobiliários) 	<ul style="list-style-type: none"> • Non-executive Director of Novabase S.G.P.S., S.A. • Guest Assistant Professor at the University of Lisbon School of Law • Consultant in the areas of banking, finance and corporate, M&A at PLMJ, Sociedade de Advogados, RL • Researcher at the Private Law Research Centre (CIDP) of the University of Lisbon School of Law; • Member of the Governance Lab, a legal research group dedicated to organizational governance; • Sub-director of the Financial Law and Capital Markets Journal <p>Formerly:</p> <ul style="list-style-type: none"> • Secretary of the General Meeting of Shareholders of Novabase S.G.P.S., S.A.; • Assistant at the Católica Lisbon School of Business and Economics
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	<ul style="list-style-type: none"> • Graduate in Law from Universidade Católica de Lisboa • Executive training: Advanced Program for Non-executive Directors (IPCG) 	<ul style="list-style-type: none"> • Non-executive Director of Novabase S.G.P.S., S.A. • Chairperson of the General Meeting of Shareholders of various NOVABASE Group companies • Legal management of NOVABASE Group

¹ Professional activities performed in the past five years, namely in terms of positions at other companies or the company itself (article 289 of the Commercial Companies Code).

20. Regular and significant family, professional or business relationships of members, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors with shareholders to whom a qualified shareholding exceeding 5% of voting rights may be attributed.

Directors Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, José Afonso Oom Ferreira de Sousa and Pedro Miguel Quinteiro Marques Carvalho are simultaneously shareholders and parties to the shareholders' agreement referred to in point 6 of this report. As of 31 December 2021, the parties to this shareholders' agreement have been attributed a qualified holding of 12,908,439 shares representing 41.11% of NOVABASE's share capital and voting rights.

In addition, director José Sancho García is simultaneously the controlling shareholder of Sociedade IBI - Information Business Integration, A.G. which, in accordance with communications made to NOVABASE prior to 31 December 2021, held 4,549,188 shares representing 14.49% of NOVABASE's share capital and voting rights.

There are no other regular and significant relationships between directors and qualified shareholders.

21. Organizational structure and functional chart relating to the division of powers among the various boards, committees and/or departments within the company, including information on the scope of the delegation of powers, particularly with regard to the delegation of day-to-day management of the company.

NOVABASE was organized into two business segments on 31 December 2021:

- Next-Gen
- Value Portfolio

These two segments were announced to the market on 25 July 2019, in the wake of the disclosure of the 2019+ Strategic Update.

The Next-Gen segment aims to be a key player in an area of fast growth and considerable size, through a leadership position in attracting hard-to-find technology talent in Portugal and in deploying advanced projects focusing on Europe and the Middle East. NOVABASE has a solid history in Nearshore Agile and is already active in Telecommunications and Financial Services.

NEXT-GEN, an IT service company focused on:

- Design & UX
- Insights through data
- Native & scalable cloud
- Digital architecture
- Exposure to APIs
- AI / Analytics

- Automation of Tests & Engineering
- Continuous Delivery
- Intelligent Operations

The main purpose of the Value Portfolio segment is to generate funds to finance growth in the Next-Gen segment, through proactive management and by analysing potential strategic partnerships. Includes businesses with consolidated IT offers for the IT Staffing and Venture Capital sector.

Novabase S.G.P.S.¹ / Novabase Serviços²

Novabase S.G.P.S. and Novabase Services control the central functional areas: *Human Resources, Finance & Administration, IT, Marketing, Legal and Logistics*. Novabase S.G.P.S. directly controls the *Investor Relations* function through the Investor Relations Office.

Information on the Investor Relations Office can be found in point 56 of this report.

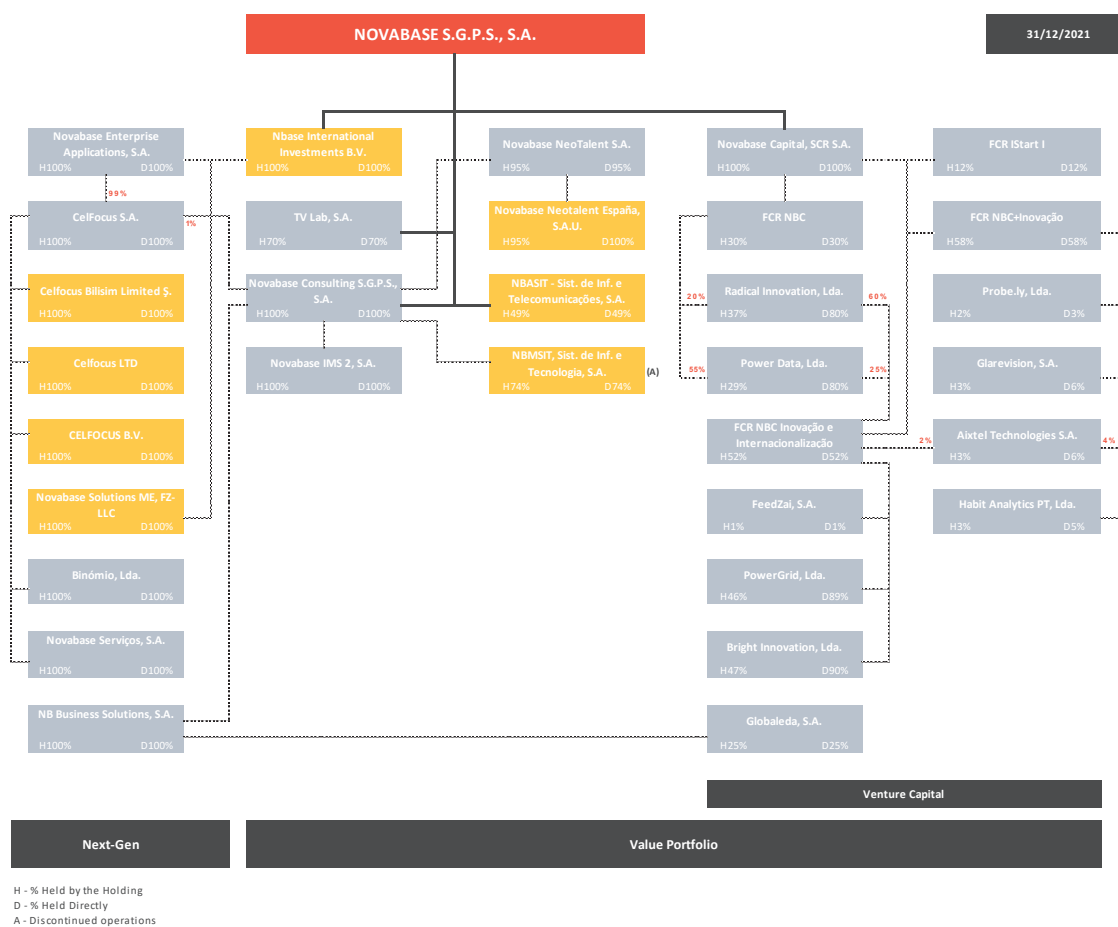
Organizational Chart

Each of the aforementioned organizational units corresponds to a company or a group of companies.

The attached organizational chart includes all of the companies within NOVABASE's consolidation perimeter.

¹ Novabase - Sociedade Gestora de Participações Sociais, S.A.

² Novabase Serviços - Serviços de Gestão e Consultoria, S.A.



As stated in point II. A) 15., in view of the mounting challenges of internationalization and competition revolving around NOVABASE’s business, the corporate governance system in place at the company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the company’s size and specific circumstances.

Therefore, beginning in 2015, NOVABASE adopted a reinforced Latin corporate governance model comprised of a Board of Directors, Audit Board and Statutory Auditor (ROC). In this model, a substantially more agile day-to-day management structure was implemented, with the Board of Directors able to delegate the day-to-day running of the company to one or more directors (managing directors) or to an Executive Committee of 3 to 9 members.

Following the General Meeting of Shareholders of 25 May 2021 (which, among other decisions, elected the members of the corporate boards and Remuneration Committee for the three-year period of 2021-2023), the elected Board of Directors delegated, on this same date, NOVABASE’s daily management to managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, with no Executive Committee having been created for this term of office. Along these lines, the decision was made to grant special responsibilities to director María del Carmen Gil Marín, pursuant to article 407, paragraph 1 of the Commercial Companies Code. The activities of these managing directors are supervised by the non-executive directors. Moreover, NOVABASE has a general meeting board elected for three-year terms of office, along with a Remuneration Committee appointed by the General Meeting of Shareholders to establish the remuneration of each corporate board member based on the duties performed and the company’s financial status. The company also designates a secretary and respective

substitute, under the terms of article 446-A of the Commercial Companies Code, to perform the duties established by law.

Under the terms of article 14 of NOVABASE's articles of association, a Board of Directors with full and exclusive representation powers is responsible for managing the company's business.

The Board of Directors has general powers to act in pursuit of the company's corporate and business interests within the confines of the law, the articles of association and the decisions of the General Meeting of Shareholders and, in particular, to:

- a) Acquire, encumber and sell any rights or movable property as well as to acquire, encumber and sell immovable property, whenever it is deemed appropriate for the company;
- b) Take out loans and carry out any other financing operations in the interest of the company, under such terms and conditions that it deems fit;
- c) Appoint representatives of the company;
- d) Delegate powers to its members;
- e) Hire employees, set their conditions of employment and exercise disciplinary power;
- f) Represent the company in and out of court, as plaintiff or defendant, file lawsuits, and make admissions, compromise in them and withdraw from them, and engage in arbitration;
- g) Open, operate and close any of the company's bank accounts, deposit and withdraw money, issue, accept, draw and endorse cheques, bills and promissory notes, invoice statements and any other securities;
- h) Decide on investments in the capital of other companies or on participating in other businesses;
- i) Run the company's businesses and carry out any acts and transactions relating to the corporate purpose that do not fall within the jurisdiction of other company bodies.

Under the terms of its regulations, the Board of Directors is responsible for setting a policy for reporting irregularities in compliance with goals laid out in this regard by law, by applicable regulations or by the General Meeting of Shareholders.

The Board of Directors' bylaws and regulations also state that it may delegate to one member of the Board of Directors certain specific management duties or the execution of the Board of Directors' decisions, and may also, as stated above, delegate the day-to-day running of the company to one or more directors (managing directors) or to an Executive Committee of 3 to 9 members. The delegated powers must be drawn up in minutes. The Board of Directors will determine the powers of each managing director or of the Executive Committee, as applicable, in the day-to-day running of the company, delegating to the Executive Committee, when necessary, all of the powers not prohibited by article 407, paragraph 4 of the Commercial Companies Code.

Pursuant to the provisions of article 407, paragraph 4 of the Commercial Companies Code and the regulations of NOVABASE's Board of Directors, the Board of Directors may not delegate the following:

- a) Selection of the Chairperson of the Board of Directors;
- b) Co-option of directors;
- c) Requests to call the General Meeting of Shareholders;

- e) Drawing up of annual reports and accounts;
- f) Provision of collateral, personal guarantees and security in rem by NOVABASE;
- g) Change of registered office and capital increases;
- h) Deliberate projects to merge, divide and transform NOVABASE;
- i) Approval of strategy;
- j) Definition of the Group's corporate structure.

Managing Directors

Managing directors are responsible for the day-to-day running of the company, and may perform all actions required to this end, respecting the powers of the Board of Directors with regard to actions which must be submitted for its approval. Managing directors define the company's current organizational structure, appoint employees to perform management duties in the corporate boards of this structure and manage all of the company's operating areas.

In accordance with the delegation of powers approved by the Board of Directors on 25 May 2021, the performance of all actions required for the day-to-day running of the company has been delegated to the two managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, for the three-year period of 2021-2023, including the individual powers to perform all the actions required for the day-to-day running of NOVABASE, including all powers needed or expedient for pursuing the company's corporate purpose and conducting its business, namely:

- a) Carry out the annual business plans and corresponding budgets after their approval by NOVABASE's Board of Directors;
- b) Approve changes to the budget, except when their cumulative impact on the company's consolidated net profit is expected to exceed €1 (one) million in the financial year;
- c) Approve and carry out the NOVABASE's short, medium and long-term organic development and investment plans, and identify and make investments in existing or new business areas of NOVABASE and its affiliates, by means of a budget approved by NOVABASE's Board of Directors and/or, in the absence of this, provided that (i) individually, they do not exceed €1 (one) million; and (ii) together, €5 (five) million in a given financial year; or (iii) in the case of R&D (research and development) investments or investments with co-funding, covered by applicable tax incentives or subsidies, up to a combined amount of €20 (twenty) million per financial year;
- d) Acquire, encumber and sell holdings in other companies, provided these transactions' general guidelines fall within the annual business plans and respective budgets or, otherwise, with the prior approval NOVABASE's Board of Directors;
- e) Manage holdings in other companies, including affiliates, namely by appointing their representatives on corporate boards and laying out guidelines for these representatives' activities together with approving and reorganizing these holdings according to the annual business plans, or by prior decision approved by NOVABASE's Board of Directors;
- f) Notwithstanding legal provisions and formalities, buy and sell treasury shares within the framework and limits of the decision of the General Meeting of Shareholders;
- g) Opening, transacting and closing bank accounts;
- h) Approve short and medium-term financing agreements (12-36 months), including those which increase overall indebtedness, provided that their value is €5 (five) million or less per transaction, or cumulatively €20 (twenty) million per financial year, or of any amount with the prior approval of NOVABASE's Board of Directors;

- i) Grant medium and short-term loans (and/or shareholder loans) to affiliates for cash-on-hand and other purposes allowed by law, up to the amount of €20 (twenty) million per financial year, or in any amount with the prior approval of NOVABASE's Board of Directors;
- j) Acquire, sell and/or encumber NOVABASE's assets, individually up to €1 (one) million, or cumulatively up to €5 (five) million per financial year;
- k) Take or give in lease, and manage the use of, immovable property allocated to the business of NOVABASE and/or its affiliates, partially or in whole, in accordance with the budget approved by NOVABASE's Board of Directors or, apart from a budget, up to a combined annual amount of €1 (one) million;
- l) Manage and coordinate all of the company's operating and business support areas, including but not limited to Human Resources, Finance and Administration, Marketing and Communication, Information Systems, Legal, Organizational Development and Investor Relations, excluding internal auditing boards if/when they exist;
- m) Recruit and dismiss employees, define human resources and occupational health and safety policies, define and implement plans for training, career levels, categories, remuneration terms/conditions and other bonuses or salary supplements;
- n) Perform standard activities involving powers as an employer including but not limited to disciplinary authority and the application of legally admissible employee penalties;
- o) Order/determine the presentation, negotiation and contracting of any supplies of goods and/or services by NOVABASE and/or its affiliates within the scope of their corporate purpose, individually up to €20 (twenty) million and/or (i) without a binding obligation of any kind exceeding 15 years; (ii) without terms/conditions deemed of considerable financial, legal and/or commercial risk, attributable to NOVABASE's Managing Directors, by those in the organization responsible for monitoring or otherwise assisting in the control of this risk;
- p) Contract goods and services of any kind and by any means, as needed to pursue the corporate purpose, up to the amount of €1 (one) million per transaction, or in any amount with the prior approval of NOVABASE's Board of Directors or associated with the transactions referred to in o);
- q) Take part in incorporated joint ventures and European Economic Interest Groupings, enter into consortium and equity partnership agreements, and establish or take part in any other forms of temporary or permanent association between companies and/or private or public entities, except when their purpose is to participate in projects whose anticipated turnover for the company exceeds €20 (twenty) million;
- r) Represent the company in and out of court, as plaintiff or defendant, including the instituting, contesting and lodging of appeals in any legal or arbitration proceedings, as well as confessing, withdrawing from or coming to terms in any proceedings and engagement in arbitration. The managing directors have furnished information on any proceedings involving the company whose amount is equal to or exceeds €1 (one) million;
- s) Appoint representatives to perform specific acts or categories of acts, defining the scope of their respective powers.

Notwithstanding the above, it has also been determined that decisions within the scope of NOVABASE's day-to-day management of more than €5,000,000.00 in value may only be made by mutual agreement of the managing directors.

On this same date, the Board of Directors decided to grant, pursuant to and for the purposes of article 407, paragraph 1 of the Commercial Companies Code, the following special responsibilities to director María del Carmen Gil Marín:

- a) Responsibility for the business area related to Novabase Capital, with this director in charge of running and coordinating the business of Novabase Capital, Sociedade de Capital de Risco, S.A., a company fully owned by NOVABASE;

b) Responsibility for the area of investor relations, assuming, for all legal purposes, namely with the Portuguese Securities Market Commission (CMVM), the position of NOVABASE representative for market relations, with this director in charge of supervising, overseeing and ensuring, with the degree of action deemed necessary or sufficient, NOVABASE's fulfilment of its duties arising from the fact that the shares representing its share capital are listed for trading on the Euronext Lisbon regulated market, namely the duties of disclosing information to the market and to the CMVM, as the supervisory authority;

c) Responsibility for the area of marketing and communication, with this director in charge of running and coordinating all matters related to NOVABASE's areas of marketing and communication;

d) Responsibility for the area of information technologies (IT), with this director in charge of running and coordinating all matters related to NOVABASE's area of information technologies.

The non-executive directors are in charge of overseeing the activities of the managing directors, and for any damages caused by the acts or omissions of the committee or its members when, being aware of such existing or intended acts or omissions, they fail to notify the Board of Directors to take the necessary measures. In addition to the power of submitting matters for the Board of Directors' assessment and decision, and with a view to fully carrying out their monitoring and oversight duties with regard to NOVABASE's business, undelegated non-executive directors may raise specific issues regarding delegated matters directly with executive directors.

In the same manner, the director who has been granted the above special responsibilities must keep NOVABASE's Board of Directors informed at all times of the acts carried out in fulfilling these special responsibilities, and must submit a summary of these acts, whenever justified, at each meeting of the Board of Directors, together with furnishing information to the members of the Board of Directors whenever requested.

In view of the above no powers were delegated in 2021 involving matters where the Board of Directors must ensure that the company acts in accordance with its objectives, namely: i) definition of the company's strategy and general policies; ii) definition of the corporate structure of the Group; iii) decisions taken that are considered to be strategic due to the amounts, risk and particular characteristics involved.

- **Operation**

Under the terms of NOVABASE's articles of association, the Board of Directors shall meet whenever called by its Chairperson or by two other directors. It must meet at least once per quarter.

The Board of Directors cannot function without a majority of its active members present. Under urgent circumstances, the Chairperson may waive this majority when it can be achieved via postal or proxy voting to another member of management.

One or more members of the board may participate via teleconferencing, when duly recorded in the minutes. In this case, members of management attending remotely via teleconferencing are considered present at the meeting.

Except when a qualified majority is required by law, the decisions of the Board of Directors are made by simple majority. The Chairperson of the Board of Directors has the casting vote in the event of a tie.

Pursuant to the Board of Directors' regulations, its Chairperson is also responsible for: a) coordinating the Board of Directors' work; b) calling and running the Board of Directors' meetings, ensuring that their minutes are drawn up; c) making casting votes; and d) ensuring the execution of decisions made.

Detailed minutes are drawn up for the meetings of NOVABASE's Board of Directors, pursuant to article 9 of the Board of Directors' internal regulations.

Pursuant to recommendation III.1. of the Portuguese Corporate Governance Institute (IPCG) Corporate Governance Code (2018, revised in 2020), notwithstanding the legal functions of the Chairperson of the Board of Directors, if the Chairperson is not independent, the independent directors must designate a coordinator (lead independent director) from among themselves for the following purposes: (i) serving, whenever necessary, as a spokesperson with the Chairperson of the Board of Directors and the other directors, (ii) ensuring that they have the necessary means and conditions to perform their duties; and (iii) coordinating them in assessing the performance by the managing board, as provided for in recommendation V.1.1. of the above Governance Code.

In view of NOVABASE's corporate organizational model, which has several levels of internal control, the company does not believe that independent directors are necessary, as further explained in point 18. The designation of a lead independent director per this recommendation is therefore not possible.

With regard to the option of designating a lead non-executive director (in the absence of independent directors), in view of the company's size, the Board of Directors (comprised of 8 directors) and the number of non-executive directors (6), NOVABASE does not believe this position is necessary.

In fact, given NOVABASE's agile and flexible structure since 2015, the non-executive directors have adequately coordinated their duties with no need for formal meetings called and run by one of these directors.

Pursuant to the NOVABASE Board of Directors' internal regulations, members of the Board of Directors may not vote on issues where they have a conflict of interest with NOVABASE, whether directly or through third parties.

While being obliged to inform the Chairperson of the Board of Directors about the conflict of interest, the board member in question may participate in the meeting where the issue will be discussed but without the ability to vote.

Unless decided otherwise, this member may be asked to give an opinion, but without the ability to vote, and must provide all information and clarifications requested in this regard by the Board of Directors and/or its members. Pursuant to the Board of Directors' internal regulations, directors may obtain information deemed necessary or convenient for the performance of their functions, powers and duties, via request to the Chairperson of the Board of Directors. Directors shall also be ensured access to the company's employees, as necessary, to assess NOVABASE's performance, status and future prospects.

Managing directors must provide, in a timely and suitable fashion, any information requested by the Board of Directors and/or Audit Board so that they may assess NOVABASE's performance, status and future prospects.

In 2021, all the information requested by the various corporate boards was supplied by NOVABASE's managing directors in a timely and suitable fashion. Similarly in 2021, the director with special responsibilities kept the Board of Directors informed at all times of the acts carried out in fulfilling these special responsibilities, and provided information on these matters to the members of this board whenever requested.

22. Existence and location of operating regulations, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors.

The regulations of the Board of Directors are available at NOVABASE's website.

23. Number of meetings held and attendance of each member, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors.

Board of Directors	
Number of meetings: 6 ¹	
Member	Attendance (%)
Luís Paulo Cardoso Salvado	100
Álvaro José da Silva Ferreira	100
María del Carmen Gil Marín	100
José Afonso Oom Ferreira de Sousa	100
Pedro Miguel Quinteiro Marques Carvalho	100
José Sancho García	100
Madalena Paz Ferreira Perestrelo de Oliveira	100
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	100

1 - The number of meetings shown corresponds to those occurring after the appointment of the new management at the General Meeting of Shareholders dated 25 May 2021. Through this date, the previous management held four meetings in 2021. The above directors Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, María del Carmen Gil Marín, José Afonso Oom Ferreira de Sousa and Pedro Miguel Quinteiro Marques de Carvalho also belonged to the previous management, and participated in all of the meetings held in 2021 until the election of the new Board of Directors.

24. The corporate bodies responsible for assessing the performance of executive members.

The activities of the managing directors are monitored continuously by the Board of Directors on the whole and, specifically, by the non-executive directors, through the provision of information on the company's business as needed to monitor its day-to-day running. This monitoring of the managing directors by non-executive members was a practice already in place prior to the publication of corporate governance recommendations on the existence of specific evaluation committees, and continues to be an actual practice employed by NOVABASE.

Furthermore, in the meeting of 25 May 2021, the Board of Directors approved new internal regulations for this body reflecting the recommendations in this regard from the Corporate Governance Code of the Portuguese Corporate Governance Institute (IPCG) (2018, revised in 2020), already included in the regulations in effect during the 2018-2020 term of office.

Pursuant to article 10 of these regulations, to allow non-executive directors to carry out their duties of monitoring and overseeing NOVABASE's business, in addition to their ability to submit matters to the Board of Directors for assessment and decision, they may also, individually or jointly, request that members of the Executive Committee, when it exists, provide meeting minutes, support documentation for decisions made, meeting notices and access to meeting archives, requesting such information through the Chairperson of the Board of Directors and/or Chairperson of the Executive Committee, who must respond to the request in a timely and suitable fashion.

On 31 December 2021, the non-executive members of the Board of Directors were María del Carmen Gil Marín, José Afonso Oom Ferreira de Sousa, Pedro Miguel Quinteiro de Marques Carvalho, José Sancho García, Madalena Paz Ferreira Perestrelo de Oliveira and Rita Wrem Viana Branquinho Lobo Carvalho Rosado.

Furthermore, in accordance with recommendation V.1.1. of the IPCG Corporate Governance Code (2018, revised in 2020), the Board of Directors conducts an annual assessment of its performance and the performance of the managing directors or Executive Committee, as applicable, bearing in mind fulfilment of the company's strategic plan and budget, risk management, internal operation and each member's contribution in this regard, together with relationships between the company's boards and committees.

Along these lines, each year, the Board of Directors approves the following in a meeting in reference to the previous financial year: (i) performance assessment of the Board of Directors on the whole during the financial year in question, using a self-assessment process for this purpose based on the evaluation parameters in the above paragraph, with all members of the Board of Directors participating and voting in the decision to approve this assessment, and (ii) performance assessment of the managing directors or Executive Committee, as applicable, in the previous financial year, based on the same evaluation parameters and other relevant parameters considering the executive functions of this board, with only the non-executive members of the Board of Directors participating and voting in the decision to approve this assessment.

