ANNUAL MONITORING REPORT

CEAM

EXECUTIVE MONITORING COMMITTEE OF THE IPCG CORPORATE GOVERNANCE CODE

2020

CAM - MONITORING COMMITTEE OF THE CORPORATE GOVERNANCE CODE

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ISBN
978-989-54925-5-8

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EXECUTIVE SUMMARY

The Annual Monitoring Report (RAM) hereby presented is the third one prepared under the new monitoring system introduced with the Corporate Governance Code of the Portuguese Corporate Governance Institute (hereinafter CGS), initially approved in 2018.

It is, however, the first monitoring report of the CGS as revised in 2020.

The CGS revised in 2020, comprised of 53 recommendations, further decomposed in 74 sub-recommendations for monitoring purposes, has represented a conclusive step towards self-regulation in the field of Corporate Governance in Portugal.

This Report, in terms similar to those carried out in the previous two years, provides an account of the monitoring activity with respect to the financial year of 2020.

The monitoring results indicate that the average level of compliance with the CGS, in the universe of monitored issuer companies, regarding all recommendations and sub-recommendations, amounts to circa 79 %. In the case of PSI 20 listed companies, this percentage raises to 83 %.

The results obtained by reference to 2020 do not allow a direct and linear comparison with those obtained by reference of 2018 and 2019.

In fact, not only the organization of the Code was modified, but above all its content was amended in several recommendations.

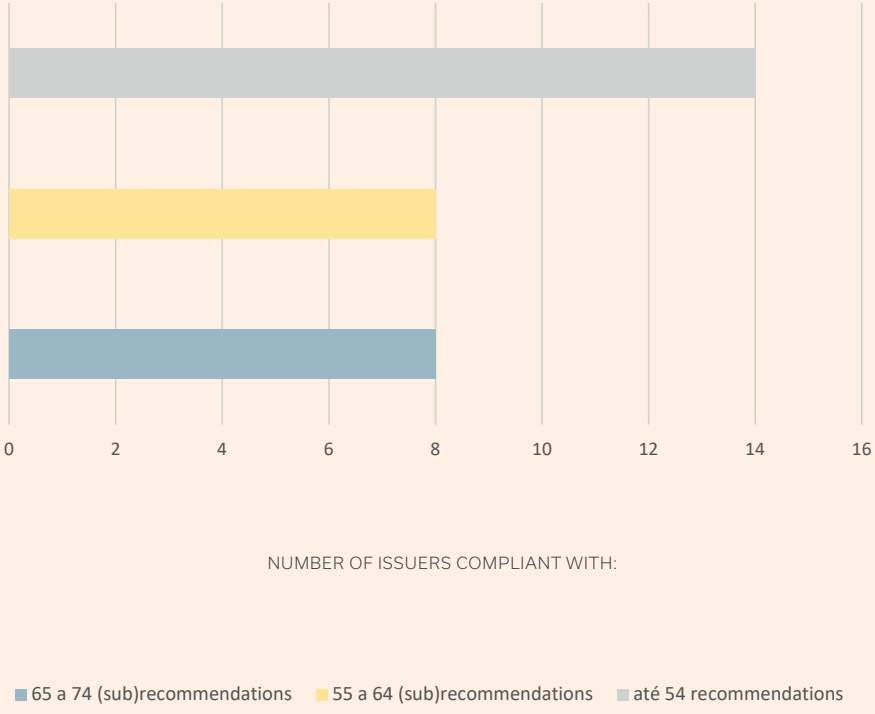
As witnessed in the recent past, with respect to the Code in its 2018 version, it is likely that a greater initial difficulty in achieving compliance, given recommendatory contents with new features, will be followed in the near future by an improvement in practices and/or their reporting in the governance reports of issuing companies. That is what the CEAM expects to see for the upcoming financial year.

Thus, the monitoring tasks, as herein reported and further detailed ahead, again, bring good expectations about the future: not only the level of compliance with the recommendations continues to be largely satisfactory, but also the contacts established with issuers demonstrate their renewed and growing concern with corporate governance issues.

Hence, we reiterate the belief that companies will continue to make their best efforts, and succeed, in improving corporate governance practices.

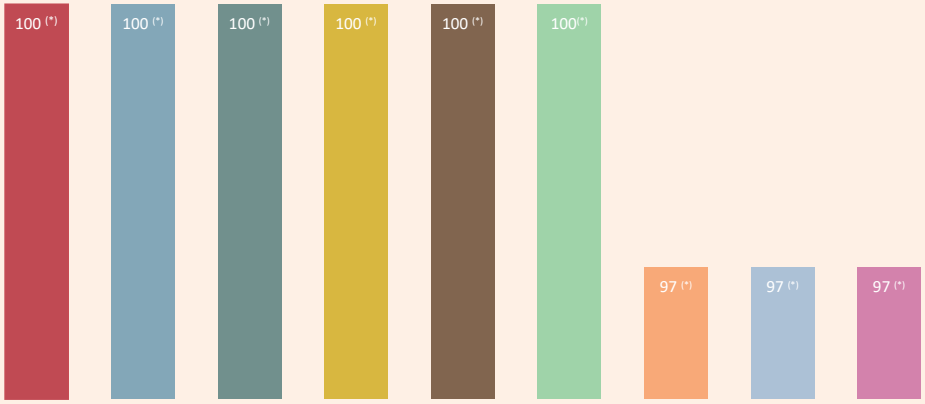
GRAPH 1

COMPLIANCE WITH CGS RECOMMENDATIONS



GRAPH 2

RECOMMENDATIONS WITH THE HIGHESTCOMPLIANCE LEVEL



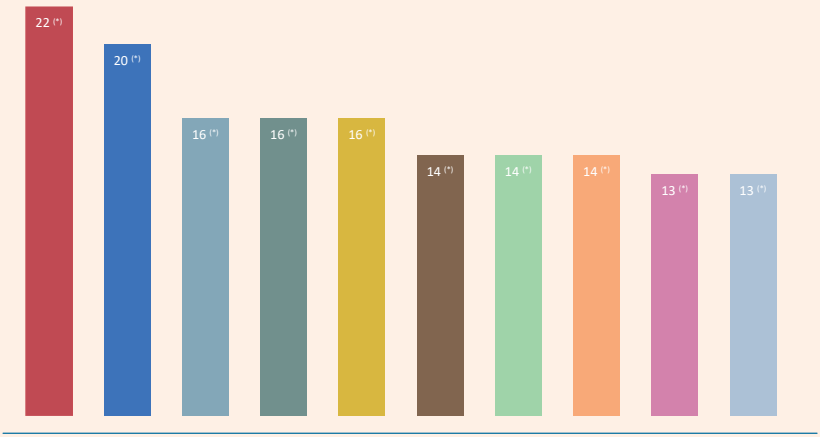
- I.1.1. – establishment of mechanisms to ensure a timely disclosure of information
- I.2.2.(4) e (5) – preparation of minutes of the management and supervisory bodies' meetings
- I.2.3.(2) – disclose on the company's website of the number of annual meetings of the company's bodies and committees
- I.2.4. – adoption of a policy for whistleblowing
- V.2.2. – remuneration is set by a committee (or by the General Assembly on a proposal by a committee)
- VI.6.(1) – establishment of a risk management function identifying the main risks to which the issuing company is subject
- VI.6.(3) – establishment of a risk management function identifying the tools and measures to adopt towards their mitigation
- VII.2.2.(1) – the supervisory body as the main interlocutor of the statutory auditor and the main recipient of the respective reports
- VII. 2.3 – annual evaluation, carried out by the supervisory body, of the statutory auditor's performance

Note: we have considered above the recommendations applicable to, at least, the majority of issuing companies, which led to the exclusion from this graph of recommendations III.2.(3) and V.2.9., fully complied with but applicable to a small number of issuers (3% and 10%, respectively).

(*) Percentage of compliance

GRAPH 3

RECOMMENDATIONS WITH THE LOWEST COMPLIANCE LEVEL



- III.6. (2) – the supervisory body assesses and shares its say on the risk policy (1), prior to its final approval by the management body
- III.6. (1) – the supervisory body assesses and shares its say on strategy (1), prior to its final approval by the management body
- III.1. – appointment, by the independent directors, of a coordinator
- V.2.3. – approval of a maximum amount of all compensation payable for termination of functions of a member of a governing body
- V.3.1. – promotion by the company that the proposals for the appointment of members of the governing bodies are accompanied by a justification on the suitability to the functions to be performed, the profile, the skills and the curriculum vitae of each c
- III.7.(2) – existence of a specialised committee on appointments
- V.3.2. – existence of a committee to overview and support the appointment of persons discharging managerial responsibilities
- VII.2.1. – definition by the supervisory body of the monitoring procedures aimed at ensuring the independence of the statutory audit
- III.4. – independent non-executive directors amounting to not less than one third of the board
- III.7.(1) – existence of a specialised committee on corporate governance matters

(*) Number of issuing companies non-compliant with the recommendation

2 INTRODUCTION

The Annual Monitoring Report hereby presented (hereinafter also referred to as **RAM**) is the third analysis prepared by reference to the CGS of the Portuguese Corporate Governance Institute. Yet, it is the first analysis that focuses on the CGS as revised in 2020.

The implementation of the Code was the result of an effort carried out by the Portuguese Corporate Governance Institute (hereinafter **IPCG**), in cooperation with the Portuguese Securities Market Commission (hereinafter **CMVM**) and the Portuguese Issuers Association (hereinafter **AEM**), reflected in the Protocols signed with both entities[1].

The fundamental framework outlined by those instruments allowed the implementation of a monitoring system, under which the CEAM has been carrying out the tasks that allow for the preparation, presentation and dissemination of this Report.

