PLAN FOR THE PREVENTION OF RISKS OF CORRUPTION AND RELATED INFRACTIONS

1. Preamble

Decree-Law No. 109-E/2021, of December 9, which creates the National Anti-Corruption Mechanism ("MENAC") and approves the General Regime for the Prevention of Corruption ("RGPC"), aims to prevent, detect, repress and sanction acts of corruption and related offenses.

The RGPC, which came into force in June 2022, is applicable to legal entities headquartered in Portugal that employ 50 or more workers, so that HHS – Host Hotel Systems, Lda. ("HHS") is legally covered by said legal regime.

Therefore, HHS is required to adopt and implement a regulatory compliance program that must include a Corruption and Related Offenses Risk Prevention Plan ("PPR" or "Plan"), a code of ethics and conduct, a reporting channel and a training plan.

In accordance with the provisions of the RGPC, the PPR covers its entire organization and activity, including administration, management, operational or support areas and must contain the identification, analysis and classification of risks and situations that may expose the entity to acts of corruption and related infractions, including those associated with the exercise of functions by the holders of the administration and management bodies, considering the reality of the sector and the geographical areas in which the entity operates; and preventive and corrective measures that reduce the probability of occurrence and the impact of the risks and situations identified.

2. Purposes

With this act, HHS aims to ensure compliance with the GDPR, as well as the mitigation of all risks inherent to these transgressions.

Therefore, the Plan seeks to comply with the obligations set out in the RGPC, namely in its article 6, as well as to promote a culture of equality, transparency, free competition, impartiality, legality, integrity and the fair redistribution of wealth.

The primary purposes of the PPR are related to the identification of risks and preventive and corrective measures to mitigate these risks. As established objectives, it is worth highlighting:

i) identify, analyze and classify the risks of acts of corruption and related offenses to which HHS may be exposed, in order to act quickly and effectively to combat potential illicit behavior;

ii) develop control and mitigation measures for identified risks that reduce the probability of occurrence and the degree of impact of the risks;

iii) increase employee awareness and training;

iv) monitor the implementation of the PPR, especially its adequacy to the needs of HHS and its effective compliance.

3. HHS and its core values

HHS is a limited liability company, with the name HHS – Host Hotel Systems, Lda., headquartered in Portugal and with offices located in Lisbon, Torres Vedras, Braga and Algarve.

HHS is dedicated to consulting, development, and marketing of IT solutions for the hotel industry, focusing its products on the complete digitalization of all operational processes in the hotel sector.

HHS is guided by values that are based, among others, on transparency, legal compliance, responsibility, competence, impartiality, independence, and equity.

4. Prevention of Corruption and Related Offences

The crime of corruption is provided for in the Penal Code, in articles 373 and 374, within the scope of the exercise of public functions. In addition to these precepts, the crime of corruption is also provided for in articles 8 and 9 of Law No. If, on the one hand, the one who promises or offers an illicit advantage commits active corruption, on the other hand, the one who accepts to receive it commits passive corruption.

Furthermore, in society, the concept of corruption acquires a broader meaning, including other conduct that may also give rise to criminal liability. These conducts, considered related offences, allow, similarly to what occurs in the crime of corruption, the obtaining of an illicit advantage (*e.g.* crimes of embezzlement, economic participation in business, extortion, abuse of power, malfeasance, influence peddling, bribery or money laundering), better described in Annex II.

The methodology adopted in preparing the PPR, namely in identifying, classifying and assessing risks, comprises a process of identification, assessment, recommendation/implementation of corrective measures and monitoring/reporting.

In this sense, the first phase of the process results from an assessment of all processes performed by the business units, the analysis of the areas and activities of HHS and their context. The aim is to identify, in each of them, the competences or responsibilities that may promote situations

that constitute risks of corruption and related infractions, proceeding with a global categorization of these.

Based on the identified risks, some correspondence is made between the probability and the impact of such risks. The classification of the risk level (very low, low, medium, high and very high) results from the combination of the probability of occurrence of the situations involving the risk with the severity of its predicted impact.

The probability of occurrence refers to the possibility of an event occurring or not occurring in a given period. The three probability of occurrence criteria can be divided and defined as follows:

i) **High/High:** when the event may occur frequently and/or with reduced possibility of prevention or remediation, even if it includes additional control actions;
ii) **Moderate/Medium:** when the event may occur sporadically and/or with the possibility of prevention or remediation, even if it includes additional control actions;
iii) **Reduced/Low:** when the event is isolated in nature and is unlikely to occur or when it occurs in exceptional circumstances and can be prevented or remedied with the controls in force.

