

ANNUAL REPORT 2023

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I - ACTIVITIES AND MANAGEMENT REPORT

ACTIVITIES AND MANAGEMENT REPORT

During 2023, the BIAL Foundation continued to fulfil its statutory purposes, that is, to foster the scientific study of the human being from both the physical and spiritual perspectives, through the following activities and initiatives: *(i)* award allocation and management aimed at recognizing scientific research, *(ii)* organization of the symposium “Behind and Beyond the Brain” and *(iii)* financial support for scientific research projects.

PRÉMIO BIAL DE MEDICINA CLÍNICA 2022



PRÉMIO Bial 
DE MEDICINA CLÍNICA 2022

The ceremony of the twentieth edition of the Prémio BIAL de Medicina Clínica, attended by the President of the Portuguese Republic, Prof. Marcelo Rebelo de Sousa, took place at the Aula Magna of the Faculty of Medicine of the University of Porto, on February 8, 2023. The winning work - “The challenges of Neurodiversity: A Translational Journey into Personalized Medicine in Autism Research” -, by Prof. Miguel Castelo-Branco, was distinguished with an award of €100,000, as well as the publication of the first edition in a book. The following works were also distinguished with two honourable mentions in the amount of €10,000 each: “Brain Tumors 360º: from biological samples to precision medicine for patients”, by Prof. Cláudia Faria; and “Contribuição para o estudo da Hipertensão Arterial em Moçambique e na África subsaariana: Resultados de um combate de 25 anos”, by Prof. Albertino Damasceno (coordinator) and collaborators.

The Jury, presided by Prof. Manuel Sobrinho Simões, included the following members: Professors João Bessa (School of Medicine, University of Minho), Jaime Branco (Faculty of Medical Sciences, NOVA Medical School), Filipe Caseiro Alves (Faculty of Medicine, University of Coimbra), Miguel Castelo-Branco (Faculty of Health Sciences, University of Beira Interior), Altamiro da Costa Pereira (Faculty of Medicine,

University of Porto), Henrique Cyrne Carvalho (Abel Salazar Institute for the Biomedical Sciences, University of Porto), Helena Leitão (Faculty of Medicine and Biomedical Sciences, University of the Algarve), José Melo Cristino (Faculty of Medicine, University of Lisbon).

BIAL AWARD IN BIOMEDICINE 2023

Bial AWARD 
IN BIOMEDICINE 2023



Until June 30, 2023, nominations for the third edition of the BIAL Award in Biomedicine were accepted.

The Jury, presided by Prof. Ralph Adolphs, was composed by the following members: Sarah Bray and Nektarios Tavernarakis, appointed by the *European Research Council*, Maria do Carmo Fonseca and Fátima Carneiro, appointed by the Council of Rectors of Portuguese Universities, Vincenzo Costigliola and Olga Golubnitschaja, appointed by the *European Medical Association*, Hugo Critchley and Menno Witter, members of the BIAL Foundation's Scientific Board, Peter St. George-Hyslop and Daniel Pipeleers, previous BIAL Award winners, Kamran Abbasi and Eric Rubin, editors-in-chief, respectively, of the scientific journals *BMJ* and *NEJM*.

This international Jury met in November 2023, in Porto, to analyze the 70 nominations received and decide on the winning work. After this evaluation, the Jury decided to award the BIAL Award in Biomedicine 2023, in the sum of €300,000, to the following research work in the field of molecular biology, led by researchers Varun Venkataramani (first author), Frank Winkler, and Thomas Kuner (senior co-authors) from the Heidelberg University and Heidelberg University Hospital in Germany: "Glutamatergic synaptic input to glioma cells drives brain tumour progression". This work, published in *Nature* journal in September 2019, in addition to the corresponding authors, is co-authored by 26 researchers from the Heidelberg University, Heidelberg

University Hospital, German Cancer Research Center, University Hospital Mannheim, Otto-von-Guericke University (Germany), Johns Hopkins University School of Medicine (USA), University of Glasgow (United Kingdom), University of Bergen and Haukeland University Hospital (Norway).

MARIA DE SOUSA AWARD | 3RD EDITION - 2023**PRÉMIO**
Maria de Sousa

3ª edição - 2023



Until May 31, 2023, applications for the third edition of the Maria de Sousa Award were accepted. The Jury, presided by Prof. Rui Costa, included the following members: Professors Maria do Carmo Fonseca, Graça Porto, Miguel Castelo-Branco and Joana Palha.