1. The Protocol signed between CMVM and IPCG is available at: https://cgov.pt/images/ficheiros/2018/protocolo-cmvm-ipcg.pdf
The Protocol signed between AEM and IPCG is available at: https://cgov.pt/images/ficheiros/2018/protocolo-ipcg-aem-monitorizao-f.pdf.
In January 2019, in addition to the Protocol, the CMVM released the communication related to the new rules and procedures for 2019 regarding the supervision of the corporate governance recommendation framework, through the CMVM's Communication, "The supervision of the corporate governance recommendation regime – new rules and procedures for 2019", dated 11/01/2019: see https://cam.cgov.pt/pt/noticia/1339-notificacao-da-cmvm-sobre-novas-regras-e-procedimentos-para-2019-em-materia-corporate-governance

Currently consisting of four members[2], including an Executive Director responsible for coordinating the technical work, the CEAM, in addition to interacting with issuers in order to clarify interpretative doubts about the content of the recommendations, collected public information essential to the monitoring tasks, pursued a dialogue with companies towards a more in depth analysis of preliminary results, responded to written comments received in this process and, finally, communicated to each of the issuers the final results of the analysis.

Hence, with complete objectivity and impartiality, all the elements and clarifications necessary for an informed monitoring exercise were probed, with attention to the singularities of each issuing company, most importantly those reflected in the explanations provided in the corporate governance reports.

Therefore, in line with international best practices and the existing regulatory framework in Portugal, the assessment of compliance with each recommendation took due notice of the options explained by the companies in order to evaluate them, whenever suitable, as substantially equivalent to a direct compliance with the Code, thereby fulfilling the underlying "comply or explain" principle and philosophy.

2. For the monitoring work in 2020, it was assured the contribution of a technical team of four members, who have joined Rui Pereira Dias and Renata Melo Esteves (CEAM members), composed of Nuno Devesa Neto (who also supported the coordination of the monitoring work), Ana Jorge Martins, Francisca Pinto Dias and Mariana Leite da Silva.

Once approved with the unanimous vote of the CEAM members, the Report was submitted, for final approval, to the CAM.

Thus, adopting the structure and sequence defined by the CAM acting under the powers conferred upon it, the Report will first present the principles that govern monitoring (III.), followed by a presentation of the methodology used (IV.).

After presenting such framework, we will be able to proceed with the assessment of the level of compliance with the recommendations of the Code (V.), giving preliminary notice of the treatment given to multiple recommendations, as well as to the non-applicable ones, and the way in which the results of the monitoring activity were defined.

In this context, it will be important to recall the meaning of the comply or explain principle, on which the Code is based, as well as to report on how the explain feature was used by the issuers and evaluated during monitoring.

Based on this set of elements, the Report presents, chapter by chapter, the necessary additional remarks considering each CGS recommendation and the contents monitored by the CEAM, after which some brief final conclusions are presented (VI.).

3 MONITORING PRINCIPLES

The monitoring work carried out by the CEAM has its essential framework in the Protocols entered by the CMVM and IPCG and between IPCG and AEM.

In particular, this last document, which allows to understand the terms and results of the analysis undertaken, sets out the principles on which monitoring should be based:

a) **Necessity** – monitoring the CGS is an indispensable element of the corporate governance system, as a means of knowing how and to what extent recommendations are being complied with, and the most critical areas of non-compliance;

b) **Independence** – monitoring the CGS should be personally and institutionally assured by entities and persons who can provide the necessary guarantees of independence from the entities adopting the CGS;

c) **Autonomy** – monitoring the CGS is autonomous from the exercise of any competences by judicial or administrative authorities, in relation to their inspection, supervision or sanctioning activities within the framework of their respective legal powers and duties;

d) **Universality** – the monitoring should cover all entities that have adopted the CGS;

e) **Objectivity and Impartiality** – monitoring should be carried out in an objective and impartial manner and should not in particular include value judgements on the adoption of CGS recommendations or on the conduct of adhering companies;

f) **Completeness** — monitoring should focus on all principles and recommendations of the CGS;

g) **Collaboration** — monitoring should be based on collaboration with entities that adopt the CGS, whether by providing them with the elements and clarifications necessary for correct interpretation and application of the CGS, or by receiving from such entities the elements and clarifications necessary for an informed monitoring; the collaboration extends to entities whose competences or purposes are projected or intersected with the application of the CGS;

h) **Transparency** — monitoring should ensure that all mechanisms, criteria or information on which it is based are accessible to at least all adhering entities;

i) **Advertising** — monitoring results regarding the level of compliance with the CGS should be advertised in a global manner and without singling out or detailing the results of each adhering entity;

j) **Up to date** — monitoring should contribute to promoting the updating of CGS interpretation and application, as well as inducing the necessary and/or appropriate changes to the CGS evolution;

k) **Yearly basis** — without prejudice to occasional interventions, monitoring will be based on an annual cycle of activity;

l) ***Comply or explain*** – the CGS is based on voluntary adoption and its compliance is based on the "comply or explain" rule; therefore, monitoring should ensure the effective taking into consideration of ***explain*** as equivalent to compliance with the recommendations in question.

4 METHODOLOGY

As in the previous financial years, the monitoring process leading up to the preparation of this RAM, involved several activities, which are briefly summarized below.

In constant internal coordination, the CEAM members, with the assistance of the technical support team to the monitoring work, were responsible for carrying out the tasks described below.

The actual monitoring work began by gathering the information published by the issuers, focusing the analysis especially on their corporate governance reports.

Based on this public information, accessed namely through the CMVM's information disclosure system, the reports of thirty-five companies were analysed, with reference to the financial year ending on the 31st of December of 2020. However, it should be noted that this Report is prepared based on information collected and processed with respect to thirty of these government reports: in fact, five issuers adopted the IPCG 2018 CGS in its original version - in some cases because the respective financial year, out of date with the calendar year, ended on a date on which it was not yet possible to consider the CGS revised in 2020[3].

3. Even so, monitoring did not fail to take place, and the results were presented in a more complex way in this process. The CEAM made correspondences between the 2018 recommendations, effectively referenced in each of those five government reports, thus subject to monitoring, with the current recommendations; an evaluation of the practices adopted in the light of the corresponding recommendations in the Code revised in 2020 was also added

The first analysis carried out by the CEAM ended with the communication of the preliminary monitoring results, reflected in individual tables, which contained, in addition to the evaluation of each sub-recommendation - complied, non-complied, not applicable and quality of *explain*[4] –, substantiated observations, whenever justified.

In addition to communicating individual results, the companies were invited to comment on the preliminary monitoring results, thus putting into practice the interaction with issuers referred to in the Protocol signed by IPCG and AEM.

After submitting the respective preliminary results, the CEAM's executive team maintained the necessary and adequate contacts with the issuers.

This process resulted in useful clarifications for the monitoring work, allowing to clarify some topics and contributing to the standardisation, in general, of the criteria for measuring compliance.

Equally important, this process also contributes to the ongoing debate on best corporate governance practices and for its continuous improvement in the Portuguese securities market.

4. About this assessment, see bellow V.1.3 of this Report.

5 ASSESSMENT OF THE DEGREE OF COMPLIANCE

V.1. Framework

V.1.1. Multiple recommendations

Aiming at the successful implementation of the monitoring work, the CEAM, in coordination with the CAM, previously identified the Code recommendations with multiple content and their respective analytical "breakdown", according to the following criteria:

- all mutually independent sub-recommendations were broken down;
- the following sub-recommendations were not broken down
  - those containing a general clause with a clarification;
  - those where there is a logical dependency between sub-recommendations.

This exercise resulted in 74 sub-recommendations, as identified in the ***Multiple Recommendations Table*** [5], which is

5. Available at: https://cam.cgov.pt/images/ficheiros/2018/nota-interpretativa-n.º-3.pdf

attached to the Interpretative Note n.º 3, prepared by the CEAM and published by reference to the CGS revised in 2020.

The monitoring activity, both in the analysis of individual corporate governance reports and in the subsequent global data processing, was based on all the aforementioned sub-recommendations.

V.1.2. Non-applicable recommendations

The decision to consider some recommendations as not applicable to certain or all issuers is the result of the interpretative task carried out by the CEAM, according to a cross-check between recommendatory provisions and the responses from issuers.

In that exercise, recommendations were considered to be either complied with, or not, when the issuers classified them as not applicable, and *vice-versa*.

When calculating compliance percentages, non-applicable recommendations were not taken into account.

Nevertheless, in the presentation of the contents monitored by the CEAM (below, V.3) the non-applicable hypotheses were occasionally considered to be justified, whenever this allowed a better understanding of the results, given that, under certain circumstances, omissions regarding a given high level of non-applicability of a certain recommendation could lead to a distorted image of the assessment.

The non-applicability of certain recommendations arises from several circumstances, such as:

the specifics of the governance model adopted by each listed company;

the interdependency between certain sub-recommendations;

the stabilization of the content of the Securities law[6], which, at the time of completion of the review of the CGS, in 2020, was still in the process of revision towards the transposition of the European Directive (EU) 2017/828 as regards the encouragement of long-term shareholder engagement (SRD II).

V.1.3. Results

In each sub-recommendation and for each issuing company, the respective individual tables listed four possible outcomes to be chosen from:

S – complied with;

N – non-complied with;

NA – not applicable;

E – *explain* materially equivalent to compliance, as indicated below regarding the quality of the *explain*.

The set of individual results has been treated in an integrated way, as explained below (V.3.).

Unless otherwise stated, reference to compliance rates refers to the sum of the direct compliance results ("S") and the explain results materially equivalent to compliance ("E"), which when calculated together ("S+E"), make up a full compliance figure.

6. Nevertheless, it should be noted that a legislative process is underway with a view to introduce a new amendment to the Portuguese Securities Code (Cf. Draft Law no. 94/XIV/2.ª).

V.2. Quality of *explain*

V.2.1. The *comply or explain* principle

In accordance with the *comply or explain* principle on which the Code is based, pursuant to the Protocol signed between the IPCG and AEM, and as explained in the Interpretative Note n.º 3, companies should, on the one hand, reflect on the appropriateness and relevance of each recommendation to its reality and circumstances and, on the other hand, soundly explain their corporate governance options, particularly in light of the principles set out in the Code.

