

SEMAPA– SOCIEDADE DE INVESTIMENTO E GESTÃO, SGPS, S.A.

2023 ANNUAL GENERAL MEETING

REMUNERATION POLICY

(2021-2024)

(1st AMENDMENT)

REMUNERATION COMMITTEE’S PROPOSAL

REMUNERATION POLICY
OF THE DIRECTORS AND THE AUDITORS
OF SEMAPA
(2021 TO 2024)

The Remuneration Committee of Semapa – Sociedade de Investimento e Gestão, SGPS, S.A. (“Semapa”) has analysed and reviewed the Remuneration Policy for its directors and auditors in force from 2021 to 2024 and adopted at Semapa's Annual General Meeting of 2021, in view of strengthening its alignment with sustainability and preserving Semapa's long-term interests in line with good market practices.

The remuneration policy is the exclusive responsibility of the Remuneration Committee, which has three members, all independent from the Board. According to the law, it must be approved by the General Meeting at least every four years and whenever a relevant change occurs, as was the case with this Policy.

In its work, namely in determining, reviewing and applying the Policy, the Remuneration Committee complies with applicable legislation and Semapa's current policies and regulations, namely the regulation on Conflicts of Interest and Related Party Transactions, which sets out rules for preventing, identifying and resolving conflicts of interest between the Company and its managers.

1. General Principles

This Remuneration Policy is founded on the following general principles that guide the setting of the remuneration of the governing bodies:

a) Duties performed.

The duties performed by each member of the governing bodies cover both the functions in a formal sense and the duties in the broader sense of the concrete level of responsibility of the position held, considering different criteria, such as the commitment and time dedicated, the nature, size, complexity, and skills required for the function, or the added value to the company that results from a specific intervention or institutional representation.

The fact that time is spent by the officer on duties performed in other controlled companies also cannot be taken out of the equation, due to the added responsibility this represents and to the existence of another source of income.

b) The state of the company's affairs.

The size of the company and the inevitable complexity of the related management responsibilities are clearly relevant aspects of the economic situation, understood in the broadest sense. These aspects have implications for the need to suitably remunerate directors holding high managerial duties, considering the size and complexity of the business models.

c) *Market criteria.*

It is essential to be able to attract, develop and retain the best professionals. Consequently, the Remuneration Policy must be competitive and appealing in order to ensure the legitimate interests of individuals are aligned with Semapa's interests and the creation of sustainable value for shareholders.

Given its characteristics and size, the market criteria and practices to be taken into account are, in Semapa's case, both national and international. In order to keep up to date with these practices, Semapa regularly uses market research and benchmarking.

In this context, the different components of the directors' remunerations are calculated at least based on the remuneration of the directors of the Portuguese companies listed on the PSI Index, while also taking into account, at each moment, the remuneration conditions applied in other companies with characteristics similar to those of Semapa.

The remuneration system in place at Semapa, in particular this Policy, contributes to the implementation of the business strategy of Semapa and, in the long term, to the alignment of the interests of members of the management body with those of the Company and its sustainability, in particular for the reasons set out below.

Firstly, because the remuneration is intended to be fair and equitable in the light of the principles set out, and secondly, because it lays down the evaluation criteria (indicators defined by the Remuneration Committee), which are aligned with the Company's own strategic objectives. Such indicators, in addition to the annual and multi-annual variable remuneration component set - by tying the payment of the variable remuneration in with the achievement of certain long-term objectives - also help align the performance of the members of its corporate bodies with the long-term interests and sustainability of the Company.

The alignment between this Policy and the remuneration scheme and employment conditions of Semapa employees is assured, given that both remuneration systems are based on the same General Principles set out in this Remuneration Policy, in particular the market conditions in the reference markets for the duties performed. Furthermore, the annual variation of the compensation paid individually by the Company to the members of the Board of Directors, as well as the average compensation of the company's full-time equivalent Employees is analysed.

Accordingly, this policy aligns Semapa with market best practices on remuneration, and with the recommendations of the IPCG Governance Code.