The overall performance assessment of the Board of Directors and managing directors in the 2021 financial year was approved by NOVABASE's Board of Directors on 10 February 2022.

In addition, the Remuneration Committee is responsible for assessing the performance of the managing directors and the director with special responsibilities, namely for the purposes of applying the evaluation criteria described in point 25 below, together with that of the remaining non-executive directors.

NOVABASE's Board of Directors also ensures that the individual performance evaluations of each member of management are notified to the Remuneration Committee.

25. The pre-established criteria for assessing the performance of executive members.

The performance assessment of members of the Board of Directors (including managing directors) takes into account the organization's performance in the year in question, measured by the net profits

generated, and is aimed at correlating the remuneration's variable cash component with the responsibility and performance of each director in particular (as stated in the policy in point 69 of this report).

More information on the evaluation parameters and assessment process of NOVABASE's directors can be found in point 24.

26. Availability of each member, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors, indicating positions held simultaneously at other companies, both in and outside of the group, and other relevant activities performed by the members of these boards over the year.

Director (availability)	Group companies	Other companies and activities
Luís Paulo Cardoso Salvado (Full time)	<ul style="list-style-type: none"> • Director of the following companies: <ul style="list-style-type: none"> • Chairperson of the Board of Directors of Celfocus, S.A. • Novabase Serviços S.A. • Novabase Consulting, S.G.P.S., S.A. • Novabase Business Solutions, S.A. • Novabase Enterprise Applications, S.A. 	<ul style="list-style-type: none"> • Manager of Pluraldistance, Lda. • Director of HNB - S.G.P.S., S.A. • Managing partner of Turtlewalk, Unipessoal, Lda.
Álvaro José da Silva Ferreira (Full time)	<ul style="list-style-type: none"> • Director of the following companies: <ul style="list-style-type: none"> • Celfocus, S.A. • Chairperson of the Board of Directors of Novabase Neotalent, S.A. • Novabase Serviços S.A. • Novabase Consulting, S.G.P.S., S.A. • Novabase Business Solutions, S.A. • Novabase Enterprise Applications, S.A. • TVLAB, S.A. • Novabase Capital, S.C.R., S.A. • NBMSIT, S.A. - Chairperson • NBASIT, S.A. - Chairperson • Novabase IMS2, S.A. - Chairperson • Novabase Neotalent España, S.A. • Novabase Middle East 	<ul style="list-style-type: none"> • Director of HNB - S.G.P.S., S.A. • Managing partner of Pragmatic Proton, Unipessoal, Lda.

	<ul style="list-style-type: none"> Binómio, Lda. - Manager 	
<p>María del Carmen Gil Marin (Full time)</p>	<ul style="list-style-type: none"> Chairperson of the General Meeting of Shareholders of the following NOVABASE Group companies: <ul style="list-style-type: none"> GLOBALEDA - Telecomunicações e Sistemas de Informação, S.A. Director of the following companies: <ul style="list-style-type: none"> Celfocus, S.A. Chairperson of the Board of Directors of Novabase Capital, S.C.R., S.A. Novabase IMS2, S.A. Novabase Serviços S.A. Novabase Enterprise Applications, S.A. TVLAB, S.A. 	<ul style="list-style-type: none"> Independent non-executive director of the postal service (CTT) and member of the Auditing Committee Independent non-executive director of Caixa Geral de Depósitos and member of the Auditing Committee and of the Evaluation, Appointments and Remuneration Committee
<p>José Afonso Oom Ferreira de Sousa (Part time)</p>	<ul style="list-style-type: none"> Chairperson of the General Meeting of Shareholders of the following companies: <ul style="list-style-type: none"> Novabase IMS2, S.A. TV Lab, S.A. Novabase Neotalent, S.A. 	<ul style="list-style-type: none"> Manager of Pluraldistance, Lda. Director of HNB - S.G.P.S., S.A. Director of Fundação Maria Dias Ferreira Director of PROMANUSS - Investimentos e Consultadoria, S.A. Director of Xistroban, S.A. Director of Aprove - Investimentos e Projetos Imobiliários, S.A. Managing partner of S2i - Sociedade de Investimento Imobiliário, Lda.
<p>Pedro Miguel Quinteiro Marques Carvalho (Part time)</p>	<ul style="list-style-type: none"> Chairperson of the General Meeting of Shareholders of the following companies: <ul style="list-style-type: none"> Novabase Serviços S.A. Novabase Consulting S.G.P.S., S.A. Novabase Business Solutions, S.A. Novabase Capital S.A. 	<ul style="list-style-type: none"> No activities at other companies outside the Group.
<p>José Sancho García (Part time)</p>	<ul style="list-style-type: none"> No activities at other NOVABASE Group companies 	<ul style="list-style-type: none"> Chairperson of BKOOL CEO of Investing PROFit Wisely SL

<p>Madalena Paz Ferreira Perestrelo de Oliveira (Part time)</p>	<ul style="list-style-type: none"> • No activities at other NOVABASE Group companies 	<ul style="list-style-type: none"> • Guest Assistant Professor at the University of Lisbon School of Law • Consultant in the areas of banking, finance and corporate, M&A at PLMJ, Sociedade de Advogados, RL • Researcher at the Private Law Research Centre (CIDP) of the University of Lisbon School of Law
<p>Rita Wrem Viana Branquinho Lobo Carvalho Rosado (Part time)</p>	<ul style="list-style-type: none"> • Secretary of the General Meeting of Shareholders of the NOVABASE Group companies • Head of Legal at the NOVABASE Group 	<ul style="list-style-type: none"> • No activities at other companies outside the Group.

- **Committees within the managing or supervisory board and managing directors**

27. Committees created within, as applicable, the Board of Directors, General and Supervisory Board and Executive Board of Directors, and location of operating regulations.

As stated in point 15 of this report, in view of the mounting challenges of internationalization and competition revolving around NOVABASE’s business, the corporate governance system in place at the company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the company’s size and specific circumstances.

No other committees have currently been created within the company’s Board of Directors, namely (i) to assess the performance of the executive directors and Board of Directors, and (ii) to reflect and act on issues involving corporate governance.

With regard to evaluating the management, it should be noted that the Board of Directors annually assesses its own performance, together with the performance of the managing directors or Executive Committee, as applicable, also ensuring that the individual performance evaluations of each member of the management are notified to the Remuneration Committee.

The activities of the managing directors are also monitored continuously by the Board of Directors on the whole and, specifically, by the non-executive directors, through the provision of information on the company’s business as needed to monitor its day-to-day running. This monitoring of the managing directors or of the Executive Committee, as applicable, by non-executive directors was a practice already in place prior to the publication of corporate governance recommendations on the existence of specific evaluation committees, and continues to be an actual practice employed by NOVABASE.

In addition, the Remuneration Committee is responsible for assessing the performance of the managing directors and the director with special responsibilities, namely for the purposes of applying the evaluation criteria described in point 25.

More information on the annual evaluation process of NOVABASE’s Board of Directors can be found in point 24 of this report.

Along these lines, given the relatively low complexity of the current corporate governance structure, maintaining or reintroducing a specific committee to reflect on issues involving corporate governance seems unnecessary, since the company is assisted by outside consultants in this regard. Note that NOVABASE's governance model is assessed regularly by the Board of Directors in terms of its suitability and performance, to help optimize its performance in closer alignment with the interests of all stakeholders.

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

On 31 December 2021, the managing directors were:

Luís Paulo Cardoso Salvado

Álvaro José da Silva Ferreira

29. Powers of each of the committees created, and summary of activities carried out in exercising these powers.

In the wake of in-depth strategic reflection beginning in 2018 on the company's future, in 2019 the Board of Directors decided to approve an updated strategy for 2019 and beyond (2019+ Strategic Update), whose key features were announced to the market on 25 July 2019.

In the same Board of Directors meeting it was decided, by proposal of the Executive Committee and given the framework of the 2019+ Strategic Update, to discontinue NOVABASE's shareholder remuneration policy for the annual distribution of at least 30% of the NOVABASE Group's consolidated net profit for the year. The purpose of this change was to ensure flexibility in allocating available financial resources to serve initiatives under the 2019+ Strategic Update.

2021, the second year of the pandemic, proved to be a year of challenges and constant ups and downs. The year began under a surge of infections and lockdowns around the whole world, then improved starting in the second quarter, only to deteriorate at the end of the year with the appearance of a new variant.

At NOVABASE, all necessary measures were taken to safeguard the community, with no direct material impacts on operating conditions in 2021. The effects of greater complexity were seen in retaining talent, delays to M&A initiatives and attracting new customers.

Nonetheless, there were no significant impacts in financial terms.

The Next-Gen segment had strong performance, up 20% in international business, benefiting from a focus on resilient sectors and larger-sized customers. Despite delays in M&A initiatives, the segment continues to have good progress in its organic growth strategy.

The Value Portfolio segment, despite the negative impacts of COVID-19, especially in the second half of 2020 (in Spain in particular), saw improvements in its turnover as the quarters went by, wrapping up 2021 slightly above 2020. This segment is well-positioned for continuous growth and value generation to finance the Next-Gen strategy.

With regard to 2021 stock performance, NOVABASE was listed on the PSI20 and appreciated 60%, compared to overall appreciation of 14% for the PSI20 and 34% for EuroStoxx Technology, which are benchmark indices for NOVABASE. The Market Cap at the end of the year was €160.8 million. The average price of analysts covering the security was €5.75/share.

In 2021, given the success of the work-from-home model, NOVABASE implemented a hybrid model in this regard: NOVABASE employees can choose to work remotely for 60% of their time.

For the third year running, NOVABASE was again recognized by the magazine Human Resources Portugal as the most innovative company in managing people. In the Gala 2021 World Agility Forum, Celfocus received the Agility in Service Design & Delivery award.

In May 2021, at its Annual General Meeting of Shareholders, new corporate boards were elected for the three-year period of 2021-2023, as duly announced to the market. The Board of Directors elected at this time also decided to delegate the day-to-day running of the company to two managing directors, and to grant special responsibilities to another director.

Despite the tremendous challenges that will certainly arise, NOVABASE's Board of Directors remains confident in the strategy implemented and in the excellence of the teams that will guide it.

III. SUPERVISION

a) Composition

30. Identification of supervisory body (Audit Board, Auditing Committee or General and Supervisory Board) in the model adopted.

NOVABASE has adopted a reinforced Latin corporate governance model, which includes an Audit Board and Statutory Auditor.

31. Composition, as applicable, of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee, stating the minimum and maximum number of members, term of office, number of full members, inauguration date and end date of each member's term of office, in accordance with the articles of association (reference may be made to the point where this information is already found in the report per no. 18).

Article 8 of the company's articles of association states that members of the Audit Board are elected by the General Meeting of Shareholders for three-year terms, subject to re-election one or more times and that, at the end of their terms of office, they shall keep their positions until the appointment of new members.

NOVABASE's articles of associations further establish that the supervision of the company shall be the responsibility of an Audit Board elected by the General Meeting of Shareholders and composed of at least 3 full members, one of whom shall be its Chairperson, with at least one substitute.

At least one member of the Audit Board must have a higher education degree suited to his/her duties, as well as knowledge of auditing or accounting. The Audit Board's remaining members may be law firms, statutory auditing firms or shareholders, in the latter case individuals with full legal capacity, and with qualifications and professional experience suited to his/her duties. On the whole, the Audit Board's members must have prior experience and training in NOVABASE's business sector.

The Audit Board had the following composition on 31 December 2021:

Full Member	Inauguration date	End of term of office
Álvaro José Barrigas do Nascimento	10 May 2018	31 December 2023
Fátima do Rosário Piteira Patinha Farinha	29 April 2015	31 December 2023
Manuel Saldanha Tavares Festas (alternate member replacing full member João Luís Correia Duque, pursuant to article 415 of the Commercial Companies Code) ¹	25 May 2021	31 December 2023

¹ - Note that Dr. João Luís Correia Duque was appointed as a full member of NOVABASE's Audit Board at the General Meeting of Shareholders held on 25 May 2021, while Dr. Manuel Saldanha Tavares Festas was appointed as an alternate member. However, on the same date, and after notification from Dr. João Duque to this end, NOVABASE's Audit Board decided to approve the statement from this member as being temporarily impeded from commencing his duties as such, pursuant to and for the purposes of article 415, paragraph 3 of the Commercial Companies Code. As such, by virtue of the position of member of the General and Supervisory Board held by Dr. João Duque at the bank Caixa Central de Crédito Agrícola Mútuo, C.R.L., the commencement of his duties as a member of NOVABASE's Audit Board is subject to prior assessment and authorization by Banco de Portugal, currently in the submission process to the regulator. In this context, NOVABASE's Audit Board decided to substitute this member in his position, until such time that a decision is issued by Banco de Portugal, by Dr. Manuel Saldanha Tavares Festas, alternate member of the Audit Board elected in the same General Meeting of Shareholders, pursuant to and for the purposes of article 415 of the Commercial Companies Code. This replacement was effective during the year 2021, and currently remains in effect.

32. Identification, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee considered to be independent under the terms of articles 414, paragraph 5 of the Commercial Companies Code (reference may be made to the point where this information is already found in the report per no. 19).

Full Member of the Audit Board	Independent ¹
Álvaro José Barrigas do Nascimento	Yes
Fátima do Rosário Piteira Patinha Farinha	Yes
Manuel Saldanha Tavares Festas (alternate member replacing full member João Luís Correia Duque, pursuant to article 415 of the Commercial Companies Code) ²	Yes

¹ Pursuant to article 414, paragraph 5 of the Commercial Companies Code.

² Nonetheless, note that the full member currently being replaced, Dr. João Luís Correia Duque, is also considered independent.

In 2021, all members of the Audit Board were in compliance with the incompatibility rules of article 414-A, paragraph 1 of the Commercial Companies Code, together with the requirements for independence under Law no. 148/2015 of 9 September, since all of this board's members, including the Chairperson, are independent in accordance with article 414, paragraph 5 of the Commercial Companies Code.

In addition, the Chairperson and other members of the Audit Board are adequately capable of carrying out their duties, as demonstrated by the background information in the following point.

In this way, in view of NOVABASE's comparative size, the complexity of its business risks and the independence of all members of its Audit Board, NOVABASE believes that the number of Audit Board members effectively ensures the functions entrusted to it.

33. Professional qualifications, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee, and other relevant background information (reference may be made to the point where this information is already found in the report per no. 21).

Audit Board		
Full Member	Professional Qualifications	Work experience
Álvaro José Barrigas do Nascimento	<ul style="list-style-type: none"> • PhD in Banking and Finance • Cass Business School, City University London, United Kingdom • Master of Science in International Trade and Finance • The Management School, Lancaster University Lancaster, United Kingdom • Graduate in Economics, Porto School of Economics Porto, Portugal 	<ul style="list-style-type: none"> • Associate Professor in Economics and Finance - Católica Porto Business School - Universidade Católica Portuguesa • Independent NORS director • Chairperson of the Audit and Finance Committee of Sonae MC (2018-2020) • Member of the Audit Board of Unicer • Manager of the Business Administrator Forum (FAE) • Chairperson of the Advisory Committee of ERSAR • Manager of the Católica Porto Business School (2008-2013) • Chairperson of the Board of Directors of CGD (2011-2013) • Member of management, Católica Luanda Business School

		<ul style="list-style-type: none"> • Chairperson of the Audit Board of Banco Carregosa (2017-2018) • Independent director of Euronext (2016-2018) • Manager of the Portuguese Corporate Governance Institute (2013-2019) • Manager of the Commercial Association of Porto (2013-2017) • Advisor to the Minister of Education of the XIV Constitutional Government (2002)
<p>Fátima do Rosário Piteira Patinha Farinha</p>	<ul style="list-style-type: none"> • Graduate in Company Organization and Management from Instituto Superior de Economia e Gestão • Registered in the Portuguese Statutory Auditors' Association 	<ul style="list-style-type: none"> • Financial Director of Grupo Entrepasto automobile retail • Assistant Financial Director of Entrepasto Group (2002-2010); • Financial Director of Novabase Capital S.C.R., S.A. (2000- 2002); • Financial Director of Novabase Sistemas de Informação e Bases de Dados S.A. (1991- 2000).
<p>Manuel Saldanha Fortes Tavares Festas (alternate member replacing full member João Luís Correia Duque, pursuant to article 415 of the Commercial Companies Code)</p>	<ul style="list-style-type: none"> • Graduate in Management from Universidade Católica Portuguesa • Postgraduate Diploma in Financial Assets and Markets from ISCTE/CEMAF • Enrolled in the Order of Certified Accountants (Ordem dos Contabilistas Certificados) 	<ul style="list-style-type: none"> • SME editorial sector and catering consultant (2015-present) • Director of Orey Financial (São Paulo/Brazil) (2012-2014) • SME consultant in various sectors (2010-2011) • Financial director of Escom - Investments BV and Escom - Investimentos e Participações (Luanda/Angola) 2010 • Executive Director of Novabase S.G.P.S., S.A. (2006- 2009) • Executive Director of Novabase Capital S.C.R., S.A. and of Novabase Serviços S.A. (2000- 2009) • Financial Manager of AITEC Tecnologias de Informação S.G.P.S., S.A. and manager of various affiliates (1995-2000)

		<ul style="list-style-type: none"> • Manager and Director of MIDAS Corretora Valores Mobiliários SA (1990-1995); • Financial and Investment Manager of SGF - Soc. Gestora de Fundos de Pensões SA (1988-1990)
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b) Operation

The Audit Board is responsible for overseeing NOVABASE’s management and ensuring compliance with the law and memorandum of association.

In performing its duties, NOVABASE’s Audit Board is responsible for the following:

- a) Propose, at the General Meeting of Shareholders, the appointment of the Statutory Auditor (“ROC”) or Statutory Auditing Firm (“SROC”), pursuant to the law;
- b) Monitor the independence of the ROC/SROC, particularly with regard to the provision of additional services to NOVABASE or to companies in its group;
- c) Oversee the review of accounts and other company accounting documents;
- d) Prepare an annual report on its oversight activities, and issue an opinion on the Annual Report and Accounts and proposals submitted by management;
- e) Monitor the efficacy of the risk management system, internal control system and internal auditing system;
- f) Monitor the preparation and disclosure of financial information;
- g) Annually assess the Board of Directors’ and Executive Committee’s compliance with the budget;
- h) Take whatever decisions it deems necessary, informing the Chairperson of the Board of Directors and director in charge of NOVABASE’s financial area, with respect to information about any irregular practices which it receives from shareholders, NOVABASE employees or others, to the department created specifically for this purpose;
- i) Issue a prior binding opinion on the type, scope and minimum individual or combined amount of business deals with related parties which (i) require the prior approval of the managing board; (ii) require the prior approval of the supervisory board due to their high value;
- j) Issue a prior opinion on business deals with related parties submitted by the managing board;
- k) Comply with other competencies and duties provided for by law and the memorandum of association.

In addition, since 31 March 2011, the company’s supervisory board has performed duties involving preliminary assessments of the business deals to be carried out between the company and the owners of qualified holdings or entities related with them, pursuant to article 20 of the Securities Code. These functions are described in point 91 of this report.

Even so, in view of the entry into force of Law no. 50/2020 of 25 August during the 2020 financial year, which transposed into the Portuguese legal system Directive (EU) 2017/828 concerning shareholder rights in listed companies as regards shareholders’ long-term engagement, having introduced articles 249-A and following (corresponding to current articles 29-5 and following) to the Securities Code providing for a scheme for transactions with related parties, an internal procedure was established at NOVABASE in 2021 for verifying and approving transactions with related parties, with the involvement of the Board of Directors and the Audit Board, pursuant to the law, which was approved by the Board of Directors with a prior favourable opinion of the Audit Board.

This regulation is further described in point 91 of this report, including the intervention and functions of the Audit Board in this regard, which among others include: (i) issuance of a prior opinion by the Audit Board in relation to certain transactions between the company and related parties subject to decision of the Board of Directors, (ii) the need for the Board of Directors to verify and notify the Audit Board, before the end of the month following the end of each quarter, of the amount and nature of transactions between NOVABASE and any related party performed in the previous quarter which were not subject to a specific decision by these boards pursuant to the regulation.

Furthermore, on 20 June 2018, the Audit Board approved new internal regulations aimed at incorporating legal provisions applicable to this board and its activities, namely those resulting from Law no. 148/2015 of 9 September, together with recommendations from the IPCG Corporate Governance Code (2018, revised in 2018).

Along these lines, provisions aimed at establishing and implementing the Audit Board's duties within the scope of its powers were added to these regulations, particularly with regard to (i) the preparation of financial information, (ii) the supervision of systems for managing risks and control, and (iii) statutory and external auditing.

In performing its duties regarding the preparation of financial information, the Audit Board is specifically responsible for:

- a) Overseeing the adequacy of the process for preparing and disclosing financial information by NOVABASE's Board of Directors, including the suitability of accounting policies, estimates, judgements, relevant disclosures and their consistent application between years, in a duly documented and properly communicated manner; and
- b) Certifying that the report disclosed on corporate governance practices and structure includes the items referred to in article 29-H of the Securities Code.

In addition, in performing its duties regarding the supervision of systems for risk management, internal control and internal auditing, the Audit Board is specifically responsible for:

- a) Evaluating the Board of Directors' risk management, implementing periodic control procedures and mechanisms to ensure that the risks actually taken by NOVABASE are consistent with the Board of Directors' goals;
- b) Issuing its opinion on the working plans and resources allocated to internal control areas, also receiving reports from these areas on matters involving the rendering of accounts, identifying or resolving conflicts of interest and the detection of potential irregularities.

Finally, in performing its duties regarding statutory and external auditing, the Audit Board is specifically responsible for:

- a) Ensuring an organized selection process for ROCs/SROCs to be proposed to the General Meeting of Shareholders, pursuant to applicable legislation. This selection must include the following:
 - (i) It must begin with a sufficient amount of lead time before the scheduled date of the NOVABASE General Meeting of Shareholders which will elect the ROC/SROC, so that the Audit Board may properly assess proposals received from applicants and select the ROCs/SROCs to be proposed at the meeting;
 - (ii) It must be open to various applicants during a specific period of time; the Audit Board shall select and invite a group of applicants prior to its established proposal submission period;
 - (iii) It must follow selection criteria of transparency, non-discrimination and impartiality; in analysing and appraising each proposal received, the Audit Board shall consider applicants' knowledge of the business sectors where NOVABASE and the NOVABASE Group's companies do business, together with their resources, capacities and financial standing.

- b) Selecting, in accordance with sub-paragraph a) above, the ROCs/SROCs to be proposed to the General Meeting of Shareholders for election and, as part of this proposal, recommending a preferred ROC/SROC on justified grounds, pursuant to the law;
- c) Verifying, monitoring and overseeing the independence of NOVABASE's ROC/SROC, namely by means of the following:
 - (i) Ensuring the receipt of information and communications pursuant to article 63 of the bylaws of the Portuguese Statutory Auditors' Association passed by Law no. 140/2015 of 7 September ("EOROC");
 - (ii) Properly evaluating the threats to the independence of the ROC/SROC, together with existing or future safeguarding measures, and discussing these issues with the ROC/SROC when deemed necessary;
 - (iii) Monitoring the services provided by the ROC/SROC, and ensuring that no services beyond auditing services ("prohibited services", listed in Annex I to the regulations) are provided, pursuant to article 77 of the EOROC;
 - (iv) Annually evaluating the work done by the ROC/SROC, including its independence and suitability to perform its duties, proposing to the General Meeting of Shareholders that it be dismissed, or that its service provision agreement be terminated, whenever there are justified grounds for this purpose;
 - (v) Implementing any other measures needed to ensure the independence of the ROC/SROC, pursuant to the law.
- d) Establishing adequate communication channels between NOVABASE (and specifically the Audit Board) and the ROC, namely by:
 - (i) Holding meetings if and when necessary between the ROC/SROC and NOVABASE's Audit Board and/or Board of Directors;
 - (ii) Serving as NOVABASE's main spokesperson with the ROC/SROC.

Note that, within the scope of the powers in d) above, and as the primary spokesperson of the company's statutory auditor, the Audit Board proposes the remuneration of NOVABASE's statutory auditor and lays the proper groundwork for the provision of services within the company.

The Audit Board's powers have also been reinforced with a view to properly evaluating the performance, status and future prospects of NOVABASE. The Audit Board's regulations state that it may request any information deemed necessary from the Executive Committee or Board of Directors, together with their meeting minutes, meeting notices, support documentation or access to the meeting archives.