Ideally, an *explain* implies three "statements" from the issuing company: (1) declaration of non-compliance, (2) explanation on the solution adopted and (3) indication of the reason why the said solution was deemed to be an equivalent option to the Code's recommendations.

Nonetheless, the CEAM put particular emphasis on the need to overcome any omissions from issuers in an appropriate place, considering all materially explanatory information contained in the various parts of the corporate governance reports and other publicly available information.

In line with the *comply or explain* principle, special emphasis was given to the quality and depth of the *explain*, the analysis of which may lead to an equivalence to compliance, taking the specific circumstances into account.

Accordingly, for the analysis of the quality of *explain*, it is always necessary to assess in which cases a properly explained non-compliance has the same effect as compliance.

In this respect, CMVM Regulation n.º 4/2013, which remains in force, should be taken into account and therefore remains, for this matter, a guiding document for issuers:

> in its preamble, regarding the *comply or explain* principle, it states there will be *"material equivalence between compliance with the recommendations and the explanation for non-compliance", when such explanation "allows for an assessment of those reasons in terms that make it materially equivalent to compliance with the recommendation"*.
>
> Annex I from the same Regulation, specifically point 2 of Part II, states that *"[the] information to be reported should include, for each recommendation:*
>
> > *a) Information that allows to determine compliance with the recommendation or reference to the point in the report where the issue is throughout addressed (chapter, title, point, page);*
> >
> > *b) Justification for potential non-compliance or partial compliance;*
> >
> > *c) In case of non-compliance or partial compliance, identification of any alternative mechanism adopted by the company for the purposes of pursuing the same objective as the recommendation"*[7]

7. Likewise, also the European Commission Recommendation on the quality of corporate governance reporting ("comply or explain") of 9 April 2014, in Section III contains instructions on the quality of explanations in case of divergence from a code. The Recommendation is available at:
https://eur-lex.europa.eu/legal-content/PT/TXT/PDF/?uri=CELEX:32014H0208&from=PL

How to present a good *explain*?

to reflect on the appropriateness and relevance of each recommendation to the reality and circumstances of the company

when the recommendation is not complied with, to present the adopted corporate governance option, basing it in terms that justify its material equivalence to the practice recommended in the Code

the Principles that support each Chapter (and sub-chapter) of the Code constitute a relevant support in this reasoning exercise

V.2.2. Assessment of *explain*

Based on these guidelines, the explanations provided in the cases of non-compliance with recommendations were considered to be materially equivalent to compliance whenever the issuers explained, in an effective, justified and substantiated manner, the reason for non-compliance with the recommendations provided for in the CGS, in terms that demonstrate the adequacy of the alternatively adopted solution to good corporate governance principles, and which allow a valuation of those reasons as materially equivalent to compliance with the recommendation: we quote, *mutatis mutandis*, the provisions of article 1(3) of CMVM Regulation n.º 4/2013.

For the purposes of this assessment, the Principles that serve as a framework for the different Chapters (and subchapters) of the Code were considered to be the guiding basis for the interpretation and application of

the recommendations and, at the same time, a qualitatively relevant ground for the assessment of explain[8].

For example, it was taken into account the reasoned invocation of means of promotion of shareholder participation and the proportionality of the solutions adopted as an alternative to recommendations regarding remote participation in general meetings and remote voting (see recommendations II.3. and II.4. and principles II.A and II.C). The size and structure of the company were also taken into account for *explain*, when properly supported and explained (see, e.g., recommendation V.3.2.).

As the *explain* assessment is an essential pillar of the monitoring exercise of a recommendatory code, it is highlighted the importance of the provision of information in Part II of the governance report regarding the non-compliance with recommendations and accompanying explanation.

In fact, while it is not necessary to repeat content in what regards *explain* and there may be specific remissions to Part I of the corporate governance report, it is paramount for monitoring purposes that issuers always carry out the proper contextualization and reasoned justification of the reasons for non-compliance with the recommendation in question and, furthermore, the identification of the adopted alternative solution of good corporate governance and its corresponding adequacy, in terms of material equivalence to the solution recommended by the Code.

8. Cf. the Preamble to the 1st edition of the CGS (2018), republished as an annex to the Code revised in 2020, p. 37.

V.3. Contents of the Code monitored by the CEAM

Chapter I
GENERAL PART

OVERALL ASSESSMENT OF THE CHAPTER

The first chapter of the CGS contains ten recommendations, broken down into five sub-chapters, in the form of a General Part covering a variety of subject matters: the relationship between the company and investors and information, diversity in the composition and functioning of corporate bodies, the relationship between these corporate bodies, conflicts of interest and transactions with related parties.

Sixteen sub-recommendations subject to monitoring resulted from the breakdown operation carried out[9].

The average compliance rate in Chapter I was 88.9 %, consolidating the slight progress already made in the previous year (from 84 % in 2018 to 85 % in 2019). The average rises to 91.6 % in the context of the PSI 20.

9. In this count (ten recommendations / sixteen recommendations), we are excluding I.5.2.: in fact, as stated in Interpretative Note n.º 3, the wording of recommendation I.5.2., at the time of approval of the new text of the CGS by CAM, in July 2020, was based on the proposal to transpose Directive (EU) No. 2017/828, then pending in the Portuguese Parliament as Draft Law 12/XIV. In view of the amendments introduced in the meantime during the legislative process, culminating in the new article 249-A (1) of the Portuguese Securities Code, added by Law no. 50/2020, of 25 August, the recommendation I.5.2 lost its useful meaning, and should be taken as not applicable, as it is up to the supervisory body itself (and no longer to the management body, as stated in the Draft Law) to periodically verify transactions with related parties.

The percentage of compliance of the several recommendations and sub-recommendations varied between 100 % and 60 % (which, in the minimum range, compares positively with the much lower percentage of compliance of 39 % of the previous year).

In this improvement of the overall results of Chapter I, it should not be disregarded the fact that the sub-chapter I.5 (Transactions with third parties) has been significantly changed, as explained below, by reference to the recommendations contained in the original 2018 Code.

RECOMMENDATIONS

I.1.1.

The first recommendation establishes the fundamental terms of the company's relationship with shareholders and other investors, to be treated equally, and also refers to the establishment of mechanisms that ensure, adequately and rigorously, the timely dissemination of information – a requirement which, in terms of the information provided and similarly to the previous years, issuers fully complied with.

I.2.1.

Regarding the profile of new corporate body members, the Code recommends that the companies establish, in advance and in abstract terms, general criteria and requirements relating to said profile, including individual characteristics and diversity requirements in terms that do not necessarily depend on whether or not elections were held during the period considered — which is why a mere reference to the concrete profile of each member, as merely reflected in their curricula, or an acknowledgement that, in practice, such criteria and

requirements had been taken into consideration, is not sufficient to meet the recommendatory requirement.

This understanding was timely and properly explained to the issuing companies during previous monitoring procedures, and it is also reflected in point 3 of the Interpretative Note n.º 3[10].

Thus, compliance with recommendation I.2.2., without any materially equivalent explain, was 60 % in the total of issuers and 72 % in PSI 20 companies (compared to 52 % and 56 % in the previous year, respectively), representing remarkable progress.

I.2.2. e I.2.3.

pag. 8

The recommendations under consideration concern the existence and disclosure of internal regulations, minutes and other general information (including the structure and number of annual meetings) in respect to the management and supervisory bodies, as well as internal committees. The recommendatory content has been simplified by reference to the 2018 version of the CGS (I.2.2. and I.2.3., with the respective sub-recommendations, cover the matters previously listed in I.2.2. to I.2.4.), presenting in all cases levels of compliance equal to or greater than 83 %.

I.2.4.

10. See page 23 of the 2019 RAM (published in 2020). In addition, the previous breakdown of this recommendation - dividing it into individual attributes, on the one hand, and diversity requirements, on the other, was eventually reversed in the Table of Multiple Recommendations that currently serves as a reference. This was motivated by the fact that the monitoring experience has revealed a great difficulty in making a real division between criteria related to "profile" and criteria related to "diversity", especially when diversity is not just gendered, but may include qualifications, experiences, etc., – that is, elements that also concern the "profile".

In this regard, the original version of the Code recommended not only the adoption of a *whistleblowing* policy allocated with the adequate resources, but also the existence and guarantee of functioning mechanisms for the detection and prevention of irregularities. In view of the difficulty in distinguishing between the latter and those associated with the functioning of the internal control systems, as referred to and monitored in recommendation VI.3., the recommendation now refers exclusively to the aforementioned *whistleblowing* policy, in relation to which monitored companies continue to be fully compliant with.

I.3.1. e I.3.2.

Recommendations I.3.1. and I.3.2. referring to the relationships between the corporate bodies, calling for the provision of information, both documentary and through access to relevant company employees, and to the existence of an information flow that ensures the adoption of thoughtful and efficient measures, within the framework of an articulated and harmonious inter-organic relationship, displays overall compliance levels, in both cases, of 97 % in general and 100 % in PSI 20 companies.

In I.3.2., following the same criteria previously adopted, set out in point 4 of the Interpretative Note n.º 3, "the indications of the issuers regarding the (not intra-organic but rather) inter-organic flow, that is, from and to the various internal bodies and committees of the company, under the terms of the law and the statutes", were taken into account.

I.4.1. e I.4.2.

Regarding conflicts of interest, especially in relation to I.4.1, there was a predictable decrease in the degree of compliance, resulting from a new, more demanding formulation of the recommendation. In fact, as given in point 5 of the Interpretative Note n.º 3, compliance is not enough with the fulfilment of the legal obligation contained in article 410 (6) of the Companies Code, as what is at stake is the link, to be determined by the issuers, to the communication of a conflict of interest that is not restricted to the deliberative context, but should occur whenever there are facts that could constitute or give rise to it.

In any case, the dialogue with issuer companies, who in some cases have expressed difficulties in changing their internal procedures and documents in order to accept the recommendation in due time for this monitoring exercise, opens good prospects for an improvement in the next monitoring exercise on this point.