2. Board

2.1. Non-Executive Directors

The remuneration of non-executive directors shall comprise only a fixed component of an annual amount, paid 12 times per year, which may vary according to the piling on of added responsibilities, e.g. committee and specialised committee members, or a fixed amount per Board meeting attended.

The remuneration of non-executive members of the Board of Directors does not include components dependent on the performance of the Company or on its value.

2.2. Executive Directors

The remuneration of the Executive Directors consists of - fixed and variable - components, the latter comprising an annual and a multi-annual variable component.

2.2.1. Fixed Remuneration

The remuneration of the executive Directors consists of a fixed component, corresponding to an annual amount payable 12 times per year.

2.2.2. Variable Remuneration

The variable remuneration of the executive directors is contingent, and may amount, globally, to a percentage that does not exceed five per cent of the previous year's net profit, in accordance with the Company's articles of association. It has two components:

- Annual variable remuneration and
- Multi-year variable remuneration

On the **annual variable remuneration**, the Remuneration Committee decides on this component, and the performance of each executive director is assessed following an internal process lead by the respective person in charge (i.e. the responsibility of the person who manages the team in the case of the members of the Executive Board, and the responsibility of the Chairman of the Board of Directors in the case of the CEO) and with the participation of the non-executive directors that the person in charge deems pertinent to involve.

The Talent Committee is also involved in this process. It is responsible for monitoring the system for assessing management performance and distributing the remuneration, and delivering its opinion on the proposals for individual performance assessment of the executive board.

Finally, the Remuneration Committee must confirm that the factors have been met for the performance evaluation, and ensure the overall consistency of the process by setting the variable remuneration.

The annual variable remuneration is based on the target amount applied to each director and is paid according to the individual's performance and performance of the Company that meet the expectations and the criteria set previously. The target amount is weighted by the aforementioned general principles - market, specific functions, state of the Company -, in particular comparable market circumstances in equivalent functions. Another important factor taken into account when setting the targets is Semapa's option not to provide any stock or stock options plans.

Actual performance compared to the expectations and goals, which determine target variations is weighed against a set of quantitative and qualitative KPIs of the company's performance (which consist of general business indicators weighing 65%) and of the relevant director's performance (which consists of specific objectives weighing 20% and behavioural indicators that account for 15%).

Overall business indicators and their relative weights, which may be adjusted annually up to 5% in relative terms, are as follows:

- EBITDA, accounting for 35%
- Net results, accounting for 10%
- Cash flow, accounting for 10%, and
- Total Shareholder Return vs Peers, accounting for 10%.

The specific objectives always include ESG indicators, such as the findings of the annual Corporate environment survey.

On the other hand, within the behavioural indicators, the alignment of each executive director with the existing leadership model and the long-term interests of the Company is relevant.

The performance criteria mentioned in the previous paragraph are applied mathematically for their quantitative part - based on the values of the business plans approved by the Board of Directors, and at the end of each period these commitments are compared with the actual income - and using value assessments for the qualitative part.

The **multi-year variable remuneration** introduced in this Policy seeks to encourage executive directors to align their activities with Semapa's long-term sustainable interests by setting multi-year objectives and deferring a portion of the variable remuneration, which is then linked to the Company's performance and the achievement of targets over that period.

Under this long-term incentive, the total amount to be distributed to the executive directors will correspond to a percentage of the Value Created for Shareholders (value created above a minimum annual rate decided at the beginning of each mandate), related to a number of financial and ESG objectives met.

This multi-year incentive is linked to compliance with Semapa's 2023/2027 Strategic Plan and will take into account the following objectives and indicators:

- Total Shareholder Return \geq KPI defined, and the achievement of this goal is mandatory for the Creation of Value for Shareholders to be deemed as met
- Total Shareholder Return \geq Peers, being the Peers defined at the beginning of each period of the incentive
- EBITDA variation \geq KPI defined
- CO2 emissions \leq KPI defined

On the environmental side, the introduction of a KPI - CO2 Emissions - related to sustainability, which is in line with the concerns regarding compliance with the carbon roadmap laid down in the Strategic Plan, is worthy of note.