The Audit Board's internal regulations also detail some general duties and responsibilities, such as participating in meetings of the Board of Directors, managing directors or Executive Committee, as applicable, in which the annual accounts will be assessed, and the General Meeting of Shareholders, together with maintaining confidentiality with regard to facts and information disclosed to Audit Board members while performing their duties, notwithstanding the legal obligation to report criminal acts constituting public crimes pursuant to article 422, paragraph 3 of the Commercial Companies Code.

The Audit Board held the compulsory number of meetings in 2021 as required by the articles of association, and made all examinations of the accounts deemed necessary to fulfil its obligations, having conducted analyses and made suggestions as considered appropriate.

The Audit Board holds ordinary meetings at least once per quarter, or whenever deemed necessary by its Chairperson or requested by one of its members. The Chairperson of the Audit Board is responsible for convening and running its meetings, and has a casting vote. Detailed minutes are drawn up for the meetings of NOVABASE's Audit Board, pursuant to article 6, paragraph 4 of its internal regulations.

The Audit Board's decisions are made with a majority of its active members present, by majority vote. Pursuant to the Audit Board's internal regulations, for votes in which a member of the board has a conflict of interests, the board member in question must notify the others and abstain from voting.

34. Existence and location of operating regulations, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee (reference may be made to the point where this information is already found in the report per no. 24).

The regulations of the Audit Board are available at NOVABASE's website.

35. Number of meetings held and attendance at each meeting, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee (reference may be made to the point where this information is already found in the report per no. 25).

Audit Board	
Number of meetings: 3 ¹	
Full Member	Attendance (%)
Álvaro José Barrigas do Nascimento	100
Fátima do Rosário Piteira Patinha Farinha	100
Manuel Saldanha Fortes Tavares Festas (alternate member replacing full member João Luís Correia Duque, pursuant to article 415 of the Commercial Companies Code)	66.6

¹ The number of meetings shown corresponds to those occurring after the appointment of the new Audit Board at the General Meeting of Shareholders dated 25 May 2021. Through this date, the previous Audit Board held two meetings in 2021. The above-mentioned members Álvaro José Barrigas do Nascimento and Fátima do Rosário Piteira Patinha Farinha also belonged to the previous Audit Board, and also participated in every meeting held in 2021 until the election of the new Audit Board.

36. Availability of each member, as applicable, of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee, indicating positions held simultaneously at other companies, both in and outside of the group, and other relevant activities performed by the members of these boards over the year (reference may be made to the point where this information is already found in the report per no. 26).

Audit Board		
Full Member (availability)	Group companies	Other companies and activities
Álvaro José Barrigas do Nascimento (part time)	<ul style="list-style-type: none"> No activities at other NOVABASE Group companies. 	<ul style="list-style-type: none"> Professor of Finance at Universidade Católica Portuguesa Independent NORS director

		<ul style="list-style-type: none"> • Chairperson of the Audit and Finance Committee of Sonae MC • Member of the Audit Board of Unicer • Manager of the Business Administrator Forum (FAE) • Chairperson of the Advisory Committee of ERSAR
Fátima do Rosário Piteira Patinha Farinha (part time)	<ul style="list-style-type: none"> • Member of the Audit Board of Novabase Capital S.C.R., S.A. 	<ul style="list-style-type: none"> • Financial Director of Grupo Entrepósito automobile retail • Partner at MC Godinho & Associado SROC
Manuel Saldanha Tavares Festas (alternate member replacing full member João Luís Correia Duque, pursuant to article 415 of the Commercial Companies Code)		<ul style="list-style-type: none"> • Director of Imorestar Imobiliária SA • Director of Aprove Investimentos e Projectos Imobiliários S.A. <p>Chairperson of the Audit Board of Fundação Maria Dias Ferreira.</p>

c) Powers and duties

37. Description of procedures and criteria applicable to the supervisory board's involvement in hiring the external auditor for additional services.

Pursuant to its internal regulations, the Audit Board is responsible for monitoring and overseeing the independence of NOVABASE's ROC/SROC and, in particular, monitoring the services it provides, ensuring that no services beyond auditing are provided. Services other than auditing are listed in the annex to the Audit Board's regulations, pursuant to applicable legislation.

In addition, a procedure is in place by which all of the various auditing services are subject to the prior approval of the Audit Board. The procedure includes the submission of a proposal by the Board of Directors to the Audit Board, to use the external auditor for the services in question, accompanied by information justifying this. The Audit Board must then approve the use of the auditor before the respective agreement between the company and the approved external auditor is signed.

Among other aspects, the Audit Board's evaluation of the proposal submitted by the Board of Directors weighs up the auditor's guarantee of independence in fulfilling its professional obligations and the functional advantages in using the proposed external auditor.

38. Other functions of the supervisory boards and, if applicable, of the Financial Matters Committee.

The powers of the Audit Board are described in section III.b) of this report.

In addition to the duties of overseeing the auditing of the company's accounts and accounting documents and those involving the use of the external auditor for services, of particular note, among other aspects described in more detail in section III.b), are the duties performed within the scope of risk management and internal control systems, and the system for reporting irregularities.

IV. STATUTORY AUDITOR

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

Statutory Auditor (ROC): The statutory auditor is responsible for examining the company's accounts (specifically, performing the duties laid out in article 420 (1) c), d), e) and f) of the Commercial Companies Code), together with supervisory duties involving the ongoing pursuit of the company's corporate purpose. On 31 December 2021, NOVABASE's acting statutory auditor was KPMG & Associados - SROC, S.A., represented by its partner Susana de Macedo Melim de Abreu Lopes, and with Maria Cristina Santos Ferreira as alternate statutory auditor.

40. Number of consecutive years that the statutory auditor has performed duties at the company and/or group.

The statutory auditor has performed auditing duties for NOVABASE (company and group) for more than 6 consecutive years. As stated in point 43, the partner currently representing the statutory auditor has performed duties for NOVABASE since 22 December 2021. Until this date, KPMG & Associados - SROC, S.A. was represented by partner Paulo Alexandre Martins Quintas Paixão.

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

The statutory auditor is also NOVABASE's external auditor, and provided no other professional services to the company in 2021.

V. EXTERNAL AUDITOR

42. Identification of external auditor designated for the purposes of s articles 8 and the partner statutory auditor representing it in fulfilling these duties, together with the respective CMVM registry number.

On 31 December 2021, NOVABASE's acting external auditor was KPMG & Associados - SROC, S.A., registered with the Portuguese Securities Market Commission ("CMVM") as auditor no. 20161489, and represented by Susana de Macedo Melim de Abreu Lopes.

43. Number of years that the external auditor and the partner statutory auditor representing it in fulfilling these duties have performed these duties consecutively for the company and/or group.

The external auditor identified above has performed duties for NOVABASE (company and group) for more than 6 consecutive years. The partner currently representing the external auditor and statutory auditor has performed duties for NOVABASE since 22 December 2021.

44. Policy and frequency for rotating the external auditor and statutory auditor representing it in fulfilling these duties.

Law no. 148/2015 of 09 September has mandatory auditing rules applicable to NOVABASE as an “entity of public interest”.

With regard to rotating the statutory auditor, external auditor and responsible partner, the company takes the maximum periods in the bylaws of the Statutory Auditors’ Association into account.

In view of this policy, and since KPMG has been hired to perform the duties of statutory auditor and external auditor as of 2015, and the partner currently representing KPMG has had this position since 22 December 2021, the company is in legal compliance with the period for rotating the responsible partner.

45. Board responsible for assessing the external auditor, and frequency of assessment.

The Audit Board is responsible for assessing the external auditor, which is done each year.

The external auditor’s assessment includes verifying the implementation of remuneration policies and systems of the corporate boards, the efficiency and functioning of internal control mechanisms, and the reporting of any shortcomings to the company’s supervisory board.

46. Identification of work other than auditing done by the external auditor for the company and/or companies controlled by it, internal procedures for approving the hiring of these services and reasons for doing so.

In 2021, the external auditor did not provide other professional services to the company.

Pursuant to the regulations of the Audit Board, this supervisory board evaluates the independence of statutory auditors, namely with regard to the provision of additional services (beyond auditing) to NOVABASE or companies in its group, and supervises the work done by external auditors, taking CMVM recommendations into account in this regard.

47. Annual remuneration paid by the company, and/or by legal persons controlled by the company or part of its group, to the auditor and to other natural or legal persons belonging to the same network, with percentage breakdown for the following services (for the purposes of this information, the concept of “network” is that defined in European Commission Recommendation No C (2002) 1873, of 16 May):

	€ / %
By the company	
Statutory auditing services (€)	14,500 / 13
Compliance assurance services (€)	

Tax consulting services (€)	
Services other than statutory auditing (€)	
By entities belonging to the Group	
Statutory auditing services (€)	95,850 / 86
Compliance assurance services ¹ (€)	1,500 / 1
Tax consulting services (€)	
Services other than statutory auditing (€)	

¹ The amount is for merger/spin-off opinions required by law pursuant to the legal provisions of the Commercial Companies Code.

C. INTERNAL ORGANIZATION

I. Articles of association

48. Rules applicable to amendment of the company' s articles of association (article 29-H, paragraph 1, sub-paragraph h).

Constitutive quorum for the General Meeting of Shareholders

When amendments to the articles of association are under consideration, the General Meeting of Shareholders can only decide on first notice if shareholders having stock corresponding to at least one-third of the share capital are present or represented. This requirement does not apply on second notice, and the General Meeting of Shareholders can then decide on any matter, regardless of how many shareholders are present.

Deliberating quorum for the General Meeting of Shareholders

When amendments to the articles of association are under consideration the General Meeting of Shareholders decides by a two-thirds majority of the votes cast.

However, should shareholders representing at least half the share capital be present or represented on second notice, the decision on amendments to the memorandum and articles of association can be taken by an absolute majority of votes cast, and a two-thirds majority is not required.

II. Reporting of irregularities

49. Means and policy for reporting irregularities at the company.

Pursuant to article 3, paragraph 2 of its regulations, the Board of Directors is responsible for setting a policy for reporting irregularities in compliance with goals laid out in this regard by law, by applicable regulations or by the General Meeting of Shareholders.

With a view to fostering a culture of responsibility and compliance, NOVABASE has adopted a system for reporting irregularities (known as "SPI") that may occur within its Group. Any report of irregularities made through SPI is directed to the Audit Board, which will appoint a person in charge of SPI to manage the reports received. The person in charge of SPI must act independently and autonomously (notwithstanding responsibility to the Audit Board for proper compliance with his/her duties) and will be subject to confidentiality requirements.

According to the implemented system, employees and other NOVABASE stakeholders have access to a direct and confidential channel for reporting to the Audit Board any practice that appears to be improper or irregular in any way, whatever it may be, having occurred within the NOVABASE Group, regardless of any blame that may be attributed, and which may impact the financial statements or the information sent to the CMVM, or that may cause serious damage to NOVABASE or its stakeholders (employees/, customers, partners and shareholders).

Reporting of irregular practices occurring within the NOVABASE Group by NOVABASE employees when they have such knowledge is a duty, regardless of the source of the practice or the person who has performed it.

The apparent irregularity must be reported in a secure and confidential manner to the person in charge of SPI, an independent member of the Audit Board, Álvaro Nascimento, in two different manners:

- to the private e-mail address: NB.whistle@gmail.com; and
- by post in a letter addressed to Álvaro Nascimento, marked “Confidential”, to the address: Av. D. João II, nº 34, Parque das Nações, 1998-031 Lisbon.

Such reports will be processed by the person in charge of SPI according to the following procedure:

- i) receipt and preliminary analysis of the report of the irregular practice;
- ii) judgement of the consistency of the report received (with destruction of all inconsistent reports, the Audit Board being responsible for this destruction, subsequent to a proposal from the person in charge of SPI);
- iii) investigation/report/archiving; and
- iv) final forwarding.

Before proceeding to the final forwarding of the reports, the person responsible for SPI takes account of the reports for statistical purposes and maintains a record of the reports that exclusively covers the following aspects: (i) date on which the report was received; (ii) essence of the facts reported, eliminating all information that permits identification of any physical persons; and (iii) date on which the investigation was concluded.

Once the investigation has been concluded, reports with an underlying probability of an irregular practice are forwarded by the Audit Board to the Board of Directors so that it can take appropriate measures.

Whenever the report of irregular practices results in evidence of the practice of a crime or serious disciplinary infraction, the Audit Board must recommend that the company forward the matter to (i) NOVABASE internal bodies for due process and (ii) to external investigation bodies, namely the police or the public prosecutor, in order to ascertain potential responsibilities.

General rules of conflict of interest apply to the decisions to be approved by the Audit Board or by the Board of Directors, namely those referred to in points 21 and 33 of this report, regarding reports made within the scope of SPI.

Whatever the circumstance, the confidentiality of the report will be guaranteed if so requested by its author, and the personal data of the physical persons involved will be protected, while any action taken against the person who has made the report will be considered a serious offence.

This policy is detailed at the NOVABASE website (www.novabase.com) in the Investors section.

In this way, NOVABASE complies with the provisions of the Commercial Companies Code. Its system has been approved by the Portuguese Data Protection Authority (CNPD) through authorization no. 4494/2009.

III. Internal control and risk management

50. Persons, boards or committees responsible for internal auditing and/or implementation of internal control systems.

The Audit Board, whose duties are described in section B III.b) of this report, is responsible for internal auditing. As detailed in this section, the Audit Board's internal regulations lay out its functions and duties with regard to supervising systems for risk management, internal control and internal auditing.

Given the importance of a structured risk management model to the business, together with market regulatory requirements, the company's Board of Directors has been tasked with establishing risk management objectives, and implementing and monitoring a suitable internal control and risk management process, working towards its efficacy.

In performing its duties regarding the supervision of systems for risk management, internal control and internal auditing, NOVABASE's Audit Board annually assesses the degree of internal compliance and performance of the risk management system, together with prospects for changing the risk framework described above.

51. Explanation (with possible inclusion of organizational chart) of relationships of hierarchical and/or functional dependence vis-à-vis other company boards or committees.

The position of Chief Risk Officer ("CRO") has been created at NOVABASE. Internal auditing areas and areas that ensure compliance with norms applicable to the company (compliance services) report to the CRO with regard to risk prevention and management. The CRO is responsible for reporting to the Chairperson of the Board of Directors, with regular meetings between the CRO and the Chairperson of the Board of Directors, and between the CRO and the Audit Board. The position of CRO continued to be held by NOVABASE financial manager Francisco Paulo Figueiredo Morais Antunes over the course of 2021.

The Audit Board, as a supervisory body, monitors the activity of the external auditors, and may assess annual internal auditing plans, obtaining information about the actions performed by this team and providing an opinion regarding its conclusions.

In this context, this board also has powers involving the assessment of sufficient internal control mechanisms in order to understand and manage the inherent risks of NOVABASE's operations, suggesting policies and procedures to the Board of Directors to achieve these goals and refine these mechanisms.

Along these lines, the Audit Board is also responsible for: (i) evaluating the Board of Directors' risk management, implementing periodic control procedures and mechanisms to ensure that the risks actually taken by NOVABASE are consistent with the Board of Directors' goals, and (ii) issuing its opinion on the working plans and resources allocated to internal control areas, also receiving reports from these areas on matters involving the rendering of accounts, identifying or resolving conflicts of interest and the detection of potential irregularities.

52. Existence of other functional areas with risk control powers.

NOVABASE coordinates internal control teams, whether in the area of quality or shared services, responsible for conducting monitoring actions and improving internal control procedures essentially associated with the Group's central service areas, always in accordance with the strategic goals laid out in the integrated risk management model. Periodic, focused internal audits are thus performed.

53. Identification and description of the major types of risk (economic, financial and legal) to which the company is exposed in pursuing its business activity.

Below is a description of some of the risks analysed by the company which deserve attention due to their relevance and business impact.

- **FINANCIAL RISKS**

NOVABASE is exposed to a collection of financial risks resulting from its business, namely foreign exchange risk, interest rate risk (cash flows and fair value), credit risk, liquidity risk and capital risk. Developments in the financial markets are continuously analysed according to the Group's risk management policy to minimize potential adverse effects on its financial performance.

At the end of 2021, the uncertainty revolving around the pandemic began to wane, with the latest data suggesting control of its spread in Europe, and with various countries loosening restrictions.

However, this brought other uncertainties to the financial markets. On the one hand, inflation in the euro area accelerated significantly in the last months of the year, primarily due to the soaring prices of energy and problems in the supply chain, with mounting uncertainty with regard to potential interest rate hikes by the European Central Bank (ECB). On the other hand, there are more geopolitical risks on the horizon, with all of the ensuing uncertainties.

a) Foreign exchange risk

NOVABASE is exposed to the risk of exchange rate fluctuation, particularly the United States dollar, since some of its subsidiaries perform transactions in such currencies, together with the Angolan kwanza and British pound.

The financial department is responsible for monitoring exchange rate developments in these currencies to mitigate their impact on the consolidated results. Whenever exchange rate expectations so justify, the Group attempts to enter into hedging transactions against adverse changes by means of derivative financial instruments.

b) Interest rate risk (fair value and cash flows)

Interest-rate risk entails the possibility of fluctuations in future financial charges on loans due to changes in market interest rate levels.

The cost of the Group's financial debt is indexed to short-term reference rates, adjusted at a frequency of less than one year, plus duly negotiated risk premiums. Therefore, changes in interest rates can affect NOVABASE's results.

NOVABASE's exposure to interest rate risk originates from financial assets and liabilities with fixed and/or variable rates. In the case of fixed rates the Group faces the risk of a variation in the fair value of these assets or liabilities, insofar as any change in market rates involves an opportunity cost. In the case of variable rates, such changes directly impact the amount of interest, thereby resulting in variations in cash.

Exposure to interest rate risk is constantly analysed by the financial department. Interest rate risk management is aimed at reducing the volatility of interest charges.

c) Credit risk

NOVABASE manages credit risk both in terms of business units (for customer receivables) and on a consolidated basis (for all active positions of financial instruments).

Credit risk originates from cash and cash equivalents, derivative financial instruments and customer credit exposure, including amounts receivable and previously agreed transactions. Only banks and institutions having credibility in the sector are accepted. Customer credit risk is managed based on credit limit ranges, based on the customer's financial position and historical business relations.

d) Liquidity risk

The prudent management of liquidity risk entails keeping cash or financial instruments sufficiently liquid, with sources of financing through an adequate number of credit facilities, together with the ability to close market positions.

The management monitors updated forecasts of NOVABASE's liquidity reserve (unused credit lines, cash and cash equivalents) at the base of expected cash flows, by analysing the remaining contractual maturity of financial liabilities and the expected date of inflows from financial assets. In addition, the maturity concentration of and NOVABASE's loans and bonds is regularly controlled.

e) Capital risk

NOVABASE's goals with regard to capital management - a broader concept than the capital shown on the face of the statement of the consolidated financial position - are as follows:

- (i) Safeguarding the Group's ability to keep doing business, and therefore provide returns to shareholders and benefits to other stakeholders;
- (ii) Maintaining a solid capital structure to support the development of its business;
- (iii) Maintaining a sound capital structure to reduce the cost of capital.

The management monitors the ratio of Return on Capital¹, which measures the extent to which NOVABASE generates cash flows in relation to the capital it has invested in its business.

¹ - Determined by the formula: Operating Results ÷ Total Equity.

•EMERGING RISKS

In addition to the financial risks associated with its business, NOVABASE is also exposed to risks of an operating and business nature, which can result in threats and opportunities, for which suitable mitigation strategies are proactively formulated. These include the following:

f) Cyber-Risk

Mounting technology integration and sophistication have heightened companies' exposure to various types of cyber-risk (e.g. large-scale cyber-attacks, data breach and destruction, etc.), with potential financial, operational and reputation losses. The COVID-19 pandemic and resulting overall increase in remote work at the company have considerably increased exposure to this risk.

According to a World Economic Forum (WEF) report published in January 2022, worldwide cybercrime increased 31% in 2021. In Portugal, the weekly average of cyber-attacks on organizations was up 81% compared to 2020.

NOVABASE has been reinforcing measures to mitigate this risk, monitored directly by the Chief Information Security Officer, namely by focusing on procedural and technological controls and training on best remote work practices and cybercrime awareness for employees.

g) Talent Retention Risk

NOVABASE's ability to successfully implement its strategy depends on attracting and retaining the best qualified, most competent employees for each job position.

The impact of the pandemic, combined with the accelerating digital transformation, has brought and will continue to bring a profound transformation to the job market and talent management. The general upward trend in IT salaries due to high demand and scarce technology talent has resulted in a potential rise in labour costs, making it even more difficult to retain talent.

NOVABASE's human resource policies are aligned to achieve strategic goals, and have been adapted and enhanced vis-à-vis this new reality. Note that, in 2021, 700 new employees were hired via totally digital means. Also of note was the launch of the "Move My Talent" internal mobility program and implementation of a new hybrid labour model, which includes 60% remote work, policies aimed at lowering the attrition rate and attracting high-quality talent.

In 2021, for the third year running, this area was distinguished with the "Innovation in Managing People" award by the magazine Human Resources Portugal.

h) Delivery risk

Some of NOVABASE's policies for addressing delivery risk include:

- Analysing each significant commercial proposal from the standpoint of reducing overselling, taking available company expertise into account;
- Constantly scrutinizing the quality of the team to be allocated to projects;
- Ongoing training programs in technologies and project management methodologies.

The Nearshore Agile delivery model refined by NOVABASE in recent years has proven to be resilient during the pandemic and well-suited to the post-pandemic.

i) Strategic and context risks

NOVABASE is not immune to the contingencies of the markets in which it operates, and must face so-called “strategic” and “context” risks. The COVID-19 pandemic, due to the unprecedented worldwide economic and social impacts it has had, coupled with its uncertain future impacts, has resulted in higher exposure to this risk. In addition, geopolitical turmoil is on the rise, resulting in tremendous unpredictability.

NOVABASE aims to manage and mitigate these risks through recurrent discussions on various management chains for risks impacting the company/business unit. These discussions address areas for investment / disinvestment, strategic focuses and pending risks at any given time, and are also a venue for discussing the risk appetite of the organization and its future trends.

j) Risks associated with climate change

Although NOVABASE does not have a significant carbon footprint and is not directly exposed to the physical risks of climate change, such factors are still considered in making investment decisions. NOVABASE’s performance is crucial in the context of generating shareholder returns, as well as in the broader context of the economic space and well-being of the community where it operates.

Fully aware of its role, NOVABASE has been gradually moving towards a more rigorous and robust approach with regard to:

- Identifying, managing and mitigating climate risks;
- Identifying and capitalizing on opportunities created by climate change;
- Reporting on how the physical and transition risks associated with climate risks are being managed, and which initiatives have been developed from the standpoint of environmental conservation, geared towards a more sustainable economy.

Among the policies implemented, of particular note is NOVABASE’s Environmental Management System (ISO 14001) and a policy with environmental requirements for the acquisition/supply of goods and services.

54. Description of process for identifying, assessing, monitoring, controlling and managing risks.

The company has a model in force - safeguarding the company’s worth and encouraging transparency in its corporate governance - based on detecting and anticipating potential risks and risk factors, so as to manage them in a timely manner, via the delegation of responsibilities and appropriate internal communication channels in line with the company’s strategic goals for assuming risks as defined under this system.

Under its non-delegable powers of defining the company’s overall policies and strategy, the Board of Directors is responsible for defining NOVABASE’s strategic objectives in the area of risk assumption, in accordance with the company’s needs and business activities.

In addition, in the area of medium and long-term strategic planning, the Board of Directors is responsible for analysing risk, and does so regularly in relation to the annual operations plan and whenever potential businesses and markets are being evaluated, measuring each potential risk’s impact and likelihood of occurrence.

In turn, the Audit Board is in charge of evaluating the Board of Directors' risk management.

Along these lines, as a company working in the information technology and digitalization market - a sector characterized by constantly shifting dynamics, innovation and agility - NOVABASE acknowledges that the risk management policy is of vital importance in running and developing a business which historically has had a higher risk appetite. For this reason, on 13 December 2018, NOVABASE's Board of Directors approved a formal risk policy for the company, which is available at the company's website. The principles of this policy have been defined and implemented by NOVABASE's Board of Directors, namely with regard to determining acceptable risk levels.

On 25 July 2019, the Board of Directors approved an updated strategy for the years 2019 and beyond (2019+ Strategic Update).

This system's efficiency is due to the instituted internal procedure, which reinforces the communication channels between the Group's various departments and decision-making bodies, thereby allowing communication and information on various system components, together with an analysis of potential internal control problems and the detection of potential risks in real time.

NOVABASE also conducts monitoring actions and improves internal control procedures essentially associated with the Group's central service areas, always in accordance with the strategic goals laid out in the integrated risk management model.

