



**REPORT ON
CORPORATE GOVERNANCE
2015**

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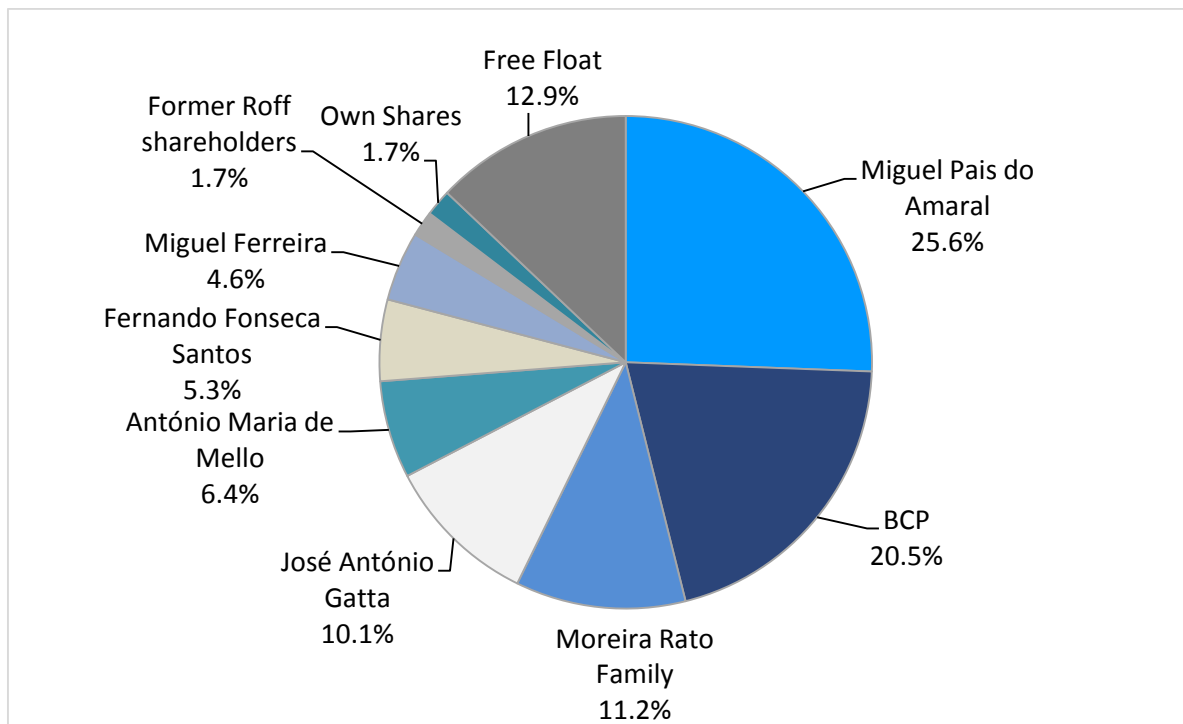
PART I - MANDATORY INFORMATION ABOUT SHAREHOLDER STRUCTURE, ORGANISATION AND CORPORATE GOVERNANCE

A. SHAREHOLDER STRUCTURE

I. Capital Structure

1. Capital structure (share capital, number of shares, distribution of capital by shareholders, etc.), including indication of the shares not admitted to trading, different categories of actions, rights and duties inherent in same and percentage of capital that each category represents (Art. 245-A, paragraph 1, subparagraph a)).

On December 31, 2015, the share capital was 73,193,455 euros, fully subscribed and paid up in cash, represented by 14,638,691 shares with an individual nominal value of 5.00 euros.



The shares are all titled and paid to the bearer, although their conversion into book-entry and nominative shares is statutorily permitted. All rights and duties inherent in all shares are equal. The shares are all admitted to trading.

2. Restrictions on the transferability of stock, such as clauses of consent to their disposal or restrictions on the ownership of stock (Art. 245-A, paragraph 1, subparagraph b)).

The partnership agreement do not provide for any restriction on the transfer or ownership of stock.

3. Number of company shares, percentage of share capital and corresponding proportion of the voting rights attached to the corporate stock (Art. 245-A, paragraph 1, subparagraph a)).

On December 31, 2015, Reditus SGPS held 255,184 corporate shares in its portfolio, representing 1.743% of the share capital.

4. Significant agreements to which the company is a party and which come into effect may be altered or cease in the event of a change of control of the company following a takeover bid, as well as the respective effects, unless, by reason of their nature, the disclosure of same is seriously detrimental to the company, or except where the company is specifically obliged to disclose such information pursuant to other legal imperatives (art. 245-A, paragraph 1, subparagraph j)).

The Company has no knowledge of any significant agreements that may enter into force, be amended or expire in the event of a change in the control of the company.

5. The rules to which the renewal or revocation of defensive measures are subject, in particular those providing for the limitation of the number of votes that might be held or used by a single shareholder, individually or with other shareholders.

The company has not adopted defensive measures, in particular those providing for the limitation of the number of votes likely to be held or used by a single shareholder, individually or with other shareholders.

6. Shareholder agreements that are known to the company and may result in restrictions on the transfer of securities or voting rights (art. 245-A, paragraph 1, subparagraph g)).

The company is unaware of the existence of any shareholders' agreement.

II. Shareholdings and Liabilities Held

7. Identification of natural or legal persons that, directly or indirectly, are shareholders of qualifying holdings (art. 245-A, paragraph 1, subparagraphs c) and d) and Art. 16), with a detailed indication of the percentage of capital and votes attributable and the source and cause of attribution.

The table below indicates the qualifying holdings in the share capital of Reditus SGPS, SA on December 31, 2015:

Shareholder	No. of shares	% Share capital	% Voting Rights
Miguel Pais do Amaral			
Directly	0	0.00%	0.00%
By Courical Holding SGPS (dominated by the shareholder)	1,408,927	9.62%	9.80%
By Quifel Holdings, SGPS, S.A. (dominated by the shareholder)	2,338,171	15.97%	16.26%
Total attributable	3,747,098	25.60%	26.05%
Banco Comercial Português, S.A.			
Directly	2,999,998	20.49%	20.86%

Total attributable	2,999,998	20.49%	20.86%
José António da Costa Limão Gatta			
Directly	0	0.00%	0.00%
By ELAO SGPS, SA (dominated by the shareholder)	1,480,000	10.11%	10.29%
Total attributable	1,480,000	10.11%	10.29%
SACOP - Soc. Agrícola do Casal do Outeiro do Polima, S.A.			
Directly		0.00%	0.00%
By Pessoa Pinto & Costa, Lda (dominated by the shareholder)	180,000	1.23%	1.25%
Through undivided estate by Frederico Moreira Rato	244,419	1.67%	1.70%
Total attributable	424,419	2.90%	2.95%
URCOM - Urbanização e Comércio, SA			
Directly	0	0.00%	0.00%
By Lisorta, Lda (dominated by the shareholder)	1,210,124	8.27%	8.41%
Through undivided estate by Frederico Moreira Rato	244,419	1.67%	1.70%
Total attributable	1,454,543	9.94%	10.11%
António Maria de Mello			
Directly	0	0.00%	0.00%
By da António M. de Mello, SGPS (dominated by the shareholder)	738,498	5.04%	5.13%
By Canes Venatici - Invest. SGPS (dominated by the shareholder)	198,833	1.36%	1.38%
Total attributable	937,331	6.40%	6.52%
Fernando Manuel Malheiro da Fonseca Santos			
Directly	782,135	5.34%	5.44%
Total attributable	782,135	5.34%	5.44%
Rui Miguel de Freitas e Lamego Ferreira			
Directly	0	0.00%	0.00%
By Inventum DUE, Lda (dominated by the shareholder)	668,831	4.57%	4.65%
Total attributable	668,831	4.57%	4.65%

8. Indication of the number of shares and bonds held by members of the administrative and supervisory bodies.

Under the terms and for the purposes of Article 447 of the CSC, in particular the respective paragraph 5, the number of shares held by the members of the administrative and supervisory bodies of Reditus, as well as all its acquisitions or ownership disposals, by reference to 2015 fiscal year, are as follows::

The Board of Directors	2015 Transactions		No. of shares in 2015		
	Acquisitions	Disposals	Direct	Indirect	Total
Miguel Pais do Amaral	0	0	0	3,747,098	3,747,098
José António da Costa Limão Gatta	0	0	0	1,480,000	1,480,000
Fernando Manuel Fonseca Santos	0	0	782,135	0	782,135
Francisco José Martins Santana Ramos	0	0	0	0	0
José Manuel Marques da Silva Lemos	0	0	0	0	0
Helder Filipe Ribeiro Matos Pereira	0	0	0	0	0

The members of the Supervisory Board composed of Dr. Rui António Gomes Nascimento Barreira, Dr. José Maria Franco O'Neill, Eng. Carlos Manuel Águas Garcia and Dra. Maria Rita Afonso Guerra Alves (substitute) did not hold any shares or liabilities on December 31, 2015, nor did they conduct any transactions regarding such securities.

In what concerns bonds, Reditus SGPS does not have bonds quoted in the market.

9. Special powers of the Board of Directors, in particular regarding the decisions on an increase of capital (Art. 245-A, paragraph 1, subparagraph i).

In terms of decisions on an increase of capital, the Board of Directors will be able, by means of a simple resolution, to increase the share capital by means of cash entries, one or more times, up to a maximum of seventy-five million euros (Article 6 of the Company articles of incorporation).

From the company incorporation (1990), the corresponding articles of incorporation make it possible to increase the share capital, by money entries, once or more often, by simple deliberation of the Board of Directors, only increasing the maximum amount to be deliberated by the Board. Exercising this right of the Board of Directors is not subject to any term.

This prerogative has been used only once by the Board, namely capital increase from 44,630,250 euros to 51,557,265 euros meant to finance Reditus growth by acquisitions strategy, which was ruled on a meeting, held on July 2, 2010.

10. Information about the existence of significant relationships of a commercial nature between holders of qualifying holdings and the society.

During 2015, there was no information about the existence of significant relationships of a commercial nature between holders of qualifying holdings and the society.

B. GOVERNING BODIES AND COMMITTEES

I. GENERAL MEETING

a) Composition of the Board of the General Meeting *

** throughout the reference year*

11. Details and designation of the members of the Board of the general meeting and respective mandate (beginning and end).

During the 2015 fiscal year, the Board of the General Meeting of Company Shareholders was composed as follows:

Member of the Board of the General Meeting	Category
Diogo de Campos Barradas Lacerda Machado	President
Francisco Xavier Damiano de Bragança van Uden	Deputy Chairman
Maria Isabel Saraiva Rodrigues Abrantes Gonçalves	Secretary

The members of the Board of the General Assembly were re-elected in the June 2014 General Assembly, for the current mandate (2014-2016).

b) Exercising Voting Rights

12. Any restrictions on voting rights, such as limitations to the exercise of voting rights dependent on the ownership of a number or percentage of shares, deadlines imposed for the exercise of voting rights or systems of featured content patrimonial rights (Art. 245-A, paragraph 1, subparagraph f).

In accordance with the provisions of article 9 of the Articles of incorporations, the General Assembly is composed of shareholders who hold a number of shares that confer at least one vote and each share represents one vote.

Shareholders wishing to attend and take part in the General Meeting must provide proof of the above mentioned quality, up to three working days before the respective meeting, by means of document issued by the registering entity or by the depository attesting to the quantity of shares held on that date and also of their blocking.

