



IBERSOL – SGPS, SA

Publicly Listed Company

Registered office: Praça do Bom Sucesso 105/159, 9º andar, Porto

Share Capital: Euro 20.000.000

Commercial Registry : Oporto under the number 501669477

Fiscal Number: 501 669 477

CORPORATE GOVERNANCE REPORT 2014

(proposal to the Annual General Meeting)

**CORPORATE GOVERNANCE
REPORT
2014**

IBERSOL, SGPS, SA.

Publicly Listed Company, with share capital of 20,000,000 euros, with its registered office at Praça do Bom Sucesso, n^{os} 105/159, 9^o andar, 4150-146 Oporto, registered in the Companies Register of Oporto under registration and fiscal identification number 501669477.

PART I – SHAREHOLDING STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

A. SHAREHOLDING STRUCTURE

1. Share Capital structure.

The share capital of Ibersol, SGPS, SA. amounts to 20,000,000 euros, fully subscribed and paid, represented by 20,000,000 ordinary registered shares with a par value of 1 euro per share, all carrying the same rights and obligations.

2. Share transmission and ownership restrictions.

There is no restriction under the By-laws, in particular under articles 4 and 5 thereof, on the transferability of the shares, nor any clause requiring consent to the transfer of the shares, nor any type of limitation on ownership of the shares.

3. Own shares.

At 31 December 2014 Ibersol, SGPS, SA held 2,000,000 of its own shares, corresponding to 10% of the share capital, with a nominal value of one euro per share, at an overall acquisition cost of 11,179,643 euros.

During 2014 the company did not enter into any transactions in own shares.

4. Impact of change in shareholder control of the company in significant agreements.

There are no significant agreements concluded by the Company or by its subsidiaries that contain clauses aimed at establishing measures to protect against a change of control (including after a tender offer). There are no specific conditions that limit the exercise of voting rights by the shareholders of the Company or other matters liable to

CORPORATE GOVERNANCE REPORT

interfere in the success of a tender offer. There are no signed contracts with change of control clauses, either financing agreements or other, in particular in a debt issuance context.

5. Defensive measures in case of change in shareholding control.

No defensive measures, nor any regime for the renewal or revocation of such measures, have been adopted in the Company.

6. Shareholders agreements.

The Company is not aware of any shareholders' agreement that could lead to restrictions on the transfer of marketable securities or to the concerted exercise of voting rights.

II. Qualifying shareholdings and Bonds helds

7. Qualifying Shareholdings.

At 31 December 2014, according to the notifications received by the Company, the persons who, in accordance with article 20 of the Companies Code who have a qualifying shareholding of at least 2% of the share capital of Ibersol, are as follows:

Shareholders	n° Shares	% share capital
ATPSII - SGPS, S.A. (*)		
ATPS-SGPS, SA	886.359	4,43%
I.E.S.-Indústria, Engenharia e Serviços, SGPS,S.A.	9.998.000	49,99%
Mirtal - SGPS, SA	92.892	0,46%
António Alberto Guerra Leal Teixeira	1.400	0,01%
António Carlos Vaz Pinto Sousa	5.250	0,03%
Total attributable	10.983.901	54,92%
Banco BPI, S.A.		
Fundo Pensões Banco BPI	400.000	2,00%
Total attributable	400.000	2,00%
Santander Asset Management SGFIM, SA		
Fundo Santander Acções Portugal	646.115	3,23%
Fundo Santander PPA	25.366	0,13%
Total attributable	671.481	3,36%
Bestinver Gestion		
BESTINVER BOLSA, F.I.	1.081.419	5,41%
BESTINFOND F.I.M.	941.016	4,71%
BESTINVER GLOBAL, FP	208.624	1,04%
BESTVALUE F.I.	173.687	0,87%
SOIXA SICAV	109.019	0,55%
BESTINVER MIXTO, F.I.M.	95.699	0,48%
BESTINVER AHORRO, F.P.	61.966	0,31%
BESTINVER SICAV-BESTINFUND	39.531	0,20%
BESTINVER SICAV-IBERIAN	126.400	0,63%
DIVALSA DE INVERSIONES SICAV, SA	3.814	0,02%
BESTINVER EMPLEO FP	3.322	0,02%
BESTINVER FUTURO EPSV	2.210	0,01%
BESTINVER EMPLEO II, F.P.	1.415	0,01%
BESTINVER EMPLEO III, F.P.	795	0,00%
Total attributable	2.848.917	14,24%
Norges Bank		
Directly	743.147	3,72%
FMR LLC		
Fidelity Management & Research Company	400.000	2,00%

(*) ATPS II-SGPS is held by António Alberto Guerra Leal Teixeira and António Carlos Vaz Pinto Sousa, each owning 50%.