To this edition, in an exclusive partnership between the Portuguese Medical Association and BIAL Foundation, 55 research projects in the Health Sciences were presented.

The ceremony of the third edition of the Maria de Sousa Award, with the presence of the Minister of Science, Technology, and Higher Education, Prof. Elvira Fortunato, took place at Teatro Thalia, in Lisbon, on November 16, 2023. The winning works selected by the Jury, in total value of up to 150 thousand euros, were the following: "Glycan2B - Deciphering novel anti-glycan autoantibodies in autoimmunity: a novel call of biomarkers in lupus", by Dr. Inês Alves; "Prefrontal Serotonin Input in Cognitive Flexibility and its ability to revert Impairments in Stress-related disorders", by Dr. Nuno Dinis Alves; "Syncytiotrophoblast derived extracellular vesicles in Fetal Growth Restriction", by Dr. Catarina Palma dos Reis; "Using genome-wide CRISPR genetic screens to dissect the molecular mechanisms underlying therapy resistance and sensitivity in HER2-positive gastric cancer", by Dr. João Neto; and "Sleep-

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dependent modulation of microglia cell-state in Alzheimer's disease", by Dr. Sara Calafate.

THE SYMPOSIUM "BEHIND AND BEYOND THE BRAIN"

14th SYMPOSIUM OF
BIAL FOUNDATION

BEHIND AND BEYOND THE BRAIN

Aquém e Além do Cérebro

Creativity

Casa do Médico - Porto
April 3 to 6, 2024



Work is in progress on the preparations of the BIAL Foundation's 14th Symposium "Behind and Beyond the Brain", to be held from April 3rd to 6th, 2024, at the Casa do Médico, in Porto.

The Organizing Committee, presided by Professor Axel Cleeremans (Brussels), is constituted by Professors Etzel Cardeña (Lund), Miguel Castelo-Branco (Coimbra), Rui Costa (Seattle and Lisbon), Rainer Goebel (Maastricht), Stefan Schmidt (Freiburg) and Caroline Watt (Edinburgh).

The Symposium has "Creativity" as its central theme – our ability to imagine and bring into existence something new. It is probably the most remarkable feature of human cognition: it is at the core of scientific innovation and drives art in all its forms; it is what explains progress, revolutions, crises, and their resolution. But how does it work? What do we know about what creativity is, who has it, and what we can do to enhance it? With its 14th "Behind and Beyond the Brain" Symposium, BIAL Foundation seeks to address such questions, by gathering some of the most prominent neuroscientists, psychologists, philosophers, and artists, and engaging them in a profoundly, interdisciplinary dialogue throughout a rich program that spans for three days.

ONGOING GRANTS FOR SCIENTIFIC RESEARCH

Funding for Scientific Research



Regarding the 76 projects supported in the biennium 2014/15, only 1 is still ongoing; all the other projects supported with grants before 2014 are already finished.

Concerning the 75 projects supported in the 2016/17 edition, only 6 have not yet submitted final reports.

Further to the 77 projects supported in the biennium 2018/19, it should be noted that 51 final reports have already been received.

In reference to the 84 projects supported in the 2020/21 edition, despite some delay caused by the Covid-19 world pandemic, the 23 final reports that have already been received and the progress reports analysed in the meantime show a satisfactory development of the ongoing research.

Regarding the 75 projects supported in the biennium 2022/23, the progress reports received show an adequate development of the ongoing research.

In general, the final results of the finished projects justify the continuity of this programme by the Foundation.

NUNO GRANDE DOCTORAL SCHOLARSHIP 2022

From December 19th 2022 to January 20th 2023, the applications for the first edition of the Nuno Grande Doctoral Scholarship 2022 were accepted, an initiative entirely financed by Prof. Nuno Grande's family and BIAL Foundation, and managed by ICBAS (Abel Salazar Institute for the Biomedical Sciences, University of Porto).

The Jury, presided by Prof. Henrique Cyrne Carvalho, Director of ICBAS, was composed by the following members: Professors Francisco Cruz (Faculty of Medicine, University of Porto), Henrique Girão (Faculty of Medicine, University of Coimbra), Isabel Palmeirim (Faculty of Medicine and Biomedical Sciences, University of the Algarve) and Jorge Correia Pinto (Medical School, University of Minho).