There are no shares that do not confer voting rights or that establish the non-casting of voting rights above a certain number when issued by a single shareholder or shareholders related to him or her.

There are no rules on constitutive and decision-making quorums, and the General Meeting is conducted in accordance with the rules laid out in the Portuguese Companies Code.

Shareholders may be represented by any person at General Meetings, with a simple letter of representation with a signature being sufficient proof of the mandate, without any need for legal recognition, addressed to the Chairman of the General Meeting and delivered by hand, mail or email and received up until the day before the meeting.

In accordance with the provisions of Article 10 of the Articles of incorporation, Reditus' shareholders with voting rights may exercise these by correspondence, under the terms and conditions expressed in the summons to the General Meeting. Shareholders shall send, up until the third business day prior to the date of the General Assembly, a registered letter to the Company headquarters with acknowledgement of receipt, addressed to the Chairman of the General Meeting, with an endorsement on the outside stating "vote by correspondence" and indicating the General Meeting to which they relate. The letter should contain an explanation of the reasons for his/her vote, indicating the full name or company name of the Shareholder and specifying their vote in respect of each of the respective agenda items. The explanation of vote should be signed and the signatory shareholder, if he/she is an individual, should attach a copy of their identity card or an equivalent document issued by the competent authority of the European Union or of their passport, or, if they are a legal person, affix the appropriate stamp and indicate the capacity of the representative. In addition to the explanation of vote, the letter should contain a certificate which proves legitimacy to exercise this voting right, issued by the registering entity or by the depository.

Reditus provides, through its institutional website, www.reditus.pt, a model for exercising voting rights by correspondence at general meetings.

In accordance with paragraph 3 of Article 10 of the Reditus articles of incorporation, the letter containing the explanation of vote should be received by the company up to the third business day before the date of the General Meeting.

Exercising the right to vote by electronic means is not provided for because the Company considers that, taking into account its shareholder structure and its limited capital dispersion, the participation of shareholders in general meetings is fully ensured by means of voting by correspondence and representation mechanisms.

13. Indication of the maximum percentage of voting rights that may be exercised by a single shareholder or shareholders that find themselves in any of the relationships in paragraph 1 of Art. 20.

There is no maximum percentage of voting rights that may be exercised by a single shareholder or shareholders that find themselves in any of the relationships in paragraph 1 of Art. 20.

14. Identification of shareholders' resolutions, that, according to the rules of procedure, may only be taken with a qualified majority, in addition to those legally laid down, and indication of those majorities.

There are no shareholder resolutions that, according to the rules of procedure, can only be taken with a qualified majority, in addition to those that are legally provided for.

II. ADMINISTRATION AND SUPERVISION

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

a) Composition *

*throughout the reference year

15. Identification of the Model of Government Adopted.

Reditus adopts the one-tier model that integrates the following governing bodies elected by the General Assembly: the Board of Directors, the Audit Committee and the Statutory Auditor.

16. Statutory rules on procedural requirements and materials applicable to the appointment and replacement of members, as applicable, of the Board of Directors, Executive Board of Directors and of the General and Supervisory Board (Art. 245-A, paragraph 1, subparagraph h).

Reditus' articles of incorporation do not foresee any special rules governing the appointment and replacement of members of the Board of Directors and the Executive Board of Directors. Such matters are only subject to the general statutory scheme.

17. Composition, as applicable, of the Board of Directors, Executive Board of Directors and of the General and Supervisory Board, indicating the statutory minimum and maximum number of members, statutory duration of the mandate, the number of effective members, the date of the first appointment and the date of expiry of term of office of each member.

Pursuant to article 13 of the Articles of incorporation, the Board of Directors is composed of three to eleven members, elected by the General Meeting every three years.

The Board of Directors, which meets to perform duties for the 2014-2016 mandate, is currently composed of the following members:

- Miguel Maria de Sá Pais do Amaral
- Francisco José Martins Santana Ramos
- Helder Filipe Ribeiro Matos Pereira
- José António da Costa Limão Gatta
- Fernando Manuel Cardoso Malheiro da Fonseca Santos
- José Manuel Marques da Silva Lemos

Currently the Executive Board consists of two members, Eng. Francisco Santana Ramos and Dr. Helder Matos Pereira. On April 28, 2015 and on August 3, 2015, Dr. Vicente Moreira Rato and Dr. Rui Miguel Freitas and Lamego Ferreira, respectively, renounced his functions as Board Member.

The Board of Directors may delegate the day-to-day management of the company to one or more directors or to an Executive Board consisting of three or five directors, with the Board of Directors remaining responsible for selecting the Chairman.

18. Differentiation of non-executive and executive members of the Board of Directors and, in respect of non-executive members, the identification of members who can be considered independent, or, where applicable, identification of the independent members of the General and Supervisory Board.

The Board of Directors includes an appropriate number of non-executive members who ensure the effective capacity of monitoring, supervision, inspection and evaluation of the activity of the executive members, taking into account, in particular, the shareholder structure and the dispersion of Reditus capital. Thus, on December 31, 2015, two of the six members of the Reditus Board of Directors were executive directors.

The table below shows the composition of the Board of Directors on December 31, 2015, differentiating the executive members from the non-executive members:

Members	Category
Miguel Maria de Sá Pais do Amaral	Non-Executive
Francisco José Martins Santana Ramos	Executive
Helder Filipe Ribeiro Matos Pereira	Executive
José António da Costa Limão Gatta	Non-Executive
Fernando Manuel Fonseca Santos	Non-Executive
José Manuel Marques da Silva Lemos	Non-Executive

Among the non-executive members of the Board of Directors, Dr José Manuel Marques da Silva Lemos complies with the incompatibility rules provided for in paragraph 1 of Article 414-A of the Portuguese Companies Code, with the exception provided for in subparagraph b), and the criterion of independence set out in paragraph 5 of Article 414, both of the Companies Code.

Taking into account the governance model adopted, the size of the company, its shareholder structure and the respective free-float, Reditus considers that the proportion of independent directors is appropriate vis-à-vis the number of managing directors and the total number of board members.

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

The members of the Board of Directors have the following academic qualifications and professional experience:

Miguel Maria de Sá Pais do Amaral has been a member of the Board of Directors of Reditus since March 2008. He is also Chairman of the publishing group Leya, AHS Investimentos SGPS, SA, Media Capital SGPS, SA, Companhia das Quintas and others. He has held positions of responsibility at Soci, Fortuna, S.A. (1991-1998), at Diana, S.A. (1991-1998), at Euroknights (1991-1998), at Compagnie Générale des Eaux - Portugal (1991-1998) and at Alfa Capital (1987-1991). He studied mechanical engineering at IST (Instituto Superior Técnico de Lisboa) and holds an MBA from INSEAD, Fontainebleau, France.

Francisco José Martins Santana Ramos has been a member of the Reditus SGPS Board of Directors since July 2009 and has held the position of Chief Executive Officer (CEO) since July 2012. He is Chairman of the Reditus SGPS Board of Directors since October 31, 2014. He holds positions of responsibility at AHS Investimentos SGPS, SA. He previously worked in Explorer Investments SGPS, Argos Soditic, S.A., Apamilux Imagem Corporativa, S.A., Anodil, S.A., Comporcer, McKinsey & Company, Royal Dutch / Shell and Aprofabril, S.A. He graduated in Civil Engineering from the Instituto Superior Técnico in Lisbon and has a master's degree in business administration from the Universidade Nova de Lisboa.

José António da Costa Limão Gatta has been a member of the Reditus Board of Directors since 2000. He is the President of ELAO SGPS, S.A. (since 1998) and Giessen Beteiligungs KG (since 1995) and member of the board of Nemotek Technologie, S.A. (since 2010). He was previously employed at Nemotek Technologie S.A. (2011-2013), Caléo S.A. (1997-2010), Scorpion Group Ltd (1994-2008), Giessen Management GmbH (1988-1995), Coors Ceramics Europe Ltd. (1986-1987), General Electric Ceramics Inc (1984-1986), 3M Electrical Laboratories GmbH (1980-1984). He started his career in 1978 at ITT Europe-Int'l Telecommunications centre as a Software Engineer. He has a degree in Electrical Engineering from the Lisbon Military Academy and is a member of the Order of Engineers.

Helder Filipe Ribeiro Matos Pereira has been a member of the Reditus SGPS Board of Directors since December 5, 2012 and holds the position of *Chief Finance Officer (CFO)*. He was

Executive Director of Construtora do Tâmega SGPS and Construtora do Tâmega, S.A., Projecol, S.A. and its branches, General Director of Finertec SGPS and a director and manager of its branches, Adviser to the Chairman of the Board of Directors of Brandia SGPS, CFO / Corporate Controller at Netjets Europe (NTA, S.A. and Executive Jet, S.A.) and Manager at Ernst & Young. He holds a degree in management and business administration from the Instituto Superior de Gestão (ISG) with a graduate degree in Economics and Business at the Universidade Católica, where he also completed an advanced course in Management for Executives.

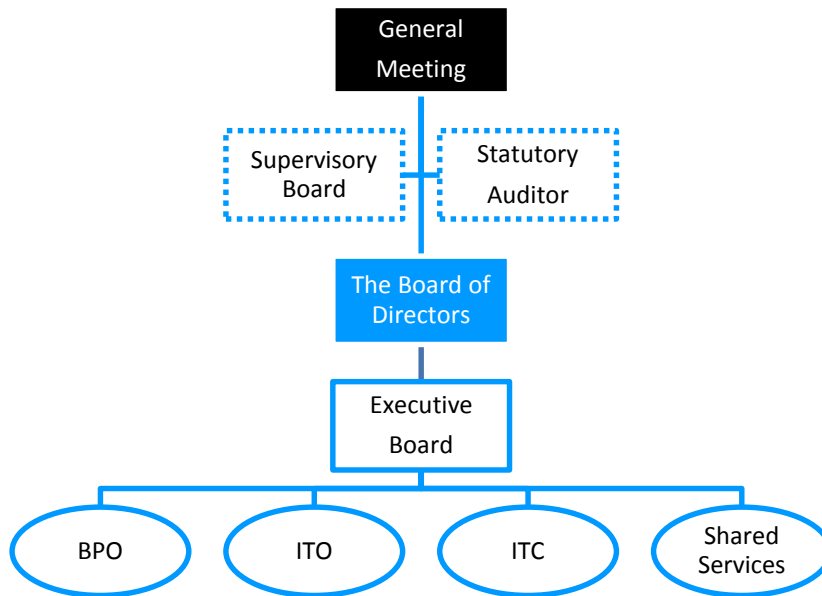
Fernando Manuel Cardoso Malheiro da Fonseca Santos has been a member of the Reditus Board of Directors since 2000. He was a member of the Board of Directors of Geocapital-Investimentos Estratégicos, S.A., BAO - Banco Ocidental de África, S.A. and Moza Banco S.A. Before his collaboration with the Reditus Group, he assumed the roles of Chairman of the Supervisory Board of Crédito Predial Português (1992-1993), Director of several holding companies (1988-1992) and of the ANOP (1976), adviser to the Office of the Secretary of State for Social Communication of the Presidency of the Council of Ministers (1976). He practised law in Luanda (1972-1975) and at the IPE (Instituto de Participações do Estado) (1977-1987) in Lisbon. He has a law degree from the Faculty of Law at Lisbon University.