8. Number of shares and bonds held by the Governing Bodies members - Board of Directors and Supervisory Board

Number of Shares directly or indirectly held in Ibersol, SGPS, SA:

Board of Directors:

Chairman - Dr. António Alberto Guerra Leal Teixeira

1,400 shares of the capital of Ibersol SGPS, SA.

3,384,000 shares representing 50% of the capital of ATPSII, SGPS, SA

At 31/12/2014 ATPS II, SGPS, SA held 5,680 shares representing 50.04% of the share capital of ATPS, SGPS, SA.

At 31/12/2014, ATPS, SGPS, SA held 886,359 shares of the capital of Ibersol, SGPS, SA and 2,455,000 shares representing 100% of the capital of I.E.S. – Indústria Engenharia e Serviços, SGPS, SA., and 1,420,588 shares representing 96,6% of the capital of Mirtal SA.

At 31/12/2014 Mirtal, SA. held 92,892 shares of the capital of Ibersol, SGPS, SA.

At 31/12/2014 IES – Indústria, Engenharia and Services, SGPS, SA held 9,998,000 shares of the capital of Ibersol, SGPS, SA.

Vice-Chairman - Dr. António Carlos Vaz Pinto de Sousa

1,400 shares of the capital of Ibersol SGPS, SA.

3,384,000 shares representing 50% of the capital of ATPSII, SGPS, SA

At 31/12/2014 ATPS II, SGPS, SA held 5,680 shares representing 50.04% of the share capital of ATPS, SGPS, SA.

At 31/12/2013 ATPS, SGPS, SA held 886,359 shares of the capital of Ibersol, SGPS, SA and 2,455,000 shares representing 100% of the capital of I.E.S. – Indústria Engenharia e Serviços, SGPS, SA. and 1,420,588 shares representing 96,6% of Mirtal, SA. capital.

At 31/12/2014 Mirtal, SA. held 92,892 shares of the capital of Ibersol, SGPS, SA.

At 31/12/2014 IES – Indústria, Engenharia and Services, SGPS, SA held 9,998,000 shares of the capital of Ibersol, SGPS, SA.

Director – Prof. Doctor Juan Carlos Vázquez-Dodero

Does not hold any shares of the company

Audit Committee:

Chairman - Dr. Joaquim Alexandre de Oliveira e Silva

Does not hold any shares of the company

Vice-Chairman – António Maria Borda Cardoso

Does not hold any shares of the company

Member – Eduardo Moutinho Ferreira Santos

Does not hold any shares of the company

Substitute – Maria Helena Moreira de Araújo

Does not hold any shares of the company

9. Board of Directors qualification due to share capital increase.

Under article 4.2 of the Company's Bylaws the share capital may be increased to one hundred million euros in one or more increases by resolution of the Board of Directors, which shall determine the manner, conditions of subscription and categories of shares to be issued from among those provided for in the articles of association or such others as may be permitted by law.

10. Related Party Transactions.

No material business or transactions were conducted between the Company and holders of qualifying shareholdings.

B. GOVERNING BODIES AND COMMITTEES

I. General Meeting

a) Board of the Shareholders' General Meeting

11. Name, function and mandate of the General Meeting Boards member.

Throughout 2013, and as a result of elections held in the Annual General Meeting held on 6 May 2013, the composition of the Board of the General Meeting was as follows:

Chairwoman of the Board – Dr. Alice da Assunção Castanho Amado;

Vice-Chairwoman – Dr. Anabela Nogueira de Matos;

Secretary – Dr. Maria Leonor Moreira Pires Cabral Campello;

These members are elected for a four-year term, from 2013 to 2016.

b) Exercise of the voting rights

12. Possible restrictions on voting rights.

There are no restrictions on voting rights, such as limitations on the exercise of the vote depending on ownership of a certain number or percentage of shares, given that, under the terms of article 21 of the Bylaws, each share carries one vote.

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According to article 23 of the Bylaws of the Company, for the General Meeting to be able to meet and deliberate on first call, shareholders of shares representing more than fifty per cent of the share capital must be present in person or by proxy. According to article 21.1 and 21.2 of the Bylaws, each share carries one vote and resolutions of the General Meeting shall be adopted by simple majority, unless the law requires otherwise.

Article 22.3-11 of the Company's Bylaws contain rules on the exercise of voting rights by post, there being no restriction on postal voting. The company provides postal voting forms and informs of the necessary procedures to exercise this right. The form is available on the company's website at www.ibersol.pt. Under article 22.4 of the Bylaws, postal votes may be received up to three days before the date of the General Meeting.