6 applications were received in this edition, created to support research work in the field of Fundamental Science and aimed to promote the acquisition of differentiating academic skills for the teaching of Medicine by medical doctors who, while collaborating in teaching, are or intend to develop their studies under the scope of the Doctoral Programme in Medical Sciences taught at ICBAS.

The winning work selected by the Jury to receive this Scholarship, worth 25 thousand euros, was the following: “DySLE – Disfunção celular e disbiose intestinal no Lúpus Eritematoso Sistémico”, by Dr. Daniel Filipe de Oliveira.

INSTITUTIONAL COMMUNICATION

In 2023, the BIAL Foundation's focus was in its international visibility, particularly in the scope of the new edition of the BIAL Award in Biomedicine, which led to the monitoring of 63 news pieces in international media. Regarding the media channels, there has been a significant increase in users/viewers of the institutional website and a broadening of the community in LinkedIn, Facebook, and YouTube pages, as well as the creation of a new channel in Twitter/X and a Wikipedia page. In Portugal, 252 news pieces were monitored with reference to BIAL Foundation in the media. In addition, 41 videos were posted, and several communication materials were produced - flyers, posters, and regulations. It should be noted that the publication of 17 Science Stories, based on the results of the supported research projects, led to the submission of 34 press releases and resulted in the monitoring of 63 news published in international media and 11 in the national media.

In the context of celebrating the 30th anniversary of the BIAL Foundation in 2024, preparatory work has begun for various planned initiatives, including, among others, the creation of a logo commemorating the 30 years and a dedicated website.

ACKNOWLEDGEMENTS

We wish to thank the valuable collaboration given to BIAL Foundation by every member of the Scientific Board and the Jury of the Prémio BIAL de Medicina Clínica, the BIAL Award in Biomedicine, and the Maria de Sousa Award, by the University of Porto, by B.P.I. - Banco Português do Investimento, as well as the courtesy of the Portuguese Medical Association.

The same acknowledgement is addressed to the members of the Fiscal Board.

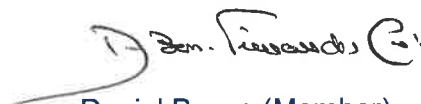
Finally, we must express with great recognition the efficient support that was given to us by Drs. Paula Guedes, Sylvie Marinho, Sandra Pinto, Carina Rodrigues, Manuela Osório and João Ferreira.

Coronado (S. Romão e S. Mamede), March 19, 2024

The Board of Directors



Luís Portela (Chairman)



Daniel Bessa (Member)



Nuno Sousa (Member)



Miguel Portela (Member)



Patrícia Teixeira Lopes (Member)

**II - BALANCE SHEET,
STATEMENT of
INCOME, CASH
FLOW and respective
ANNEX**

F U N D A Ç Ã O

Bial

Instituição de utilidade pública

Institution of public utility

BIAL FOUNDATION

BALANCE SHEET 2023.12.31

Amount in €

ASSETS	NOTES	PERIOD	
		2023.12.31	2022.12.31
NON-CURRENT ASSETS:			
OTHER FINANCIAL INVESTMENTS	8	22.225	22.225
		22.225	22.225
CURRENT ASSETS:			
SHORT-TERM DEPOSITS	4	4.881.169	9.622.889
M/L-TERM DEPOSITS	4	6.000.000	0
DEFERRALS		0	0
- Accrued income	6	12.833	0
- Deferred costs	6	4.046.997	6.275.190
		14.940.999	15.898.078
		14.963.224	15.920.303
CAPITAL FUND AND LIABILITIES			
CAPITAL FUND			
FOUNDER MEMBERS' APPROPRIATION	7	2.750.000	2.750.000
RETAINED EARNINGS		6.828.149	7.387.594
DONATIONS	8	22.225	22.225
PROFIT/ (LOSS) FOR THE PERIOD		1.251.429	-559.445
TOTAL CAPITAL FUND		10.851.803	9.600.374
LIABILITIES			
CURRENT LIABILITIES			
SUPPLIERS		56.573	21.470
STATE AND OTHER PUBLIC ENTITIES		2.036	11.400
OTHER PAYABLES	9	4.051.239	6.275.983
ACCRUALS		1.573	11.077
TOTAL LIABILITIES		4.111.421	6.319.929
TOTAL CAPITAL FUND AND LIABILITIES		14.963.224	15.920.303
<p>The Certified Accountant</p> <p><i>Manuela Osório</i></p> <p>Manuela Osório</p>		<p>The Board of Directors</p> <p><i>Luis Portela</i></p> <p>Luis Portela (Chairman)</p> <p><i>Daniel Bessa</i></p> <p>Daniel Bessa (Member)</p> <p><i>Nuno Sousa</i></p> <p>Nuno Sousa (Member)</p> <p><i>Miguel Portela</i></p> <p>Miguel Portela (Member)</p> <p><i>Patricia Teixeira Lopes</i></p> <p>Patricia Teixeira Lopes (Member)</p>	