José Manuel Marques da Silva Lemos has been a member of the Reditus SGPS Board of Directors since April 2010. He is Chairman of the Board of Directors of Clearwater International, S.A and Urbi Life - Estudos e Projetos de Gestão, S.A. and general manager at J. Lemos & Associados, Lda.. He has also worked as an independent consultant, university lecturer, Deputy Chairman of the Central-Banco de Investimento, S.A., Chairman of the Board of Management of the Caixa Central de Crédito Agrícola and of the Board of Directors of the Lisbon Stock Exchange. He holds a degree in Economics from the Instituto Superior de Economia of the Universidade Técnica de Lisboa (Lisbon Technical University) and a graduate degree in European studies from the Faculty of Law of the University of Coimbra.

20. Family, professional or regular and significant commercial relationships of the members, as applicable, of the Board of Directors, the General and Supervisory Board and Executive Board of Directors with shareholders to whom qualifying holdings exceeding 2% of the voting rights are attributed.

Do not exist. Some shareholders with qualifying holdings are also board members.

21. Organisation charts or functional maps showing the division of responsibilities between the different company bodies, commissions and/or departments of the company, including information about delegation of responsibilities, in particular with regard to delegation of the day-to-day administration of the company.



Within the framework of the corporate governance models authorised by the Portuguese Companies Code, Reditus has adopted the one-tier model that integrates as company bodies the General Meeting, the Board of Directors, the Audit Committee and the Statutory Auditor.

The Reditus Group is structured in four business units: BPO, IT Consulting, IT Outsourcing and Shared Services.

Shared services include the functional areas of support to Group management: Marketing and Communication, Trade, Accounting, Legal, Human Resources, Investor Relations and Management Control.

The management of each business activity is ensured in accordance with the principles of management autonomy and in accordance with the criteria and guidelines that are derived from the annual budget for each area, which is reviewed and approved annually by the respective areas and by the Reditus Board of Directors. The strategic, operational and investment guidelines for the various businesses are defined in the Annual Budget, and its control is regulated on a permanent basis within the framework of a management control system conducted by the Board of Directors of the Group.

Reditus SGPS, S.A. is the holding company of the Group responsible for the strategic development and overall management of the different business areas.

Corporate Bodies and Other Committees - Competences

General Assembly – is the highest level body of the company and is comprised of all shareholders. This corporate body meets at least once a year to approve the annual report and accounts, the proposal for the application of results and the report of the Compensation Committee and also to assess the performance of the Board of Directors and the Supervisory Board.

Board of Directors - is the body responsible for managing the activities of the company, under the terms established in the Portuguese Companies Code and in the partnership agreement, undertaking, namely, to:

- Acquire, encumber and dispose of any rights or movable and immovable assets, whenever it considers that this is necessary for Reditus;
- Obtain loans and perform any other credit operations in the interest of Reditus, under the terms and conditions it deems appropriate;
- Appoint proxies for Reditus with powers of any scope or extent;
- Determine objectives and management policies of the company and of the Group;
- Delegate powers in its members, under the terms established in the articles of incorporation;
- Designate the Company Secretary and the respective proxy;
- Recruit workers, establish their contractual conditions and exercise the respective disciplinary authority;
- Represent Reditus in and out of court, as plaintiff or defendant, propose legal actions and acknowledge, desist or acquiesce in them and commit to enter into arbitration agreements;
- Open, move and cancel any Reditus bank accounts, deposit and withdraw money, issue, accept, draw and endorse checks, bills of exchange and promissory notes, invoice statements, and any other debt securities;
- Decide on the participation in the capital of other companies or participation in other business;
- Manage the business of Reditus and perform all acts and operations with regard to the corporate object that do not fall within the competency allocated to other company bodies.

The Board of Directors may delegate the day-to-day management of the company to one or more directors or an Executive Board consisting of three or five directors, with the Board of Directors remaining responsible for selecting the Chairman of the Executive Board (article 13, paragraph 2 of the Articles of Incorporation).

The Board of Directors shall meet whenever its Chairman or other two directors shall convene it and can only adopt resolutions when the majority of its members are present (article 13, paragraph 7 of the Articles of Incorporation).

At its first meeting, the Board of Directors shall choose from among its members the respective Chairman, and if necessary, up to two Deputy Chairmen (article 13, paragraph 8 of the Articles of Incorporation).

Any director may be represented at a meeting by another director, on presentation of a letter to the Chairman of the Board of Directors (article 13, paragraph 9 of the Articles of Incorporation).

The table below indicates the composition of the Board of Directors as well as the responsibilities and areas of its members during the 2015 fiscal year:

Members	Responsibilities	Areas
Miguel Pais do Amaral	Director	Monitoring and assessment of corporate management
Francisco Santana Ramos	Chairman / CEO	Council coordination, overseeing the business and international management and coordinating the activity of the Executive Board in accordance with the respective regulations
Helder Matos Pereira	Board Member / CFO	Financial, HR, Management Control, CRM, Revenue Assurance, Assets
José António Gatta	Director	Monitoring and assessment of corporate management
Fernando Fonseca Santos	Director	Monitoring and assessment of corporate management
José Manuel Lemos	Director	Monitoring and assessment of corporate management

Pursuant to article 407, paragraph 4 of the Portuguese Companies Code, all matters that cannot be delegated by the Board of Directors are as follows:

- a) Co-optation of directors;
- b) Requests to convene General Meetings;
- c) Preparation of Reports and Annual Accounts;
- d) Provision of assurances and personal or real guarantees on behalf of the Company;
- e) Change of head office and capital increases;
- f) Resolutions on mergers, de-mergers or modifications to the corporate format of the Company

Executive Board - is the body responsible for the day-to-day management of the company, holding all powers of decision and representation necessary and/or convenient for the exercise of the activity that constitutes the company's corporate objective and the delegation

of which is not prohibited by law, namely implementing the objectives and management policies of the company, drawing up the annual financial and activity plans, manage the company's business, establish the human resources policy of the company and of the Reditus Group.

In accordance with article 407, paragraphs 3 and 4 of the Portuguese Companies Code and article 13, paragraph 2 of the Articles of incorporation, the Board of Directors may delegate the day-to-day management of the company to one or more directors or an Executive Board.

The members of the Executive Board and respective responsibilities are as follows:

Members	Responsibility
Francisco José Martins Santana Ramos	Chairman / CEO
Helder Filipe Ribeiro Matos Pereira	Director / CFO

According to the Executive Board rules of procedure, meetings of this body shall be convened by its Chairman, either on his initiative or at the request of another two of its members, and it shall meet at least once a month. Meetings shall be convened at three day's notice via email, although they may be scheduled with another notice periods and by other means, provided the date has the agreement of all the members. No resolutions can be taken by the Executive Board unless a majority of its members is present.

The Executive Board rulings are made by a simple majority of votes. In the event of a tied vote, the Chairman shall have the casting vote.

The Chairman of the Executive Board shall send the meetings and the minutes of the respective meetings to the Chairman of the Board of Directors and the Chairman of the Supervisory Board.

Directors performing executive duties when requested by other Board Members should provide in a timely and appropriate manner, all information requested by them.

Supervisory Board - is the body responsible for the supervision of business of the company in accordance with article 16 of the Reditus articles of incorporation, with particular responsibility for:

- Supervising the management of the company and overseeing the observance of the law and the partnership agreement;
- Verifying the accuracy of the accounting documentation prepared by the Board of Directors and overseeing the respective revision;
- Drawing up an annual report on its supervisory activities and issuing a statement of opinion on the annual report, accounts and proposals presented by the board;
- Supervising the process of preparation and dissemination of financial information;
- Monitoring the effectiveness of the risk management and control systems;

- Proposing to the General Meeting the appointment of the statutory auditor;
- Carrying out the supervision and evaluation of the activity of the External Auditor;
- Convening the General Meeting whenever the Chairman of the respective meeting fails to do so, being so obliged;
- Receiving any communication of irregularities presented by shareholders, employees of the company or others.

The Supervisory Board is the company's main interlocutor and is the first recipient of reports from the external auditor, whose activity it monitors and supervises. This Board proposes the external auditor, the respective remuneration and ensures that they are provided, within the enterprise, with the right conditions for the provision of services.

The Supervisory Board is responsible for proposing his termination to the General Meeting whenever there are justifiable grounds for it.

The Supervisory Board has its own rules of operation, which establish the rules governing its organisation and operation.

Statutory Auditor - the supervision of the company rests with the Supervisory Board and a Statutory Auditor in accordance with article 15 of the Reditus Articles of Incorporation. The current Statutory Auditor of Reditus is *BDO & Associados – SROC*, represented by Dr. José Martinho Soares Barroso.

Committee on Risk Analysis, Sustainability, Internal and Financial Control - this committee has the following powers:

- Assist the Board of Directors with issues related to the creation and follow-up of risk management and internal control systems and the evaluation of the functioning of these systems;
- Assess and monitor risks and sustainable development of the Reditus Group;
- Identify potential conflicts of interest related to carrying out the company activity;
- Assist the Board of Directors with complying with the legal and regulatory rules of the securities market applicable to the Reditus or to members of the Board of Directors, and continually assess the degree of compliance with these standards;
- Assist the Board of Directors with monitoring and supervising the financial and accounting policies of Reditus and the disclosure of financial results, in conjunction with the activity developed by the Supervisory Board and by the External Auditor, arranging and requesting the necessary information;
- Analyse the economic and financial situation, taking into account the current situation and future prospects with regard to aspects that are likely to influence and enhance the activity of the Reditus Group.

The Committee on Risk Analysis, Sustainability, Internal and Financial Control was composed of the following members on December 31, 2015: Francisco Santana Ramos, Helder Matos Pereira, José António Gatta and José Lemos.

Appointments and Assessments Committee – this committee has the following duties:

- Identify potential candidates for company director (in particular when it is necessary to fill a position left vacant by another director) or the other senior positions;
- To propose to the Board of Directors the members to be designated for the Executive Board;
- Determine the criteria for assessing the performance of the executive directors.
- Assess the executive manager's performance (members of the Executive Board), in order for the Remuneration Commission to assess the variable remuneration component;
- Communicate to the Remuneration Commission the performance assessment criteria considered in the executive manager's assessment and the respective results;
- Analyse and present proposals and recommendations, in the name of the Board of Directors, regarding remuneration and other compensations of the members of the Board of Directors.

On December 31, 2015, the Nominations and Assessment Committee consisted of the following members: Fernando Fonseca Santos and José Lemos.

Corporate Governance and Social Responsibility Committee - this committee has the following competences:

- Keep the Board of Directors and the Executive Board informed and updated concerning legal and regulatory changes in terms of corporate governance;
- Follow-up the application of corporate governance standards in the Reditus Group;
- Follow-up the creation of the Management Report, specifically with regard to the chapter dedicated to corporate governance;
- Submit a proposal to the Board of Directors about a Code of Conduct model, upon their request or in case it is considered convenient;
- Promote the application of Corporate Governance, Social Responsibility and Sustainability best practices in the Reditus Group;

- Assess the performance of the Executive Board Directors and the existing committees in Reditus, including carrying out an auto-assessment, exclusively concerning the fulfilment and the application of the Corporate Governance standards;
- Promote corporate identity and culture.

On December 31, 2015, the Corporate Governance and Social Responsibility Committee was composed of the following members: Fernando Fonseca Santos and José Lemos.