13. Maximum percentage of voting rights that may be exercised by a single shareholder or shareholders which have with the Company any relations of n.º 1 of Art. 20.º.

There is no indication of the maximum percentage of voting rights that may be exercised by any one shareholder or by shareholders who are in any of the situations described in said rule.

14. Resolutions which only may be taken by qualified majority.

Shareholder resolutions are not subject, under the Bylaws, to qualified majorities, unless such a requirement is imposed by law. Thus, unless the law provides otherwise, resolutions of the General Meeting shall be adopted by simple majority (art. 21.2 of the Bylaws);

II. MANAGEMENT AND SUPERVISION

a) Composition

Board of Directors

Audit Committee

Chairman - Dr. Joaquim Alexandre de Oliveira e Silva

Vice-Chairman - Dr. António Maria de Borda Cardoso

Director – Dr. Eduardo Moutinho dos Santos

Substitute – Dr. Maria Helena Moreira de Araújo

Statutory Auditor - PriceWaterHouseCoopers & Associates – Sociedade de Revisores Oficiais de Contas, Lda.

15. Identification of model of governance adopted.

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The Company adopts a classical, monist model of governance, made up of Board of Directors and the Audit Committee, the statutory auditor having been appointed by the General Meeting. The Board of Directors is responsible for performing all the administrative acts relating to the corporate object, determining the Company's strategic guidelines, and appointing and overseeing the work of the Executive Committee, no specialized committees having been formed. The Executive Committee coordinates the operations of the functional units and the Company's various businesses, meeting with the senior managers of these units and businesses on a regular basis.

The Audit Committee is responsible for auditing the Company's activity in accordance with law and the Company's bylaws.

16. Statutory rules for procedural and material requirements applicable to appointment and replacement of members of the Board of Directors.

The rules on the procedural and material requirements applicable to the appointment and replacement of members of the Board of Directors are stated in articles 8, 9, 10 and 15 of the Bylaws.

The Board of Directors is made up of an uneven or even number of members, with a minimum of three and a maximum of nine, elected by the General Meeting. A number of substitutes equal to one-third of the number of acting directors may also be elected. Up to one-third of the directors shall be elected from among persons proposed in lists subscribed by shareholder groups holding shares representing no more than 20% and no less than 10% of the share capital. Each list must propose at least two candidates for each post to be filled and a shareholder may not subscribe to more than one list. If, in a given election, lists are presented by more than one group, the vote will decide on all the lists taken together.

In the event of death, resignation or temporary or permanent disability of a director, the Board of Directors shall arrange for a replacement. Where a director elected under the rules set forth in the preceding paragraph is no longer able to serve, a replacement shall be elected by the General Meeting.

17. Composition of the Board of Directors.

The Board of Directors is currently made up of three members, the executive members being the Chairman and Vice-Chairman. The Board of Directors shall choose its own chairman if a chairman has not been appointed by the General Meeting at the time the Board was elected. The Board of Directors may specifically appoint one or more directors to handle certain matters. As of 31 December 2014 the Board of Directors was made up of the following members:

Chairman – Dr. António Alberto Guerra Leal Teixeira;

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Vice-Chairman – Dr. António Carlos Vaz Pinto de Sousa;

Director – Prof. Juan Carlos Vázquez-Dodero

All the members were elected by the General Meeting on 6 May 2013 for a term that expires in 2016 or when new members are elected.

The dates on which the current members were first elected to their posts are as follows: Dr. António Carlos Vaz Pinto de Sousa, 1991; Dr. António Alberto Guerra Leal Teixeira, 1997; and Prof. Juan Carlos Vázquez-Dodero, 1999.

Under article 27 of the Bylaws, directors are elected for a period of four years.

The Board of Directors may also delegate the day-to-day management of the Company to one or more directors or an executive committee, within the terms and limits established by law. The Board of Directors shall be responsible for regulating the functioning of the Executive Committee and the way it exercises the powers assigned to it.

18. Distinction between executive and non-executive members.

The governing body of the Company is made up of three directors and includes one non-executive member, Prof. Juan Carlos Vázquez-Dodero, who is not associated with any specific interest groups, whether of the Company or its principal shareholders, and has no material interests that might clash or interfere with the free performance of his duties as a director. No internal control committee has been established. Said non-executive member is a director of related companies, in which he does not perform any executive functions. He does not carry out any activities or businesses with the Company, within the meaning of articles 397 and 398 of the Companies Code (CSC) and meets the other requirements for independence stated in art 414.5 of the CSC, in particular as stated in the European Commission Recommendation of 15 February 2005. Face to this Recommendation, in its point number 13, it is determined, about the independence requirement, that an administrator must be considered independent if he has no business, family, or other relations with the company, either with the control shareholders, as well with the directive bodies of any of them – that can create a conflict of interest that undermine his judgment. These independence requirements are completely fulfilled by the non-executive member of Board of Directors, Prof. Juan Carlos Vazquez-Dodero, and so this is an independent member.