Furthermore, as better explained in section B III.b) of this report and the Audit Board's internal regulations, the Audit Board is responsible for supervising NOVABASE's systems for risk management, internal control and internal auditing.

In 2021 the risk management and internal control model implemented allowed the risks and risk factors mentioned above to be identified, effectively helping to prevent them.

55. Main elements of the company's internal control and risk management systems regarding the process of disclosing financial information (article 29-A, paragraph 1, sub-paragraph I).

The Board of Directors is responsible for ensuring disclosure of accurate financial information that truthfully reflects the Group's situation at any given moment in compliance with the norms issued by the applicable regulatory entities at any given time.

As regards the quality of the financial information that is publicly disclosed by the Investor Relations Department, it should be pointed out that it is the result of a financial reporting process that is ensured by the central services areas of the Group, subject to the internal control system of the Group and monitored through the aforementioned methods. Nevertheless, this information is still subject to analysis and approval by the relevant boards, including the Board of Directors itself.

In addition, the Audit Board is in charge of overseeing the adequacy of the Board of Directors' process for preparing and disclosing financial information.

IV. Investor Support

56. Department responsible for investor support, composition, duties, information provided and contact information.

NOVABASE is particularly focused on its presence in the capital market. The Investor Relations Office is responsible for representing NOVABASE in its dealings with the CMVM and investors, while promoting contact with private and institutional, foreign and Portuguese investors. The office is comprised of

María Gil Marín, Amália Parente and Catarina Leitão Afonso.

The office provides information through NOVABASE's website (www.novabase.com). Since 2002, NOVABASE has had a dedicated investor relations area on its company website at www.novabase.com. Investors have access to a number of links containing information of interest to their profile. In terms of financial information, they have access to Annual Reports and Accounts for previous years, the Financial Calendar, reserved information, information on the composition and powers of the company's Corporate Boards, the names and e-mail addresses of the analysts covering the security, together with the price target, the market performance of NOVABASE's shares, NOVABASE's shareholder structure, a space reserved for the General Meetings of Shareholders for convening meetings and posting preparatory information for General Meetings of Shareholders, the form for postal votes and electronic voting (available since 2006), a Corporate Governance space in which NOVABASE publishes this report, CMVM Regulation no. 4/2013 on Corporate Governance and the Corporate Governance Code of the Portuguese Corporate Governance Institute, which entered into force on 01 January 2018, and the procedure for reporting irregularities, frequently asked questions, and the contact details of NOVABASE's Investor Relations Office.

A summary of the decisions is published on the NOVABASE website and in the CMVM information disclosure system immediately after the General Meeting of Shareholders.

At its company website, NOVABASE maintains documents with content corresponding to extracts from the minutes including information on the number of people present, number of shareholders represented and General Meeting of Shareholders meeting agendas. Voting results have also been provided since 2010. NOVABASE has also established the necessary mechanisms to ensure that the above are disclosed as quickly as possible, and always within the 5 days following the General Meeting of Shareholders.

On its website, NOVABASE keeps a collection of information on meetings held over the past three years, including the number of people present, number of shareholders represented, meeting agendas, decisions taken and voting results.

The following up-to-date information is published in Portuguese and English on NOVABASE's website: a) The company, public company status, registered office and remaining data provided for in article 171 of the Commercial Companies Code; b) articles of association; c) credentials of the members of the Board of Directors and the Market Liaison Officer; d) Investor Relations Office - its functions and means of access; e) accounting documents, accessible for 5 years; f) half-yearly calendar on company events, published at the beginning of each half year and including, among other information, General Meetings of Shareholders and annual and half-yearly reports and accounts.

57. Identification of the market relations representative.

María Gil Marín

Market and Investor Relations

Telephone: +351 213 836 300

Fax: +351 213 836 301

Email: investor.relations@novabase.com

Address: Av. D. João II, n° 34, Parque das Nações, 1998-031 Lisbon, Portugal

58. Information on proportion and amount of time to respond to information requests submitted in the year or pending from previous years.

On 31 December 2021, NOVABASE had no pending information requests. Its average response time was 24 hours. 287 information requests were received in 2021.

V. Website

59. Address(es).

NOVABASE's website is available at the following address: www.novabase.com

60. Location where information on the company, public company status, registered office and remaining data provided for in article 171 of the Commercial Companies Code is available.

This information is available on the page and links related to notices to the CMVM:

<https://www.novabase.com/pt/investidor/informacao-a-cmvm/>

61. Location of the articles of association and operating regulations of boards and/or committees.

This information is available at the following pages and links:

Articles of association

<https://www.novabase.com/pt/investidor/governo-da-sociedade/artigos-de-associacao/>

Regulations

<https://www.novabase.com/pt/investidor/governo-da-sociedade/orgaos-sociais/>

<https://www.novabase.com/pt/investidor/governo-da-sociedade/transacoes-com-partes-relacionadas/>

62. Location of information on the identities of corporate board members, market relations representative, investor support office or equivalent, their respective duties and contact information.

This information, together with the number of annual meetings of the company's managing and supervisory boards and internal committees, is available at the following pages and links:

Corporate board members and number of meetings

<https://www.novabase.com/pt/investidor/governo-da-sociedade/orgaos-sociais/>

Identification of the investor relations representative

<https://www.novabase.com/pt/investidor/gabinete-de-relacoes-com-investidores/>

63. *Location of accounting documents (which should remain available for at least five years) and the bi-annual corporate events calendar published at the start of each half-yearly period, including general meetings of shareholders and disclosure of annual, half-yearly and quarterly results, if applicable.*

This information is available at the following pages and links:

Accounting information

<https://www.novabase.com/pt/investidor/informacao-financeira/>

Financial agenda

<https://www.novabase.com/pt/investidor/agenda-financeira/>

64. *Location of meeting notices for the general meeting of shareholders and all related preparatory and subsequent information.*

This information is available at the following page and links on the General Meeting of Shareholders:

<https://www.novabase.com/pt/investidor/governo-da-sociedade/assembleias-gerais/>

65. *Location of a historical record of the resolutions passed at the company's general meetings of shareholders, share capital and voting results referring to the previous three years.*

Information on decisions taken is available at the following page and links on the General Meeting of Shareholders:

<https://www.novabase.com/pt/investidor/governo-da-sociedade/assembleias-gerais/>

D. REMUNERATION

I. Responsibility for determining remuneration

66. Responsibility for determining the remuneration of corporate boards, members of the executive committee or managing director and managers of the company.

The Remuneration Committee decides upon the remuneration of corporate board members. More detail is provided in point 67 below.

It is important to point out that only the members of NOVABASE's Board of Directors, members of the Audit Board and Statutory Auditor are considered managers, as defined in European Union legislation on market abuse; as such, there is no separate information to be disclosed in this regard.

II. Remuneration committee

67. Composition of the remuneration committee, with identification of the natural or legal persons hired to give it support, and statement on the independence of each member and advisor.

The Remuneration Committee members for the three-year period of 2021- 2023 were decided in the General Meeting of Shareholders of 25 May 2021. Francisco Luís Murteira Nabo presides over the Remuneration Committee, with Pedro Rebelo de Sousa and João Quadros Saldanha belonging to it as well.

All of the members of this committee are independent from the Board of Directors.

The Remuneration Committee acts with complete autonomy, and may freely decide on NOVABASE's hiring of consulting services, as needed or convenient for carrying out its duties, ensuring that service providers are chosen following criteria of competence and independence and independence. In particular, it must ensure that these services are provided independently by consultants who do not provide other services to NOVABASE or other companies in its Group. The Remuneration Committee did not employ any natural or legal person to support it in performing these duties.

The Chairperson of NOVABASE's Remuneration Committee was present at the 2021 General Meeting of Shareholders dated 25 May 2021, held via telematic means, to provide information and clarifications to shareholders.

68. Knowledge and experience of the members of the remuneration committee in remuneration policy issues.

Remuneration Committee		
Member	Academic qualifications	Work experience
Francisco Luís Murteira Nabó	<ul style="list-style-type: none"> Graduate in Economics from Instituto Superior de Ciências Económicas e Financeiras Master's in Management from AESE (University of Barcelona). Honorary Doctorate from the Macau University of Science and Technology 	<p>Member of several boards of directors, including:</p> <ul style="list-style-type: none"> Chairperson of the Board of Directors and CEO of Portugal Telecom, S.G.P.S., S.A. Chairperson of Galp Energia Senior Partner of SaeR - Sociedade de Avaliação Estratégica e Risco, Lda. Vice-Chairperson of the Board of Directors of SOREFAME Vice-Chairperson of the company Portugal e Colónias Managing Chairperson of IMOLEASING, CGD Group
Pedro Rebelo de Sousa	<ul style="list-style-type: none"> Graduate in Law from Universidade Clássica de Lisboa Specialization (post-graduation) in Commercial and Corporate Law from Universidade Pontifícia Católica, Brazil Master's in Business Administration, Getúlio Vargas Foundation - Business Administration School, São Paulo, Brazil 	<p>Member of the board of directors at several financial institutions, including:</p> <ul style="list-style-type: none"> Chairperson and CEO of BFB CitiBank Banif Caixa Geral de Depósitos Cimpor Intesa SanPaolo Imi International Chairperson of the General Board of the Portuguese Corporate Governance Institute (IPCG) Managing partner of SRS Advogados <p>among others.</p>
João Quadros Saldanha	<ul style="list-style-type: none"> Graduate in Mining Engineering, Mining Planning from IST MBA from Universidade Nova de Lisboa 	<p>Member of the board of directors at several companies, including:</p> <ul style="list-style-type: none"> IAPMEI - I.P. Empordef, S.G.P.S., S.A.

• Postgraduate in markets and financial risk from Universidade Nova

• OGMA - S.A.
• White Airways, S.A.
among others

III. Remuneration structure

69. Description of Managing and Supervisory Board Remuneration Policy.

The Remuneration Committee submitted for the assessment of the Annual General Meeting of Shareholders of 25 May 2021 its proposed Remuneration Policy for Members of NOVABASE's Managing and Supervisory Boards ("**Remuneration Policy**"), pursuant to and for the purposes of article 26-A and following of the Securities Code, a which was approved in this meeting.

The Remuneration Policy was created in accordance with applicable legislation, in particular article 26-C of the Securities Code, and with applicable recommendations, also considering NOVABASE's characteristics, the sectors where it does business and, in particular, NOVABASE's current situation of redefinition and internal strategic updating aimed at repositioning the company in certain sectors with the ultimate goal of creating more value for NOVABASE shareholders in the medium and long-term.

Under the Remuneration Policy, the following general principles must be followed with regard to the remuneration of members of NOVABASE's managing and supervisory boards:

- a) An alignment should exist between the interests of managing board members and the interests of the company, which can be accomplished through variable remuneration components, including plans based on company securities;
- b) Individual performance should be a determining criterion of the variable remuneration component, if applicable, notwithstanding other criteria which may be relevant under the policy, such as the performance of the company itself;
- c) In any case, the company's long-term interests must be considered and given priority to avoid possible conflicts with short-term interests potentially impacting remuneration;
- d) The international and European context, in particular the sectors where the NOVABASE Group does business, should be considered as comparative parameters for ensuring the competitive remuneration of NOVABASE's corporate boards, particularly given the circumstances of the technology sector and intense competition for talent at every level, especially management talent;
- e) In view of its functions performed, the Remuneration Committee may decide that all or part of a director's variable remuneration, if it exists, will occur after the clearance of the accounts for the entire term of office;
- f) When the company's performance is a determining criterion for variable remuneration, any downgrading in performance may justify limits upon this remuneration, in view of the specific circumstances.

Attached to this report is the Board of Directors' report on remuneration for the year 2021, pursuant to and for the purposes of article 26-G of the Securities Code.

NOVABASE's Remuneration Policy has no potential individual or combined ceilings for the remuneration

of the members of its managing and supervisory boards. The setting of specific remuneration is left to the discretion of the Remuneration Committee, comprised exclusively of members who are independent from the Board of Directors. In fact, as stated in the Remuneration Policy, NOVABASE's current context also requires the company's Remuneration Committee to have sufficient leeway, within the principles and rules of the policy and applicable legislation and recommendations, to shape NOVABASE's remuneration practices to the goals of its strategic redefinition process currently underway.

As such, NOVABASE believes it is inappropriate to have maximum potential ceilings for the remuneration to be paid to the members of its managing and supervisory boards.

According to the Remuneration Policy, the remuneration of NOVABASE's Board of Directors includes:

- (i) **A fixed component**, which considers the duties performed by each of the members and their responsibilities, together with market practices for comparable responsibilities, remunerating factors, among others, such as the know-how, experience and responsibility inherent to the duties of each of the members of the Board of Directors and, when applicable, the specific management duties performed and performance of individual powers that cannot be delegated, and
- (ii) if applicable, **a variable component**, which may be attributed bearing in mind the duties assumed by each member of the Board of Directors, whose terms and conditions are further described in the following point of this report.

The remuneration of members of NOVABASE's Audit Board must be recorded so as to align their interests with those of the company, following a strict model which must consist of fixed annual remuneration in line with market practices, unless justified otherwise by the circumstances, as determined each year by the Remuneration Committee.

Based on the provisions of NOVABASE's Remuneration Policy, the Remuneration Committee, in its meeting dated 2 June 2021, set remuneration for the corporate boards for 2021, together with the variable remuneration of directors according to their performance in 2020. The content of the Remuneration Committee's decision in this regard is available in the 2021 Remuneration Committee Report, attached to this report.

NOVABASE's Remuneration Policy, in line with applicable legislation, regulates in detail the terms and conditions for determining and attributing remuneration to the members of NOVABASE's managing and supervisory boards, and also establishes the terms and conditions for executing retirement supplements, bonuses and other benefits, among other aspects, and is available at NOVABASE's website at:

<https://content.novabase.com/storage/uploads/ktcs1t13dgd-e4872d01-editorfile.pdf>

Note also that, in 2021, there were nor breaches or deviations in relation to the Remuneration Policy, as approved by NOVABASE's shareholders in the General Meeting of Shareholders.

70. Information on the way the remuneration is structured so as to allow aligning the interests of the members of the board of directors with the long-term interests of the company as well as how it is based on the performance assessment and how it discourages excessive risk assumption.

Per the terms and conditions of NOVABASE's Remuneration Policy, the variable remuneration of NOVABASE directors can be comprised of the following components:

- (i) Annual variable remuneration in cash tied to NOVABASE's performance, among other factors as described below;
- (ii) Participation in the Plan for Options to Allot NOVABASE Shares approved in the NOVABASE General Meeting of Shareholders dated 26 September 2019.

The variable remuneration component in cash for members of the management is determined at the start of each year by the Remuneration Committee in reference to the performance of NOVABASE and its directors during the previous year, based on the following criteria, which are further detailed in the Remuneration Policy:

- (a) financial criteria: total shareholder returns, growth in turnover and trends in net profit in the context of the strategic plan; and
- (b) non-financial criteria: company performance in environmental, social and corporate governance indicators, reflecting the achievement of targets set by the Remuneration Committee for these indicators, a qualitative assessment by the Remuneration Committee of the Board of Directors' activities, in particular the executive directors, and the duties of each director.

These criteria are aimed at aligning the variable component of these members' remuneration with the performance of the organization each year in question and of each director in particular. This also promotes NOVABASE's business strategy, long-term interests and sustainability.

Since, according to the Remuneration Policy, part of a given year's total variable remuneration should be paid on a deferred basis, per terms and conditions to be determined by the Remuneration Committee, with at least 50% of variable remuneration in cash to be deferred for a period of three years, conditional upon positive company performance during this time period, the company's long-term interests are served and excessive risk assumption is discouraged, thereby promoting NOVABASE's long-term interests and sustainability. This discourages the assumption of excessive risks or prioritizing of short-term interests, thereby defending the interests of NOVABASE's shareholders and other stakeholders.

NOVABASE believes, with regard to directors' variable cash components which are not deferred for the entire term of office, that the company's medium-term interests must also be served, together with its economic interest in providing suitable performance optimization incentives to fulfil obligations and meet short-term goals for management positions, and in balancing and distributing the costs associated with directors' remuneration over term of office's three years, since it would not be appropriate to simply defer the entire variable remuneration component to the end of the term of office or afterwards.

With regard to the Plan for Options to Allot NOVABASE Shares, as described in greater detail in point 74 of this report, options attributed under this plan will comprise a single batch, and may be exercised once exactly two years after their date of attribution (maturity date), notwithstanding the ability to exercise them exactly one year after their date of attribution, at which time the participant may exercise 50% or 100% of the batch of options attributed to him/her.

Options attributed and actually exercised by a participant on their maturity date, or exactly one year after their date of attribution, will be settled as follows:

- (a) via the attribution of NOVABASE shares (net share settlement) for 50% of the options subject to exercising;
- (b) via the attribution of NOVABASE shares (net share settlement) or, alternatively, in cash (net cash settlement), by the participant's choice, for the remaining 50% of the options.

Under these terms, the variable component paid to members of management under the plan does not exclusively serve NOVABASE's long-term interests, insofar as the start of the period for exercising options is not deferred for at least three years.

Even so, it should be noted that NOVABASE share options exercised by the participant pursuant to subparagraph (a) above (i.e. 50% of the options available for exercise) will be retained by NOVABASE for three years following the exercise date, and their ownership will not be transferred to the participant until the end of this period, conditional upon NOVABASE's positive performance during this time.

Furthermore, the number of NOVABASE shares to be attributed under the plan, or the corresponding amount in cash under the net cash settlement option, is dependent upon the price of NOVABASE shares on the relevant dates for participants to exercise options, thus making this remuneration component conditional upon the company's continued positive performance.

As such, NOVABASE believes that the company's long-term interests have also been served by this remuneration component, discouraging excessive risk assumption.

Finally, it is noteworthy that the company has no knowledge of contracts between members of the Board of Directors and the company or third parties that have the effect of mitigating the risk inherent in the variability of the remuneration established for them by the company.

71. Reference, if applicable, to the existence of a variable remuneration component and information on potential impact of performance assessment on this component.

As mentioned in the previous point, there is a variable cash component as well as a variable stock option component for management members' remuneration.

As described in the above point, the variable component in cash of the management members' remuneration is determined annually by the Remuneration Committee based on financial and non-financial criteria for the specific purpose of aligning the variable component of these members' remuneration with the organization's performance in each year in question, remunerating criteria such as total shareholder return, growth in turnover, trends in net profit, a qualitative assessment by the Remuneration Committee of the Board of Directors' activities, in particular the executive directors, among other criteria referred to in the above point. When determining variable remuneration, the Remuneration Committee should consider NOVABASE's performance based on the criteria referred to above, the collective performance of the Board of Directors and the individual performance of each of the directors, including their contribution towards the performance of the company and the Board of Directors in the financial and non-financial indicators referred to above. The assessment process of applicable criteria by the Remuneration Committee will be done annually, with regular oversight, based on specific information provided to the Remuneration Committee for monitoring these criteria.

As such, the performance assessment does have an impact on this remuneration component. A proper balance is also ensured between the fixed and variable portions of these remunerations.

With regard to the variable stock option component, the attribution of options under the Plan for Options to Allot NOVABASE Shares is decided by the competent body pursuant to the plan's regulations, on a case-by-case basis in accordance with criteria to be set by this body, which will be NOVABASE's Board of Directors, or the Remuneration Committee in the case of options attributed to members of the Board of Directors.

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

As previously stated, according to the Remuneration Policy, 50% of the variable remuneration in cash

is deferred over three years and is conditional upon positive company performance during this time period.

Therefore, notwithstanding the variable component corresponding to NOVABASE stock options, the variable remuneration paid in cash in 2021 corresponds to 50% of the total amount allocated for 2020 in 2021 and, for directors serving in these years for whom variable remuneration in cash was chosen under the terms duly disclosed, 1/6 of the amount allocated for 2019 in 2020, 1/6 of the amount allocated for 2018 in 2019 and 1/6 of the amount allocated for 2017 in 2018, as applicable. The remaining 50% of the amount allocated for 2020 in 2021 is subject to deferred payments in the following 3 years (2022, 2023 and 2024) in equal parts (corresponding to 1/6 of each year's total), conditional upon positive company performance during this time period.

73. Criteria providing the basis for variable remuneration in shares and the executive directors' keeping of these shares, the signing of agreements involving these shares (i.e. hedging agreements) or the transfer of risk, the respective limit and its relationship to the amount of total annual remuneration.

On 1 October 2019, the Remuneration Committee unanimously decided to make Paulo Jorge de Barros Pires Trigo, an executive director at the time, a participant in the Plan for Options to Allot NOVABASE Shares, and to attribute 400,000 (four hundred thousand) stock options to him. These options were attributed at a strike price of € 2.295 per share.

Pursuant to the plan's regulations, the options attributed under the contractual agreement signed with this participant on 1 October 2019 comprised a single batch, which may be exercised once exactly two years after their date of attribution (i.e. 1 October 2021) (maturity date), notwithstanding the ability to exercise them exactly one year later (i.e. 1 October 2020).

In this regard, as duly announced to the market in the notice of manager transaction dated 29 October 2020, on 26 October 2020 NOVABASE received from director Paulo Jorge de Barros Pires Trigo a notification of the exercising of all 400,000 options on ordinary NOVABASE shares in his possession under the plan's regulations. This exercising occurred by the following means:

- (i) For 50% of the options subject to exercising (200,000 options), via share settlement (allotment of company shares), resulting in the allotment of 91,539 ordinary NOVABASE shares to this director, using the calculation formula in the plan's regulations; and
- (ii) For the remaining 50% (200,000 options), via net cash settlement, resulting in a payment of €304,001.71 to this director, using the calculation formula in the plan's regulations.

As stated above, pursuant to article 14.2 of the plan's regulations, the NOVABASE shares corresponding to the options exercised in (i) above will be withheld by NOVABASE for a period of three years from their exercising, and their ownership will not be transferred to this director until the end of this period, conditional upon the company's positive performance during this time, pursuant to the terms of the regulations.

In 2021, given the current socio-economic scenario, the Remuneration Committee believed that the attribution of variable remuneration exclusively to directors with executive functions at the company, via participation in the Plan, was an appropriate means for remunerating these members for the duties performed and associated responsibilities, while simultaneously reinforcing an alignment between the interests of the management and the company, in the medium and long term, together with their sustainability, in view of the characteristics of the Plan. The Remuneration Committee unanimously decided on 2 June to make managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, and the director with special responsibilities, María del Carmen Gil Marín, participants in the Plan for Options to Allot NOVABASE Shares, and to attribute, respectively, 250,000 (two hundred and fifty thousand), 200,000 (two hundred thousand) and 75,000 (seventy-five thousand) stock options to them. These options were attributed at an adjusted strike price of €1.801 per share.

Pursuant to the plan's regulations, the options attributed under the contractual agreement signed with these participants on 1 June 2021 comprised a single batch, which may be exercised once exactly two years after their date of attribution (i.e. 1 October 2021) (maturity date), notwithstanding the ability to exercise them exactly one year later (i.e. 1 June 2022).

74. Criteria whereon the allocation of variable remuneration on options is based as well as its deferral period and take-up price.

The NOVABASE General Meeting of Shareholders held on 26 September 2019 approved a medium or long-term plan for attributing variable remuneration to members of NOVABASE's Board of Directors and to employees from NOVABASE or from other NOVABASE Group companies, based on the performance of NOVABASE shares (Plan for Options to Allot Shares), together with this plan's regulations. This plan has the following goals:

- To retain NOVABASE and NOVABASE Group employees;
- To motivate and encourage their creativity and productivity;
- To retain and/or hire management staff and employees of high potential and strategic value to benefit the company's results.

Under this plan and its regulations, stock options representing NOVABASE's share capital may be attributed in the form of a performance bonus for the plan's participants.

Options are attributed by decision of the competent body pursuant to the plan's regulations, on a case-by-case basis in accordance with criteria to be set by this body, which will be NOVABASE's Board of Directors, or the Remuneration Committee in the case of options attributed to members of NOVABASE's Board of Directors.

The options attributed will comprise a single batch, and may be exercised once exactly two years after their date of attribution (maturity date), notwithstanding the ability to exercise them exactly one year after their date of attribution, at which time the participant may exercise 50% or 100% of the batch of options attributed to him/her.

Options from the same lot not exercised in full by their maturity date will automatically expire.

Options attributed and actually exercised by a participant on their maturity date, or exactly one year after their date of attribution, will be settled as follows:

(a) via the attribution of NOVABASE shares (net share settlement) for 50% of the options subject to exercising;

(b) via the attribution of NOVABASE shares (net share settlement) or, alternatively, in cash (net cash settlement), by the participant's choice, for the remaining 50% of the options.