Committee on International and Strategic Planning - this committee has the following duties:

- Assist the Board of Directors in establishing the organisational and operational structure of the Reditus Group;
- Assist the Board of Directors in establishing, implementing and evaluating the Group's strategy with regard to matters of (i) diversification of businesses and investments; (ii) preparation of strategic plans; (iii) policies for growth and internationalisation of the Reditus Group;
- Propose to the Executive Board measures concerning technical and administrative organisation of the Company, as well as internal operating standards, particularly concerning personnel and their remuneration;

On December 31, 2015, the Committee on International and Strategic Planning consisted of the following members: Francisco Santana Ramos, Helder Matos Pereira and José António Gatta.

Operational Committee – this committee has the following duties:

- Monitor the execution and provide operational support for implementing the resolutions of the Board of Directors and Executive Board, whenever this is requested;
- Coordination of the operational activities of the different companies of the Group, whether or not integrated in business areas;
- Support the Board of Directors and Executive Board in setting their operational procedures;
- Streamline the acquisition of information for the members of the Board of Directors and their committees.

On December 31, 2015, the Operational Committee consisted of the following members: Francisco Santana Ramos, Helder Matos Pereira, Miguel Pais do Amaral and José António Gatta.

b) Operation

22. Availability and location where the operating regulations can be consulted, as applicable, of the Board of Directors, the General and Supervisory Board and the Executive Board of Directors .

There are operating regulations of the Board of Directors, the Executive Board and the Supervisory Board and they can be consulted on the company's website: <http://www.reditus.pt/pt-pt/investidores/governo-das-sociedades/estatutos-e-regulamentos>.

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

Throughout 2014 fiscal year, there were 11 meetings of the Board of Directors and the physical attendance of the respective members was 100%.

The Executive Board normally meets once a week.

The management and supervisory bodies draft the minutes of their meetings and attendees at the meetings can dictate a summary of their interventions to the minutes.

24. Recommendation of the competent corporate bodies to carry out the performance assessment of the executive directors.

Performance assessment of the executive directors is conducted by the Appointments and Assessments Committee.

25. Predetermined criteria for assessing performance of the executive directors.

The pre-determined measurable criteria for performance assessment of the executive directors consider the actual growth of the company which is measured by a combined weighting of consolidated net profit, EBITDA and annual increase in the price of shares. These criteria take as reference the relevance of the areas of executive management that make up the duties of each board member and number of years in office.

26. Availability of each member, as applicable, of the Board of Directors, the General and Supervisory Board and Executive Board of Directors, showing the positions held simultaneously in other companies within and outside the group and other relevant activities performed by the members of those bodies during the fiscal year.

Miguel Maria de Sá Pais do Amaral

a) Positions in companies of the Reditus Group:

- Company Director
Reditus, Sociedade Gestora de Participações Sociais, S.A.

b) Positions in other companies:

- Chairman of the Board of Directors

Companhia das Quintas SGPS, SA
Edge Berggruen SGPS, SA
Edge Capital SGPS, S.A.
Edge International Holdings – SGPS, SA
Edge properties SGPS, SA
Hemera Energías Renovables España, SLU
Leya Global SA
Leya SA
Leya SGPS SA
Media capital SGPS, S.A.
AHS Investimentos SGPS, SA
Quifel International holdings SGPS SA
Quifel Natural Resources SA
Quinta de Pancas Vinhos SA
Topbuilding - Investimentos Imobiliários SA
Uksa Portugal, S.A.

- Company Director

Alfacompetição - Automóveis e Cavalos de Competição, SA
Courical Holdings, SGPS, S.A.
Greypart SGPS, SA
PARTBLEU SGPS, SA
Quifel Natural Resources SGPS SA
Quinta da Fronteira SA

- Chairman of the Management Board

BIOBRAX – Energias Renováveis Portugal, Lda

- Company Manager

Ageiridge - Compra e Venda de Imóveis, Lda
Ageiron - Compra e Venda de Imóveis, Lda
Ask4green, Lda.
Brio - Produtos de Agricultura Biológica, Lda
Diana - Sociedade de Promoção e Investimentos Imobiliários, Lda.
Dreams Corner, Lda.
Edge Brokers, Lda
Edge RM, LDA
Edge SVCS, Lda

Edge vs Prestação de Serviços, LDA
Henergy - Energias Renováveis, Lda.
Ixilu - Compra e Venda de Imóveis, Lda.
Kenuk – Compra e Venda de Imóveis, Unipessoal, Lda
LANIFOS - Sociedade de Financiamentos, Lda.
Neutripromo - Compra e Venda de Imóveis, Lda
Ngola Ventures, Lda.
Polistock - Sociedade Agro-Pecuária Unipessoal Lda.
Quartztown Lda
Quifel Energia SGPS Unipessoal Lda.
Situavox, Lda.
Sociedade AGRO-FLORESTAL Serra da Pousada Lda.
SOMARECTA- Investimentos Imobiliários e Turísticos Lda.

- Director
Global Publishing Group BV
Phillips Park Investment Corporation
Phillips Park LLC
Quifel International Group Ltd
Sports Partners BV

Francisco José Martins Santana Ramos

a) Positions in companies of the Reditus Group:

- Chairman of the Board of Directors
Reditus, Sociedade Gestora de Participações Sociais, S.A.
Reditus Gestão, S.A
- Company Director
ALL2IT Infocomunicações, S.A.
Reditus Business Security, SA
Reditus Consulting, S.A.
Reditus Business Products, S.A.
Reditus Imobiliária, SA
Ogimatech, SA
Tora, S.A.
JM Consultores de Informática e Artes Gráficas, S.A.
Roff, Consultores Independentes, SA

b) Positions in other companies:

- Company Director
AHS Investimentos SGPS

Helder Filipe Ribeiro Matos Pereira

a) Positions in companies of the Reditus Group:

- Company Director
Reditus, Sociedade Gestora de Participações Sociais, S.A.
ALL2IT Infocomunicações, S.A.
Reditus Gestão, SA
Reditus Imobiliária, SA
Reditus Business Solutions, SA
Roff, Consultores Independentes, SA

b) Positions in other companies:

- Company Manager
Hipótese Certa, Lda
EuroDingue, Lda
Silversnail, Lda.

José António da Costa Limão Gatta

a) Positions in companies of the Reditus Group:

- Company Director
Reditus, Sociedade Gestora de Participações Sociais, S.A.

b) Positions in other companies:

- Chairman of the Board of Directors
Elao, SGPS, S.A.
Giessen Beteiligungs KG (Munich, Alemanha)
- Company Director
Nemotek Technologie S.A. (Rabat, Marrocos)

Fernando Manuel Cardoso Malheiro da Fonseca Santos

a) Positions in companies of the Reditus Group:

- Chairman of the Board of Directors
ALL2IT Infocomunicações, S.A.
- Company Director
Reditus, Sociedade Gestora de Participações Sociais, S.A.

José Manuel Marques da Silva Lemos

a) Positions in companies of the Reditus Group:

- Company Director
Reditus, Sociedade Gestora de Participações Sociais, S.A.

b) Positions in other companies:

- Chairman of the Board of Directors
CLEARWATER INTERNATIONAL, S.A.
Urbi Life – Estudos e Projetos de Gestão, S.A.
- Company Manager
J. Lemos & Associados, Lda.

The executive directors expressed maximum availability for performing their duties and achievement of the established goals and this has been confirmed by their physical attendance at meetings of the Board of Directors and Executive Board and the work within the Reditus Group.

The non-executive directors have expressed the availability required for performing their duties and achievement of the established goals. This availability has been confirmed by their physical attendance at meetings of the Board of Directors and the work performed within Reditus.

c) Committees within the administrative or supervisory body and managing directors

27. Identification of committees created within, as applicable, of the Board of Directors, the General and Supervisory Board and Executive Board of Directors and a location where the operating regulations can be viewed.

In accordance with best practices of corporate governance and as a way to improve the operational efficiency of its Board of Directors, Reditus SGPS (holding company) created in

addition to the Executive Board, five specialised committees for monitoring or assisting the Board of Directors or the Executive Board:

- Committee on Risk Analysis, Sustainability, Internal and Financial Control;
- Appointments and Assessments Committee;
- Committee on Corporate Governance and Social Responsibility;
- Committee on Strategic and International Planning;
- Operational Committee.

There is regulation only for the Executive Board, which can be viewed at the company's website. The remaining five executive boards do not have operation regulations.

The regulation for the Executive Board is available at:

http://www.reditus.pt/sites/default/files/files/regulamento_ce_reditus_sgps_10_07_2012.pdf

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

The members of the Executive Board are as follows:

- Francisco José Martins Santana Ramos;
- Helder Filipe Ribeiro Matos Pereira.

29. Description of the responsibilities of each of the established committees and a summary of the activities conducted in carrying them out.

The responsibilities of the Specialized Committees are described in paragraph 21 of this report.

III. SUPERVISION

(Supervisory Board, Audit Committee or the General and Supervisory Board)

a) Composition*

* Throughout the reference year

30. Identification of the supervisory board corresponding to the adopted model.

The company has as its supervisory body the Supervisory Board, having adopted within the corporate governance models authorised by the Portuguese Companies Code, the one-tier system.

31. Composition, as applicable, of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs, indicating the minimum and maximum statutory number of members, statutory term of office, number of permanent members, date of the first appointment and end of mandate date for each member and reference may be made to the paragraph in the report where this information is already provided pursuant to paragraph 17.

The Supervisory Board consists of the chairman Rui António Gomes do Nascimento Barreira, two permanent members Jose Maria Franco O'Neill and Carlos Manuel Águas Garcia and a substitute, Maria Afonso Guerra Alves.

Pursuant to Article 15 of the Reditus Articles of incorporation, the Supervisory Board consists of a chairman, two effective members and an alternate elected by the General Meeting every three years.

Below we inform the date of the first appointment and end of mandate date:

Member	Date 1st Designation	End Date
Rui António <i>Gomes do Nascimento Barreira</i>	2002	2016
José Maria Franco O'Neill	2008	2016
Carlos Manuel Águas Garcia	2014	2016
Maria Rita Afonso Guerra Alves	2014	2016

32. Identification, as applicable, of the members of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs, who consider themselves independent pursuant to Article 414, paragraph 5 CSC and reference may be made to the paragraph in the report where this information is already provided pursuant to paragraph 18.

Every Supervisory Board Council follows incompatibility rules foreseen in paragraph 1 of article 414 A of the Portuguese Companies Code.

Dr. Rui António Gomes do Nascimento Barreira and Dr. José Maria Franco O'Neill does not fulfil the requirement of independence foreseen in paragraph 5 of article 414, since they have been elected for over two mandates.

33 . Professional qualifications as applicable of each member of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs and other relevant professional information and reference may be made to the paragraph in the report where this information is already provided pursuant to paragraph 21.

The members of the Supervisory Board have the following academic qualifications and professional experience:

Rui António Gomes do Nascimento Barreira is the Chairman of the Supervisory Board of Reditus. He is the main Advisor of the Law centre of the Presidency of the Council of Ministers and is also a member of the Supervisory Board of Benfica SAD. He is a guest lecturer at the Law School of Universidade Nova. He has previously collaborated with the Commission on Fiscal Reform of Income Taxes (1997-1989) and was a member of the Committee on Reform of the Tax Procedure (1998). He holds a Law degree from the Law School of Lisbon and a Masters of Legal and Economic Sciences from the same university. He is an attorney and Legal Advisor.