New recommendations / recommendations or with new requirements (1/4)

I.4.1. Addition in text, in order to clarify that it is not only at the deliberative moment (i.e., when passing board resolutions) that the recommended action is at stake, which, therefore, has a broader content than what would result from the application of the Companies Code. While the previous wording would already allow this reading, it had not yet been followed because there were raised doubts, and a transitional phase had taken place.

I.5.1. e I.5.2.

In the opposite direction to the one just reported, compliance with recommendation I.5.1. registers a very significant improvement. As mentioned above in the global assessment of Chapter I, such improvement was due to a significant change in the features of this recommendation, inevitable given the evolution of the securities law itself, which, in a coincident sense with what was already recommended by the CGS in 2018, increased requirements for transactions with related parties. If practices requiring specific organization and internal interrelationship between management and supervisory bodies were previously recommended in this domain, such requirements were transposed, with different contours, but in the same sense, to the mandatory law[11].

11. See Law No. 50/2020, of 25 August, which transposed the Shareholders Rights Directive II into the Portuguese law (Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement)..

Therefore, the scope of recommendation I.5.1. contains a requirement of an additional duty of disclosure of the internal procedure for verifying transactions with related parties, without proposing a specific design for this same procedure. There, we find a compliance of 90 %, amounting to full compliance in the universe of PSI 20.

In turn, I.5.2. was not monitored, in accordance with the communication to issuers through the Interpretative Note n.º 3, as described above in the global assessment of this Chapter I.

I.5.1. Transactions with related parties (TRP)

THE RECOMMENDATION:

The managing body should disclose in the corporate governance report or by other means publicly available the internal procedures for verifying TRP.

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS:

This verification, that is, the periodic verification under the responsibility of the supervisory body in relation to all TRP that do need to go to the management body (cf. article 249.º-A of the Securities Code), should have the respective internal procedure described by the issuing company.

For full compliance, it is important to explain what this periodic verification procedure is, and how it works, under the supervision of the supervisory body.

Chapter II
SHAREHOLDERS AND GENERAL MEETINGS

OVERALL ASSESSMENT OF THE CHAPTER

The chapter contains six recommendations, with a single breakdown in the first one, all of which are dedicated to issues related to shareholder participation in general assembly meetings.

The average compliance was 79 %, amounting to 82 % in the context of the PSI 20.

The percentage of compliance ranged from 66 % to 93 % which compares with an oscillation between 50 % and full compliance in the previous year, which nevertheless remains in some recommendations regarding the PSI 20.

RECOMMENDATIONS

II.1. e II.2.

By taking a position in regard to the proper involvement of shareholders in corporate governance, the CGS begins by recommending companies not to establish a disproportional ratio between the number of shares and the number of corresponding votes, while at the same time recommending that companies do not establish deliberative quorums that are higher than those provided for by law, precisely to avoid hindering the passing of resolutions at meetings.

93 % of the issuers comply with the first recommendation mentioned, either by adopting the principle of one share, one vote, or by deviation from that principle, but in a way that does not render exceedingly high the number of shares needed to confer the right to vote.

Such circumstance caused the next sub-recommendation, which required issuers to explain their option in the governance report, whenever there was as a deviation from the aforementioned principle, to be largely non-applicable (80 %). Four out of the six issuers to which the recommendation was applicable complied with it (67 %).

With regards to the deliberative quorums, the recommendation was complied with by 86 % of the issuers, of which 69 % (20 issuers) correspond to direct acceptance and 17 % (5 issuers) to materially equivalent solutions which were duly explained.

II.3. e II.4.

The Code recommends the implementation of appropriate means for the remote participation by shareholders in the general meeting, which should be proportionate to its size (II.3) and for exercise of remote voting, including by correspondence and electronic means (II.4.).

Issuers broadly complied with recommendation II.3 in 66 % of cases and with recommendation II.4 in 76 % of cases.

In the first case, while there is a decrease in relation to compliance level with the corresponding recommendation in the 2018 version of the CGS[12], from 78 % to 66 %, it should be noted that the previous level of compliance was due almost exclusively (75 % in 78 %) to a valuation of explain on the part of issuers that, justifiably, accounted

12. See Law No. 50/2020, of 25 August, which transposed the Shareholders Rights Directive II into the Portuguese law (Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement)..

for an intentional non-implementation of telematic means, notably in view of the high associated costs, the company's size or the concentration of the capital structure, as provided for in point 8 of the Interpretative Note n.º 3.

In the current year, although relevant cases of explain (14 %) remain, it is mainly through direct compliance (52 %) that such a result is obtained.

In any case, the evolution of reality, marked by the pandemic caused by COVID-19, continues to advise a reflection on the added usefulness of telematic media as recognised by recent experience.

The CEAM continues to promote such a reflection with the issuers throughout the contacts established within monitoring[13].

13. Cf. the CMVM, IPCG and AEM Recommendations within the General Meetings, dated March 20, 2020, available at: https://www.cmvm.pt/pt/Legislacao/Legislacaonacional/Recomendacoes/Pages/rec_ag_2020.aspx?v=.

II.3. Means for remote participation by shareholders in general meetings

THE RECOMMENDATION:

The company should implement adequate means for the remote participation by shareholders in the general meeting, which should be proportionate to its size.

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS:

When issuers, although stating their intention not to adopt telematic means in the future, adopted them this year: despite not expressing the intention to do so under normal conditions, such issuers end up implementing "adequate means for the remote participation by shareholders in the general meeting" in the year that was the object of monitoring. Such practice is deemed to be a material compliance of the recommendation which, of course, will not be perceived as such in future years if, faced with a situation of "returning to normal", the issuer decides to step back on this effective implementation of telematic means.

II.5. e II.6.

The recommendation that, in cases where there are statutory limitations on the number of votes held or exercised by a shareholder, there should also be a mechanism to subject such limitations to voting for their preservation or amendment, at least every five years (II.5.) was largely not applicable (87 %), as a result of the fact that, in the vast majority of cases, such limitations are not provided for. Where applicable, corresponding to 4 issuing companies, the compliance level was 75%.

The recommendation (II.6.) not to adopt measures that lead to a burden on companies in case of transfer of control or changes in the composition of the managing body was complied with by 88 % of the issuers.

While the existence of these measures in itself does not prevent compliance, cases of non-compliance refer to situations in which the issuing company — when declaring the existence, in particular, of contractual measures — does not provide a reasoned justification that they are not "likely to harm the economic interest in the transfer of shares, as well as the shareholders' free assessment of directors' performance"[14].

14. See point 10 of the Interpretative Note n.º 3

Chapter III
NON-EXECUTIVE MANAGEMENT AND SUPERVISION

OVERALL ASSESSMENT OF THE CHAPTER

Chapter III, dedicated to the non-executive management and supervision, contains seven recommendations, broken down in twelve sub-recommendations. Among them, recommendation III.5., establishing a cooling-off period relevant to the assessment of the independence criteria of directors, was not applicable to any of the issuing companies that make up the total universe of analysed companies.

The average compliance was 53 % regarding all issuers, increasing to 63% in the PSI 20 universe.

RECOMMENDATIONS

III.1.

In accordance with recommendation III.1, independent directors should appoint a coordinator from amongst them, unless the chair of the managing body is himself or herself independent. In the absence of independent directors, at all or in sufficient numbers, in such a way that it would not be possible to appoint a coordinator, the company should appoint a lead non-executive director to ensure compliance, as explained in point 11 of the Interpretative Note n.º 3[15]. However, there is no record of

15. Of its content "Where the company does not comply with recommendation III.4 by not appointing independent non-executive directors, or not appointing them in sufficient numbers —, and hence being logically impaired the possibility of appointing a coordinator as literally

the implementation of such a possibility by the issuers.

In the event that the company has no (or has only one) non-executive directors, the possibility of appointing a coordinator of the non-executive directors would also be undermined, which was why, in such cases, the recommendation was considered to be not applicable[16].

In the realm of companies to which this recommendation applies, seven (28 %) appointed a coordinator and two issuing companies (8 %) presented an explain which was valued as equivalent to compliance, thus leading to an overall compliance of 36 % - a percentage almost identical to the previous year (35 %). The CEAM collected and committed to reflect on the testimonies of various issuing companies, who presented their arguments in favour of the appropriateness of the recommendatory solution, given the way they view the functioning of the management body and the intervention in it by independent and non-executive directors.

recommended, a coordinator may be appointed by the non-executive directors from amongst them, and such an appointment should be considered equivalent to compliance with the recommendation, if, as a whole, the company's option is duly substantiated".

16. This non-applicability result was introduced in the case of the adoption of the German model.

III.2. e III.3.

In recommendation III.2, the Code recommends that the number of non-executive members of the managing body, members of the supervisory body and members of the committee for financial matters[17] should be adequate to the size and complexity of the risks intrinsic to its activity, but sufficient to efficiently ensure the functions entrusted to such bodies.

While recommendation III.2.(3), in respect to members of the committee for financial matters, is only applicable to the German model, recommendation III.2.(1) was regarded as not applicable to that same governance model, as it refers to non-executive members of the managing body.

Even though it is not for the monitoring body to formulate a judgement of adequacy regarding the concrete structure of governing bodies, compliance depends on the consignment of such a judgement in the governance report, albeit brief, concerning the adequacy of the number of the referred members.

While in the recent past this was expressly indicated in point 11 of Interpretative Note n.º 2, and recalled in the RAM for 2018 and 2019[18], today this mention is included in the text of recommendation III.2, *in fine*.

17. Respectively, sub-recommendations III.2.(1), III.2.(2) and III.2.(3)..

18. "While it is not for the monitoring exercise to formulate a judgement of adequacy regarding the concrete structure of governing bodies, it would always be necessary for the issuing company to demonstrate in its governance report, in a substantiated manner, that it carried out such an evaluation, and in what terms (page 36 of the 2018 RAM). (Page 36 of the 2018 RAM and in the same sense the 2019 RAM, pages 32-33.