NOVABASE share options exercised by the participant pursuant to sub-paragraph (a) (i.e. 50% of the options available for exercise) will be retained by NOVABASE for three years following the exercise date, and their ownership will not be transferred to the participant until the end of this period, conditional upon NOVABASE's positive performance during this time.

The options' strike price is defined before the date of attribution. It should correspond to the arithmetical average of the prices, weighted by the respective volumes, of the transactions of NOVABASE shares at sessions of the Euronext Lisbon regulated market occurring in the ninety days

preceding 26 July 2019, adjusted by the shareholder remuneration distributed during this period, i.e. €2.295 per share.

Once the participant notifies the company of his/her intent to exercise options, the number of shares to be attributed (rounded down) to this participant, or the corresponding cash amount in the case of net cash settlement, is determined by the following formula:

No. of shares = no. of options exercised x [(exercise price - strike price / exercise price)]

Where:

Strike price: the arithmetical average of the prices, weighted by the respective volumes, of the transactions of NOVABASE shares at trading sessions of the Euronext Lisbon occurring in the ninety days preceding 26 July 2019, adjusted by the shareholder remuneration distributed during this period, i.e. €2.295 per share; and

Exercise price: the arithmetical average of the prices, weighted by the respective volumes, of the transactions of NOVABASE's shares at trading sessions of the Euronext Lisbon occurring in the ninety days preceding the exercise date.

For the purposes of the net cash settlement option, the value of the shares determined as described above will be based on the arithmetical average of the prices, weighted by the respective volumes, of the transactions of NOVABASE's shares at trading sessions of the Euronext Lisbon occurring in the ninety days preceding these options' exercise date.

While the plan is in effect, stock options totalling more than 10% of NOVABASE's share capital may not be attributed.

Since the plan's approval, 400,000 (four hundred thousand) NOVABASE stock options have been attributed under the plan to executive director Paulo Jorge de Barros Pires Trigo, which were exercised by him in 2020. Also under the plan, in 2021, 525,000 (five hundred and twenty-five thousand) NOVABASE stock options were attributed to managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, and to the managing director with special responsibilities, María del Carmen Gil Marín, as further detailed in point 73.

The regulations of the Plan for Options to Allot NOVABASE Shares are available at the company's website:

<https://content.novabase.com/storage/uploads/z43ddf4scbt-a0a21a2e-editorfile.pdf>

75. The main factors and reasons for any annual bonus scheme and any other non-financial benefits.

No annual bonus scheme exists. With regard to non-monetary benefits, as stated in the Remuneration Policy, non-monetary supplementary benefits may be attributed to members of NOVABASE's managing board, per terms and conditions to be decided by the Remuneration Committee, which may include insurance (health, life, D&O and occupational accidents, including while travelling), company vehicles and cell phones, and other non-monetary benefits, as decided by the Remuneration Committee. In 2021, an additional amount of €13,384.33 was paid to the 2021 acting members of the Board of Directors in meal allowances.

Note that the non-monetary supplementary benefits currently attributed to members of the managing board, further described in the Board of Directors' report on remuneration attached to this report, does not have a significant weight on their remuneration, accounting for only 10% of its total cost.

76. Main characteristics of supplementary early retirement or pension schemes for directors, and date on which they were approved by the general meeting of shareholders, in individual terms.

The terms and conditions for executing retirement supplements, together with the application of benefits to be attributed and benefits contracted in accordance with these terms and conditions, are described in NOVABASE's Remuneration Policy, and are as follows:

- a) Attribution to directors of retirement supplements, which may be associated with the fixed and/or variable remuneration component, as decided by the Remuneration Committee, namely through the channelling of funds attributed to these directors in relation to fixed and/or variable remuneration, to reinforce insurance contributions in force at NOVABASE in substitution of paying part of this remuneration;
- b) The amount of the supplement will correspond to the cumulative annuities acquired from the consecutive premiums paid, increased by revaluations during the applicable period of establishment, as negotiated with the insurance company in question;
- c) Financing through NOVABASE's payment of relevant insurance agreement premiums, as determined by the Remuneration Committee;
- d) Instead of the above pension supplement, directors may opt for the redemption of accumulated capital, pursuant to the law and within legal limits;
- e) Pursuant to the law and within legal limits, beneficiaries with entitlement to the accumulated capital may be designated in the event of the director's death prior to retirement;
- f) Other terms and conditions to be determined by the Remuneration Committee, in conjunction with the Board of Directors.

IV. Disclosure of remuneration

77. Indication on the amount concerning the annual remuneration paid collectively or individually to members of the managing boards of the company, including fixed and variable remuneration and as to the latter, mentioning the different components that gave rise to same.

In this report NOVABASE discloses the remuneration received by each member of the Board of Directors and Audit Board in 2021, in accordance with the Securities Code, CMVM Regulation no. 4/2013, and in line with the recommendations of the IPCG Corporate Governance Code (2018, revised in 2020) in this regard.

By unanimous decisions of the Remuneration Committee, fixed remuneration components were set for members of the NOVABASE Board of Directors in 2021, along with annual variable remuneration, as shown in the chart below.

This remuneration is distributed among the members of the Board of Directors in accordance with the breakdown stipulated by the Remuneration Committee, pursuant to the Remuneration Policy, whereby directors receive fixed remuneration in cash, and potentially variable remuneration as well, which may be comprised of variable remuneration in cash and variable remuneration based on stock options. This remuneration is broken down among directors as shown in the table below, in view of their responsibilities at NOVABASE, and as stipulated by the Remuneration Committee under the Remuneration Policy.

The remuneration of non-executive, non-independent directors may include a variable component, per the Remuneration Policy, if the duties and responsibilities so justify. In fact, the performance of remunerated duties by these members of the Board of Directors allows NOVABASE to leverage their extensive know-how acquired as company founders and accumulated over a period of 30 years, especially since these directors continue to have major responsibilities in the Group.

The variable component in cash of directors' remuneration should be determined annually by the Remuneration Committee, based on criteria described in the Remuneration Policy and in point 70 of this report.

Nonetheless, as stated in the Remuneration Committee report attached to this report, decisions involving the variable remuneration of directors made as of the present date, and especially those made by the Remuneration Committee in 2021, refer to the performance of directors throughout the year 2020; as such, they were determined considering the remuneration policy previously in force at the company, and in particular the decision previously made by the General Meeting of Shareholders of April 2009 establishing general guidelines for the remuneration conditions of directors, as reiterated in various General Meetings held in recent years.

Nonetheless, in view of these principles, the determination of the variable component was aimed at aligning part of this component with the organization's performance in the year in question, measured by the net profits generated, and correlates with the responsibility and performance of each director in particular. A proper balance is also ensured between the fixed and variable portions of these remunerations. The variable remuneration in cash paid in 2021 corresponds to only 50% of the variable remuneration in cash due for 2020 and, in the case of directors serving in these years for whom variable remuneration in cash was chosen under the terms duly disclosed, 1/6 of the amount allocated for 2019 in 2020, 1/6 of the amount allocated for 2018 in 2019 and 1/6 of the amount allocated for 2017 in 2018, as applicable. The payment of the remaining 50% of the amount allocated for 2021 remains subject to deferred payments in the following 3 years (2022, 2023 and 2024) in equal parts (corresponding to 1/6 of each year's total), conditional upon positive company performance during this time period.

Directors ¹	Remuneration /fixed annual ² (€)	Annual variable remuneration in cash paid in 2021 (€) ^{3,4}	Partial Total (Fixed + Variable in cash paid in 2021) (€)	Variable in cash paid in 2021 /Partial Total (%)	Variable Remuneration /annual deferred (€) ⁵	Variable Remuneration #options @1.801
Luís Paulo Cardoso Salvado	311,880.00	324,968.67	636,848.67	51.03	389,673.16	250,000
Álvaro José da Silva Ferreira	242,208.00	182,455.17	424,663.17	42.96	244,195.17	200,000
Executives Total	554,088	507,423.84	1,061,511.84	47.80	633,868.33	450,000
(% total)	63.96	64.81	64.36		64.38	
María del Carmen Gil Marín	165,768.00	145,576.00	311,344.00	46.76	194,836.66	75,000
José Afonso Oom Ferreira de Sousa	42,000.00	64,992.67	106,992.67	60.74	77,993.50	
Pedro Miguel Quinteiro Marques Carvalho	42,000.00	64,992.67	106,992.67	60.74	77,993.50	
Madalena Paz Ferreira Perestrelo de Oliveira	25,200.00	0.00	25,200.00	0.00	0.00	
José Sancho García	25,200.00	0.00	25,200.00	0.00	0.00	
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	11,999.95	0.00	11,999.95	0.00	0.00	
Non-executives total	312,167.95	275,561.34	587,729.29	46.89	350,703.66	75,000
(% total)	36.04	35.19	35.64		35.62	
TOTAL	866,255.95	782,985.18	1,649,241.13	47.48	984,571.99	525,000

In addition, as regards the Stock Option Plan, since its approval, 400,000 (four hundred thousand) NOVABASE stock options have been attributed under the plan in 2019 to executive director Paulo Jorge de Barros Pires Trigo, by decision of the Remuneration Committee, which were exercised by him during the 2020 financial year under the following terms:

- (i) For 50% of the options subject to exercising (200,000 options), via share settlement (allotment of company shares), resulting in the allotment of 91,539 ordinary NOVABASE shares to this director, using the calculation formula in the plan's regulations; and
- (ii) For the remaining 50% (200,000 options), via net cash settlement, resulting in a payment of €304,001.71 to this director, using the calculation formula in the plan's regulations.

¹ Directors Madalena Perestrelo de Oliveira, José Sancho García and Rita Wrem Viana Branquinho Lobo Carvalho Rosado were elected in the General Meeting of Shareholders of 25 May 2021; the remuneration shown here for these directors refers only to the post-election period. Note also that director Rita Wrem Viana Branquinho Lobo Carvalho Rosado received amounts in 2021 through other Group companies in reference to the function of Head of Legal at the NOVABASE Group, which she continued to hold after her election. These amounts are not shown in this table, and are addressed in point 78 of this report.

² The amount shown includes amounts attributed as fixed remuneration in the Remuneration Committee meeting of 2 June 2021, which were channelled to retirement supplements by reinforcing capitalization insurance contributions currently in effect at the company, substituting payment of that part of fixed remuneration - namely, Luís Paulo Cardoso Salvado (€38,880), Álvaro José da Silva Ferreira (€32,400) and María del Carmen Gil Marín (€21,600).

³ The amount shown is the total amount paid to each director in 2021 (excluding the variable component based on stock options, as applicable): 50% of the total amount allocated for 2020 in 2021 and, in the case of directors serving in these years for whom variable remuneration in cash was chosen under the terms duly disclosed, 1/6 of the amount allocated for 2019 in 2020, 1/6 of the amount allocated for 2018 in 2019 and 1/6 of the amount allocated for 2017 in 2018. The remaining 50% of the amount allocated for 2020 in 2021 will be paid in the following 3 years (2022, 2023 and 2024) in equal parts, corresponding to 1/6 of each year's total, conditional upon positive company performance during this time period.

⁴ Amount used to reinforce capitalization insurance contributions currently in effect at the company.

⁵ Amounts allocated in 2021 for 2020, and deferred to the next three years. For directors serving in these years for whom variable remuneration in cash was chosen under the terms duly disclosed, there are also deferrals for amounts allocated for 2019 in 2020 and allocated for 2018 in 2019 in accordance with the criteria shown in the Corporate Governance Reports for the years in question.

During the year 2021, managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and the director with special responsibilities, María del Carmen Gil Marín, were also attributed, respectively, 250,000 (two hundred and fifty thousand), 200,000 (two hundred thousand) and 75,000 (seventy-five thousand) options on shares under the Plan for Options to Allot NOVABASE Shares. These options were attributed at an adjusted strike price of € 1.801 per share.

Pursuant to the plan's regulations, the options attributed under the contractual agreement signed with this participant on 1 June 2021 comprised a single batch, which may be exercised once exactly two years after their date of attribution (i.e. 1 October 2021) (maturity date), notwithstanding the ability to exercise them exactly one year later (i.e. 1 June 2022).

In 2021, an additional amount of €13,384.33 was paid to the 2021 acting members of the Board of Directors in meal allowances.

Relatively speaking, the variable remuneration paid in 2021 to NOVABASE's directors represented approximately 47.48% of the total remuneration received by them for the year 2021, thereby demonstrating a reasonable balance between the fixed and variable remuneration components. There are no relevant amounts of non-monetary benefits considered as remuneration and not covered by the previous situations.

The table below shows remuneration paid by NOVABASE in 2021 to directors of the company whose positions ended at the General Meeting of Shareholders of 25 May 2021:

Directors	Remuneration /fixed annual (€)	Annual variable remuneration in cash paid in 2021(€) ¹	Partial Total (Fixed + Variable in cash paid in 2021) (€)	Variable in cash paid in 2021 /Partial Total (%)	Variable Remuneration /annual deferred (€) ²
Francisco Paulo Figueiredo Morais Antunes ³	50,750.00	162,484.33	213,234.33	76.20	194,836.66
Paulo Jorge de Barros Pires Trigo	65,000.00	109,479.94	174,479.94	62.75	118,374.87
João Nuno da Silva Bento	118,295.83	291,152.00	409,447.83	71.11	389,673.16
Marta Isabel dos Reis Graça Rodrigues do Nascimento	16,916.67	0	16,916.67	0	0
TOTAL	250,962.50	563,116.27	814,078.77	69.17	702,884.69

¹ The amount shown is the total amount paid to each director in 2021: 50% of the total amount allocated for 2020 in 2021, 1/6 of the amount allocated for 2019 in 2020, 1/6 of the amount allocated for 2018 in 2019 and 1/6 of the amount allocated for 2017 in 2018. The remaining 50% of the amount allocated for 2020 in 2021 will be paid in the following 3 years (2022, 2023 and 2024) in equal parts, corresponding to 1/6 of each year's total, conditional upon positive company performance during this time period.

² Amounts allocated in 2021 for 2020, and deferred to the next three years. For directors serving in these years for whom variable remuneration in cash was chosen under the terms duly disclosed, there are also deferrals for amounts allocated for 2019 in 2020 and allocated for 2018 in 2019 in accordance with the criteria shown in the Corporate Governance Reports for the years in question.

³ 75,000 options were also attributed to former director Francisco Paulo Figueiredo Morais Antunes, for the duties performed and associated responsibilities after the end of the performance of his duties at the General Meeting of Shareholders of 25 May 2021, as director of various NOVABASE Group companies and the person in charge of various key areas in the Group's business, including the financial area.

Note also that the Remuneration Committee made the following decisions in 2021:

- (i) Channel 20% (twenty per cent) of amounts attributed as fixed remuneration for 2021 to each of the directors with executive functions and to the director with special responsibilities - namely, respectively, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and María del Carmen Gil Marín - to reinforce capitalization insurance contributions currently in effect at the company in substitution of paying that part of fixed remuneration, pursuant to Clause 5 of the Remuneration Policy;

- (ii) Channel amounts attributed as variable remuneration in cash for the performance of NOVABASE Directors in the year 2020 (as well as those previously deferred) to reinforce capitalization insurance contributions currently in effect at the company in substitution of paying that part of variable remuneration.

Furthermore, there are no formal mechanisms regulating the possibility of requesting reimbursement for the variable remuneration received by NOVABASE directors. Even so, per the general guiding principles of NOVABASE's remuneration policy, when the company's performance is a determining criterion for variable remuneration, any downgrading in performance may justify limits upon this remuneration, in view of the specific circumstances.

78. Amounts paid on any basis by other companies in a group or controlling relationship or exercising control over the company.

The members of NOVABASE's Board of Directors and Audit Board are paid exclusively by this entity, and do not receive additional remuneration of any kind from other companies that are controlled by or part of the NOVABASE Group, nor from any company subject to shared control with NOVABASE, except for the remuneration referred to in the following paragraph.

Name	Remuneration /fixed annual (€)	Annual variable remuneration in cash paid in 2021 (€)	Partial Total (Fixed + Variable in cash paid in 2021) (€)	Variable in cash paid in 2021 /Partial Total (%)	Variable Remuneration /annual deferred (€)
Paulo Jorge de Barros Pires Trigo ¹	0	82,559.13	82,559.13	100	76,256.56
María del Carmen Gil Marín ²	0	67,755.88	67,755.88	100	0
Rita Wrem Viana Branquinho Lobo Carvalho Rosado ³	104,421.28	0	104,421.28	0	0

¹ Amount to be paid by Celfocus, S.A., a company fully owned (indirectly) by Novabase S.G.P.S., S.A. Amount to be received by Paulo Jorge de Barros Pires Trigo for holding the position of director at the company between 2019 and 2020.

² Amount paid by Novabase Capital, a company fully owned by Novabase S.G.P.S., S.A. Amount received by María del Carmen Gil Marín after holding the position of director at Novabase Capital, corresponding to the last 1/6 of variable remuneration attributed in 2018 and paid in 2021.

³ Amount paid by Novabase Serviços, S.A. a company fully owned (directly) by Novabase S.G.P.S., S.A. Amount received by director Rita Wrem Viana Branquinho Lobo Carvalho Rosado for holding the position of Head of Legal of the NOVABASE Group under a service provision agreement.

79. Remuneration paid in the form of a share in the profits and/or the payment of bonuses and the rationale behind the act of awarding such bonuses and/or share in profits.

In 2021, no additional remuneration was awarded in the form of profit sharing and/or payment of bonuses.

80. Compensation paid or owed to former executive directors in relation to early contract termination.

No compensations were paid, nor are any compensations owed, to former executive directors as a result of their duties no longer being performed in 2021, beyond those legally due.

81. Annual amount of remuneration received, collectively and individually, by members of the company's supervisory boards.

The remuneration of supervisory board members includes no component whose value depends on the performance or the value of the company.

As such, the following fixed annual remuneration was given to members of the Audit Board for 2021:

Chairperson of the Audit Board - Álvaro José Barrigas do Nascimento - €10,000 (ten thousand euros);

Audit Board Member - Fátima do Rosário Piteira Patinha Farinha - €7,500 (seven thousand, five hundred euros);

Audit Board Member - João Luís Correia Duque¹ - €7,500 (seven thousand, five hundred euros).

¹ Member João Luís Correia Duque was declared temporarily impeded from initiating his duties as such, following the communication sent by this member of the Audit Board, having been replaced by substitute member Manuel Saldanha Tavares Festa until the end of this impediment. As such, per the terms decided by the Remuneration Committee, the remuneration determined for this member should be received by the alternate member, in a manner proportional to the time period in which he performed these duties, with this remuneration transferred to member João Luís Duque Correia after the end of his current impediment, also in proportion to the time period in which he performed these duties for the NOVABASE Audit Board.

These amounts were subject to a total adjustment of €2,000 (two thousand euros) compared to the previous period, for the purposes of alignment with market practices, per the terms decided by the Remuneration Committee.

As such, the total amount of remuneration attributed to members of the Audit Board was €25,000 (twenty-five thousand euros).

Notwithstanding the remuneration attributed in 2021, a total of €23,000 (twenty-three thousand euros) was paid to members of the Audit Board (base values, without VAT or income tax):

Chairperson of the Audit Board - Álvaro José Barrigas do Nascimento - €9,000 (nine thousand euros);

Audit Board Member - Fátima do Rosário Piteira Patinha Farinha - €7,000 (seven thousand euros);

Audit Board Member - Miguel Tiago Perestrelo Ribeiro Ferreira - €7,000 (seven thousand euros)¹

¹ corresponding to the term of office until the General Meeting of Shareholders of 25 May 2021, when the position was no longer held.

Furthermore, the company's Statutory Auditor is remunerated according to standard remuneration practices and conditions for comparable services, following the signing of a service provision agreement and by proposal of the company's Audit Board.

82. Remuneration of the Chairperson of the General Meeting of Shareholders.

The Chairperson of the General Meeting of Shareholders is paid according to attendance in the amount of €3,000 (three thousand euros) for each meeting presided over. Two payments for attendance were made in 2022 for the years 2020 and 2021.

V. Agreements with implications on remuneration

83. Envisaged contractual restraints for compensation owed for undue dismissal of executive directors and its relation to the remunerations' variable component.

There are no contractual restraints for compensation owed for undue dismissal of executive directors, as per legal rules.

Pursuant to article 403, paragraph 5 of the Commercial Companies Code, if the dismissal lacks justified grounds, the director is entitled to compensation for damages incurred by the means specified in his/her contract or under the general terms of the law; this compensation may not exceed the remuneration he/she would presumably receive through the end of his/her appointed term.

In NOVABASE's opinion, since management positions are remunerated, with a mandatory legal ceiling on compensation for dismissal without due cause, and given the protection of expectations principle which must be observed, there is no justification for contractual restraints that reduce the maximum legal compensation amount to a director with legal proof of damages incurred.

Similarly, in view of the mandatory legal ceiling on compensation for undue dismissal, there is absolutely no foreseeable advantage in establishing contractual restraints to directors' compensation in the event of consensual termination of duties.

84. Reference to the existence and description, including amounts, of agreements between the company and members of the board of directors or employees providing for compensation in the event of employee resignation request, termination without just cause or termination of the employment relationship following a tender offer. (article 29-H, paragraph 1, subparagraph k).

No such agreements exist.

VI. Stock or stock option plans

85. Identification of plan and respective recipients.

The NOVABASE General Meeting of Shareholders held on 26 September 2019 approved a medium or long-term plan for attributing variable remuneration to members of NOVABASE's Board of Directors and to employees from NOVABASE or from other NOVABASE Group companies, based on the performance of NOVABASE shares, together with this plan's regulations. This plan has the following goals:

- To retain NOVABASE and NOVABASE Group employees;
- To motivate and encourage their creativity and productivity;
- To retain and/or hire management staff and employees of high potential and strategic value to benefit the company's results.

Under this plan and its regulations, stock options representing NOVABASE's share capital may be attributed in the form of a performance bonus for the plan's participants.

More information on the plan and its regulations can be found in point 74 of this report.

86. Description of plan (eligibility conditions, inalienability of shares clauses, criteria regarding share prices and the price for exercising options, time frame during which options can be exercised, characteristics of the shares or options to be attributed, existence of incentives to acquire shares and/or exercise options).

A description of the Plan for Options to Allot NOVABASE Shares - including its eligibility conditions, inalienability of shares clauses, criteria on the price for exercising options, time frame during which options can be exercised, characteristics of the shares or options to be attributed and the existence of incentives to acquire shares and/or exercise options - is available in point 74 of this report.

87. Option rights given for the acquisition of shares (stock options) for which the company's employees and workers are the beneficiaries.

In 2021, the Board of Directors unanimously decided to make a NOVABASE employee a participant in the Plan for Options to Allot NOVABASE Shares, attributing 75,000 (seventy-five thousand) stock options to him. These options were attributed at an adjusted strike price of € 1.801 per share.

Pursuant to the plan's regulations, the options attributed under the contractual agreement signed with this participant on 1 June 2021 comprised a single batch, which may be exercised once exactly two years after their date of attribution (i.e. 1 October 2021) (maturity date), notwithstanding the ability to exercise them exactly one year later (i.e. 1 June 2022).

88. Control mechanisms provided for in a possible employee investment scheme in which voting rights are not directly exercised by them (article 29-H, paragraph 1, sub-paragraph e).

There are no specific employee investment schemes in which voting rights are not directly exercised by them.

E. TRANSACTIONS WITH RELATED PARTIES

I. Control mechanisms and procedures

89. Mechanisms implemented by the company to control transactions with related parties (using the concept defined in IAS 24 for this purpose).

As regards the year 2021, in addition to the rules of the Commercial Companies Code for contractual agreements between the company and members of the Board of Directors, NOVABASE had an Internal Regulations on Transactions with Related Parties in effect which established an internal procedure for verifying and approving transactions with related parties, with the intervention of the Board of Directors and the Audit Board, pursuant to the law, which was approved by the Board of Directors, with the prior favourable opinion of the Audit Board. These regulations are further described in point 91 of this report, and are available at NOVABASE's website.

Other transactions with related parties are controlled and disclosed under the terms of internationally accepted and applicable rules and standards for accounting and financial reporting.

90. Transactions subject to control during the reporting year.

In 2021, NOVABASE had no transactions with related parties subject to the obligations of control laid out in the Internal Regulations on Transactions with Related Parties or the Securities Code. In fact, the transactions with related parties performed in 2021 were done on an arm's-length basis between NOVABASE and the respective affiliates under a control relationship with the company, and no party related to NOVABASE had interests in the affiliates in question, with such transactions being subject to the exemption provided for in article 29-U, sub-paragraph a) of the Securities Code and article 3, paragraph 2 of the Internal Regulations on Transactions with Related Parties.

As such, no transactions were subject to control as described above.