José Maria Franco O'Neill is a member of the Reditus Supervisory Board. He is a board member of AHS Investimentos SGPS, SA, Greypart SGPS, SA, Companhia das Quintas, SGPS, SA, Sociedade Agrícola da Quinta da Romeira de Cima, SA e Agrocardo, SA, Soc. Agrícola Cova da Barca, SA, Soc. Agrícola Gaiense, SA, Companhias das Quintas Vinhos, SA, Portuvinus, SA, Quinta de Pancas Vinhos, SA. He's also Company Manager at Jon Sociedade Lda He was a Member of the Management Board of the Lisbon Subway System, EP (Oct/2003-Nov/2006), President of Sotrans, S.A. (Jan/2003-Nov/2006), Board Member of Ensitrans, AEIE (Nov/2004-Nov/2006), Board Member of Companhia Portuguesa de Trefilaria, S.A. (1985-2003), Chairman of the Management Board of Dial – Distribuidora de Arames, Lda. (1989-2003) and Manager of Dinaço – Sociedade Metalúrgica dos Açores, Lda. (1988-2003). He has a Business Management and Organisation degree from ISCTE (Instituto Superior de Ciências do Trabalho e da Empresa).

Maria Rita Afonso Guerra Alves is a member of the Reditus Supervisory Board. Lawyer since 1994 with experience in Company Law and Labour Law, she is currently an associate of Alves & Associados, Sociedade de Advogados, RL. She has a degree in Law by the Universidade Lusíada, concluded in 1992.

b) Operation

34. Availability and location where the operating regulations can be consulted, as applicable, of the Board of Directors, the Audit Committee, the General and Supervisory Board or the Committee for Financial Affairs and reference may be made to the paragraph in the report where this information is already provided pursuant to paragraph 22.

There are operating regulations of the Supervisory Board and they can be consulted on the company's website.

35. Number of meetings held and attendance level of each member, as applicable, of the Supervisory Board, the Audit Committee, the General and Supervisory Board and the Committee for Financial Affairs and reference may be made to the paragraph in the report where this information is already provided pursuant to paragraph 23.

Meetings of the Supervisory Board are convened and run by its chairman and take place every three months. In addition to the regular meetings, the Supervisory Board may meet whenever convened by its Chairman or by the two members who compose it.

The attendance of the Supervisory Board members to the meetings was 100%.

36. Availability of each member as applicable, of the Supervisory Board, the Audit Committee, the General and Supervisory Board and the Committee for Financial Affairs, showing the positions held simultaneously in other companies within and outside the group and other relevant activities performed by the members of those bodies during the fiscal year and reference may be made to the paragraph in the report where this information is already provided pursuant to paragraph 26.

Information on positions held by the Supervisory Board members is available in point 33.

The Supervisory Board members expressed to have the availability required for performing their duties and achievement of the established goals. This availability has been confirmed by their attendance at meetings of the Supervisory Board and the work performed within Reditus.

c) Responsibilities and roles

37. Description of procedures and criteria applicable to the intervention by the supervisory body for purposes of hiring additional services to the external auditor.

Services, apart from the audit services, rendered to the Company by an External Auditor and by any entity it meets in a holding relationship or which integrates the same network, are subject to previous approval from the Supervisory Board.

The Board of Directors presents a proposal to the Supervisory Board with the basis for hiring the aforementioned services from the auditor, and the Supervisory Board should authorise such hiring before the signature of the corresponding contract between Company and External Auditor.

The evaluation performed by the Supervisory Board to the proposal of the Board of Directors considers the independence of the External Auditor in the fulfilment of its professional duties and the auditor's position in the rendering of such services, namely the experience of the External Auditor and the corporate knowledge.

Additionally, although hiring of several services within the audit services to the External Auditor is admissible, it will always be considered an exception. During the 2015 fiscal year, no additional services were hired from the External Auditor.

38. Other roles of the supervisory bodies and if applicable of the Committee for Financial Affairs.

The responsibilities of the Supervisory Board are detailed in paragraph 21 of this report.

The statutory auditor and the external auditor oversee the implementation of the remuneration policies and systems, the efficiency and operation of the internal control mechanisms and are required to report any significant shortcomings to the company's Supervisory Board. The statutory auditor also verifies the corporate governance report, pursuant to applicable law.

IV. STATUTORY AUDITOR

39. Identification of the statutory auditor and the partner who may represent him.

The position of permanent statutory auditor for the company is carried out by the independent auditing firm of BDO & Associados – SROC represented by José Martinho Soares Barroso who also acts as the external auditor.

40. Consecutive number of years in which the statutory auditor provides services for the company and/or group.

The statutory auditor has provided services for the company and/or group for 13 consecutive years. In 2013, the external auditor completed the fourth term of the governing bodies, having been appointed again for the three-year period 2014-2016. However, in 2011, a new member responsible for overseeing or directly executing the external audit works was appointed.

41. Description of other services provided by ROC to the company.

BDO & Associados – SROC did not provide any services other than independent audit of the Company.

V. EXTERNAL AUDITOR

42. Identification of the appointed external auditor pursuant to Article 8 and statutory auditor partner who represents him in the fulfilment of these duties as well as the respective CMVM (Portuguese Securities Market Commission) registration number.

The external auditor of Reditus, as well as the statutory auditor is BDO & Associados – SROC, enrolled in the Order of Certified Public Accountants under No. 29 and registered with the CMVM (Portuguese Securities Market Commission) under No. 1122, represented by Dr. José Martinho Soares Barroso.

43. Consecutive number of years in which the external auditor and his statutory auditor partner provide services for the company and/or group.

The external auditor provides services for the company and/or group for 13 consecutive years.

44. Policy and frequency of rotation of the external auditor and respective statutory auditor partner who represents him in the fulfilment of those duties.

Reditus has not established nor implemented any policy of rotation of the external auditor.

Maintaining the auditor is based on the opinion of the supervisory body which specifically weighed the conditions of auditor independence and the benefits and costs of its replacement.

In 2013, the external auditor completed the fourth term of the governing bodies, having been appointed again for the three-year period 2014-2016. However, in 2011, a new member responsible for overseeing or directly executing the external audit works was appointed.

45. Recommendation from the entity in charge of the assessment of the external auditor and frequency of such assessment.

The Supervisory Board assesses annually the external auditor and proposes to the General Meeting his termination whenever there are justifiable grounds for it.

46. Identification of jobs, other than auditing, performed by the external auditor for the company and/or companies with which it is in a controlling relationship, as well as indicating internal procedures for approval of hiring such services and stating the reasons for their hiring .

During the 2015 fiscal year no jobs other than auditing were carried out by the external auditor.

47. The sums of annual remuneration paid by the company and/or by legal entities in a controlling relationship or from the group to the auditor and other natural or legal persons belonging to the same network and details of the percentage for the following services (for purposes of this information, the network concept comes from the European Commission Recommendation No. C (2002) 1873 of May 16th):

Auditors	Services	12-31-2015	12-31-2014
BDO & Associados, SROC	Statutory audit	50,000	50,000
Auren Auditores & Associados, SROC*	Statutory audit	65,400	68,400
Total		115,400	118,400

* Auren Auditors & Associados, SROC performs statutory audit services in individual companies of the Reditus Group and BDO & Associados, SROC performs statutory audit services in Reditus SGPS as well as consolidated Reditus SGPS

C. INTERNAL ORGANISATION

I. Articles of incorporation

48. Applicable rules for amendment of the articles of incorporation (Article 245 -A, paragraph 1, subparagraph h).

There are no rules for amending the articles of incorporation other than those deriving from the law applicable to it.

II. Reporting irregularities

49. Means and policy on reporting irregularities which have occurred in the company.

Reditus Group shareholders, social body members, employees, service renderers, clients and suppliers must report to the Internal Audit Unit any irregularities that they detect or which they know or have solid suspicions in order to prevent or stop irregularities which may cause serious damage to Reditus.

The aforementioned communication should be made in writing and sent to the email address irregularidades@reditus.pt with access reserved to the Internal Audit Unit, and include all elements and information the author has and considers necessary for evaluation.

Besides the referred email address, Reditus employees also have another direct and confidential channel in the Reditus Intranet, where they can communicate to the Internal Audit Unit financial and accounting irregularities.

Any complaint addressed to the Internal Audit Unit will be maintained strictly confidential and the origin of the complaint will remain anonymous.

The person in charge of the Internal Audit Unit must evaluate the situation described and decide or propose corrective measures to the Supervisory and the Executive Board, which, according to each specific case, he/she deems proper.

III. Internal control and risk management

50. Persons, bodies or committees responsible for internal audit and/or implementation of internal control systems.

Taking into account current market conditions, the Reditus Board of Directors has given increasing importance to the development and improvement of the mechanisms and procedures of internal control and risk management, in strategic, operational, economic and financial terms in order to better manage the risk inherent in Reditus operations and ensure the effective operation of the internal control systems.

Within this framework and given the development of good Corporate Governance practices in compliance with the rules and recommendations issued by the CMVM (Portuguese Securities Market Commission), establishment of a Committee for Risk Analysis, Sustainability, Financial and Internal Control has been approved at the meeting of the Board of Directors on May 31, 2011.

The Reditus Group is subject to a wide range of risks that can have a negative impact on its activity. All these risks are properly identified, assessed and monitored and it is up to different departments within the company to manage them with special emphasis on the Risk Committee and the Committee for Risk Analysis, Sustainability, Financial and Internal Control.

The Risk Committee (integrated into the Financial Management of the Group) has the duty of effective detection of risks related to the company's operations.

This Committee reports to Dr. Helder Matos Pereira, Group CFO and has the responsibility to report the matter to the Commission for Risk Analysis, Sustainability, Financial and Internal Control.

This Committee has developed and improved the effectiveness of its risk management model, strengthening the communication channels between the various business areas, the Unit itself and the Committee for Risk Analysis, Sustainability, Financial and Internal Control in order to anticipate and identify risks, thus enabling their timely management.

In a first phase the person in charge of the project identifies the typical risks associated with their business namely: (i) excessive concentration of projects in small number of clients; (ii) establishment of unbalanced ceilings and investments in terms of services to be provided and

operational requirements; (ii) strict contractual penalties for delays or breaches of established goals with clients, delaying client's delivery dates and other burdensome conditions; (iii) fast fading away of developed IT solutions for clients, (iv) lack of understanding or mismatching of client needs or market demands.

In a second phase, the Committee assesses operational risks and identifies financial risks, namely credit risks, foreign currency risks and liquidity risks.

All investments or new business of a certain size shall be subject to prior approval of the Committee for Risk Analysis, Sustainability, Financial and Internal Control.

It is worth mentioning that it is up to the Risk Committee, in coordination with the Committee for Risk Analysis, Sustainability, Financial and Internal Control, to ensure matching and control of the risks of potential transactions with the strategy and risk profile outlined for Reditus.

It is the responsibility of the Committee for Risk Analysis, Sustainability, Financial and Internal Control and the Risk Committee, to perform several actions for monitoring and evaluating the operation of the mechanisms and internal control procedures, as well as implementing improvements in these mechanisms and procedures, paying attention to its suitability to the strategy outlined in the risk management model.

Within this framework, the Commission and the Risk Committee are generally governed by the following principles:

- Identification of operational risks arising from the Group's operations;
- Identification of risks which have financial impact on the Group;
- Assessment of the implementation level of internal controls;
- Establishing together with the various departments corrective measures for mechanisms and procedures of internal control and risk management;
- Monitoring and assessment of the information processing system;
- Compliance of business operations and the strategy outlined for the Group.