FUNDAÇÃO

Bial

Instituição de utilidade pública

Institution of public utility

BIAL FOUNDATION
INCOME STATEMENT BY NATURE

For the year ended 2023.12.31

Amount in €

INCOME AND EXPENSES	NOTES	PERIOD	
		2023	2022
DONATIONS	10	4.000.000	1.500.000
THIRD PARTY SUPPLIES AND SERVICES RENDERED			
Conferences			
Other services		-534.767	-632.094
OTHER INCOME			
Other income		41	13.557
OTHER EXPENSES			
Grants for scientific research	11	-2.079.781	-1.151.878
Awards	12	-120.000	-269.050
Others		-26.897	-19.981
Results before depreciation, financial expenses and taxes		1.238.595	-559.445
Operating results (before final expenses and taxes)		1.238.595	-559.445
FINANCE INCOME		12.833	0
FINANCE COSTS			
Profit / (loss) before tax		1.251.429	-559.445
Profit / (loss) for the period		1.251.429	-559.445

The Certified Accountant

Manuela Osório
Manuela Osório

Manuela Osório

The Board of Directors

Luís Portela
Luís Portela (Chairman)

Daniel Bessa
Daniel Bessa (Member)

Nuno Sousa
Nuno Sousa (Member)

Miguel Portela
Miguel Portela (Member)

Patrícia Teixeira-Lopes
Patrícia Teixeira-Lopes (Member)

FUNDAÇÃO

Bial

Instituição de utilidade pública

Institution of public utility

BIAL FOUNDATION

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

Amount in €

	2023	2022
OPERATING ACTIVITIES:		
Receipts from customers and users		
Payments of allowances		
Payments of grants	-2.118.552	-1.216.245
Payments of Awards	-120.000	-269.050
Payment to suppliers	-443.472	-522.510
Payments to employees		
Cash generated by operations	-2.682.024	-2.007.805
Payment / reimbursement of corporate income tax		
Other receipts/ payments related to operating activity	-59.695	-42.173
	-2.741.720	-2.049.978
Net cash from operating activities (1)	-2.741.720	-2.049.978
INVESTING ACTIVITIES		
Disbursement for:		
Tangible assets		
Intangible assets		
Financial investments		
Other		
Proceeds from:		
Tangible assets		
Intangible assets		
Financial investments		
Other		
Donations	4.000.000	1.500.000
Interest and similar income		
Dividends		
	4.000.000	1.500.000
Net cash used in investing activities (2)	4.000.000	1.500.000
FINANCING ACTIVITIES		
Proceeds from:		
Bank loans		
Equity and other components of equity increases		
Coverage of previous years' losses		
Donations		
Other		
Disbursements for:		
Bank loans		
Interest and related expenses		
Dividends		
Equity and other components of equity decreases		
Other		
Net cash used in financing activities (3)		
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)	1.258.280	-549.978
Foreign exchange effect		
Cash and equivalents at the beginning of the period	9.622.889	10.172.867
Cash and equivalents at the end of the period	10.881.169	9.622.889

The Certified Accountant
Manuela Osório
 Manuela Osório

The Board of Directors
Luis Portela
 Luis Portela (Chairman)
D. Daniel Bessa
 Daniel Bessa (Member)
Nuno Sousa
 Nuno Sousa (Member)
Miguel Portela
 Miguel Portela (Member)
Patricia Teixeira Lopes
 Patricia Teixeira Lopes (Member)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2023

(Translation of the original document issued in Portuguese)

1. INTRODUCTION

The BIAL Foundation was created in 1994 in order to encourage the scientific study of the Human Being, both physically and spiritually. To achieve its goal, the Foundation establishes incentives intended to reward scientific research with particular emphasis on medical research. The Foundation manages a system of grants and promotes other projects with similar goals.