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

On 29 April 2021, pursuant to article 249-A (corresponding to the current article 29-S) of the Securities Code, introduced by Law no. 50/2020 of 25 August, the Board of Directors approved, with the prior favourable opinion of the Audit Board, Internal Regulations on Transactions with Related Parties, under which certain company transactions with related parties are subject to a decision of the Board of Directors, preceded by an opinion of the Audit Board.

Pursuant to these Internal Regulations, transactions with related parties are defined as those performed by the company or by entities in a control or group relationship with it, or by entities within its consolidation perimeter, with a party related to them as defined in the international accounting standards adopted pursuant to Regulation (EC) No 606/2022 of the European Parliament and of the Council of 16 April.

A decision by the Board of Directors, preceded by a non-binding opinion of the Audit Board, shall apply to transactions with related parties: (i) whose total cumulative amount is 2.5% or more of NOVABASE's consolidated assets in a given financial year, half year or quarter, based on the most recent annual financial statements approved pursuant to the law, even when the amount of each business deal does not exceed this percentage individually; or (ii) which, on an exceptional basis, are not performed within the scope of NOVABASE's current business per the arm's-length principal, regardless of their amount.

In any case, the following shall be excluded from the scope of these Internal Regulations: (a) Transactions between NOVABASE and its affiliates, provided that they are in a control relationship with the company, and no Related Party of the company has interests in the affiliate; (b) business deals involving the awarding of remuneration for management or senior management positions at the company, at entities in a control or group relationship with it, or at entities within Novabase, S.G.P.S., S.A.'s account consolidation perimeter, although such remuneration must always be attributed on an arm's-length basis and in accordance with the corporate governance model in force; or (c) transactions proposed to all shareholders under the same terms so as to ensure equitable shareholder treatment and protection of the company's interests.

In cases subject to the procedure established in the Internal Regulations, NOVABASE's Board of Directors shall notify the company's Audit Board, as soon as possible and always within five days of the transaction's date, of its intent to approve the business deal.

Such notification to NOVABASE's supervisory board must include the following: (a) parties to the transaction; (b) scheduled date for performing the transaction; (c) economic and financial terms and conditions of the transaction, and its total amount, which must always be specifically stated, even in the form of a mere estimate; (d) reason for performing the transaction by the NOVABASE Group and the entity in question; (e) specific reason for performing the transaction with the customer or supplier in question; (f) assessment as to whether the transaction in question will be done under normal market conditions for similar transactions, complying with the principle of equitable treatment for the NOVABASE Group's customers and suppliers. In the event of deviations to these principles, justifying circumstances must be given to perform the transaction, namely the need to pursue a higher company interest.

Once the notification described in the above paragraph has been received, the supervisory board must issue its approval or disapproval of the transaction in question as soon as possible.

In issuing its opinion, the supervisory board must bear in mind whether the business deal in question will be carried out on an arm's-length basis compared to similar deals, and whether the principle of equitable treatment of NOVABASE Group customers and suppliers will be respected, together with circumstances justifying the deal when deviations to these principles occur, namely the need to pursue a higher company interest.

In either case, the supervisory board must give immediate notification to NOVABASE's management of any prior opinion issued.

Under this procedure, by the end of the month following the end of each quarter, NOVABASE's Board of Directors verifies, and notifies the Audit Board of, the amount and nature of transactions between NOVABASE and any related party performed in the previous quarter which were not subject to a specific decision by these boards in accordance with these regulations.

The Internal Regulation is available at NOVABASE's website.

II. Items related to the business

92. Location of accounting documents with access to information on transactions with related parties, in accordance with IAS 24 or, alternatively, a reproduction of this information.

This information is available in the 2021 Consolidated Accounts, an integral part to the Annual Report and Accounts, in Note 38 of the Notes to the Consolidated Financial Statements.

PART II - EVALUATION OF CORPORATE GOVERNANCE

1. Corporate governance code adopted

Identification of the corporate governance code to which the company is subject, or has voluntarily decided to be subject to, under the terms and for the purposes of article 2 of these Regulations.

The publicly accessible location of the texts of the corporate governance codes to which the issuer is subject should also be indicated (article 29-H, paragraph 1, sub-paragraph o).

Over the course of 2018, the Corporate Governance Code of the Portuguese Corporate Governance Institute (IPCG) entered into force in reference to 1 January 2018, thereby completing the transition process to a self-regulation model (soft law) in Portugal. This resulted in the revocation of the CMVM Corporate Governance Code (2013) as of the same date.

In this way, the IPCG Corporate Governance Code (2018) - subsequently revised in 2020 - now represents the only corporate governance code in Portugal for the purposes of article 2, paragraph 1 of CMVM Regulation no. 4/2013.

Therefore, and in accordance with the above provision of CMVM Regulation no. 4/2013, NOVABASE has adopted the Corporate Governance Code of the Portuguese Corporate Governance Institute (2018, as revised in 2020), which is available for consultation at <https://cgov.pt/>.

2. Analysis of compliance with corporate governance code adopted under the terms of article 29-H, paragraph 1, sub-paragraph n), a statement should be included on the degree of compliance with the corporate governance code to which the issuer is subject, specifying any parts of this code from which it deviates, and the reasons for doing so.

The information presented should include the following for each recommendation:

- a) Information to gauge compliance with the recommendation, or reference to the point in the report where the issue is described in more detail (chapter, title, point, page);
- b) Justification for any failure to comply or partial compliance;
- c) In the event of non-compliance or partial compliance, identification of any alternative means used by the company to achieve the same goal as the recommendation.

	Recommendation	Fulfilment	Remarks
	Chapter I. GENERAL		
	<p>General principle:</p> <p><i>Corporate Governance should promote and enhance the performance of companies and the capital market, and should establish the trust of investors, employees and the general public in the quality of the managing and supervisory boards and the sustained development of companies.</i></p>		
	I.1. Company's relation with investors and information		
	<p>Principle:</p> <p>Companies and, in particular, their managers should treat shareholders and other investors equally, namely by assuring mechanisms and procedures for the suitable processing and disclosure of information.</p>		
1	I.1.1. The company should establish mechanisms which, in a suitable and rigorous manner, ensure the timely disclosure of information to corporate boards, shareholders, investors, other stakeholders, financial analysts and the market in general.	Yes	Points 55 to 65
	I.2. Diverse composition and functioning of the company's governing bodies		
	<p>Principle:</p> <p>I.2.A Companies should ensure diversity in the composition of their governing boards and the use of criteria of individual merit within the respective designation procedures, which are of the exclusive power of the shareholders.</p> <p>I.2.B Companies should be equipped with clear, transparent decision-making structures, ensuring the utmost operating efficiency of their boards and committees.</p> <p>I.2.C Companies should ensure that the functioning of their boards and committees is properly recorded in meeting minutes, so as to provide an understanding of the decisions made as well as their grounds and the opinions expressed by their members.</p>		

2	1.2.1. Companies should establish criteria and requirements for the profile of new members of their governing bodies which are suited to the function to be performed. Besides individual attributes (such as expertise, independence, integrity, willingness and experience), these profiles should take into consideration general diversity requirements, paying particular attention to gender diversity that could potentially enhance the governing body's performance and balance its composition.	Yes	Points 16 and 19
3	1.2.2. The governing and supervisory boards and their internal committees should have internal regulations - namely regarding the exercising of their respective powers, chairmanship, meeting frequency, operation and table of duties of their members (published in full at the company's website) - with minutes of their meetings drawn up.	Yes	Points 21, 22, 27, 33 b) and 34
4	1.2.3 The composition and number of annual meetings of the managing and supervisory boards and their internal committees should be disclosed in full at the company's website.	Yes	Points 62
5	1.2.4. A policy should exist for reporting irregularities (whistleblowing) ensuring the appropriate means for their communication and handling, safeguarding the confidentiality of information conveyed and the identity of the whistleblower whenever so requested.	Yes	Point 49
I.3. Relationship between company boards			
<p>Principle:</p> <p>Corporate board members, above all directors, should lay the groundwork so that - to the extent of each board's responsibilities - judicious and efficient measures are taken and the company's boards act in a harmonious, coordinated manner with information suited to the performance of their respective duties.</p>			
6	1.3.1. The articles of association or equivalent instruments used by the company should have mechanisms to ensure that, within the limits of applicable legislation, members of the managing and supervisory boards have permanent access to all company information and employees to assess the performance, status and future prospects of the company, including meeting minutes, support documentation for decisions taken, meeting notices and the archives of executive managing board meetings, notwithstanding access to any other documents or persons who may be asked to give clarifications.	Yes	Points 21, 24 and 33 b)

7	1.3.2. Each of the company's bodies and committees should ensure a timely, suitable flow of information, from meeting notices and meeting minutes, as needed for all other boards and committees to perform their duties under the law and articles of association.	Yes	Points 21, 24 and 33 b)
I.4. Conflicts of interest			
<p>Principle:</p> <p>Conflicts of interest, whether actual or potential, should be prevented between the members of boards and commissions and the company. Members in conflict must not interfere in the decision-making process.</p>			
8	1.4.1. By internal regulations or equivalent means, members of the managing and supervisory boards and internal committees shall be obliged to notify the respective board or committee whenever there are facts which may constitute or give rise to a conflict between their interests and those of the company.	No	<p>Points 21 and 33 b)</p> <p>The internal regulations of NOVABASE's relevant corporate boards state that they must notify the respective body, in the decision-making context, whenever there are facts which may constitute or give rise to a conflict between their interests and those of the company, without the ability to exercise their voting rights in such case. Although this obligation is not provided for in a general sense, but only in the decision-making context, NOVABASE believes that the interests protected by this recommendation are ensured, since the information conveyed in the decision-making context is also relevant to the day-to-day running of the company in the event of situations of conflicts of interest, while also fulfilling the legal requirement provided for in the Commercial Companies Code.</p>
9	1.4.2. Procedures should be in place to ensure that a member in conflict does not interfere with the decision-making process, notwithstanding the obligation to provide information and clarifications requested by the board, commission or its respective members.	Yes	Points 21 and 33 b)
I.5. Transactions with related parties			
<p>Principle:</p> <p>Due to their potential risks, transactions with related parties must be justified by the company's interests and performed in normal market conditions, subject to the principles of transparency and proper oversight.</p>			

10	I.5.1. The managing board should disclose, in its governance report or by another publicly available means, the internal procedure for verifying transactions with related parties.	Yes	Points 89 and 91
11	I.5.2 The managing board should notify the supervisory board of the results of the internal procedure for verifying transactions with related parties, including the transactions subject to analysis, at least on a half-yearly basis.	Yes	Point 91 In 2021, NOVABASE had no transactions with related parties subject to the obligations of control laid out in the Internal Regulations on Transactions with Related Parties or the Securities Code. In fact, the transactions with related parties performed in 2021 were done on an arm's-length basis between NOVABASE and the respective affiliates under a control relationship with the company, and no party related to NOVABASE had interests in the affiliates in question, with such transactions being subject to the exemption provided for in article 29-U, sub-paragraph a) of the Securities Code and article 3, paragraph 2 of the Internal Regulations on Transactions with Related Parties.
Chapter II. SHAREHOLDERS AND GENERAL MEETING OF SHAREHOLDERS			
<p>Principles:</p> <p>II.A The proper engagement of shareholders is a positive factor in corporate governance, as an instrument for the company's efficient functioning and achievement of its corporate purpose.</p> <p>II.B The company should encourage shareholders to participate in the General Meeting of Shareholders as a venue for them to communicate with company boards and committees and reflect on the company.</p> <p>II.C The company should implement suitable means for shareholders to participate and vote remotely in the meeting.</p>			
12	II.1. The company should not require an excessively high number of shares for entitlement to voting rights, and should specify its choice in its corporate governance report when not following the principle of one share corresponding to one vote.	Yes	Point 12
13	II.2. The company should not adopt mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided for by law.	Yes	Point 14

14	<p>II.3. The company should implement suitable means for shareholders to participate in the General Meeting of Shareholders remotely, under terms proportional to its size.</p>	Yes	<p>Point 12</p> <p>Note that NOVABASE's 2020 and 2021 General Meetings of Shareholders were done exclusively via telemetric means, giving shareholders not only the option of voting via electronic correspondence or electronic means, but also the ability to participate via telematic means in the meeting and, in this context, change their vote previously cast during the meeting, as shown in documentation from these same General Meetings of Shareholders, duly published and available at NOVABASE's website.</p>
15	<p>II.4. The company should also implement suitable means for exercising voting rights remotely, including via correspondence and via electronic means.</p>	Yes	<p>Point 12</p> <p>Note also that NOVABASE's 2020 and 2021 General Meetings of Shareholders were done exclusively via telemetric means, giving shareholders not only the option of voting via electronic correspondence or electronic means, but also the ability to participate via telematic means in the meeting and, in this context, change their vote previously cast during the meeting, as shown in documentation from this same General Meetings of Shareholders, duly published and available at NOVABASE's website.</p>
16	<p>II.5. The company's articles of association that provide for the restriction of the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also foresee for a resolution by the General Meeting of Shareholders (5-year intervals) on whether that statutory provision is to be amended or prevails - without superior quorum requirements as to the one legally in force - and that in said resolution, all votes issued be counted, without applying said restriction.</p>	n/a	Points 12 and 13.
17	<p>II.6. Measures that require payment or the assumption of fees by the company in the event of change of control or change in the composition of the managing board, and which may impair the free transfer of shares and free assessment by shareholders of the performance of directors, shall not be adopted.</p>	Yes	<p>Points 4 and 84</p> <p>Furthermore, measures that require payment or the assumption of fees by the company in the event of change of control or change in the composition of the managing board, and which may impair the free transfer of shares and free assessment by shareholders of the performance of directors, shall not be adopted.</p>

	Chapter III. NON-EXECUTIVE MANAGEMENT AND OVERSIGHT		
	<p>Principles:</p> <p><i>III.A Corporate board members with non-executive management and supervisory functions should carry out effective, judicious oversight which challenges executive management to fully achieve the company's corporate purpose, supplemented by committees in central corporate governance areas.</i></p> <p><i>III.B The composition of the supervisory board and collection of non-executive directors should afford the company with balanced, proper diversity in terms of expertise, knowledge and professional backgrounds.</i></p> <p><i>III.C The supervisory board should constantly oversee the company's management, from a preventive standpoint as well, monitoring the company's activities and, in particular, decisions of central importance to the company.</i></p>		
18	<p>III.1. Notwithstanding the legal functions of the Chairperson of the Board of Directors, if the Chairperson is not independent, the independent directors must designate a coordinator (lead independent director) from among themselves for the following purposes: (i) serving, whenever necessary, as a spokesperson with the Chairperson of the Board of Directors and the other directors, (ii) ensuring that they have the necessary means and conditions to perform their duties; and (iii) coordinating them in assessing the performance by the managing board, as provided for in recommendation V.1.1.</p>	No	<p>Points 18 and 21</p> <p>In view of NOVABASE's corporate organizational model, which has several levels of internal control, the company does not believe that independent directors are necessary, as further explained in the above points in Part I of this report, together with the comments to recommendation III.3 below.</p> <p>The designation of a lead independent director per this recommendation is therefore not possible.</p> <p>With regard to the option of designating a lead non-executive director (in the absence of independent directors), in view of the size of the company, the Board of Directors and the number of non-executive directors, the company does not believe this position is necessary.</p> <p>In fact, given NOVABASE's agile and flexible structure since 2015, the non-executive directors have adequately coordinated their duties with no need for formal meetings called and run by one of these directors.</p> <p>Note also that, pursuant to the Board of Directors' regulations, there are various mechanisms in place for the efficient coordination and performance of its work, particularly for members with non-executive functions, by giving them access to information to sufficiently carry out their duties.</p>

19	III.2. The number of non-executive members of the managing board, together with the number of members of the supervisory board and number of members of the financial matters committee, should be suited to the company's size and the complexity of its business risks, but sufficient to effectively ensure the functions entrusted to them; the justifying grounds for this suitability should be included in the corporate governance report.	Yes	Points 18, 21, 31 and 32
20	III.3. In any case, the number of non-executive directors should exceed the number of executive directors.	Yes	NOVABASE has two executive directors and six non-executive directors.
21	<p>III.4 Companies should include a number not less than one third, but always multiple, of non-executive directors meeting independence requirements. For the purposes of this recommendation, independent persons are defined as those not associated with any specific interest group at the company, nor under any circumstances that may affect their exemption from analysis or decision, namely because of:</p> <ul style="list-style-type: none"> i. Having held a position on any company board, on a consecutive or non-consecutive basis, for more than twelve years; ii. Having been an employee at the company or at a company in a control or group relationship within the last three years; iii. Having, in the past three years, provided services or established a significant commercial relationship with the company or company with which it is in a control or group relationship, either directly or as a partner, board member, manager or director of a legal entity; iv. Receiving remuneration paid by the company or by a company with which it is in a control or group relationship, besides the remuneration arising from performing the duties of director; v. Living with a partner or a spouse, relative or any first degree next of kin and up to and including the third degree of collateral affinity of directors of the company, directors of a legal person with a qualified holding in the company or natural persons with direct or indirect qualified holdings; vi. Being a qualifying shareholder or representative of a qualifying shareholder. 	No	<p>Point 18</p> <p>In view of the company's size, its need for agility and efficient management, its shareholder structure and respective free float, its various levels of internal control (including supervisory boards completely comprised of persons independent from the management and qualified shareholders, with the important note that, under the Anglo Saxon corporate governance model previously in effect at the company, only those directors with positions on the Auditing Committee were independent), and the vast set of options benefiting shareholder participation and the exercising of rights, NOVABASE does not believe that independent directors are needed to ensure the protection of the interests of all stakeholders.</p>
22	III.5. The provisions of paragraph (i) of recommendation III.4 shall not impair the qualification of a new director as independent if, between the termination of his/her duties at any company board and his/her new designation, at least three years have elapsed (cooling-off period).	n/a	NOVABASE's Board of Directors has no independent directors.

23	III.6. In accordance with the powers entrusted to it by law, the supervisory board evaluates and gives its opinion on the strategic guidelines and risk policy, prior to their final approval by the managing board.	No	<p>There is currently no procedure allowing the Audit Board to give its opinion on these issues prior to their final approval by the Board of Directors.</p> <p>Nonetheless, pursuant to its regulations, the Audit Board has the power to evaluate the risk management done by the Board of Directors and give its opinion on the working plans and resources allocated to control services.</p> <p>With regard to monitoring, assessing and giving an opinion on the company's strategic guidelines, NOVABASE believes this function is achieved through the Audit Board's oversight of the risk management system, which inevitably includes overseeing the risks assumed by the company vis-à-vis strategic guidelines in place. In view of the Audit Board's supervisory and oversight function, NOVABASE believes that this board's involvement in matters involving the company's strategic guidelines should be limited.</p>
24	III.7. Companies should have specialized committees for corporate governance, appointments and performance evaluation, whether individual or combined. When a remuneration committee has been created per article 399 of the Commercial Companies Code, and when not prohibited from doing so by law, this recommendation may be fulfilled by entrusting these powers to this committee.	Yes	Point 27
Chapter IV. EXECUTIVE MANAGEMENT			
<p>Principles:</p> <p><i>IV.A As a means of boosting the managing board's efficiency and the quality of its performance, together with the adequate flow of information to this board, the day-to-day running of the company should be done by executive directors with suitable qualifications, expertise and experience. The executive management is in charge of managing the company, pursuing the company's goals and contributing towards its sustainable development.</i></p> <p><i>IV.B The company's size, the complexity of its business and its geographic dispersion - in addition to costs and the desired operating agility of the executive management - should be considered in determining the number of executive directors.</i></p>			
25	IV.1 The governing board should approve, through internal regulations or comparable means, the scheme for executive directors' activities applicable to their performance of executive duties at entities outside the group.	No	<p>Points 21 and 26</p> <p>On 25 May 2021, the Board of Directors approved the delegation of powers to managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira.</p>

			<p>NOVABASE's current managing directors do not perform any executive functions at entities outside the Group; as such, NOVABASE believes there is no need to establish a scheme for executive directors' activities applicable to their performance of executive duties at entities outside the Group, since this situation does not apply to NOVABASE, thereby safeguarding the interests that the recommendation in question aims to protect.</p> <p>Furthermore, with regard to the table in Point 26 of this report (on activities of directors in and outside the Group), the duties shown for managing director Álvaro José da Silva Ferreira, despite involving administrative functions, are not considered executive duties impacting his full availability to carry out his respective duties at NOVABASE.</p>
26	IV.2. The board of directors shall ensure that the company acts in accordance with its objectives, and shall not delegate powers with regard to the following: i) defining the strategy and general policies of the company; ii) organizing and coordinating the corporate structure; iii) matters considered strategic due to the amount, risk or particular characteristics involved.	Yes	Point 21
27	IV.3. In the annual report, the managing board clarifies the terms by which the strategy and main policies seek to ensure the company's long-term success, together with the main contributions resulting therefrom for the community in general.	Yes	Point 29 and 2021 Non-Financial Statement
Chapter V. PERFORMANCE EVALUATION, REMUNERATION AND APPOINTMENTS			
V.1 Annual Performance Evaluation			
<p>Principle:</p> <p>The company should evaluate the performance of the executive board and its individual members, together with the overall performance of the managing board and its specialized committees.</p>			
28	V.1.1. The managing board should evaluate its performance each year, together with the performance of its committees and executive directors, bearing in mind fulfilment of the company's strategic plan and budget, risk management, internal operation and each	Yes	Points 24 and 25

	member's contribution in this regard, together with relationships between the company's boards and committees.		
	V.2 Remuneration		
	<p>Principle:</p> <p>V.2.A. The remuneration policy for members of the managing and supervisory boards should allow the company to attract qualified professionals, at a cost economically justified by the situation, align its interests with those of shareholders – taking into account the wealth actually created by the company, its economic position and that of the market – and build a company culture which is professional and promotes merit and transparency.</p> <p>V.2.B. Directors should receive remuneration:</p> <ul style="list-style-type: none"> i) which adequately reciprocates the responsibilities assumed, availability and expertise made available to the company; ii) which ensures that actions are aligned with long-term shareholder interests, promoting the company's sustainability; and iii) which rewards performance. 		
29	V.2.1. The company should establish a remuneration committee, whose composition ensures independence vis-à-vis the management; said committee may be the remuneration committee referred to in article 399 of the Commercial Companies Code.	Yes	Points 66 and 67
30	V.2.2. The remuneration committee, or the general meeting of shareholders by proposal of this committee, should be responsible for determining remuneration.	Yes	Points 66 and 67
31	V.2.3. For each term of office, the remuneration committee, or the general meeting of shareholders by proposal of this committee, should also approve a ceiling on all compensation payable to a member of any company board or committee at the time of his/her dismissal/termination, disclosing this situation and its amounts in the corporate governance report or in the remuneration report.	Yes	<p>Points 83 and 84</p> <p>In view of the mandatory legal ceiling on compensation for undue dismissal, there is absolutely no practical advantage in establishing contractual restraints to the amount payable to a director in the event of consensual termination of duties.</p> <p>Furthermore, there are no agreements at NOVABASE for the payment of compensation to members of the Board of Directors in the event of resignation, nor has compensation of any kind been paid to any member of the Board of Directors or company committee due to dismissal/termination, beyond that provided for by law.</p>

32	V.2.4. With a view to providing information and clarifications to shareholders, the chairperson of the remuneration committee, or another member of this committee in the event of his/her impediment, should attend the annual General Meeting of Shareholders and any other meetings whose agenda includes matters related to the remuneration of members of the company's boards and commissions, or when such attendance has been requested by shareholders.	Yes	Point 67 The Chairperson of NOVABASE's Remuneration Committee was present at the 2021 General Meeting of Shareholders, via telematic means, to provide information and clarifications to shareholders.
33	V.2.5. Within the company's budgetary limits, the remuneration committee should be able to freely decide on the company's hiring of consulting services, as needed or convenient for carrying out its duties.	Yes	Point 67 NOVABASE's Remuneration Committee acts with complete autonomy, and may freely decide on NOVABASE's hiring of consulting services, as needed or convenient for carrying out its duties. The Remuneration Committee did not employ any natural or legal person to support it in performing these duties.
34	V.2.6 The remuneration committee must ensure that the services are provided independently, and that the service providers in question will not be hired to provide other services to the company, or to other companies in a group or control relationship with it, without the committee's express authorization.	Yes	Point 67
35	V.2.7 With a view to aligning interests between the company and executive directors, part of their remuneration should be variable, reflecting the company's sustained performance and discouraging the assumption of excessive risks.	Yes	Points 70 and 71
36	V.2.8. A significant part of the variable remuneration component should be partially deferred for a period not less than three years, so as to clearly associate it with sustainable performance, pursuant to the company's internal regulations.	Yes	Points 70, 72 and 74
37	V.2.9. When variable remuneration includes options or other instruments directly or indirectly dependent on the value of shares, the start of the exercise period should be deferred for at least three years.	No	Points 70 and 74 NOVABASE stock options attributed under the Plan for Options to Allot Shares may be exercised once exactly two years after their date of attribution (maturity date), notwithstanding the ability to exercise them exactly one year after their date of attribution, at which time the participant may exercise 50% or 100% of the batch of options attributed to him/her. Even so, it should be noted that the number of NOVABASE shares to be attributed under the plan, or the corresponding amount in cash under the net cash settlement option, is dependent upon the price of