The Risk Committee has a methodology for qualifying projects, through the analysis of certain parameters for identifying and assessing the consequences and probability of risk occurrence for each potential transaction.

This methodology has enabled to anticipate and mitigate any negative impacts of the occurrence of certain situations of identified risks.

The external auditor verifies the efficiency and operation of the internal control mechanisms within the framework of his work of statutory auditing and reports any significant shortcomings to the Supervisor Board.

51. Explanation, also by including an organisational chart of the relationships of hierarchical dependence and/or functional in relation to other bodies or committees of the company.

The Board of Directors and the Supervisory Board acknowledge the importance of the systems of risk management and internal control have for the Company, fostering the susceptible human and technological means of creating a balanced and adequate control environment to the risks of the activities.

The management body ensures through the Risk Committee, the creation and operation of internal control and risk management systems. It is up to the Supervisory Board to supervise the working of those systems and review them in their meetings.

Both the management body and the supervisory body have access to the reports and opinions issued by the Risk Committee, performing assessments of the functioning and adjustment to the company's needs of the internal control and risk management systems implemented.

52. Existence of other working areas with expertise in risk control.

There are no other working areas responsible for risk control other than those referred in paragraph 50.

53. Identification and description of the main types of risks (economic, financial and legal) to which the company is exposed in the course of its activities.

The Reditus Group is exposed to various risks arising from its activities and the following are the main risk factors of relevance and impact on businesses:

Counter-party credit risk - the counter-party credit risk results primarily from the possibility of default of clients, either by temporary liquidity problems or long-term systemic difficulties.

The management policy for counter-party credit risk consists in the analysis of the technical capabilities and exposure of each counter-party. Considering the nature and robustness of clients which constitute almost the Group's entire Client portfolio, the risk of default of counter-parties is significantly mitigated.

Risk associated with interest rates - the interest rate risk arises mostly from loans that are indexed to a benchmark interest rate.

The management of risks associated with interest rates are conducted through sensitivity analysis to changes in interest rates, notably to Euribor.

Foreign exchange risk - the foreign exchange risk is associated with operations abroad of the Reditus Group.

Currently, the largest exposure to foreign exchange risk results from fluctuations between the U.S. Dollar and the Euro, stemming from operations in Africa. The general policy of Reditus is based on signing major contracts in EUR thus minimising the impact of currency fluctuations.

Risks of legal nature - the main legal risks are linked to potential problems with clients and employees. These risks are managed through the internal control system which has a

methodology for qualifying projects, through the analysis of certain parameters for assessing the impact and probability of occurrence of risks for each potential business. All contracts and other legal cases are reviewed by the legal department in order to reduce potential future risks.

54. Description of the identification, assessment, monitoring, control and risk management process.

Information provided in paragraph 50.

55 Main elements of the internal control and risk management systems implemented in the company in relation to the financial reporting process (Article 245 -A, paragraph 1, subparagraph m).

It is the responsibility of the Executive Board to ensure proper disclosure of financial information that faithfully represents the situation of the group at any time, in compliance with the regulations issued by the regulatory entities applicable at any time.

The annual financial information is only disclosed after review by the external auditor and the Supervisory Board. The annual financial information and the one for the interim periods will be disclosed only after authorisation by the Board of Directors following a proposal from the Executive Board which conducts the corresponding preliminary validation tests.

It is up to the Supervisory Board to supervise the preparation and disclosure of financial information; in this scope, the Supervisory Board held meetings to allow for the follow-up of these processes with the Executive Board members, the external auditor and the people in charge of accounting, planning and management control.

IV. Investor Support

56. Service responsible for investor support, composition, duties, information provided by these services and contact information.

Reditus has an Office of Investor Relations which ensures adequate relationship with shareholders, financial analysts and regulatory authorities of capital markets, namely the CMVM (Portuguese Securities Market Commission) and Euronext Lisbon.

It is this department's responsibility to promote ongoing and constant contact with the market complying with the principle of shareholder equality and ensuring that investors are able to access information in a uniform fashion, providing within the terms permitted by law, requested information or that somehow contribute to greater transparency and participation in the Company's existence.

Reditus offers a wide range of information through its website: www.reditus.pt . The aim is to introduce the company to investors, analysts and the general public, providing permanent access to relevant and updated information. Thus, data regarding the company's activities can be viewed, as well as information specifically aimed at investors, which is available in

Portuguese and English in the "Investors" section. From this information the following stand out: results presentation, privileged information and other reports for the CMVM, reports and accounts, the financial calendar, the shareholder structure, the board and the market performance of Reditus shares.

Information requests may be done by phone or through the website (www.reditus.pt).

Given the company's dimension, the investor support office is composed only by the representative for market relations, who has the following contact details:

Address

Estrada do Seminário, 2 Edifício Reditus 2614-522 Alfragide

Phone - (+351) 21 412 4100

Fax - (+351) 21 412 4199

E-mail - accionistas@reditus.pt

Site - www.reditus.pt

57. Company representative for market relations.

Maria Summavielle

Phone: +351 21 412 41 00

Fax: +351 21 412 41 99

Cell: +351 91 388 00 28

E-mail: accionistas@reditus.pt

58. Information about quantities and response time to requests for information received during the year or outstanding from previous years.

Requests for information addressed to the Office were responded within a maximum of two working days.

V. Web Site

59. Address (es).

Reditus website is available at: www.reditus.pt

60. The location of information about the firm, the public company status, headquarters and other items is mentioned in Article 171 of the Portuguese Companies Code.

In the Reditus website within the <<Investors>> tab, there is a <<Corporate Governance>> tab containing information posted about the firm, the public company status, headquarters and other items in Article 171 of the Portuguese Companies Code.

61. Location where the Articles of incorporation and working regulations of the bodies and/or committees are posted.

In the Reditus website within the <<Investors>> tab, there is a <<Corporate Governance>> tab, which contains the <<Articles of incorporation and Regulations>> tab, and inside this last tab we find the Partnership Agreement, as well as the following regulations:

- Board of Directors Regulations;
- Executive Board Regulations;
- Supervisory Board Regulations.

62. Location of information on the identity of the members of the corporate bodies, the representative for market relations, the Investor Support Office or equivalent structure, their roles and contact information.

In the Reditus website within the <<Investors>> tab, there is a <<Corporate Bodies>> tab containing the composition of the corporate bodies.

On the other hand, in the Reditus website within the <<Investors >> tab, there is an << Investor Support Office>> tab containing information posted regarding the identity of the representative for market relations as well as contact information and roles.

63. Location of financial statements, which should be accessible for at least five years, as well as the mid-year calendar of corporate events disclosed at the beginning of each semester, including among others, General Meetings, disclosure of yearly, mid-year and if applicable, quarterly accounts.

In the Reditus website, in the tab identified as <<investors>>, there is a tab regarding <<Report and Accounts>>, where accounting documentation, which will remain accessible during five years, are disclosed.

On the other hand, in the Reditus website within the <<Investors>> tab, there is an <<Events Calendar>> tab where information is posted regarding the bi-annual calendar of corporate events.

64. Location where the general meeting convening notice is posted along with all the corresponding preparatory and subsequent information.

In the Reditus website within the <<Investors >> tab, there is a <<Proposals and Convening Notices for General Meetings >> tab where we have postings of the convening notice of the proposed resolutions and the minutes of the general meeting.

65. Location of historical records containing the resolutions passed at the company's general meetings, the share capital represented and the voting results, covering the previous three years.

In the Reditus website within the <<Investors >> tab, there is a <<Proposals and Convening Notices for General Meetings >> tab containing the historical record of convening notices, agendas and resolutions passed at General Meetings, as well as information on the share capital represented and the voting results in the respective meetings covering the previous five years.

D. REMUNERATION

I. Determining Responsibility

66. Guidelines regarding the responsibility for determining the remuneration of company officers, members of the Executive Board or managing director and company directors.

It is up to the Reditus General Meeting to appoint the members of the Remuneration Committee, which is responsible for establishing remunerations and for presenting the annual declaration on remunerations policies of the administrative and supervisory bodies members. The Remuneration Committee is in charge of presenting and proposing to shareholders the principles of the remuneration policy of the social bodies and establish the corresponding remunerations. Furthermore, the proposed declaration is object of evaluation and deliberation by shareholders at the annual General Meeting.

The aforementioned declaration on remuneration policies includes all of the company's directors (as per the provisions of paragraph 3 of article 248-B of the Portuguese Securities Code), since the Reditus Management Board understands that such directors are merely the members of the company's administration and supervisory bodies.

II. Remuneration Committee

67. Composition of the Remuneration Committee, including names of natural or legal persons hired to provide support and a statement on the independence of each member and committee chairpersons.

The Remuneration Committee consists of the Chairman of the General Meeting Dr. Diogo Lacerda Machado, Chairman of the Supervisory Board Dr. Rui Barreira, and Dr. José Manuel de Almeida Archer, all independent members on the Board of Directors.

The Remuneration Committee works with full autonomy, not having hired any natural or legal persons to assist in carrying out its duties.

68. Knowledge and experience of the members of the remuneration committee on remuneration policy.

Members of the Remuneration Committee have the necessary and proper knowledge to reflect, handle and decide on all subjects concerning remuneration policies.

All elements of the Remuneration Committee have academic training with extensive professional experience, performing duties as members of the management body of several entities, including financial institutions, listed companies, law firms, consolidating relevant practical knowledge regarding the remuneration policy, performance evaluation systems and related matters.

III. Remuneration structure

69. Description of the remuneration policy of the management and supervisory bodies pursuant to Article 2 of Law No. 28/2009 of June 19.

According to paragraph 1 of Article 18 of the Articles of Incorporation the remuneration of the members of the Board of Directors is set by the Remuneration Committee composed of three members elected every three years by the General Meeting.

At the General Meeting of June 2015 the criteria applied for establishing the remuneration of members of the Board of Directors for the 2014 year were approved. These criteria included a combination of relevance in the areas of executive management that constitute the duties of each board member and the number of fiscal years in effective exercise of those roles in the company.

Regarding the variable remuneration of the members of the Board of Directors, this is established by the combined weighing of consolidated net result, EBITDA and the annual increase in the price of shares and the percentage of overall profits allocated to the board members must not exceed ten percent, according to the provisions of paragraph 3 of Article 18 of the Articles of Incorporation.

The non-executive directors are only paid a fixed salary or with attendance vouchers, without any variable component in the salary.

The members of the Supervisory Board do not receive any remuneration for their roles.

However the company's articles of incorporation provide for in paragraph 3 of Article 18, that the salaries of members of the board of directors may be fixed or consist partly of a percentage of the profits of the fiscal year and the percentage of overall profits allocated to the directors must not exceed ten percent.

Reditus does not have any profit share program with shares.

It is the Remuneration Committee's concern that bonuses for the Board of Directors take into account not only the fiscal year's performance but also adequate sustainability of profits in the coming fiscal years.

The members the Board of Directors have not entered into any contracts with the company or third parties, which have the effect of mitigating the risk inherent in the remuneration fluctuation established by the company.

Reditus does not provide any compensation for dismissal or resigning from the position of Board Member.

70. Information on how remuneration is structured in a way to match the interests of members of the Board of Directors with the long-term interests of the company as well as on how performance assessment is based and discourages excessive risks.