The Long-Term Incentive may include an individual assessment of the performance of the executive directors, to be ensured by the Remuneration Committee, after hearing the other participants that the Committee deems pertinent to involve.

The multi-annual incentive corresponds to three-year periods coinciding with the duration of the directors' mandates, with the exception of the first period for 2023/2024, corresponding to the last years of the current mandate.

An independent external entity shall be in charge of monitoring the Incentive, assessing the results achieved and the amounts to be paid.

The final assessment and effective determination of the amount to be paid will be carried out at the end of each period, after the calculation of the accounts for the last fiscal year included in the period. Cash payment of this multi-annual component of the variable remuneration *(i)* will be 75% during the first half of the year following the closure of the relevant period and *(ii)* 25% deferred for one year. However, amounts payable under 20% of the fixed annual remuneration for the relevant period, must not be deferred.

In addition to the statutory limit on management's share of profits for the year, the Company also has mechanisms in place to limit variable compensation: *(i)* annual and multi-annual variable remuneration is eliminated in the event of the results showing a significant deterioration in the company's performance in the last reporting period or when such deterioration may be expected in the period underway, *(ii)* the amount of the annual variable remuneration attributable has a cap corresponding to 1.8 times the target, and *(iii)* the multi-annual variable remuneration shall not exceed 175% of the fixed component of the years to which the Incentive relates, to prevent good performance at one moment, with immediate remuneration benefits for the Board, from being achieved to the detriment of good performance in the future.

The annual and multi-annual variable remuneration is subject to reasonable adjustments related to exogenous factors and unforeseen economic decisions, as decided in advance by the Remuneration Committee.

The nature of the indicators, their weight in determining actual variable remuneration, the deferred payment of part of the multi-annual remuneration and the limits on the application of variable remuneration create a remuneration model based on recognising merit against the actual performance of the Company and discouraging excessive risk-taking, whilst helping to implement the strategy defined by Semapa and ensuring that the interests of the executive directors are aligned with the Company's long-term interests.

3. Other benefits

In addition to the variable component that may be paid to the members of the management bodies, no other non-cash benefits are paid to directors and auditors, without prejudice to the means made available to them for the performance of their duties and a personal health and accident insurance policy in line with market practices.

4. Other Considerations

There are no agreements, and no such provisions have been defined by this Committee, on payments by Semapa relating to dismissal or termination of Directors' duties. This fact is the natural result of the

particular situations existing in the Company, and not a position of principle taken by this Committee against the existence of agreements of this nature. Only the supplementary legal rule in this matter applies here, as established in the Companies Code, which governs the payment to the Directors of any amounts before the end of the mandate.

Similarly, there are no complementary or early retirement arrangements for directors currently in place in the company.

With regard to the obligation to return variable remuneration that has been paid, and without prejudice to the applicable legal provisions, if, by final court decision, Semapa or the members of the Executive Board of Semapa are found liable for unlawful and wilful acts of misconduct resulting in the need to restate its financial statements or to record reductions in the value of assets unfavourable to Semapa, the Remuneration Committee may, at its discretion and by means of a resolution, demand from the executive directors the refund of the variable remuneration in respect of the period when such depreciation of the assets occurred or another period deemed relevant, in order to compensate Semapa for the damage caused.

5. Audit Board

The remuneration of the members of the Audit Board shall consist only of a fixed component, i.e. a fixed annual amount, payable 12 times a year; the remuneration of the Chairman of the Audit Board is higher than that of the other board members, taking into account the special functions performed by him/her.

There are no agreements, and no such provisions have been defined by this Committee, on payments by Semapa relating to dismissal or termination of duties by the Members of the Audit Board.

6. General Meeting

The remuneration of the officers of the General Meeting shall consist of a fixed amount only (as decided) for each meeting held, whereas the remuneration of the second and subsequent meetings held in the same year shall be lower than that of the first general meeting. The remuneration of the Chairman of the General Meeting shall be higher than that of the Secretary, taking into account the greater responsibility of the duties performed.

Lisbon, 24 April 2023

The Remuneration Committee