			<p>NOVABASE shares on the relevant dates for participants to exercise options, thus making this remuneration component conditional upon the NOVABASE's continued positive performance.</p> <p>Furthermore, the shares representing NOVABASE's share capital corresponding to 50% of the options which may be exercised will be retained by NOVABASE for three years following the exercise date, and their ownership will not be transferred to the participant until the end of this period, conditional upon NOVABASE's positive performance during this time.</p> <p>As such, NOVABASE believes that, even though the options' exercise period is not deferred for at least three years, this remuneration component generally serves the company's long-term interests, and discourages excessive risk assumption.</p>
38	V.2.10. The remuneration of non-executive directors should not include any component whose value is subject to the performance or the value of the company.	No	<p>Point 77</p> <p>The remuneration of non-executive directors may include a variable component. The performance of remunerated duties by these members of the Board of Directors allows NOVABASE to leverage their extensive know-how acquired as company founders and accumulated over more than 20 years, especially since these directors continue to have major responsibilities in the Group. For this reason, this remuneration is fully justified.</p>
V.3. Appointments			
<p>Principle:</p> <p>Regardless of the means of designation, the profile, knowledge and background of the members of corporate and managing boards should be suited to the duties to be performed.</p>			
39	V.3.1. The company should, pursuant to terms deemed adequate and by demonstrable means, ensure that proposals for the election of company board members include a justification of the suitability of the profile, knowledge and background vis-à-vis the duties to be performed by each applicant.	No	<p>Point 16</p> <p>Proposals for the election of company board members submitted to the General Meeting of Shareholders were, generally speaking, accompanied by the academic and professional background of each of the candidates, demonstrating their academic and professional skills,</p>

			<p>professional experience and past or current key positions ,which NOVABASE believes demonstrates the suitability of the profile, knowledge and background vis-à-vis the duties in question.</p> <p>These CVs are available at all times at NOVABASE’s website.</p>
40	V.3.2. Unless not justified by the company’s size, the function of monitoring and supporting management staff appointments should be allocated to an appointment committee.	No	<p>Given the low number of directors (eight) and the company’s size and shareholder structure, NOVABASE has no appointment committee with the powers of monitoring and supporting management staff appointments. Furthermore, within the context of NOVABASE’s corporate governance model, its various corporate boards contribute towards this function: the Board of Directors is responsible for determining the composition of the Executive Committee, or the delegation of powers to the managing directors, and the assigned spheres of responsibility, the Audit Board is charged with hiring the Statutory Auditor and, finally, the General Meeting of Shareholders has the final say in electing members of the corporate boards.</p>
41	V.3.3. This committee includes a majority of non-executive independent members.	n/a	<p>Since the company has no appointment committee, this recommendation does not apply to NOVABASE.</p>
42	V.3.4. The appointment committee should provide its terms of reference and should have, to the extent of its powers, transparent selection processes with effective means of identifying potential applicants, choosing to propose those of most merit, best suited to the position’s requirements and affording the organization with sufficient diversity, including gender diversity.	n/a	<p>Since the company has no appointment committee, this recommendation does not apply to NOVABASE. Even so, bearing in mind the growing importance of equal opportunities together with the corporate understanding of diversity’s role in contributing towards improved performance and competitiveness, NOVABASE approved a diversity policy for its managing and supervisory boards so as to better match applicants to the demands of their positions and foster diversity in these boards. More information on this topic can be found in point 16.</p>

	Chapter VI. INTERNAL CONTROL		
	<p>Principle:</p> <p>Based on its medium and long-term strategy, the company should have a system for risk management and control and internal auditing to foresee and minimize the risks inherent to its business.</p>		
43	VI.1. The managing board should discuss and approve the company's strategic plan and risk policy, including the setting of limits with regard to risk exposure.	Yes	<p>Points 50 and 54</p> <p>On 13 December 2018, NOVABASE's Board of Directors approved a formal risk policy for the company.</p> <p>In the wake of in-depth strategic reflection beginning in 2018 on the company's future, in 2019 the Board of Directors decided to approve an updated strategy for 2019 and beyond (2019+ Strategic Update), whose key features were announced to the market on 25 July 2019.</p> <p>The principles of this policy have been defined and implemented by NOVABASE's Board of Directors, namely with regard to determining acceptable risk levels.</p>
44	VI.2. The supervisory board should organize itself internally, implementing periodic control procedures and mechanisms to ensure that the risks actually taken by the company are consistent with the managing board's goals.	Yes	Points 33 and 51
45	VI.3. The internal control system, including the functions of risk management, compliance and internal auditing, should be structured appropriately to the company's size and the complexity of the risks associated with its business; the supervisory board should evaluate it and, within the scope of its powers of overseeing the efficacy of the system, propose the adjustments deemed necessary.	Yes	Points 33, 50, 51 and 54
46	VI.4. The supervisory board should give its opinion on the working plans and resources allocated to the services of the internal control system, including the functions of risk management, compliance and internal auditing, with the ability to propose the adjustments deemed necessary.	Yes	Points 33, 50, 51 and 54
47	VI.5. The supervisory board should receive the reports produced by internal control services, including the functions of risk management, compliance and internal auditing, at least in the case of matters related to the provision of accounts, identifying or resolving conflicts of interest and detecting potential irregularities.	Yes	Point 33

48	VI.6. Based on its risk policy, the company should have a risk management function, identifying (i) the main risks to which it is exposed in its business, (ii) the likelihood of their occurrence and respective impacts, (iii) instruments and measures to mitigate them and (iv) procedures for monitoring them.	Yes	Points 53 and 54
49	VI.7. The company should establish procedures for overseeing, periodically evaluating and adjusting the internal control system, including an annual assessment of the degree of internal compliance and the performance of the system, including from the standpoint of changing the previously defined risk framework.	Yes	Points 50 and 54
Chapter VII. FINANCIAL INFORMATION			
VII.1 Financial information			
<p>VII.A. The supervisory board should, in an independent and diligent manner, ensure that the managing board fulfils its responsibilities in choosing appropriate accounting criteria and policies, and in establishing adequate financial reporting systems for risk management, internal control and internal auditing.</p> <p>VII.B. The supervisory board should properly coordinate internal auditing work with the legal review of the accounts.</p>			
50	VII.1.1. The supervisory board's internal regulations should require this board to oversee the adequacy of the process for preparing and disclosing financial information by the managing board, including the suitability of accounting policies, estimates, judgements, relevant disclosures and their consistent application between years, in a duly documented and properly communicated manner.	Yes	Point 33 b)
VII.2 Legal account review and oversight			
<p>Principle:</p> <p>The supervisory board is responsible for establishing and monitoring formal, clear and transparent procedures with regard to the company relationship with the statutory auditor, and with regard to overseeing the statutory auditor's fulfilment of rules for independence, as required by law and professional standards.</p>			
51	VII.2.1. The supervisory board should determine, through internal regulations and in accordance with the applicable legal scheme, oversight procedures aimed at ensuring the independence of the statutory auditor.	Yes	Point 33 b)

52	VII.2.2. The supervisory board should be the main spokesperson of the company's statutory auditor and the first recipient of the relevant reports, and is responsible for proposing relevant remuneration and ensuring that the proper conditions for the provision of services are provided within the company.	Yes	Point 33 b)
53	VII.2.3. The supervisory board should annually evaluate the work done by the statutory auditor, including its independence and suitability to perform its duties, proposing to the competent body that it be dismissed, or that its service provision agreement be terminated, whenever there are justified grounds for this purpose.	Yes	Point 33 b)

3. Other information

The company should provide any additional information or items not addressed in the above points and relevant to understanding the governance model and practices used.

ANNEXES

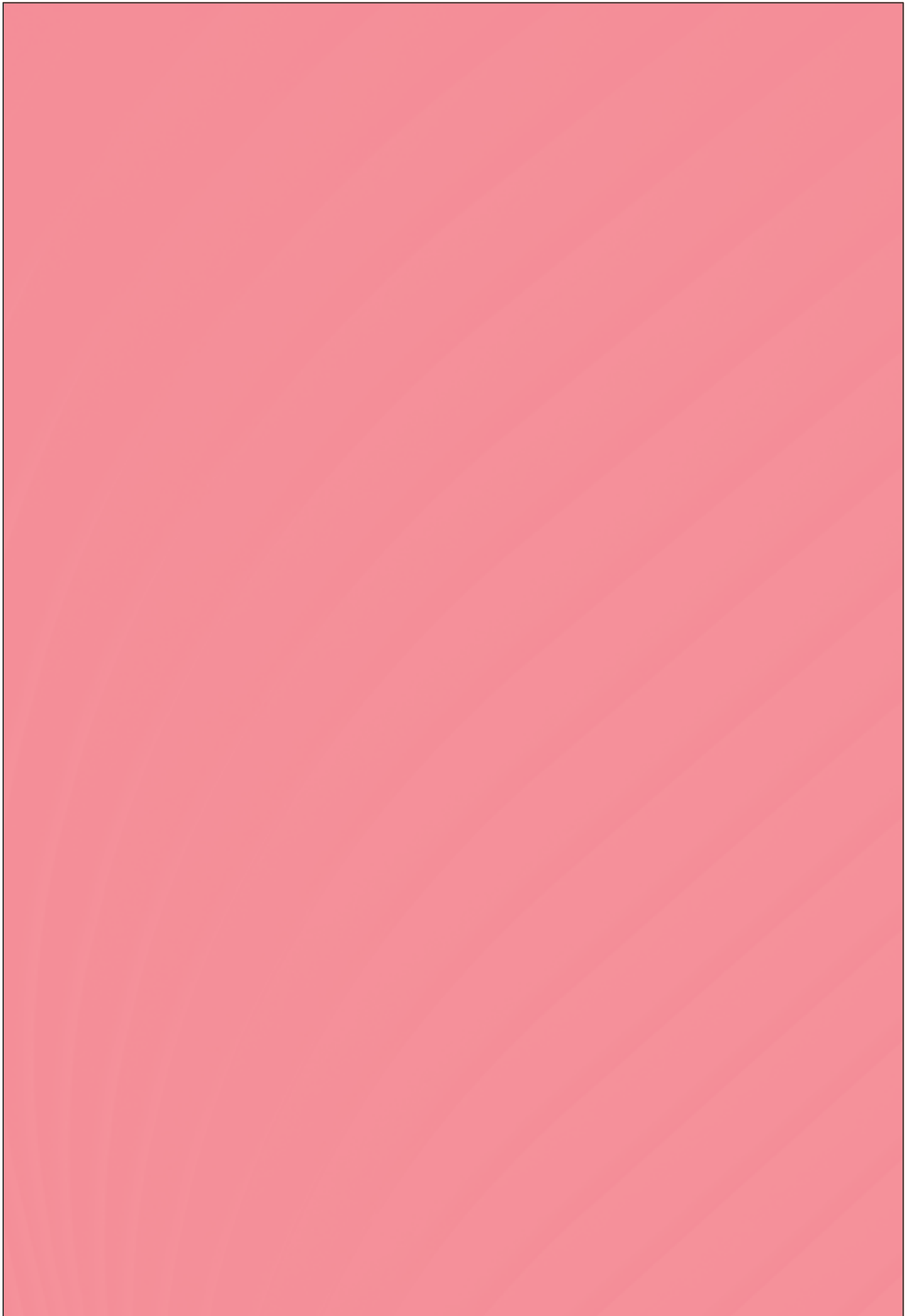
Annex I - Board of Directors' report on remuneration

Annex II - Remuneration Committee Report

2021

BOARD OF DIRECTORS' REPORT ON REMUNERATION

NOVABASE



NOVABASE Board of Directors report on remuneration

The Board of Directors of Novabase, SGPS, S.A. (“NOVABASE” or the “Company”) hereby approves and endorses this report on remuneration regarding the members of the NOVABASE Board of Directors and Supervisory Board, as well as the Statutory Auditor, under the terms and for the purposes of Article 26-G of the Portuguese Securities Code, bearing in mind the provisions of the Remuneration Policy for the members of the NOVABASE administration and supervisory bodies approved at the General Meeting of Shareholders of 25 May 2021 (“Remuneration Policy”). This report was prepared with the support of the Company’s Remuneration Committee.

The Board of Directors believes that the remuneration policy for the members of the NOVABASE administration and supervisory bodies should be clear and comprehensive and contribute to NOVABASE’s business strategy, long-term interests and sustainability.

I. Total remuneration broken down into the different components, including the proportions relative to fixed remuneration and variable remuneration

The total remuneration earned by the members of the NOVABASE Board of Directors and Supervisory Board in the 2021 financial year, broken down according to the different components applicable in the case of the members of the Board of Directors, may be consulted, respectively, in points 77 and 81 of the Corporate Governance Report for that year, which is attached to this report.

As referred to in the aforementioned report, directors Madalena Perestrelo de Oliveira, José Sancho García and Rita Wrem Viana Branquinho Lobo Carvalho Rosado were elected at the General Meeting of 25 May 2021 and the remuneration presented for these directors refers only to the post-election period.

Total remuneration paid in 2021 to the members of the Board of Directors elected at the 2021 General Meeting of Shareholders (fixed component + variable components)	€1,649,241.13
Total remuneration paid in 2021 to the members of the Board of Directors who stepped down at the 2021 General Meeting of Shareholders (fixed component + variable components)	€814,078.77
Total remuneration paid to the members of the Supervisory Board in 2021 (base values, before VAT or income tax)	€23,000.00
Total remuneration for 2021	€2,486,319.90

Director Rita Wrem Viana Branquinho Lobo Carvalho Rosado earned income in 2021 from other group companies in return for her duties as Head of Legal at the NOVABASE Group, which she continued to undertake following her election. These amounts are

listed in Point 78 of the Corporate Governance Report and are not included in the table above.

In relative terms, the variable remuneration paid in 2021 to the NOVABASE directors appointed at the 2021 General Meeting of Shareholders represented approximately 47.5% of the total annual remuneration earned by the directors for 2021, thus showing a reasonable balance between fixed and variable remuneration amounts.

In 2021, the members of the Board of Directors in office during 2021 were paid an additional €13,384.33 as meal allowances.

With regard to non-monetary benefits, as stated in the Remuneration Policy, complementary non-cash benefits may be allocated to the members of the NOVABASE board of directors under the terms and conditions to be decided on by the Remuneration Committee; these may include insurance (health, life, D&O and professional accidents, including while travelling), the provision of a vehicle and a mobile phone, as well as other non-cash benefits the Remuneration Committee may decide to allocate.

In 2021, the Remuneration Committee decided to allocate the following to the members of the Board of Directors in office during 2021:

- (i) the provision of a vehicle by the Company, having authorized the possibility of this vehicle being used not only for professional purposes but also for personal purposes if the director so chooses, within the corresponding legal and tax framework;
- (ii) additional health insurance as a complement to the health insurance they already benefit from and which includes, generally speaking, regular check-ups and international treatments with broad coverage.

The total value of these benefits throughout 2021 reached €43,304.71. Therefore, the weight of these benefits on their remuneration is of little relevance, representing less than 10% of total remuneration.

II. Framework of the remuneration in the context of the Remuneration Policy

The remuneration structure for the directors is made up of a fixed component and, when applicable, a variable component and these are evenly balanced, as detailed above.

The amounts of the fixed remuneration for NOVABASE directors were decided on by the Remuneration Committee at a meeting on 2 June 2021 and are paid once a month for 12 months. When making its decision, the Remuneration Committee took into account, on the one hand, the know-how and experience, the nature of the duties and the responsibilities undertaken by each director and, when applicable, the management duties performed and, on the other hand, market practices for similar responsibilities.

With regard to the variable component of cash remuneration, in order to determine the variable remuneration allocated to the directors for their performance in 2020, the Remuneration Committee considered that the remuneration policy previously in force at the company (which was in force during 2021), particularly the decision previously made

by the General Meeting of Shareholders of April 2009, which set the general guidelines for the remuneration conditions for all directors and was reiterated at several of the General Meetings held in recent years.

The determination of variable cash remuneration was associated with the performance of the NOVABASE directors and their duties, as well as the performance of the Company.

In particular, the performance of NOVABASE in 2020 was considered remarkably positive in the most relevant aspects for the success and sustainability of the company – especially bearing in mind the demanding and uncertain context created by the COVID-19 pandemic – the Remuneration Committee paid special attention to the following data in the determination of the variable remuneration.

- **Strategy**
 - Acquisition of all the shares in Celfocus, making it possible to unify and accelerate the transformation of the Next-Gen business segment, as well as the synergies arising therefrom;
 - Sale of the Collab business with earn-out;
- **Financial indicators**
 - 10% (organic) growth in turnover and 11% in the Next-Gen segment;
 - EBITDA margin of 9.5%;
 - Net income of €7.5m or €0.24/share;
 - Net cash of €51.5m;
- **Shareholder value**
 - Total shareholder return of +24% (vs -6% in the PSI20 and +14% in the EuroStoxxTech);
 - Increase in visibility and liquidity of NBA shares;
- **Governance and sustainability**
 - Good operation of the company's governing bodies, particularly the Board of Directors and the Executive Committee, for their flexibility and assertiveness in the pursuit of the interests of the company;
 - Very effective management of the COVID-19 crisis, always putting health and safety in first place, as can be seen from the results of the internal questionnaires answered (98% trust the NOVABASE leadership to make the right designs, with 83% have a high or extremely high degree of trust);
 - Updating of policies and regulations for improving transparency, supervision mechanisms, corporate governance and the sustained creation of value;
 - Implementation of diversity and gender equality initiatives.
 - Improvement of 52% in the relevant environmental indicators (annual average), such as consumption, rate of recycling, waste production and CO2 emissions; the pandemic had a positive impact on this reduction;
 - Improvement in the client and geographic area risk profile.

The variable remuneration of directors José Afonso Oom Ferreira de Sousa and Pedro Miguel Quinteiro Marques de Carvalho is justified by their availability and enormous commitment in critical company issues. Deserving of a special mention is their involvement in and contribution to the preparation of the new term of office, which is particularly demanding given the significant change in context (Strategic Update 2019+ of the company and pandemic situation).

In 2021, the Remuneration Committee also decided to pay only half of the amount allocated to each director in office in 2020, as variable remuneration, deferring the remaining 50% for payment in the three following years (2022, 2023 and 2024).

With regard to the variable remuneration allocated in 2021 to managing directors Luis Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and to the director with special duties, María del Carmen Gil Marín, through the allocation of share options under the scope of the NOVABASE Share Options Plan approved at the NOVABASE General Meeting of Shareholders of 26 September 2019 (“**Share Options Plan**”), this took into account the responsibility inherent to these duties, engaged in full time, which include day-to-day running of the Company (in the case of the managing directors) and responsibility for different areas relevant to the business of the NOVABASE Group (in the case of director María del Carmen Gil Marín).

Considering that the number of NOVABASE shares to be allocated under the Share Options Plan, or the corresponding cash amount in the event of choosing a cash settlement, is dependent on NOVABASE share prices on the relevant dates of exercise of the options by the participants in the plan, it should be noted that this remuneration component is conditional on the continued positive performance of the Company.

It should also be noted that the shares representing the share capital of NOVABASE corresponding to 50% of the options exercised by the participant will be retained by NOVABASE for a period of three years from the date of exercise, their ownership only being transferred to the participant after this time has passed and conditional on the continued positive performance of NOVABASE throughout this time.

The main terms and conditions of the Share Options Plan are described in points 70 and 74 of the Corporate Governance Report.

Regarding the Supervisory Board, the remuneration of its members follows a strict model insofar as it consists of annual fixed remuneration; no form of variable remuneration is provided for under the law.

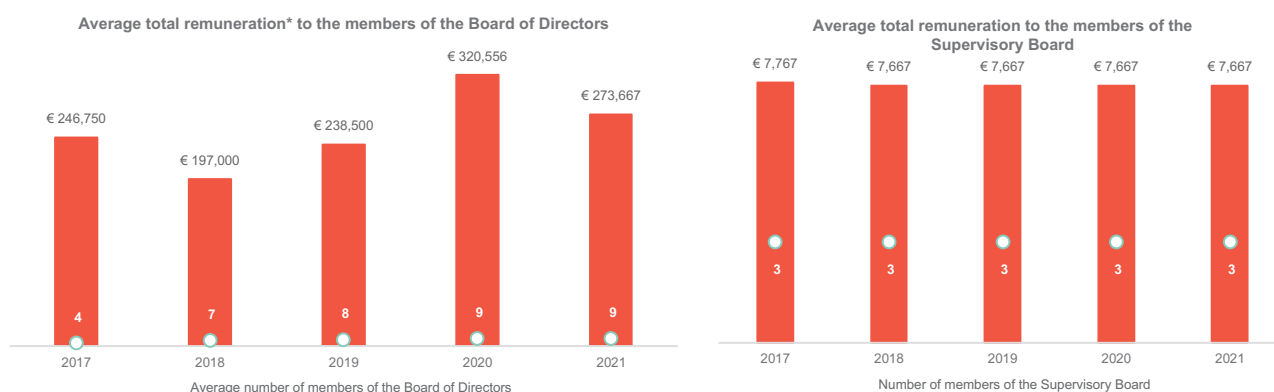
The Statutory Auditor is paid according to normal market practices and conditions for the type of services in question, in accordance with the service agreement signed with the auditor following a proposal to this end from the Company’s Supervisory Board.

Under these terms, the total remuneration is deemed to comply with the NOVABASE Remuneration Policy, contributing to the long-term performance of the company, bearing in mind the aforementioned determination criteria and the mechanisms for remuneration deferral.

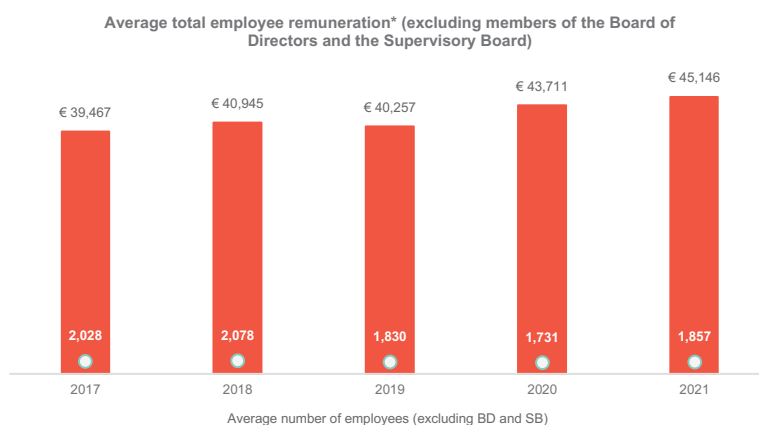
III. Annual variations in remuneration, the performance of the Company and the average salary of employees

The changes in payments to the governing bodies compared to the remaining employees is shown in the graphs below. The variations presented reflect the Remuneration Policy, prepared according to the provisions of the applicable law, in particular Article 26-C of the Portuguese Securities Code, and the characteristics of NOVABASE, the sectors it operates in and, especially, the current context at NOVABASE, which is undergoing a process of redefinition and strategic internal updating in order to reposition the Company in certain sectors, with the ultimate goal of creating more value for the NOVABASE shareholders in the medium and long term.

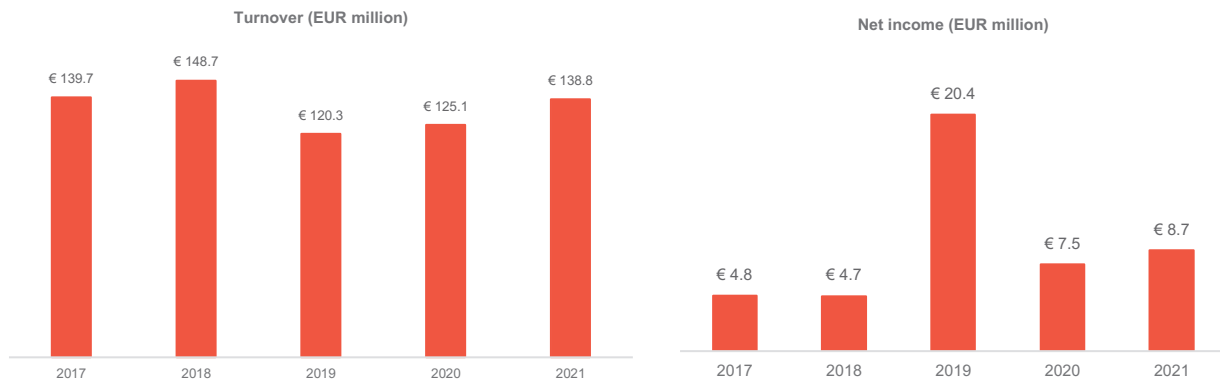
Both the variations in payments to the members of the Board of Directors and to employees show an increasing trend over the period being analysed, which in turn shows a positive correlation with the changes in the Turnover and Net Income of the Company (with the exception of the changes in annual turnover in 2019 due to the sale of the government, transport and energy (GTE) business, as the market was informed of in November 2019). The average value for the members of the Supervisory Board has been stable since 2017.