The justifications presented in all three sub-recommendations were accepted, with compliance levels of 79 %, 67 % and 100 %, respectively - a notable improvement over the previous year (63 %, 55 % and 100 %). In the PSI 20 companies, the first two figures increased to 94 % and 78 %.

In cases where the issuing company's managing body does not have any non-executive director, this total absence should continue to be assessed as non-compliance, with regard to recommendation III.2(1), given that it assumes the existence of non-executive directors — such an existence representing, in itself, a good governance practice.

Recommendation III.3. provides that the number of non-executive directors should be higher than that of executive directors, a practice adopted in 69 % of cases – a slight improvement over the previous year.

III.4. e III.5.

The object of recommendations III.4. e III.5. is the independence of non-executive directors.

The inclusion of at least one third of independent directors in the managing body is verified in 55 % of issuers.

In view of the content of point 12, paragraph a), of Interpretative Note n.º 3[19], this proportion has been calculated in relation to the number of non-executive directors and not in relation to all members of the managing body.

19. "Taking into account the lack of clarity in the Recommendation's wording, it is recognised that the expression "not less than one third" is calculated solely by reference to the number of non-executive directors — and not in relation to all members of the managing body. Compliance with the recommendation necessarily requires that the number of non-executive independent directors be plural."

As for the independence criteria, we recall that, in view of the maintenance of Annex I to CMVM Regulation n.º 4/2013, the regulator established, through a Communication, that:

> *"listed companies should: (i) in Part I identify the non-executive directors who may be qualified as independent, in light of the criteria from point 18.1 from Annex I to CMVM Regulation no. 4/2013; and (ii) in Part II declare whether they comply with recommendation III.4 of the IPCG Code, which includes criteria which are not entirely coincident with the ones in said regulation"*[20].

The issue of the cooling-off period did not arise in any issuing company for the purpose of the independence of its directors, which is why recommendation III.5., again, had no applicability.

III.6.

Recommendation III.6. establishes that the supervisory body, in observance of the powers conferred to it by law, should in particular assess and give its opinion on the strategy (III.6.(1)) and the risk policy (III.6.(2)) of the company, prior to their final approval by the management body.

It must be noted that the CGS also deals with the approval of the strategic plan and risk policy by the managing body in recommendation VI.1, in the context of the chapter on risk management (Chapter VI), to which reference is made.

20. CMVM Communication, "The supervision of the Corporate Governance recommendation regime – new rules and procedures for 2019", of 11/01/2019, see https://www.cmvm.pt/pt/Legislacao/Legislacaonacional/Circulares/Documents/Circular%2015.01.2019.pdf.

The final part of the recommendation was amended in 2020, in order to make it unequivocal that the recommendation requires, for its compliance, the supervisory body to assess and give its opinion prior to the final approval of the strategic lines and the risk policy by the management body[21].

The novelty of the recommendatory practice, with the outlines now drawn, associated with the difficulty of its implementation, in some cases, or the lack of public documentation of this implementation, even when it exists, in other cases, explains a degree of compliance of 33 % regarding the strategic lines and 27 % regarding the risk policy (numbers that slightly increase in the PSI 20 to 39 % and 33 %).

It is, therefore, an area where there is a clear margin for improvement in corporate governance practices and/or reporting.

21. The recommendation, in the foregoing wording and numbering (III.8.), was the subject of point 12 of Interpretative Note n.º 2, already pointing to the direction that would be established in its current form: "The provisions of Recommendation III.8., regarding the duty of the supervisory body to «monitor, assess and give its opinion on the strategic lines and risk policy defined by the management body», implies a prior definition by the body of management, as to the aforementioned strategic lines and risk policy, without which the performance of the supervisory body lacks purpose and the recommendation cannot be considered accepted".

New recommendations / recommendations or with new requirements (2/4)

III.6. Different wording to clarify that the powers of the supervisory body referred to in this recommendation will be exercised by reference to the prior definition of the strategy and the risk policy by the management body, but before its final approval by the same management body.

III.7.

The internal committees targeted by this recommendation are those "composed mostly by members of company's governing bodies to whom duties within the company are ascribed", as defined in the Glossary of the Code. In contrast to what was provided for in the 2018 version of the CGS, the 2020 revision determines that, if the remuneration committee provided for in article 399 of the Companies Code has been created, and this is not prohibited by law, the recommendation can be complied with by attributing to this committee competence in the matters to which it concerns, that is: corporate governance, appointments and performance evaluation.

Interpretative Note n.º 3, in point 13, b) also clarifies that, in terms of appointments, what is at issue is only the constitution of a committee with powers in relation to members of the corporate bodies. The committee responsible for the appointment of members of executive staff is the specific object of recommendation V.3.2.

Thus, the percentage of compliance, whether direct, or via *explain*, present in all sub-recommendations, is as follows:

57 % for the corporate governance; 53 % with respect to the appointments; 87 % regarding the performance evaluation.

While in the first two recommendations there is a slight improvement compared to last year (where the respective values were 52 % and 48 %), the third suffers a decrease in compliance (from 97 % to 87 %), which may be explained by the non-attribution of this function autonomously to specialized internal committees. Nevertheless, it should be noted that compliance with the recommendation does not prevent the attribution of different functions to the same committee (the recommendation textually provides for: "separately or cumulatively").

Chapter IV
EXECUTIVE MANAGEMENT

OVERALL ASSESSMENT OF THE CHAPTER

This chapter contains three recommendations, one of which is broken down into three sub-recommendations, all relating to executive management. In no case was the *explain* equivalent to compliance.

The average compliance remains around 78 %, with the average for each recommendation varying between 67 % and 88 %.

As some recommendations related to the subject of risk and internal control, which were added to Chapter VI as revised in 2020, have not been included here, it is however in this Chapter IV that we find an important novelty: recommendation IV.3. emphasizing the long-term success of companies, contributions to the community in general, and thus *sustainability*.

RECOMMENDATIONS

IV.1

The approval, through internal regulations or equivalent means, of the rules regarding the action by executive directors applicable to their performance of executive functions in entities outside of the group, is verified in 63 % of the companies evaluated.

The result of compliance was taken into consideration in cases where the company has established a prohibition on exercising executive functions outside the group.

As in previous years[22], the mere indication that none of the executive directors of the company is currently exercising functions in entities outside the group continues to be considered sufficient, for compliance purposes.

Nonetheless, it was noted with issuers the indispensability of the adoption, by the company, of rules designed in advance for future cases where such a situation may occur.

22. V. the 2019 RAM, page 40.

IV.1. Rules regarding the activity of executive directors outside of the group

THE RECOMMENDATION:

The managing body should approve, by internal regulation or equivalent, the rules regarding the activity of the executive directors applicable to their performance of executive functions in entities outside of the group.

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS:

When executive directors do not exercise executive functions in entities outside the group: as already shown in the 2018 RAM (published in 2019), page 41 and also in the 2019 RAM (published in 2020), page 40, "full compliance of the recommendation would be favoured by the adoption, by the company, of rules designed in advance for the possible occurrence of such a situation [*i.e.*, executive directors exercising executive functions in entities outside the group]".

For this reason, in future years, the existence of this regime will be essential for this recommendation to be accepted.

IV.2.

Issuers widely comply with the sub-recommendations referring to the delegation of powers — strictly speaking, to the non-delegation of powers in the matters listed in the sub-paragraphs of recommendation IV.2.: in 89 % of cases, the managing body does not delegate powers regarding the definition of the company's strategy and main policies; the same is true for 89 % of issuing companies with regard

to the organisation and coordination of the corporate structure; and in 93 % with regard to matters that should be considered strategic in view of the respective amount, risk or special characteristics. This is an improvement in all these cases, with reference to the previous year.

The recommendation was considered not applicable in the German model, as well as in cases where the management body does not have a non-executive director, circumstances in which there is no delegation of powers.

IV.3.

As a novelty in the 2020 review, there was a recommendation that the managing body explains, in the annual report, in what terms the defined strategy and main policies seek to ensure the long-term success of the company and the main contributions resulting therein for the community at large.

The new recommendation aims at making the CGS evolve towards taking into account sustainability within the framework of good governance practices of issuers. In this first monitoring, a level of compliance of 60 % was obtained, rising to 67 % in the group of PSI 20 companies.

New recommendations / recommendations or with new requirements (3/4)

IV.3. New recommendation, added in 2020, emphasizing the long-term success of companies, contributions for the community at large, and thus sustainability.

Chapter V
EVALUATION OF PERFORMANCE, REMUNERATION AND APPOINTMENTS

OVERALL ASSESSMENT OF THE CHAPTER

Chapter V, with seventeen sub-recommendations, is divided into three sub-chapters: annual performance evaluation; remuneration; and appointments.

The average compliance was 76 %, amounting to 79 % in the context of the PSI 20.

RECOMMENDATIONS

V.1.1.

Sub-chapter V.1. concerns the annual evaluation of performance and, as such, recommendation V.1.1. determines that the managing body annually conduct its self-assessment (V.1.1.(1)), the assessment of its committees (V.1.1.(2)) and of delegated directors (V.1.1.(3))[23], taking into account compliance with the company's strategic plan and budget, risk management, its internal functioning and the contribution of each member to that effect, as well as the relationship between the company's bodies and committees.

As mentioned, this sub-recommendation is broken down according to the subjects of the evaluation. If on the one hand, the first sub-recommendation is fully applicable, on the other hand, sub-recommendations V.1.1.(2) and V.1.1.(3) may or may

23. In this last sub-recommendation, it was included the evaluation of the executive board where applicable, in view of the unequivocal parallel with functions exercised by delegated directors.

not apply depending on whether there are managing body committees and delegated directors/executive committee, respectively. The non-applicability rates found for the sub-recommendations were 40% and 13%, respectively.

From the analysis carried out, an overall compliance rate of 83 % was found in V.1.1.(1), 83 % in V.1.1.(2) and 85 % in V.1.1.(3). Therefore, there is a slight increase compared to the percentages in respect to 2019, which thus consolidates the very significant increase that had already taken place, with reference to 2018.