As for the impact, it can be understood as the expected consequence of the occurrence of an event that affects the strategic objectives of HHS, being graduated as follows:

i) **High/Major:** when there is a very significant loss of reputation to HHS or other consequence with significant costs that affects the mission, values, objectives, business opportunities and operational activity;
ii) **Moderate/Medium:** when there is a medium impact on HHS's reputation or on the normal functioning of operational activities and the performance of strategic objectives or another consequence with bearable costs;
iii) **Reduced/Low:** when the event does not have the potential to impact HHS's reputation in the performance of operational activities and objectives, and the associated costs are insignificant.

After assessing the risks, appropriate responses to them are defined to ensure that HHS is not exposed to residual risks above those defined. Such responses may be based on strategies such as risk treatment (elimination, transfer or control), risk acceptance or the definition of contingency plans for them.

The following prevention and control mechanisms stand out:

i) Code of Ethics and Conduct;

ii) Irregularities reporting channel;

iii) Conflict of interest management policy

iv) Risk management policy;

v) Customer acceptance procedure (Know *Your Client)*;

vi) Training plan

5. Non-compliance

Members of the HHS administration have been designated as responsible for regulatory compliance with the PPR, its monitoring, review, and dissemination. They will perform their functions with the assistance of the legal department, without prejudice to perform them independently, permanently and with decision-making autonomy.

Failure to comply with the measures determined in this PPR may, upon verification of the legal requirements, be grounds for civil and/or financial liability. In the event of an employment relationship, violation of the PPR and other relevant documentation constitutes a disciplinary infraction, triggering the inherent disciplinary procedure.

Furthermore, violation of the RGPC is punishable as an administrative offence, with individuals and legal people or similar entities being liable, in accordance with the provisions of the respective regime, without prejudice to any criminal liability arising from the commission of corruption crimes and related offences, under applicable legislation.

6. Monitoring, review and advertising

The PPR is subject to periodic monitoring and control to ensure its adequate and effective implementation, in particular the effectiveness of prevention and mitigation measures.

Monitoring this PPR is the responsibility of the Regulatory Compliance Officer, under the following terms, as set out in the RGPC:

i) Preparation, in October, for the interim assessment report on identified situations of high/high risk;

ii) Preparation, in April of the year following the year to which the implementation relates, of an annual assessment report, containing the quantification of the degree of implementation of the identified preventive and corrective measures, as well as the forecast for their full implementation.

The PPR must be reviewed every three years or, alternatively, whenever there are changes that, under the terms of the RGPC, justify its review, especially when new risks are identified that are relevant and have an impact on the Plan and when changes occur in terms of the probability of occurrence and foreseeable impact of each situation. The review of the PPR is the responsibility of the Regulatory Compliance Officer.

Additionally, both the PPR (including revisions thereto) and the interim and annual evaluation reports will be published on the official website and on the HHS internal platform, within 10 (ten) days of their implementation, revision or preparation, allowing access to the information to all its employees.

Annex I – Table identifying specific risks

Risk Situations	**Probability**	**Impact**	**Risk level**	**Preventive Measures**
Conflicts of interest, corruption and related offences in general	Moderate	Moderate	Average	- Code of Conduct - Training on the Code of Conduct - Irregular Practices Reporting System
Excessive discretion in selection criteria/factors in the context of the recruitment process	Weak	Weak	Very low	- Plan for gender equality and diversity in terms of access to employment
Existence of flaws in the employee verification procedure	Weak	Moderate	Low	check procedures
Handling of information related to processing salary	Weak	Weak	Very low	- Segregation of duties - Periodic review of system access profiles - Random verification of receipts

Adulteration of information related to the invoicing of goods and services	Weak	Moderate	Low	- Code of conduct - Strengthening internal monitoring measures - Internal audits
Lack of independence and impartiality in commercial procurement/negotiation contrary to the values and/or interests of HHS	Moderate	Moderate	Average	- Conflict of interest management policy - Carrying out Know-how procedures Your Customer - Control systems - Participation of several stakeholders in the process
Procedures for recovering information and operations in the event of a disaster (technological infrastructures)	Weak	High	Average	- Business continuity and recovery plans - Backup policies
Management of computer access, particularly regarding the guarantee of confidentiality of passwords and access to systems with information of a confidential nature	Weak	High	Average	- Safety Manual Information - Access Audit Users
Vulnerabilities of systems to invasions that put their availability or the confidentiality/integrity of information at risk	Weak	High	Average	Cybersecurity tools - Improving system integrity techniques