*Total remuneration refers to the fixed and variable remuneration processed each year.



*Total remuneration refers to fixed and variable remuneration. To calculate average employee remuneration, the payroll costs for each year were taken into account, less the costs referent to the governing bodies (Board of Directors and Supervisory Board).



IV. Remuneration arising from companies belonging to the same group, as defined in Article 2(1)(g) of Decree Law 158/2009 of 13 July

In general, the directors of NOVABASE and the members of the Supervisory Board are paid only by this entity, not earning any other remuneration from any other company in a control or group relationship with NOVABASE or any company subject to common control with NOVABASE, with the exception of the remuneration paid by Novabase Serviços, S.A., a company indirectly held by NOVABASE, to director Rita Wrem Viana Branquinho Lobo Carvalho Rosado, corresponding to her work as Head of Legal at the NOVABASE Group during 2021, before and after she was appointed director, which she engages in under a service agreement. This remuneration is broken down in Point 78 of the Corporate Governance Report.

V. Number of shares and share options granted or offered and the main conditions for exercising the rights, including the prices and the date such rights were exercised and any changes in these conditions

Under the terms and conditions of the NOVABASE Remuneration Policy, the variable remuneration of NOVABASE directors may be made up of the following components: (i) variable cash remuneration associated, among other factors referred to below, with the performance of NOVABASE, with this remuneration being determined annually; and (ii) participation in the Share Options Plan.

The main terms and conditions of the Options Plan are described in points 70 and 74 of the Corporate Governance Report.

On 2 June 2021, the Remuneration Committee unanimously voted to name managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and director with special duties, María del Carmen Gil Marín, as participants in the Options Plan, having decided to allocate to these directors, respectively, 250,000 (two hundred and fifty thousand), 200,000 (two hundred thousand) and 75,000 (seventy-five thousand) Company share options. These options were assigned an adjusted strike price of €1.801 per share.

Under the terms of the regulations for this plan, the options allocation under the scope of the membership contract signed with these participants on 1 June 2021 was part of a single batch and may be exercised once only on the date of the second anniversary of the date of allocation (1 June 2023) (maturity date), without prejudice to the option to exercise on the first anniversary (1 June 2022).

VI. Possibility of requesting a refund of a type of variable remuneration

The Remuneration Policy does not provide for mechanisms to regulate the possibility of requesting a refund of the variable remuneration earned by the directors of NOVABASE. Nevertheless, as provided for in this policy, insofar as the performance of NOVABASE is one of the criteria for determining the variable remuneration of the members of the administrative body, any deterioration in this may justify, according to the actual circumstances, limitation of such remuneration under the terms and conditions to be decided by the Remuneration Committee.

VII. Information on any departure from the procedure for the application of the Remuneration Policy and on any derogation applied, including an explanation of the nature of the exceptional circumstances and an indication of the specific elements that were subject to derogation

During 2021 and since the Remuneration Policy came into force, there has been no departure from the application procedure for the Remuneration Policy nor any derogation from this policy.

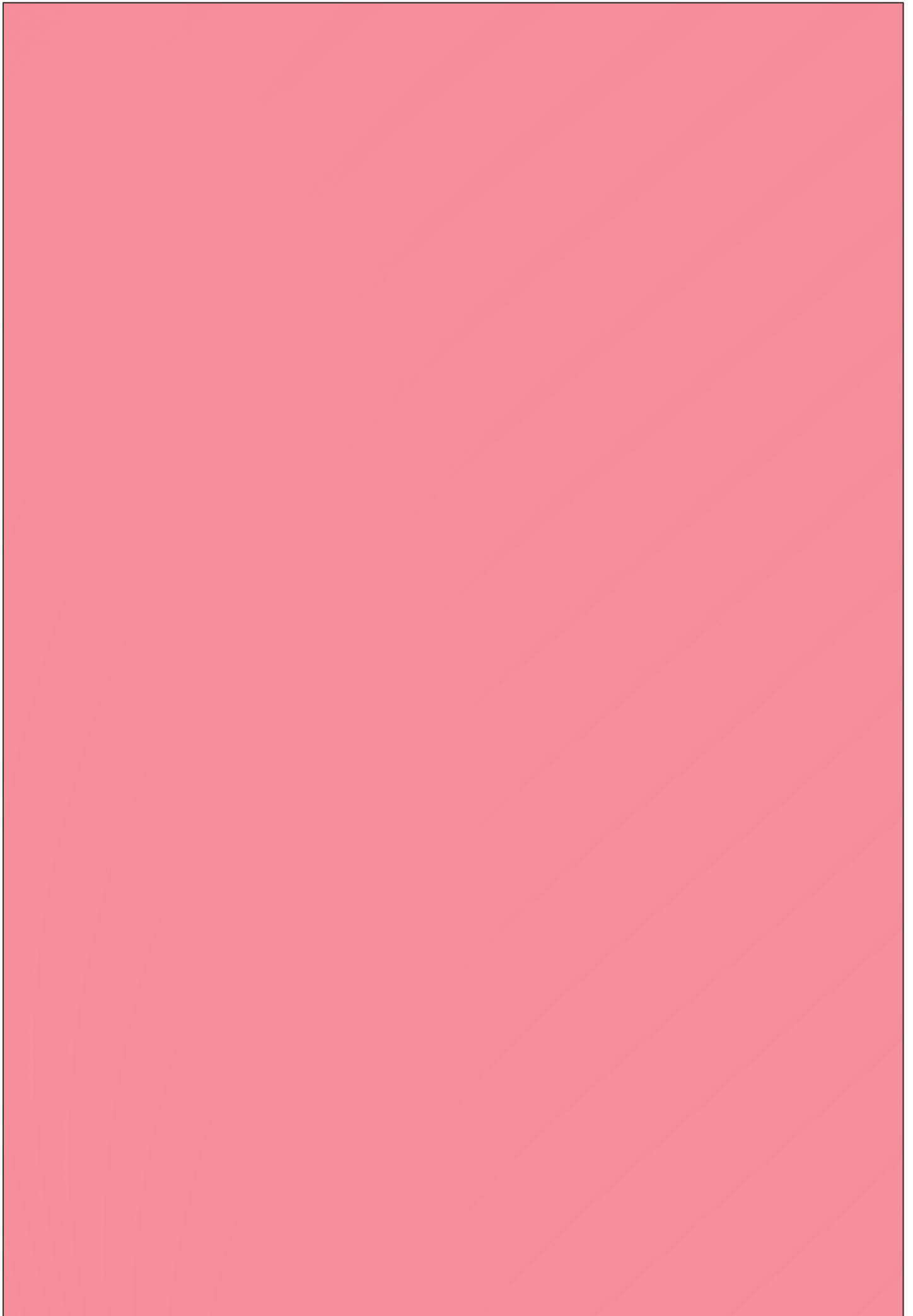
27 April 2022

The Board of Directors of NOVABASE,

2021

**REPORT OF THE
RENUMERATIONS
COMMITTEE**

NOVABASE



Report of the Remunerations Committee regarding the 2021 Financial Year

The Remunerations Committee of Novabase SGPS (RC) met twice in the 2021 financial year, through telematic means on April 23, 2021 and at the company's office on June 2, 2021.

This Remunerations Committee (RC) is composed by Francisco Luís Murteira Nabo (Chairman) and the members Pedro Rebelo de Sousa and João Quadros Saldanha. All members were present at the meetings referred to above.

The RC's work was framed in this financial year by the remuneration policies applicable to the corporate bodies that were approved by the shareholders at the General Meeting.

This report summarizes the decisions of the remunerations committee taken during the 2021 financial year.

The RC further states that, during the 2021 financial year and since the entry into force of the Remuneration Policy (as set out below), there has been no deviation from the implementation procedure of the Remuneration Policy or any derogations regarding said policy.

Prior Note:

As usual, the remunerations committee clarifies that the decisions regarding variable remunerations mentioned in this report relate to decisions taken by the RC in 2021 and, therefore, such decisions were taken with reference to the directors' performance in 2020.

After this clarification, below is a summary of the decisions taken by the RC.

AT THE MEETING OF APRIL 23, 2021:

About the remuneration policy of the members of the management and supervisory board of the Company, under the Portuguese Securities Code, as amended by Law no. 50/2020 of August 25, to be proposed to the General Meeting of Shareholders.

It was resolved to unanimously approve the remuneration policy of the members of the management and supervisory board of NOVABASE SGPS elaborated by the members of the RC and propose said remuneration policy to the Annual General Meeting of Shareholders of Novabase SGPS that took place on May 25, 2021. It was further unanimously resolved, and considering that said General Meeting should also resolve about the election of the corporate bodies of Novabase SGPS for the three-year period 2021-2023, including the Remuneration Committee, that the proposal approved should be subject to the suspensive condition of the members of the RC being elected to perform such positions for the mandate correspondent to the three-year period 2021-2023 in such General Meeting.

AT THE MEETING OF 2 JUNE, 2021:

At this meeting, before entering the agenda, the Chairman of the Remuneration Committee mentioned, as an introductory note, that at the General Meeting of Novabase SGPS of May 25, 2021 was approved a Remuneration Policy of the Members of the Management and Supervisory Board of Novabase SGPS ("**Remuneration Policy**") under the terms of article 26.^o-A et seq. of the Portuguese Securities Code, as amended

by Law no. 50/2020, of 25 August, as proposed by this Remuneration Committee, under the terms of the resolution proposal dated as of April 29, 2021.

The Remuneration Policy, which is available at the Company's website, entered into force on the date of its approval by the General Meeting of Novabase SGPS, whereby the Remuneration Committee shall determine, since the respective entry into force, the remunerations of the members of the corporate bodies of Novabase in accordance with said policy, as well as supervise and oversee the enforcement and compliance of the same.

In this sense, the resolutions taken concerning the remuneration to be earned in the 2021 financial year by the members of the management and supervisory board of Novabase SGPS comply with the provisions of the approved Remuneration Policy.

About the remuneration of the members of the General Meeting Board of Novabase SGPS for the 2021 financial year.

At the General Meeting of Novabase SGPS held on May 25, 2021 were elected, respectively, to the positions of President and Secretary of the General Assembly Board, António Manuel da Rocha e Menezes Cordeiro and Catarina Maria Marante Granadeiro.

It was resolved to assign to the members of the Board a remuneration in attendance vouchers for each General Assembly meeting. For the President the amount defined is EUR 3,000 (three thousand euros) and for the Secretary of EUR 2,000 (two thousand euros). These amounts were not updated in relation to the previous year. These deliberations were taken unanimously.

About the fixed remuneration of the Directors of Novabase SGPS for the 2021 financial year.

At the General Assembly of Novabase SGPS held on May 25, 2021 were elected for the company's management positions: (i) Luís Paulo Cardoso Salvado as Chairman, (ii) Álvaro José da Silva Ferreira, (iii) María del Carmen Gil Marín, (iv) Rita Wrem Viana Branquinho Lobo Carvalho Rosado, (v) José Afonso Oom Ferreira de Sousa, (vi) HNB – S.G.P.S., S.A., which nominated to perform the position under its own name, under the terms of article 390 no. 4 of the Commercial Companies Code, Madalena Paz Ferreira Perestrelo de Oliveira, (vii) Pedro Miguel Quinteiro Marques de Carvalho, and (viii) José Sancho Garcia, all as members.

Subsequently, at the Board of Directors meeting held on the same day – May 25, 2021 – it was decided to delegate the every-day management of Novabase SGPS on the delegated-directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira. At the same meeting, it was also decided to grant special responsibilities (*encargos especiais*) to the director María Del Carmen Gil Marín, under the terms of number 1 of article 407 of the Commercial Companies Code, and it was decided that this director would be in charge of the business area related to Novabase Capital and for the areas of relationships with investors, marketing and communication and information technology (IT).

Thus, in view of the above, it was unanimously decided to set the following annual gross amounts for each member of the Board of Directors, to be paid in 12 monthly instalments, that consider, on the one hand, their know-how and experience, the nature of their functions and responsibilities and, when applicable, the management functions performed and, on the other hand, market practices for similar responsibilities, as well as the context described above:

- Luís Paulo Cardoso Salvado (Chairman of the Board of Directors/ CEO / delegated-director) – EUR 324,000 (three hundred and twenty four thousand euros);
- Álvaro José da Silva Ferreira (delegated-director) – EUR 270,000 (two hundred and seventy thousand euros);
- María del Carmen Gil Marín (director with special responsibilities) – EUR 180,000 (one hundred and eighty thousand euros);
- Rita Wrem Viana Branquinho Lobo Carvalho Rosado (non-executive director) – EUR 20,000 (twenty thousand euros);
- José Afonso Oom Ferreira de Sousa (non-executive director) – EUR 42,000 (forty two thousand euros);
- Madalena Paz Ferreira Perestrelo de Oliveira (non-executive director) – EUR 42,000 (forty two thousand euros);
- Pedro Miguel Quinteiro Marques de Carvalho (non-executive director) – EUR 42,000 (forty two thousand euros);
- José Sancho Garcia (non-executive director) – EUR 42,000 (forty two thousand euros).

Additionally, it was referred that, as stated at the Annual General Meeting of Novabase referred above, the director Rita Wrem Viana Branquinho Lobo Carvalho Rosado will keep on performing the legal tasks in a participated entity of the group, maintaining the terms and conditions.

The total annual fixed remuneration of the Directors of Novabase SGPS is now defined at EUR 962,000, compared to EUR 1,340,340 in 2020.

Variable remuneration of the Directors of Novabase SGPS, related to performance in the 2020 financial year.

It was referred by the President of the RC that all decisions regarding the variable remuneration of the directors contained in this point are related to the performance of the same throughout the 2020 financial year, so in its determination it was considered the remuneration policy previously in force at the Company, specially the decision previously taken by the General Meeting of April 2009 that set the general lines of the remuneration conditions of the directors and that was reiterated in the several General Meetings held in the last years.

The 2020 performance was especially positive in the most relevant aspects for the success and sustainability of the company – especially given the demanding and uncertain context generated by the Covid-19 pandemic – of which we highlight:

- Strategy
 - Acquisition of the total shareholding at Celfocus enabling unification and accelerating the transformation of the business segment Next-Gen, in addition to the resulting synergies;
 - Disposal of Collab business with capital gains;
- Financial Indicators
 - Growth (organic) of turnover by 10%, being 11% in the Next-Gen segment;
 - EBITDA of 9,5%
 - Net profit of 7,5M or 0,24€/share;
 - Net cash of 51,5M€;
- Shareholder Value

- Total Shareholder Return of +24% (Vs. -6% of PSI20 and +14% of EuroStoxxTech);
- Increase in the visibility and liquidity of the security NBA;
- Governance and Sustainability
 - Good functioning of the corporate bodies of the company, in particular of the Board of Directors and the Executive Committee, for its agility and assertiveness in pursuing the company's interests;
 - Management of the Covid-19 crisis in an efficient manner, always putting safety and health first, as confirm the results of the internal inquiries performed (98% trust the leadership of Novabase to make the right decisions, whereby 83% are very or extremely trusting);
 - Update of policies and regulations to improve transparency, monitoring mechanisms, corporate governance and sustained value creation;
 - Implementation of diversity and gender equality initiatives.
 - Improvement of 52% in the relevant environmental indicators (annual average), as consumptions, recycling rate, waste production and emissions of CO₂; The pandemic had a positive impact in this reduction;
 - Improvement on the risk profile of clients and geographies.

Therefore, the RC unanimously decided to attribute to each of the following directors in office in 2020, and without prejudice of the provisions of points four and five below, the following amounts:

- Luís Paulo Cardoso Salvado (Chairman of the Board of Directors on a full-time basis / full-time Chairman) – EUR 318,160 (three hundred and eighteen thousand, one hundred and sixty euros);
- João Nuno da Silva Bento (Chairman of the Executive Committee / CEO) – EUR 318,160 (three hundred and eighteen thousand, one hundred and sixty euros);
- Álvaro José da Silva Ferreira (executive director) – EUR 199,380 (one hundred and ninety nine thousand and three hundred and eighty euros);
- María del Carmen Gil Marín (executive director) – EUR 159,080 (one hundred and fifty nine thousand and eighty euros);
- Francisco Figueiredo Morais Antunes (executive director) – EUR 159,080 (one hundred and fifty nine thousand and eighty euros);
- Paulo Jorge de Barros Pires Trigo (executive director) – EUR 201,170 (two hundred and one thousand and one hundred and seventy euros);
- José Afonso Oom Ferreira de Sousa – EUR 63,630 (sixty three thousand and six hundred and thirty euros);
- Pedro Miguel Quinteiro Marques de Carvalho – EUR 63,630 (sixty three thousand and six hundred and thirty euros).

The total variable remuneration of the Directors of Novabase SGPS regarding their performance in the 2020 financial year corresponds, therefore, to EUR 1,482,290 (one million four hundred and eighty two thousand and two hundred and ninety euros), which compares to EUR 2,596,679 regarding the performance in the 2019 financial year.

The variable remuneration of the directors José Afonso Oom Ferreira de Sousa and Pedro Miguel Quinteiro Marques de Carvalho is justified by their availability and great commitment in critical matters for the company. In particular, the involvement and contributions in the preparation of the new mandate shall be highlighted, which is

particularly demanding given the significant change in the context (Strategic Update 2019+ of the company and pandemic situation).

On deferring of the payment of part of the amounts attributed as variable remuneration

It was also unanimously resolved to pay in 2021 only half of the amount granted to each director in office in 2020, as variable remuneration, and delay the remaining 50% for payment during the next three years (2022, 2023 and 2024). Therefore, in each of these years, 1/3 of this second half of the amount now granted will be paid, subject to the positive performance of the company during such periods, in line with what was resolved and implemented from 2011 to 2020.

On pension supplements for directors receiving variable remuneration

In light of the current and foreseeable economic environment for the national economy in the medium and long term, under which great difficulties will remain due to the weight of external private or public debt, to which will be added, in the short term, a very significant demographic pressure, which will emphasize the viability and sustainability risks affecting pensions systems (national and european), it will be a prudent practice, and in that sense it is unanimously resolved:

- (i) To channel 20% (twenty per cent) of the funds allocated as fixed remuneration in point two above to each of the executive directors – namely, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira e María del Carmen Gil Marín – to reinforce capitalization insurance contributions currently in force in the Company in lieu of payment of that part of the fixed remuneration, under the terms foreseen in Clause 5 of the Remuneration Policy;
- (ii) To channel the funds allocated in point three above as variable remuneration (as the ones previously deferred) to reinforce capitalization insurance contributions currently in force in the company in lieu of payment of such variable remuneration.

On the allocation of stock options of the company, under the terms of the Stock Options Plan Regulation approved at the General Meeting of the Company held on September 26, 2019

As provided for in the Remuneration Policy, the variable remuneration of the members of the management body of Novabase SGPS may consist, namely, of plans based on securities of Novabase SGPS, notably the participation in the Stock Options Plan of the Company approved in the 2019 General Meeting (“**Plan**”) as well as the regulation of the referred plan (“**Regulation**”) currently in force.

All capitalized terms that are not defined hereafter shall have the same meaning that is attributed to them in the Regulation.

Given the current social-economic context, the Remuneration Commission considers that the attribution of a variable remuneration, to the two delegated-directors and to the director with special responsibilities, through participation in the Plan, seems to be an adequate way to remunerate these members for the functions exercised and inherent responsibilities, reinforcing at the same time the alignment of the interests of management with the interests of the Company, in the medium and long term, as well as its sustainability, given the characteristics of the Plan.

Under these terms, and considering the functions to be performed by Luís Paulo Cardoso Salvado, Chairman of the Board of Directors, CEO and delegated-director, and by Álvaro José da Silva Ferreira, delegated-director, both will be in charge of the day-to-day management of the Company, with the inherent responsibility to such positions to be performed on a full-time basis, as well as the duties and responsibilities attributed to the director María del Carmen Gil Marín, who is responsible for several areas relevant to the business of Novabase group, it was unanimously decided to attribute to the referred directors the following Stock Options of the Company under the Regulation:

- Luís Paulo Cardoso Salvado- 250 000 Stock Options;
- Álvaro José da Silva Ferreira - 200 000 Stock Options;
- María del Carmen Gil Marín -75 000 Stock Options.

The adherence of these directors to the Plan shall be effected through the execution of a contract between them and the Company, under the terms of Clause 5.1 of the Regulation, and their participation in the Plan shall be governed by the provisions of said Regulation.

The "Date of Granting" to be considered for the Options now granted (525,000) is June 1, 2021.

Any additional granting of Options to the same directors will be deferred to a future date, depending on their performance in the execution of the company's Strategic Update 2019+, as well as to other directors, as applicable and under the terms set forth in the Stock Options Regulation.

About the attribution of fringe benefits to the members of the Board of Directors

In addition to the fringe benefits granted to the members of the Board of Directors under the terms of the remuneration practices in force in Novabase group and applicable to its employees (including, health insurance and food allowance), it was resolved by the Remuneration Committee to grant the members of the Board of Directors, as a fringe benefit, the provision of a vehicle by the Company, authorizing the possibility of using such vehicle not only for professional purposes but also for personal purposes, should the director so determine, within the corresponding legal and tax framework.

It was further resolved to attribute to the members of the Board of Directors an additional health insurance as a complement to the health insurance they already benefit from and which includes, in general terms, regular check-ups and international treatments with broad coverage. It was also resolved to authorize the Board of Directors, within the framework and limits now exposed, to proceed with the analysis, selection and contracting of this health insurance with an insurance company, national or international, with proven reputation in the industry.

On the remuneration of the members of Novabase SGPS Supervisory Board for the 2021 financial year

At the General Meeting of Novabase SGPS held on May 25, 2021 were elected to be part of the Supervisory Board: Álvaro José Barrigas do Nascimento as President and Fátima do Rosário Piteira Patinha Farinha and João Luís Correia Duque as members.

Entering item sixth on the agenda, it was stated that, in accordance with article 422.º - A of the Commercial Companies Code and the Remuneration Policy, the remuneration of the members of the supervisory board shall consist of a fixed amount and in line with

market practice. Under these terms, the following fixed remunerations are attributed for the 2021 financial year:

- Álvaro José Barrigas do Nascimento (Chairman) - EUR 10,000 (ten thousand euros);
- Fátima do Rosário Piteira Patinha Farinha - EUR 7,500 (seventy five hundred euros);
- João Luís Correia Duque- 7,500 EUR (seventy five hundred euros).

These amounts were updated by a total of EUR 2 000 (two thousand euros) in relation to the previous year, in order to align them with market practices.

It was also mentioned that, as communicated to this RC by the Chairman of Novabase's Supervisory Board, member João Luís Correia Duque was declared temporarily prevented from starting his functions as such, following the communication sent by this member to the Supervisory Board, having been replaced in the position by the alternate member Manuel Saldanha Tavares Festas until the end of the respective impediment. In this sense, the remuneration decided for this member will be received by the alternate member, in a proportional way to the period of time he is in office, and the referred remuneration shall be received by the member João Luís Duque Correia after the termination of his current impediment, also in a proportional way to the period of time he will effectively be in office at Novabase's Supervisory Board.

On the remuneration of the Chartered Accountant for the 2021 financial year

Under the terms of the Remuneration Policy, it was unanimously resolved that the Chartered Accountant be remunerated in accordance with normal market remuneration practices and conditions for the type of services in question, in accordance with the service agreement entered into with the Chartered Accountant following a proposal to that effect from the Company's Supervisory Board.

On the enforceability or unenforceability of payments relating to the dismissal or termination of appointment of directors

In this regard, since the matter in question is already duly provided for and regulated by law, it was unanimously resolved not to attribute to the Company's directors any right to receive damages or compensation beyond what is legally provided for, nor to establish any general prohibition for the Company to establish such compensations in the future, if and when it sees fit.

Lisbon, March 28, 2022

The Remunerations Committee

Francisco Luís Murteira Nabo (Chairman)

Pedro Rebelo de Sousa (Member)

João Quadros Saldanha (Member)