V.2.1.

Recommendation V.2.1. is included in the sub-chapter relating to remuneration and establishes that the company should create a remuneration committee, which, under the terms added in 2020, "may be the remuneration committee appointed under the terms of article 399 of the Commercial Companies Code".

Pursuant to point 15 of the Interpretative Note n.º 3, the independence of the remuneration committee is not impaired by the presence of directors, provided that they are a minority. In addition, it should be noted that, for monitoring purposes, it is understood that the independence criterion may be assessed in relation to the executive management. Finally, again as per the point of the Interpretative Note above mentioned, the recommendation will not be applicable whenever the company, by virtue of a special legal regime, is obliged to set up a remuneration committee composed entirely or partially of directors.

This sub-recommendation obtained a compliance rate of 87 %.

V.2.2.

According to recommendation V.2.2, the remuneration should be set by the remuneration committee or the general meeting, on a proposal from that committee. As explained in the Interpretative Note, the competence of the remuneration committee referred to herein covers the members of the management and supervisory bodies and respective internal committees, not including persons discharging managerial responsibilities.

The recommendation was fully complied with, which compares with 94 % already obtained in the previous year.

V.2.3.

This recommendation continues to set out that for each term of office the maximum amount of all compensations payable to any member of a board or committee of the company due to the respective termination of office be approved. Comparing with the formulation of the previous recommendation (V.2.4.), it is clarified that this approval will be up to the remuneration committee or also to the general meeting, on proposal of that committee. It is added that the amounts should be disclosed in the corporate governance report or in the remuneration report.

As indicated in previous CEAM reports, the monitoring of compliance has been considering sufficient the "information provided regarding the absence of agreements for compensation payments or for the actual non-payment of any compensation other than that legally due"[24]. Once a transition phase was over, it was adopted a parameter that

24. Cf. page 48 of the 2019 RAM, page 48 of the 2018 RAM.

is more in line with the content of the recommendation, according to which the mere indication that in cases of dismissal only the legal regime applies, without any other reference on the other forms of termination of service, and without indicating the competence of the remuneration committee in this field, was not sufficient. In addition, now, the recommendation also requires, for reasons of transparency, the disclosure of the situation in question, as described above.

It is this context that explains a predictable decrease in the compliance level, which stood at 47 %.

New recommendations / recommendations or with new requirements (4/4)

V.2.3.

For the recommendation to be considered accepted, it is not enough to refer to the legal regime in case of unfair dismissal

It contains a new transparency requirement: "The said situation as well as the amounts should be disclosed in the corporate governance report or in the remuneration report."

V.2.4.

93 % of the companies complied with the recommendation of participation of one member of the remuneration committee in the yearly general assembly meeting, or in any other in which the agenda includes a matter relating to remuneration.

V.2.5.

90 % of issuers comply with the sub-recommendation under which, within the company's budget limitations, the remuneration committee should be able to freely decide on the contracting of consulting services by the company.

V.2.5. Remuneration committee may freely decide on the hiring of consulting services

THE RECOMMENDATION:

Within the company's budget limitations, the remuneration committee should be able to freely decide on the hiring, by the company, of necessary or convenient consulting services to carry out the committee's duties.

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS:

A less demanding reading of the recommendation could accept as sufficient the information that no consultancy services to support the remuneration committee were requested or contracted.

However, it is certainly more in line with the content of the recommendation to require the company to make it clear that the remuneration committee is free to do so. In future years, this clarification will be deemed indispensable for this recommendation to be considered accepted.

V.2.6.

70 % of companies certify that their remuneration committee ensures that services mentioned in V.2.5 are provided independently and that the respective providers will not be hired to provide any other services to the company itself or to others in a controlling or group relationship without the express authorization of the committee.

Thus, the strong percentage increase compared to the value of 39 % calculated in the monitoring of the year 2018 was consolidated, with a marginal difference, between 2019 and 2020 from 69 % to 70 %.

V.2.7.

The recommendation refers to the remuneration of directors under the rationale that there is a variable remuneration leading to the alignment of interests between the company and the executive directors.

Thus, the requirement that the variable component should reflect the sustained performance of the company and not stimulate excessive risk-taking was assessed on the basis of the overall calculation of the information provided by issuers regarding variable remuneration.

In view of this assessment, the level of compliance rose to 97%, reflecting the determination and clarification, by almost all issuers (or even all, in the PSI 20 universe), of the criteria for determining the variable component of remuneration.

V.2.8.

59 % of the companies have a significant part of the variable component partially deferred over time, for a period of not less than three years. The level of compliance with this recommendation remains the same as in the previous year[25], The omission in internal regulations did not necessarily lead to non-compliance, as the definition of association of the deferred variable component was valued with the confirmation of sustainability in other publicly accessible elements, such as the governance report or the remuneration policy statement.

V.2.9.

In this monitoring exercise, recommendation V.2.9, related to the inclusion of options (or other instruments directly or indirectly dependent on the value of the shares) in the variable remuneration, was applicable only to three issuers. It was fully accepted, as two of them complied with it directly and another one presented an explanation deemed as materially equivalent to compliance.

V.2.10.

The recommendation does not apply to companies that due to their governance model or internal structure, do not have non-executive directors, which occurred in 13% of cases.

Moreover, in 85% of issuers, the remuneration of non-executive directors does not include any component whose value depends on the performance of the company or its value.

25. For this purpose, we are comparing with the previous sub-recommendation V.3.2.(1), as V.3.2.(2): even though it had higher results, it presented a dependency relation with the first one, which made it not applicable in 42 % of cases. With the end of the breakdown in the current V.2.8., this non-applicability of the previous second sub-recommendation disappeared.

The remaining 15% accommodates the cases where non-executive directors are remunerated under the terms referred above, namely because they are the chairman of the board of directors, they are considered non-executive and non-independent, or it is foreseen, in general terms, the possibility of attributing a variable component to non-executive members.

V.3.1.

In sub-chapter V.3., concerning appointments, the applicability of recommendation V.3.1. continued to be considered from the first year in which there is an elective general meeting of new members of corporate bodies[26], which led to the fact that, in the current year, there are no longer any cases of non-applicability (in the previous year, they still amounted to 18 %).

Perhaps associated with this evolution, the level of compliance, after a significant increase between 2018 (29 %) and 2019 (56 %), was calculated at 47 % this year.

Notwithstanding the proposals for the election of the members of the governing bodies departing from the shareholders, it is up to the company, "in terms that is considers suitable, but in a demonstrable form", to promote that those proposals are accompanied by reasoning, at the points provided. It is for this reason that those references proved, in certain cases, to be insufficient, given the need for the proposals for the election of members of the governing bodies to be accompanied by a concrete and

26. As expressly indicated on page 52 of the 2018 RAM, on page 58 of the 2019 RAM (published in 2020) and in point 18(a), of the Interpretative Note n.º 3.

individual justification regarding the adequacy of the profile, experience and curriculum to the role to be performed by each candidate[27]. Among the practices adopted by the issuing companies that accepted the recommendation, we may find, namely, the submission of proposals to the elective general assembly accompanied by the documentation that allows the demonstration required herein - this documentation remaining available online for several years -; the preparation, in the corporate governance report itself, of a description of the functions, qualifications and skills required for the performance of the positions; or even the adoption of a "selection policy" for members of the governing bodies, with broader applicability than that corresponding to a particular elective moment, with the aim at favouring the best practices related to the selection processes of such members.

V.3.2.

Under the terms of the Code's Glossary, *executive staff* means «people who are part of senior management as defined by European and national legislation relating to listed companies (under the name "*person discharging managerial responsibilities*"), excluding members of the corporate bodies».

Notwithstanding, in cases where the issuers make it clear, in the governance report, that they adopt, in the specific context of their structure, another definition of people who are part of the senior management, and attribute to a specialized committee the competencies for the respective appointments, it was considered to be a practice aligned with the ratio of the recommendation, corresponding to compliance.

27. See point 18(b) of the Interpretative Note n.º 3, also in line with the provisions on page 52 of the 2018 RAM (published in 2019) and on page 53 of the 2019 RAM (published in 2020)

From the analysis carried out, the declaration of absence of *executive staff* was evidenced in the corporate governance in only five cases (17 %), so the recommendation was considered not applicable to such issuers.

Within the realm of companies to which the recommendation applies, 28 % have a nomination committee with the function of monitoring and supporting the appointment of members of the *executive staff*.

It is recalled that, in accordance with point 19 of the Interpretative Note no. 3, the recommendation "also applies to companies of a family nature or whose capital structure is very concentrated, since the only justification criterion for non-compliance, provided for in the recommendation, is that of the size of the company. Without prejudice, the family nature of the company or the concentration in capital structure may, among others, be invoked in the context of explain and its importance appreciated within that same context".

In particular, the mere invocation of the company size did not immediately determine the non-applicability of the recommendation (notwithstanding a different understanding which led several companies to consider the recommendation as not applicable). However, size may be convoked under *explain*, as suggested by the Interpretative Note, in terms that prove to be substantiated, by invoking particular characteristics of the company and identifying the equivalent option adopted by the company.

Accordingly, 16 % of the companies presented an *explain* which was valued as materially equivalent to compliance with recommendation V.4.2., which thus obtained an overall compliance figure of 44 %, five percentage points above the compliance level of 39 % verified in the previous year.

V.3.3. e V.3.4.

Recommendations V.3.3 and V.3.4 assume the existence of a nomination committee, whereas V.3.3. applies both to the nomination committee for corporate bodies (III.7.(2)) and to the executive staff (V.3.2.). Accordingly, if the latter are not complied with or applicable, the recommendation V.3.3. becomes inapplicable, which is also the case for the German model. This is why recommendation V.3.3 was not applicable to 60 % of the issuers.

In this context, compliance with V.3.3. represented 58 % of the applicable cases.