Variable remuneration of the Executive Board members is determined by the Remunerations Committee aiming to align the variable component part of these board members' remuneration with the corresponding Company's performance in each fiscal year, which is measured considering the relation between the consolidated net result, the EBITDA and the annual evolution of shares quotation, and is also related to the responsibility and performance of each particular board member.

Variable remuneration depends on the positive performance of the company and the variable remuneration limits (10% of the net result) aim, mainly, to discourage excessive risk-taking, stimulating the pursuit of an adequate risk management strategy.

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

The variable component of the executive board members remuneration is determined by the Remunerations Committee aiming to align the variable component part of these board members' remuneration with the corresponding Company's performance, which is measured considering the relation between the consolidated net result, the EBITDA and the annual evolution of shares quotation, and is also related to the responsibility and performance of each particular board member. Thus, the performance evaluation impacts on this remuneration component. The existence of a proper balance between the fixed and variable components of such remunerations is also ensured.

72. Payment deferral of the variable remuneration component, mentioning the period of deferral.

Reditus implemented the procedures required for adopting a policy of deferring payment of the variable remuneration component, as can be verified in the last statements on the remuneration policy by the members of the Board of Directors and the supervisory body of Reditus.

However, until now, there is no deferral on the payment of the aforementioned variable remunerations since, in the past 4 fiscal years; the conditions on which their payment was dependent have not been met.

73. Criteria that underlie the allocation of variable remuneration in shares as well as on the maintenance, by executive directors of these shares, on any eventual signing of contracts relating to these shares, namely *hedging contracts or of risk transfer, the respective ceiling and its relationship to the amount of the total annual remuneration.*

The Company does not have in effect any remuneration measures which allow allocation of shares and/or any other profit sharing program with shares.

The members the Board of Directors have not entered into any contracts with the company or third parties, which have the effect of mitigating the risk inherent in their remuneration fluctuation.

74. Criteria that underlie the allocation of variable remuneration in options and showing the deferral period and the exercise / strike price.

The Company does not have in effect any remuneration measures which allow allocation of rights to purchase stock options.

75. Main parameters and grounds for any annual bonus system and any other non-cash benefits.

Information provided in paragraph 69.

76. Main characteristics of complementary pension or early retirement systems for board members and the date that they were approved by the general meeting of shareholders, in individual terms.

There aren't any supplementary pensions or early retirement programs for board members.

IV. Remuneration disclosure

77. Indication of the annual remuneration earned on aggregate and individually by members of the company's board of directors, from the company including fixed and variable remuneration and regarding this, mentioning the different components that originated it.

Pursuant to Law No. 28/2010 of June 19, below follows the remuneration received by individual members of the Board of Directors:

Executives	230,000
Francisco Santana Ramos	120,000
Helder Matos Pereira	110,000
Non-Executives	0
Miguel Pais do Amaral	0
José António Gatta	0
Fernando Fonseca Santos	0
Rui Miguel Ferreira	0
José Manuel Silva Lemos	0

In 2015, no variable remuneration component was paid to the Board of Directors.

The fixed remuneration paid to the board members during the fiscal year ended on December 31, 2015 amounted to 230,000 euros

78. Amounts paid, for any reason whatsoever by other companies in a control or group relationship or which are subject to common control.

The amount of remuneration paid to the Management Bodies was paid by Reditus Business Solutions.

79. Remuneration paid in the form of profit sharing and/or bonus payments and the reasons why such bonuses and/or profit sharing were granted.

Remuneration paid in the form of profit sharing and/or bonus payments are described in paragraph 69 and are part of the variable component as bonuses, taking into account the directors' performance, in view of the proposed goals. In the past 4 fiscal years, there were, however, no conditions which made the payment of variable remuneration possible.

80. Compensation paid or owed to former executive directors regarding the termination of their duties during the year.

No compensation has been paid or was due to former executive directors regarding termination of service during the 2015 fiscal year.

81. Indication of the annual remuneration earned on aggregate and individually by members of the company's supervisory board of directors pursuant to Law No. 28/2009 of June 19.

The members of the Supervisory Board do not receive any remuneration for their roles.

82. Details of the remuneration in the reference year of the chairman of the General Meeting.

The Chairman of the General Meeting does not receive any remuneration for performing his/her duties.

V. Agreements with implied remuneration

83. Contractual limitations provided for any compensation to be paid upon dismissal without just cause of a director, and its relationship with the variable component of the remuneration.

There aren't any contractual limitations for any compensation to be paid upon dismissal without just cause of a director, thus the laws on the matter are applicable.

84. Reference to the existence and description with details of the amounts involved, of agreements between the company and members of the board of directors and officers, as per paragraph 3 of Article 248.-B of the Portuguese Securities Code, providing for compensation in case of dismissal without just cause or termination of employment following a change of company control. (Article 245-A, paragraph 1, subparagraph I).

There aren't any agreements between the company and members of the board of directors and officers, as per paragraph 3 of Article 248-B of the Portuguese Securities Code, providing for compensation in case of resignation, dismissal without just cause or termination of employment relationship following a change of company control.

VI. Allocation of shares plans or stock options

85. Plan name and its recipients.

The Company does not have in effect any remuneration measures which allow allocation of shares and/or any other profit sharing program with shares.

86. Plan details (terms of allocation, clauses forbidding transfer of shares, criteria on the share price and the exercise price of the options, the period during which the options may be exercised, types of shares or options to be allocated, existence of incentives for purchasing shares and/or exercise options).

Not applicable.

87. Option rights allocated for purchasing shares ('stock options') that benefit employees and collaborators of the company.

Not applicable.

88. Control mechanisms provided for any system of employee participation in the capital to the extent that voting rights are not exercised directly by them (Article 245-A, paragraph 1, subparagraph e).

Not applicable.

E. TRANSACTIONS WITH RELATED PARTIES

I. Control mechanisms and procedures

89. Mechanisms implemented by the Company for purposes of monitoring transactions with related parties (*For this purpose we refer to the concept arising from IAS 24*).

The transactions of significant importance with qualified shareholders or entities that have any relationship with them, pursuant to Article 20 of the Portuguese Securities Code are submitted to preliminary approval of the Supervisory Board. This body establishes the necessary procedures and criteria for the definition of the importance level of these transactions which are described in paragraph 91.

90. Indication of the transactions that were subject to control in the reference year.

During fiscal year 2015, transactions between the company and qualified shareholders or entities that are in a relationship with them, pursuant to Article 20 of the Securities Code have not been subject to control by the Supervisory Board.

91. Description of the applicable procedures and criteria for intervention by the supervisory body for the purpose of preliminary assessment of the transactions to take place between the company and qualified shareholders or entities that have any relationship with them, pursuant to Article 20 of the Portuguese Securities Code.

The transactions of significant importance with qualified shareholders or entities that have any relationship with them, pursuant to Article 20 of the Portuguese Securities Code are submitted to preliminary approval of the Supervisory Board.

Transactions considered to be significantly important are those that are not part of the current activities of the company or of qualified shareholders or entities with which they are in one of the situations listed in Article 20 of the Portuguese Securities Code.

In turn and in view of the provisions of Article 246, paragraph 3, subparagraph c) of the Portuguese Securities Code, it shall be further considered transactions with significant importance, those that significantly affect the financial position or performance of the company.

In the Notes to the Consolidated Financial Statements of the Report and Accounts are described all transactions between, on the one hand the Company and on the other the qualified shareholders or entities with which they are in one of the situations listed in Article 20 of the Portuguese Securities Code.

II. Elements related to the transactions

92. Indication of the location of the financial statements where information is available on transactions with related parties, pursuant to IAS 24, or alternatively the reproduction of such information.

In the attachment to the financial statements of the 2015 Report and Accounts are described the main elements of business with related parties, pursuant to IAS 24, including the transactions and operations between the Company and the qualified shareholders and associated entities.

The transactions between the company and the qualified shareholders or entities with these in any relationship, pursuant to Article 20 of the Portuguese Securities Code were carried out under normal market conditions, in the course of normal activity of Reditus.

PART II - EVALUATION OF CORPORATE GOVERNANCE

1. Name of the Corporate Governance Code adopted

The Corporate Governance Code to which the company is subject or has decided to voluntarily submit should be indicated, pursuant to and for the purposes of Article 2 of this Regulation.

The location where the texts of the corporate governance codes are available to the public to which the issuer is subject (Article 245-A, paragraph 1, subparagraph p) should be indicated.

Within the framework of the corporate governance models authorised by the Portuguese Companies Code, Reditus has adopted the one-tier model that integrates as company bodies the General Meeting, the Board of Directors, the Audit Committee and the Statutory Auditor.

The texts of the corporate governance codes are available on the company website and were equally made public through the CMVM's (Portuguese Securities Market Commission) website.

2. Analysis of compliance with the adopted Corporate Governance Code

Reditus believes that, notwithstanding the failure to fully comply with the recommendations of CMVM, as explained in detail in the table below, the extent of adoption of the recommendations is quite broad and thorough.

The table below lists the CMVM's recommendations laid down in that code, specifying whether they were or were not fully adopted and the location in this report where these are described in greater detail.

Recommendation	Information on adoption	Description in the report
I. VOTING AND COMPANY CONTROL		
<p>1.1. Companies should encourage their shareholders to attend and vote at general meetings, namely by not setting an excessively high number of shares required to have the right to one vote and implementing the essential means to exercise the right to vote by mail and electronically.</p>	<p>Partially adopted The exercise of one's voting rights by electronic means is not provided because the Company believes, taking into account its shareholder structure and low distribution of shares that the participation of its shareholders in general meetings through votes submitted by mail and the mechanisms of representation is completely assured.</p>	<p>Paragraph 12</p>

1. 2. Companies should not adopt mechanisms which hinder the approval of resolutions by its shareholders, namely setting a higher resolution quorum as provided by law. **Adopted** **Paragraphs 14 and 48**

1.3. Companies should not establish mechanisms which have the effect of causing the discrepancy between the right to receive dividends or subscription of new securities and the voting right of each common share, unless properly substantiated in the light of long-term interests of shareholders. **Adopted** **Paragraph 12**

1.4. The Articles of Incorporation which provide for limiting the number of votes that may be held or exercised by a single shareholder, individually or together with other shareholders, shall also provide that at least every five years it will be subject to determination by the general meeting the amendment or keeping that statutory provision - without super quorum requirements compared to the one legally in effect - and that in said resolution, all votes issued are counted without said limitation in force. **Not applicable** **Paragraph 12**
 This recommendation is not applicable since the Articles of Incorporation do not provide for a limitation on the number of votes that may be held or exercised by a single shareholder, individually or together with other shareholders.