The Foundation's head office is located at À Avenida da Siderurgia Nacional, Coronado (S. Romão and S. Mamede), Trofa.

2. ACCOUNTING FRAMEWORK UTILISED IN THE PREPARATION OF FINANCIAL STATEMENTS

The attached financial statements were prepared accordingly to the Accounting and Financial Reporting Standard for Non-Profit Sector Entities, principles defined in "Sistema de Normalização Contabilística". The notes that were not included in this Attachment, either are not applicable or their presentation is not relevant for the reading of the attached statements.

The contents in the balance sheet and the financial statements are not comparable with those of the previous year.

3. MAIN ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of financial statements are the following.

Basis of Presentation

The financial statements have been prepared in accordance with the going concern, in agreement with the accounting premises of accrual basis, consistency of presentation, materiality, and aggregation. The financial statements are presented in euros.

Donations

Donations are made by the Founding Members as well as by third parties and are fully recognized as income in the year which they are received.

Grants for scientific research

Grants for scientific research awarded to researchers are initially recorded as liabilities (other payables) and deferred over the period of the contract grants (deferred costs), being recognized as an expense on the date of each payment.

Awards

Awards are recognized as an expense on the payment date.

Taxes

The Bial Foundation is exempt from Corporate Taxes (IRC) concerning income attributable to categories B, E, F and G of the CIRC (Income Corporate Tax Code).

The exemption dates has been given on 1998/03/24 and is dependent on compliance with the requirements established in clauses a), b) and c) of no.3 article 10 of CIRC.

4. CASH FLOWS

The bank deposits are intended to comply with future commitments, including the payment of grants for scientific research.

The total amount of short-term and middle/long term deposits is €4,881,169 and €6,000,000, respectively.

5. ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

There are no relevant changes to accounting policies in relation to 2022.

As a result of the transposition into national law of Directive 2013/34 EU of the European Parliament and the Council, dated June 26th, 2013, through the publication of the Decree-Law No. 98/2015, dated 2nd of June, there were changes in the NCRF that have mandatory application for fiscal years beginning on or after January 1st, 2016. From the application of these standards no material impacts were identified for the Foundation's financial statements.

No changes to accounting estimates have been recorded with respect to the current period nor are expected to occur in future periods.

No material error has been recorded in respect of previous periods.

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6. ACCRUALS AND DEFERRALS

The deferred costs of €4,046,997 (2022: €6,275,190) comprise, mainly, the commitment undertaken by the Foundation with respect to grants for scientific research to be paid in future financial years.

7. FOUNDER MEMBERS' APPROPRIATION

The Founder Members' appropriation is €2,750,000,00 corresponding to donations from BIAL - Portela & C^a, S.A. and from the Chairman of the Board of Directors, Dr. Luís Portela.

8. OTHER FINANCIAL INVESTMENTS

The Foundation has received in 2014, as a donation, works of art that have been evaluated by external entities in the amount of € 22,225.

9. OTHER PAYABLES

The caption other payables correspond essentially to the total amount to be paid to supported researchers in future financial years, which are related to supported grants for scientific research of € 4,051,239 (2022: €6,275,983).

There are no debts to third parties for more than five years.

There are no debts to third parties covered by valuable securities provided by the company.

There are no guarantees given by the Foundation.

10. DONATIONS

Refers to donations that have been received from BIAL-Portela & C^a. S.A. (2023: €4,000,000; 2022: €1,500,000).

11. GRANTS FOR SCIENTIFIC RESEARCH

In 2023, the Foundation provided grants in the amount of € 2,079,781 (2022: €1,151,878) to supported researchers from around the world to develop scientific research projects which have been approved in the last few years and developed during this year.

12. AWARDS

In 2023, the Foundation has given €120,000 (€269,050 in 2022) to the Prémio BIAL de Medicina Clínica.

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13. MANAGEMENT BODIES

The members of the Board of Directors and of the Fiscal Board are not remunerated. No loans are made to members of management bodies.

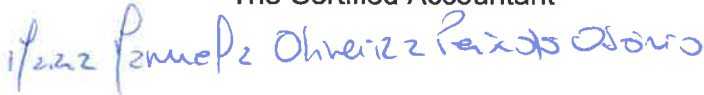
14. SUBSEQUENT EVENTS

There is no knowledge of any events occurred after 2023/12/31 which may influence the presentation and disclosures of the financial statements currently reported.