Management of material assets, namely computer equipment	Moderate	Moderate	Average	- Equipment management policy - Operational Exercises
Failure to comply with internal procedures for one's own benefit or that of third parties and improper use of databases	Weak	Moderate	Low	- Code of conduct - Privacy management system - Permanent monitoring mechanisms - Certification of security management standards information

Annex II – Definition of concepts

Influence peddling (article 335 of the Penal Code) : Anyone who, personally or through an intermediary, with their consent or ratification, requests or accepts, for themselves or for a third party, a patrimonial or extra-patrimonial advantage, or the promise thereof, in order to abuse their influence, real or supposed, with any public entity, national or foreign.

Bribery (article no. 363 of the Penal Code): Anyone who convinces or attempts to convince another person, by means of a gift or promise of a financial or non-financial advantage, to commit the acts provided for in articles 359 or 360, without them actually being committed.

Money laundering (article 368, §§ 3, 4 and 5 of the Penal Code): Anyone who converts, transfers, assists or facilitates any operation involving the conversion or transfer of benefits, obtained by themselves or by a third party, directly or indirectly, with the aim of disguising their illicit origin, or of preventing the perpetrator or participant of these infractions from being criminally prosecuted or subjected to criminal reaction. Anyone who conceals or disguises the true nature, origin, location, disposition, movement or ownership of the benefits, or the rights relating thereto, shall incur the same penalty. The same penalty shall also apply to anyone who, not being the author of the typical unlawful act from which the advantages arise, acquires, holds or uses them, with knowledge, at the time of acquisition or at the initial moment of imprisonment or use, of that status.

Prevarication (article no. 369 of the Penal Code): The employee who, within the scope of a procedural investigation, jurisdictional process, for infraction or disciplinary, knowingly and against the law, promotes or does not promote, conducts, decides or does not decide, or performs an act in the exercise of powers arising from the position he holds.

Undue receipt and offer of advantage (article no. 372 of the Penal Code): The employee who, in the exercise of his duties or by reason thereof, by himself, or through an intermediary, with his consent or ratification, requests or accepts, for himself or for a third party, a patrimonial or non-patrimonial advantage, which is not due to him. Whoever, personally or through an intermediary, with his/her consent or ratification, gives or promises to an employee, or to a third party through the employee's indication or knowledge, a patrimonial or extra-patrimonial advantage, which is not due to him/her, in the exercise of his/her functions or by reason thereof.

Passive corruption (article no. 373 of the Penal Code): An employee who, by himself or through an intermediary, with his or her consent or ratification, requests or accepts, for himself or for a third party, a patrimonial or non-patrimonial advantage, or the promise thereof, for the practice of any act or omission contrary to the duties of the position, even if prior to that request or acceptance.

Active corruption (article 374 of the Penal Code): Anyone who, personally or through an intermediary, with their consent or ratification, gives or promises to an employee, or to a third party by indication or with the knowledge of the latter, a financial or non-financial advantage for the purpose indicated in § 1 of article 373.

Embezzlement (article 375 of the Penal Code): An employee who illegitimately appropriates, for his own benefit or that of another person, money or any movable or immovable property or animal, public or private, that has been given to him, is in his possession or is accessible to him by reason of his functions.

Economic participation in business (article no. 377 of the Penal Code): An employee who, with the intention of obtaining, for himself or for a third party, illicit economic participation, harms in a legal transaction the patrimonial interests that, in whole or in part, he is responsible for, by reason of his function, administering, supervising, defending or carrying out.

Bribery (article no. 379 of the Penal Code): An official who, in the exercise of his/her functions or powers arising therefrom, by himself/herself or through an intermediary with his/her consent or ratification, receives, for himself/herself, for the State or for a third party, by misleading or taking advantage of the victim's error, a financial advantage that is not due to him/her, or is greater than that due, namely a contribution, fee, emolument, fine or penalty.

Abuse of power (article no. 382 of the Penal Code): An employee who, outside the cases provided for in the previous articles, abuses powers or violates duties inherent to his/her functions, with the intention of obtaining, for himself/herself or for a third party, an illegitimate benefit or causing harm to another person.