1.5. Measures which have the effect of requiring payments or assuming charges by the company in the event of change of control or change in the composition of the board and which appear likely to impair the free transferability of shares and the free assessment by the shareholders of the performance of members of the board should not be adopted. **Adopted** **Paragraph 4**

II. SUPERVISION, MANAGEMENT AND AUDITING
II.1. SUPERVISION AND MANAGEMENT

II.1.1. Within the limits established by law and unless the company is of small size, the board of directors shall delegate the daily management of the company and the delegated duties should be identified in the Annual Report on Corporate Governance. **Adopted** **Paragraph 21**

<p>II.1.2. The Board of Directors should ensure that the company acts in accordance with its goals and should not delegate its duties, namely with regard to: i) defining the strategy and general policies of the company; ii) defining the corporate structure of the group; iii) decisions that must be considered strategic due to the amounts, risks or their special features.</p>	<p>Adopted</p>	<p>Paragraph 21</p>
<p>II.1.3. The General and Supervisory Board, in addition to exercising the supervisory powers that are entrusted to it, must assume full responsibility to the corporate governance level by which the statutory provision or by equivalent means, the obligation of this body to comment on the strategy and major company policies must be established, setting the corporate structure of the group and the decisions that must be considered strategic due to the amounts or risks. This body should also assess compliance with the strategic plan and the implementation of key company policies.</p>	<p>Not applicable</p>	<p>Paragraph 15</p>
<p>II.1.4. Unless the company is of small size, the Board of Directors and the General and Supervisory Board, according to the model adopted, shall create such committees that may be required to:</p> <ul style="list-style-type: none"> a) Ensure a competent and independent assessment of the performance of executive directors and their overall performance as well as of other existing committees; b) Reflect on system structure and governance practices adopted, check its effectiveness and propose to the relevant bodies measures to be implemented towards their improvement. 	<p>Adopted</p>	<p>Paragraph 21</p>
<p>II.1.5. The Board of Directors or the General and Supervisory Board, depending on the model, should set goals in terms of risk-taking and create systems for their control to ensure that the risks actually incurred are consistent with those goals.</p>	<p>Adopted</p>	<p>Paragraphs 50 to 55</p>
<p>II. 1.6. The Board of Directors must include a number of non-executive members to ensure effective capacity for monitoring, supervision and assessment of activities of the other members of the board.</p>	<p>Adopted</p>	<p>Paragraph 18</p>

<p>II. 1.7. Among the non-executive directors there should be a balanced proportion of independent members, taking into account the governance model adopted, the size of the company and its shareholder structure and the respective free float.</p> <p>The independence of the members of the General and Supervisory Board and the members of the Audit Committee is assessed in accordance with applicable law and as to the other members of the Board of Directors, a person is considered independent when he/she is not associated with any specific interest group in the company nor under any circumstance likely of affecting his/her capacity of unbiased analysis or decision, namely by virtue of:</p> <ul style="list-style-type: none">a. Having been an employee of the company or a company with which he/she is in a control or group relationship in the past three years;b. Having had in the past three years, provided services or established significant business relationship with the company or company with which he/she is in a control or group relationship, either directly or as a partner, director, manager or officer of a legal person;c. Being a beneficiary of remuneration paid by the company or by a company with which he/she is in a control or group relationship, besides the remuneration arising from the exercise of the duties of a director;d. Living in a common law marriage or being a spouse, relative or kin in line of descent to the third degree, including in a collateral line, of board members or natural persons who are directly or indirectly qualified shareholders;e. Being a qualified shareholder or representative of a qualified shareholder.	Adopted	Paragraph 18
<p>II.1.8. The directors performing executive duties when requested by other Board Members should provide in a timely and appropriate manner, the information requested by them.</p>	Adopted	Paragraph 21

II. 1.9. The chairman of the board of executive directors or Executive Board should send, as applicable to the Chairman of the Board of Directors, the Chairman of the Supervisory Board, the Chairman of the Audit Committee, the Chairman of the General and Supervisory Board and the Chairman of the Commission for Financial Affairs, the convening notices and minutes of the respective meetings.

Adopted **Paragraph 21**

II.1.10. If the chairman of the Board of Directors has executive duties, this body should appoint from among its members, an independent director to ensure the coordination of the works of other non-executive members and the conditions so that these may make decisions in an independent and informed manner or find an equivalent mechanism to ensure such coordination.

Not applicable **Paragraph 21**

II.2. SUPERVISION

II. 2.1. Depending on the applicable model, the Chairman of the Supervisory Board, the Audit Committee or the Commission for Financial Affairs should be independent in accordance with the applicable legal criterion and be adequately capable to exercise the respective duties.

Not Adopted **Paragraph 32**

Dr. Rui António Gomes do Nascimento Barreira is not considered independent since he has been re-elected for more than two mandates, under the terms of Article 414/5 of the Portuguese Companies Code.

II. 2.2. The supervisory body should be the main partner of the external auditor and the first recipient of his reports, and be responsible namely to propose the respective remuneration and to ensure that within the company, the appropriate conditions for provision of services are provided.

Adopted **Paragraphs 32 and 33**

II.2.3. The supervisory board shall assess the external auditor annually and propose to the competent body his dismissal or termination of the provision of services contract whenever there is just cause for this purpose.

Adopted **Paragraph 45**

II.2.4. The supervisory body must assess the operation of internal control and risk management systems and propose any adjustments that may be required.	Adopted	Paragraph 21
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II.2.5. The Audit Committee, the General and Supervisory Board, and the Supervisory Board must rule on the work plans and the resources for internal audit services and the services that ensure compliance with the rules applicable to the company (compliance services) and should receive the reports conducted by these services at least when matters are at issue related to accountability or resolution of conflicts of interest and the detection of potential wrongdoings.	Adopted	Paragraph 51
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II.3. REMUNERATIONS SETTING

II.3.1. All members of the Remuneration Committee or equivalent should be independent of the executive members of the board of directors and include at least one member with knowledge and experience in matters of remuneration policy.	Adopted	Paragraphs 67 and 68
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II. 3.2. Any natural or legal person who provides or has provided in the past three years, services to any entity within the facilities of the board of directors, the actual company's management or who has a current relationship with the company or consultants for the company should not be hired to assist the Remuneration Committee in performing its functions. This recommendation also applies to any natural or legal person who is in a relationship by virtue of an employment contract or provision of services.	Adopted	Paragraph 67
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<p>II.3.3. The declaration on the board and supervisory bodies members remunerations policy referred by article 2 of Law 28/2009, June 19, should contain, additionally:</p> <p>a) Identification and explanation of the criteria for determining the remuneration to be paid to members of the corporate bodies;</p> <p>b) Information on the potential maximum amount in individual terms and the potential maximum amount in aggregate terms, to be paid to members of corporate bodies and identification of the circumstances under which these maximum amounts may be due;</p> <p>d) Information regarding the enforceability or unenforceability of payments for the dismissal or termination of appointment of directors.</p>	<p>Partially Adopted</p> <p>The statement on the remuneration policy for the management and supervision bodies of Reditus submitted to the last Annual General Meeting of Reditus does not specifically contain an indication of the potential amounts required by subparagraph b) of this Recommendation.</p>	<p>Paragraph 69</p>
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<p>II. 3.4. The proposal concerning approval of plans for the allocation of shares and/or purchase of stock options or based on variations in the share prices to members of corporate bodies must be submitted to the General Meeting. The proposal should contain all the necessary elements for a correct assessment of the plan.</p>	<p>Not applicable</p>	<p>Paragraph 85</p>
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<p>II. 3.5. The proposal concerning approval of any system of retirement benefits established for members of the corporate bodies must be submitted to the General Meeting. The proposal should contain all the elements necessary for a proper assessment of the system.</p>	<p>Not applicable</p>	<p>Paragraph 76</p>
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III. REMUNERATIONS

<p>III.1. The remuneration of executive members of the board of directors must be based on actual performance and discourage excessive risk-taking.</p>	<p>Adopted</p>	<p>Paragraphs 69 and 70</p>
<p>III.3. The variable component of remuneration should be reasonable in relation to the fixed component of remuneration and ceilings should be set for all components.</p>	<p>Not Adopted</p> <p>The company has not determined maximum ceilings for all remuneration components</p>	<p>Paragraph 69</p>

<p>III.2. The remuneration of non-executive members of the board of directors and the remuneration of the members of the supervisory board shall not include any component whose amount depends on the performance of the company or of its value.</p>	<p>Adopted</p>	<p>Paragraphs 69 and 70</p>
<p>III.4. A significant portion of the variable remuneration should be deferred for a period of no less than three years, and the right to receive it should depend on the continued positive performance of the company during that period.</p>	<p>Not applicable</p> <p>To date, there isn't any payment deferral of said variable remuneration. However, for the past 3 years, Reditus has implemented the necessary procedures for the adoption of a payment deferral policy of the remuneration variable component, with no practical effect since, in these fiscal years the conditions on which payment was dependent were not verified.</p>	<p>Paragraph 72</p>
<p>III.5. The members of the Board of Directors should not enter into any contracts with the company or third parties, which have the effect of mitigating the risk inherent in their remuneration fluctuation which has been established by the company.</p>	<p>Adopted</p>	<p>Paragraph 73</p>
<p>III.6. Until the end of their mandate executive directors must hold the company's shares that they have obtained by virtue of variable remuneration schemes, up to twice the amount of the total annual remuneration, except those that must be sold in order to pay capital-gain taxes of said shares.</p>	<p>Not applicable</p> <p>The Company does not have any allocation of shares plans.</p>	<p>Paragraph 73</p>
<p>III.7. When the variable remuneration includes stock options; the start of the exercise period must be deferred for a period of not less than three years.</p>	<p>Not applicable</p>	<p>Paragraph 74</p>
<p>III.8. When the dismissal of a board member is not due to serious breach of his duties nor of unfitness for the normal exercise of his duties but still attributable to poor performance, the company should be endowed with adequate and necessary legal instruments so that any damages or compensation, beyond the legally due, cannot be demanded.</p>	<p>Not Adopted</p> <p>There aren't any contractual limitations for any compensation to be paid upon dismissal without just cause of a director, thus the laws on the matter are applicable.</p>	<p>Paragraph 83</p>

IV. AUDITING

IV.1. The external auditor must, within the scope of his duties, verify the implementation of remuneration policies and systems of the corporate bodies, the efficiency and operation of the internal control mechanisms and report any shortcomings to the company's supervisory board.

Adopted

**Paragraphs
38 and 50**

IV.2. The company or any entities maintaining a controlling relationship with it should not hire the external auditor, or any entities which are in the same group or are part of the same network, for services other than audit services. If there are reasons for hiring such services - which must be approved by the supervisory board and explained in its Annual Report on Corporate Governance - they should not amount to more than 30% of the total value of services rendered to the company.

Adopted

**Paragraphs
46 and 47**

IV.3. The companies should promote the rotation of auditors after two or three terms depending on if these are of four or three years respectively. Its continuance beyond this period must be based on a specific opinion by the supervisory board which specifically considers the conditions of auditor independence and the benefits and costs of replacement.

Adopted

**Paragraph
44**

V. CONFLICT OF INTEREST AND TRANSACTIONS WITH RELATED PARTIES

V.1. Transactions between the company and qualified shareholders or entities that are in a relationship with them, pursuant to Article 20 of the Portuguese Securities Code shall be carried out under normal market conditions.

Adopted

**Paragraph
92**

V.2. The supervisory or monitoring body must establish procedures and criteria required to define the relevant importance level of transactions with qualified shareholders – or with entities in any of the relationships provided for in paragraph 1 of Article 20 of the Portuguese Securities Code – the transactions of significant importance being dependent on prior approval of said body.

Adopted

**Paragraph
89**

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Vila do Conde Service Centre

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Headquarters Contacts

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Reditus – Sociedade Gestora de Participações Sociais, SA (holding company)

Public Company | Headquarters: Rua Pedro Nunes, 11 – 1050-169 Lisbon | Share Capital 73,193,455.00 EUR

Registered with the Lisbon Commercial Registry Office under single registration number and Legal Person No. 500 400 997