With respect to V.3.4., it is important to note that, in previous monitoring exercises, the recommendation has been interpreted as addressing any and all nomination committees, and not just the one that concerns directors. However, point 20 of the Interpretative Note n.º 3 describes the difficulties in applying it to the nomination committee for members of corporate bodies (III.7.(2)): its content and the terms of reference listed therein are not easily distinguishable from the criteria on the profile of the members of corporate bodies, criteria that are object of evaluation in I.2.1. Therefore, V.3.4. came to be interpreted as referring only to the committee provided for in recommendation V.3.2.

Thus, V.3.4., although not applicable in 67 % of the cases, obtained a degree of compliance of 80 %, which compares positively with 73 % obtained last year.

Chapter VI
INTERNAL CONTROL

OVERALL ASSESSMENT OF THE CHAPTER

Chapter VI, dedicated to internal control, contains seven recommendations, broken down into eleven sub-recommendations. There were no cases of explain equivalent to compliance. The average compliance remains around 86 %, with the average for each recommendation varying between 100 % and 70 %.

RECOMMENDATIONS

VI.1.

VI.1 provides that the managing body should debate and approve the company's strategic plan and risk policy, which includes the establishment of limits on risk-taking.

In this context, 90 % of issuers state that their managing body discusses and approves the strategic plan and 80 % declare to approve a risk policy, revealing a continuous improvement from 2018 to 2020.

In particular with regard to risk policy, as there is not, in all cases of compliance, an express statement about the establishment of limits on risk-taking, during the monitoring process the issuers were informed that it will become material to disclose, even if in general terms, the matters

that were defined in the risk policy, in terms of setting limits, or objectives, or others that are considered relevant.

VI.1.(2) – Establishment of limits on risk-taking

THE RECOMMENDATION:

The managing body should debate and approve the company's strategic plan and risk policy, which should include the establishment of limits on risk-taking.

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS:

Even though the "establishment of limits on risk-taking" is not disclosed, it will still be relevant to disclose, even if in general terms, the matters that were defined in the risk policy, in terms of setting limits, or objectives, or others that are considered relevant.

VI.2.

Regarding VI.2., it was already observed in 2019 that within the cases of compliance, publicly available information on whether the supervisory body is internally organised, implementing mechanisms and periodic control procedures with a view to ensure consistency between the risks effectively incurred and the objectives previously set, was not always as clear and unequivocal as recommended. In order for this not to happen in the future, issuers were made aware of the importance of providing such information.

With its current profile, the monitoring of the recommendation registered a compliance level of 74 %, just slightly below the 77 % obtained in 2019.

VI.2. Implementation of mechanisms and procedures of periodic control by the supervisory body to verify the consistency of the risks incurred with the objectives set by the management body

THE RECOMMENDATION:

The supervisory board should be internally organised, implementing mechanisms and procedures of periodic control that seek to guarantee that risks which are effectively incurred by the company are consistent with the company's objectives, as set by the managing body.

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS:

Although in this monitoring exercise emphasis was put on the information on the establishment of the supervisory body's competence in this matter, the evidence of the implementation of these same mechanisms and periodic control procedures will have to be taken into account, in the future assessment of full compliance with the recommendation. Therefore, we will consider it essential, in the coming years, that information be provided on the implementation of these mechanisms and periodic control procedures, in order to accept this recommendation as complied with.

VI.3., VI.4. e VI.5.

90% of the issuers structured their internal control system

in terms that they considered appropriate[28] for the company´s size and the complexity of the risks inherent to their activity, with the supervisory body being responsible for evaluate and propose necessary adjustments. The average compliance with VI.3 rises to 94 % in the context of the PSI 20.

As recommended in VI.4., the same supervisory body has a say on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance and internal audit functions (where applicable), in 77 % of cases, which reveals a significant growth compared to 2019 (64 %).

Under the terms recommended in VI.5., the supervisory body is also a recipient of the reports made by the internal control services in 70 % of the issuer companies, once again a growing figure by reference to 64 % in 2019.

VI.6. e VI.7.

With respect to sub-recommendations VI.6.(1) to (4), all companies continue to establish mechanisms to identify the main risks to which they are subjected in the development of their respective activities. 90 % expressly indicate that they identify the likelihood of occurrence and their impact, 97 % establish mitigation tools and measures, while 93 % define and identify risk monitoring procedures.

In turn, recommendation VI.7. regarding procedures for the supervision, periodic evaluation, and adjustment of the internal

28. The "appropriateness" referred to is seen as a line of conduct, and as such is not subject to autonomous monitoring – similarly to what also happens in relation to recommendations I.1.1., IV.2. and VII.2.2. On the lines of conduct, cf. point 2 of Interpretative Note n.º. 3.

control system, presents a degree of compliance of 87 %, higher than last year's average of the three previous sub-recommendations now consolidated (82 %). There is full compliance in the universe of the PSI 20.

Chapter VII
FINANCIAL INFORMATION

OVERALL ASSESSMENT OF THE CHAPTER

After being broken down, the chapter VII, with focus on financial information, contains five sub-recommendations.

The average compliance level reached 85 %. This number compares with 69 % of the previous year, which already represented the largest increase within a chapter.

The percentages of compliance vary between 97 % and 50 %, with no explain situations considered equivalent to compliance, nor cases of non-applicability.

RECOMMENDATIONS

VII.1.1.

As the recommendation provides that the supervisory body's regulation should include a set of competences listed therein, this is verified in 90 % of the cases - only three issuers did not comply with the recommendation.

VII.1.1. – Supervision of the preparation process and disclosure of financial information

THE RECOMMENDATION:

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

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS :

The monitoring has accepted as compliant with the recommendation, in a transition phase, a practice where, even though such powers of the supervisory body were not explicit in its internal regulation, there was the corresponding information in the text of the corporate governance report (see 2018 RAM (published in 2019), page 58; 2019 RAM (published in 2020), page 58). Henceforth, by taking into account the explicit content of the recommendation, the monitoring will only consider compliant those situations where the supervisory body's internal regulation imposes the mentioned duty.

VII.2.1.

In accordance with the reading adopted since the first monitoring[29], reflected in point 21 of the Interpretative Note n.º 3, what is at stake in this recommendation is not only the generic establishment of the competence of the supervisory body to define the supervisory procedures intended to ensure the independence of the statutory auditor, but the definition, ex ante and in abstract, of those same procedures.

This happened in 53 % of issuing companies, a figure that represents a significant increase in relation to the 39 % obtained last year.

VII.2.2.

Regarding VII.2.2(1), in 97 % of companies, there are indicators that the supervisory body is the main interlocutor for the statutory auditor in the company.

In this regard, it should be noted that the supervisory body, even though it may not be the exclusive interlocutor as follows from point 22(a) of the Interpretative Note n.º 3, it should be, even if not the only one, among the first recipients of the corresponding reports.

It was further observed, now with respect to VII.2.2.(2), that in 90 % of the issuer companies the supervisory body is responsible for proposing the remuneration of the statutory auditor. Therefore, there is a slight increase in the degree of compliance, already high, in both sub-recommendations.

29. See page 56 of the 2018 RAM and page 58 of the 2019 RAM.

VII.2.3.

Notwithstanding occasional deviations regarding the explanation of any of the duties listed in the recommendation, which were the subject of a note to issuing companies in each case, it can be said that for 97 % of issuers (same number as the previous year) it is found that the supervisory body has the duty to assess on an annual basis the work performed by the statutory auditor, their independence and suitability for the exercise of functions. In addition, the supervisory body may propose to the competent body their dismissal or termination of their service contract when this is justified for due cause.

VII.2.3. – Annual assessment by the supervisory body of the work performed by the internal auditor

THE RECOMMENDATION:

The supervisory body should annually assess the services provided by the statutory auditor, their independence and their suitability in carrying out their functions, and propose to the competent body their dismissal or the termination of their service contract when this is justified for due cause.

GUIDANCE TO THE COMPANIES FOR FUTURE GOVERNANCE REPORTS:

If, still in a transition phase, "occasional deviations regarding the explanation of any of the duties listed in the recommendation, which were the subject of a note to issuing companies in each case" were disregarded (see 2019 RAM, page 59), it will be considered henceforth that compliance with the recommendation requires the explanation of all the listed duties.

6 CONCLUSIONS

Thus, we can conclude the following:

- In the monitoring carried out in 2021, in respect to 2020, the average compliance level of the 53 recommendations of the CGS IPCG 2018 — divided into 74 sub-recommendations — amounts to 79 %.
- This average compliance level rises to 83 % in the universe of listed companies that are part of the PSI 20.
- As in the previous year, we observed a qualitative progress in the level of information provided in the governance reports regarding the practices adopted, attesting to a healthy concern of the issuing companies in meeting the recommendatory requirements, and in making it explicit in such a way that an external observer can verify its compliance. The CEAM has been playing an important role in this domain, seeking, within its competences and through the interactions that this exercise allows, to promote the improvement of governance practices and the improvement of reporting.
- Among the *recommendations with the highest compliance level*, the following should be highlighted: the disclosure of company information; the adoption of a policy for whistleblowing; setting remuneration by a committee (or by the General Assembly on a proposal by a committee); establishment of a risk management function identifying the main risks to which the issuing company is subject and the tools and measures to adopt towards their mitigation;

annual assessment by the supervisory body of the work performed by the internal auditor.

- Among those with the *lowest compliance level*, there are recommendations regarding: assessment and judgement on the strategy and the risk policy defined by the management body prior to their final approval by this body; appointment of a coordinator of the independent directors; approval of a maximum amount of all compensation payable for termination of functions of a member of a governing body; promotion by the company that the proposals for the appointment of the members of the governing bodies are accompanied by a justification on the suitability to the functions to be performed, the profile, the skills and the curriculum vitae of each candidate; definition by the supervisory body of the monitoring procedures aimed at ensuring the independence of the statutory audit; existence of specialised committees on appointments on corporate governance and to overview and support the appointment of members of the executive staff; independent non-executive directors amount to no less than one third of the board.