The Board believes that the financial information and disclosures are sufficient for understanding the Foundation's financial position in 2023 and the results for the year then ended.

Coronado (S. Romão e S. Mamede), March 19, 2024

The Certified Accountant

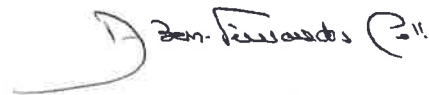


Manuela Osório

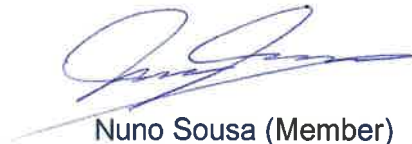
The Board of Directors



Luís Portela (Chairman)



Daniel Bessa (Member)



Nuno Sousa (Member)



Miguel Portela (Member)



Patricia Teixeira Lopes (Member)

III - FISCAL BOARD REPORT and OPINION

Fundação Bial **Report and Opinion of the Audit Committee**

To the Members

In accordance with the statutes and the performance of their duties, the Audit Committee of BIAL Foundation presents its report on review activity and opinion on the Report of the Board and Financial Statements for the year ended 31 December 2023.

Report

The Committee monitored the Management of the Foundation throughout the year, noting the following:

- a) Donations totalled 4.000.000 euros.
- b) In 2023, the Foundation paid out scholarships totalling 2.079.781 euros. At the year-end, scholarships granted but not yet paid amounted to 4.046.997 euros.

The scholarships and the Bial Award are recognised as an expense only when paid.

We examined, in the extent considered necessary, the accounting documents and records.

The Committee has analysed the financial statements, drawn up as at 31 December 2023 from the accounting records, and reviewed the report presented by the Board of Directors which describes the appropriate development of the Foundation's activities.

The Committee examined the audit report issued by the member of this Committee, having reviewed its content, with which we concur.

Opinion

Based on the above, the Audit Committee of BIAL Foundation considers that the Report and Financial Statements for 2023 meet the legal and statutory requirements and accordingly proposes:

- a) That the Report of the Board of Directors and the Financial Statements for 2023 be approved; and
- b) A vote of confidence in the Board of Directors and Scientific Council for the way in which the Foundation was managed so as to accomplish its objectives to contribute to the development of scientific and medical research.

S. Mamede do Coronado, 22 March 2024

The Audit Committee

(Signed)

Prof. Dr. Júlio Pedrosa de Jesus - Chairman

(Signed)

Dr. Nuno Amado - Member

(Signed)

Ernst & Young Audit & Associados - SROC, S.A.
Represented by Dr. Rui Manuel da Cunha Vieira - Member

IV - AUDITOR'S REPORT

(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails.)

Auditor's Report

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Fundação Bial (the Foundation), which comprise the Balance Sheet as at 31 December 2023 (showing a total of 14.963.224 euros and a total capital fund of 10.851.803 euros, including a net profit for the year of 1.251.429 euros), the Income Statement by Nature and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the Foundation as at 31 December 2023, and of its financial performance and cash flows for the year then ended in accordance with the Accounting and Financial Reporting Standard for not-for-profit Entities adopted in Portugal under the Portuguese Accounting System.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors' code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

Management is responsible for:

- ▶ the preparation of the financial statements in accordance with the Accounting and Financial Reporting Standard for not-for-profit Entities adopted in Portugal under the Portuguese Accounting System;
- ▶ the preparation of the Management Report in accordance with the applicable laws and regulations;
- ▶ designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or to error;
- ▶ the adoption of accounting policies and principles appropriate for the circumstances; and
- ▶ assessing the Foundation's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Foundation's ability to continue as a going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or to error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or to error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in accordance with the Accounting and Financial Reporting Standard for not-for-profit Entities adopted in Portugal under the Portuguese Accounting System;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, in terms of with the Accounting and Financial Reporting Standard for not-for-profit Entities adopted in Portugal under the Portuguese Accounting System; and
- ▶ communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibility also includes the verification that the information contained in the Management Report is consistent with the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

It is our opinion that the Management Report was prepared in accordance with laws and regulations in force and the information contained therein is consistent with the audited financial statements, not having been identified any material misstatement.

Porto, 22 March 2024

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Rui Manuel da Cunha Vieira - ROC n.º 1154
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