- **In comparing the monitoring for 2019 and 2020,** there is a stabilization of results, albeit with a slight decrease, expected in view of the change in the recommendatory framework: from 80 % to 79 %, in the universe of all issuers monitored, and from 86 % to 83%, in respect to listed companies included in the PSI 20.

- But this comparison cannot be direct and linear, for two reasons. The first reason, as referred to, is the change in the recommendatory framework: a CGS with 60 recommendations broken down

into 117 sub-recommendations has been changed to 53 recommendations, broken down into 74 sub-recommendations, so it can be said that it is not exactly the same Code that was the object of monitoring in 2020 and 2021.

- Thus, although this is the third monitoring exercise under the aegis of the IPCG, it is the first one carried out by reference to the CGS as revised in 2020. Just as the results for 2019 could be compared with those for 2018, a comparison between 2020 and the future financial year of 2021 could be made in the same line, more adequate, objective and fair, without interfering with a change in the recommendatory framework.
- The second reason that makes the comparison difficult are the changes in the universe of monitored issuing companies, with exits from the regulated market, on the one hand, and, on the other, the inclusion of governance reports from issuing companies that adopted the CGS for the first time, which make up 10 % of the set of issuing companies considered in this statistic.
- **As for the future:** the change in the recommendatory framework and the changes in the universe of issuing companies monitored have not yet allowed us to confirm the expectation of a new increase in the level of compliance already in 2020; notwithstanding, there is a relevant stability of the results and it is likely that the greater initial difficulty in achieving compliance, given recommendatory contents with new features, will be followed in the near future by an improvement in practices and/or their reporting in the governance reports of issuing companies. That is what we expect for the upcoming financial year.

ANNEX 1

Comparative table (2019-2020) of the individual results of the 74 sub-recommendations

The changes to which the CGS was subject, due to the review carried out in 2020, make a direct and linear comparison between compliance results for 2020 and those previously obtained with reference to 2019 unfeasible.

Even so, having tried to note, throughout this Report, the correspondences to be drawn in relation to the recent past, as well as the evolution in the degree of compliance, whenever this seemed possible, we present a comparative table between the 2020 and 2019 financial years.

As this is not the place to draw attention to differences in the content of the recommendations (but see all that is exposed above, in V.3., complemented with all the elements relating to the preparatory work of the 2020 revision of the Code), we note that the columns relating to the 2019 results:

- are filled in only with the result of that year, whenever the (sub)recommendation remains identical (although with different numbering);
- are filled in with various percentages, whenever the current (sub)recommendation results from the grouping of two or more previous (sub) recommendations;
- are filled in with the result(s) of 2019, accompanied

by the reference to the numbering of the old recommendation, which will indicate differences in the recommendatory content between the CGS in 2018 (in light of which the monitoring of 2019 was carried out) and the version revised in 2020 (in light of which this monitoring is carried out);

are not filled in, whenever the current recommendation has no sufficient correspondence in the CGS 2018 version previously in force, and thus in the monitoring carried out with reference to 2019.

GLOBAL COMPLIANCE (S+E)

Recommendation	All issuing companies		PSI 20 listed companies	
	2019	2020	2019	2020
I.1.1.	100%	100%	100%	100%
I.2.1.	52%	60%	56%	72%
I.2.2.(1)	88% / 97%	83%	94% / 94%	89%
I.2.2.(2)	94% / 97%	87%	100% / 94%	94%
I.2.2.(3)	85% / 91%	80%	87% / 92%	76%
I.2.2.(4)	100%	100%	100%	100%
I.2.2.(5)	100%	100%	100%	100%
I.2.2.(6)	85%	88%	93%	88%
I.2.3.(1)	97%	97%	100%	94%
I.2.3.(2)	100%	100%	100%	100%
I.2.4.	97%	100%	100%	100%
I.3.1.	85%	97%	94%	100%
I.3.2.	94%	97%	100%	100%
I.4.1.	100% (I.4.1.)	70%	100% (I.4.1.)	67%
I.4.2.	79%	73%	89%	83%
I.5.1.	39% (I.5.1.(1) e (2))	90%	50% (I.5.1.(1) e (2))	100%
I.5.2.	-	-	-	-
II.1.(1)	97%	93%	100%	100%
II.1.(2)	67%	67%	100%	100%
II.2.	91%	86%	94%	94%

GLOBAL COMPLIANCE (S+E)

Recommendation	All issuing companies		PSI 20 listed companies	
	2019	2020	2019	2020
II.3.	78% (II.4.)	66%	89% (II.4.)	67%
II.4.	69%	76%	78%	78%
II.5.	50% / 100%	75%	33% / 100%	67%
II.6.	88%	79%	83%	72%
III.1.	35%	36%	43%	33%
III.2.(1)	63%	79%	82%	94%
III.2.(2)	55%	67%	67%	78%
III.2.(3)	100%	100%	100%	100%
III.3.	66%	69%	76%	76%
III.4.	56%	55%	65%	59%
III.5.	-	-	-	-
III.6.(1)	58% (III.8.(1))	33%	72% (III.8.(1))	39%
III.6.(2)	48% (III.8.(2))	27%	61% (III.8.(2))	33%
III.7.(1)	52%	57%	56%	56%
III.7.(2)	48%	53%	67%	67%
III.7.(3)	97% (III.9.(2))	87%	100% (III.9.(2))	89%
IV.1.	70%	63%	72%	67%
IV.2.(1)	87%	89%	88%	82%
IV.2.(2)	80%	89%	88%	88%
IV.2.(3)	87%	93%	88%	88%

GLOBAL COMPLIANCE (S+E)

Recommendation	All issuing companies		PSI 20 listed companies	
	2019	2020	2019	2020
IV.3.	-	60%	-	67%
V.1.1.(1)	73%	83%	83%	89%
V.1.1.(2)	83%	83%	92%	92%
V.1.1.(3)	77%	85%	82%	88%
V.2.1.	97% / 87% (III.9.(2) / V.2.1.(2))	87%	100% / 88% (III.9.(2) / V.2.1.(2))	89%
V.2.2.	94% (V.2.1.(1))	100%	94% (V.2.1.(1))	100%
V.2.3.	97% (V.2.4.(2))	47%	94% (V.2.4.(2))	39%
V.2.4	97%	93%	100%	94%
V.2.5.	94%	90%	100%	89%
V.2.6.	69%	70%	78%	72%
V.2.7.	94%	97%	100%	100%
V.2.8.	59% / 84%	59%	59% / 100%	59%
V.2.9.	50%	100%	-	100%
V.2.10.	87%	85%	94%	88%
V.3.1.	56%	47%	79%	61%
V.3.2.	39%	44%	57%	57%
V.3.3.	57%	58%	50%	44%
V.3.4.	73%	80%	82%	83%

GLOBAL COMPLIANCE (S+E)

Recommendation	All issuing companies		PSI 20 listed companies	
	2019	2020	2019	2020
VI.1.(1)	88%	90%	89%	94%
VI.1.(2)	73% / 67% /100% (VI.1.(2) e IV.3.(1) e (2))	80%	83% / 78% / 100% (VI.1.(2) e IV.3.(1) e (2))	89%
VI.2.	77%	74%	93%	83%
VI.3.	100% / 100% / 73% / 97% / 97% / 96% (III.10.(1),(2),(3) e III.11.(1),(2),(3))	90%	100% / 100% / 78% / 100% / 100% / 100% (III.10.(1),(2),(3) e III.11.(1),(2),(3))	94%
VI.4.	64%	77%	78%	89%
VI.5.	64%	70%	78%	83%
VI.6.(1)	100%	100%	100%	100%
VI.6.(2)	85%	90%	94%	94%
VI.6.(3)	91%	97%	100%	100%
VI.6.(4)	97%	93%	100%	100%
VI.7.	91% / 76% / 79%	87%	100% / 83% / 83%	100%
VII.1.1	97%	90%	100%	94%
VII.2.1.	39%	53%	50%	67%
VII.2.2.(1)	94%	97%	94%	94%
VII.2.2.(2)	88%	90%	89%	94%
VII.2.3.	97%	97%	100%	100%

ANNEX 2

List of monitored issuing companies (2020 financial year)

Altri, S.G.P.S., S.A.
Banco Comercial Português, S.A.
Caixa Geral de Depósitos, S.A.
Cofina, S.G.P.S., S.A.
Corticeira Amorim, S.G.P.S., S.A.
CTT – Correios de Portugal, S.A.
EDP – Energias de Portugal, S.A.
EDP Renováveis, S.A.
Estoril-Sol, S.G.P.S., S.A.
Flexdeal SIMFE, S.A.
Futebol Clube do Porto – Futebol, SAD
Galp Energia, S.G.P.S., S.A.
Glintt – Global Intelligent Technologies, S.G.P.S., S.A.
Grupo MEDIA CAPITAL, S.G.P.S., S.A.
Ibersol, S.G.P.S., S.A.
Impresa, S.G.P.S., S.A.
Inapa – Investimentos, Participações e Gestão, S.A.
JERÓNIMO MARTINS, S.G.P.S., S.A.
Lisgráfica – Impressão e Artes Gráficas, S.A.
Martifer, S.G.P.S., S.A.
Mota-Engil, Engenharia e Construção, S.A.
NOS, S.G.P.S., S.A.
NOVABASE, S.G.P.S., S.A.
Pharol, S.G.P.S., S.A
Ramada Investimentos e Indústria, S.A.
REN – Redes Energéticas Nacionais, S.G.P.S., S.A.
Semapa – Sociedade Investimento e Gestão, S.G.P.S., S.A.
SONAE, S.G.P.S., S.A.
SONAE Indústria, S.G.P.S., S.A.
SONAECOM, S.G.P.S., S.A.
Sporting Clube de Portugal – Futebol, SAD
TEIXEIRA DUARTE – Engenharia e Construções, S.A.
Toyota Caetano Portugal, S.A.
THE NAVIGATOR COMPANY, S.A.
VAA – Vista Alegre Atlantis, S.G.P.S., S.A.

Issuing companies part of the PSI 20 stock market index in 2020

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