The above mentioned non-executive director, as a non-executive director of the Board of Directors of companies included in or linked to the Ibersol Group, does not collaborate or interfere with the management of the company, neither provides any other type of service to any of these companies and has no other type of commercial relationship (material or non-material), whether of service provision or another

nature, and is not a beneficiary of any kind of remuneration beyond that received annually as a non-executive director of Ibersol, SGPS, SA.

19. Professional qualifications of the members of the Board of Directors.

Board of Directors

Chairman - Dr. António Alberto Guerra Leal Teixeira

Academic qualifications

- BA in Economics – Faculty of Economics of the University of Oporto.

Professional activity

- Chairman of the Board of Directors of Ibersol, SGPS, SA
- Director of other companies in which Ibersol, SGPS, SA holds shares

Date first appointed and end of current term of office – 1997 / 2016;

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

ASUREBI - Sociedade Gestora de Participações Sociais, SA

EGGON – SGPS, SA

ANATIR – SGPS, SA

CHARLOTTE DEVELOPS, SL

FIRMOVEN - Restauração, SA

IBERAKI - Restauração, SA

IBERGOURMET - Produtos Alimentares, SA

IBER KING - Restauração, SA

IBERSANDE - Restauração, SA

IBERSOL - Hotelaria e Turismo, SA

IBERSOL - Restauração, SA

IBERSOL MADEIRA e AÇORES, Restauração, SA

IBERUSA - Hotelaria e Restauração, SA

IBERUSA - Central de Compras para a Restauração, ACE

INVERPENINSULAR, SL

MAESTRO - Serviços de Gestão Hoteleira, SA

VIDISCO SL. Y LURCA SA. Unincorporated joint venture

VIDISCO, SL

LURCA, SA

IBR – Imobiliária, SA

QRM – Projectos Turísticos, SA

JOSÉ SILVA CARVALHO – Catering, SA

SUGESTÕES E OPÇÕES – Actividades Turísticas, SA.

SEC - EVENTOS E CATERING, SA.

IBERSOL ANGOLA, S.A.

General Manager

FERRO & FERRO, Lda.

RESTMON (Portugal) – Gestão e Exploração de Franquias, Lda.

RESBOAVISTA – Restaurante Internacional, Lda.

Functions performed in the governing bodies of companies not belonging to the Ibersol Group:

ATPS - Sociedade Gestora de Participações Sociais, SA

ATPS II, SGPS, SA.

I.E.S. - Indústria, Engenharia e Serviços, SGPS, SA

MATEIXA Soc. Imobiliária, SA.

ONE TWO TASTE, SA.

Vice-Chairman - Dr. António Carlos Vaz Pinto de Sousa

Academic qualifications

- BA in Law - Faculty of Law of the University of Coimbra
- CEOG – Course in Management – Catholic University of Oporto

Professional activity

- Chairman of the Board of Directors of Ibersol, SGPS, SA
- Director of other companies in which Ibersol, SGPS, SA holds shares

Date first appointed and end of current term of office – 1991 / 2016;

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

ASUREBI - Sociedade Gestora de Participações Sociais, SA

EGGON – SGPS, SA

ANATIR – SGPS, SA

CHARLOTTE DEVELOPS, SL

FIRMOVEN - Restauração, SA

IBERAKI - Restauração, SA

IBERGOURMET - Produtos Alimentares, SA

IBER KING - Restauração, SA

IBERSANDE - Restauração, SA

IBERSOL - Hotelaria e Turismo, SA

IBERSOL - Restauração, SA

IBERSOL MADEIRA e AÇORES, RESTAURAÇÃO, SA

IBERUSA - Hotelaria e Restauração, SA

IBERUSA - Central de Compras para a Restauração, ACE

INVERPENINSULAR, SL

MAESTRO - Serviços de Gestão Hoteleira, SA

VIDISCO SL. Y LURCA SA. Unincorporated joint venture

VIDISCO, SL

LURCA, SA

IBR – Imobiliária, SA

QRM – Projectos Turísticos, SA

JOSÉ SILVA CARVALHO – Catering, SA

SUGESTÕES E OPÇÕES – Actividades Turísticas, SA.

SEC - EVENTOS E CATERING, SA.

IBERSOL ANGOLA, S.A.

General Manager

FERRO & FERRO, Lda.

RESTMON (Portugal) - Gestão e Exploração de Franquias, Lda.

RESBOAVISTA – Restaurante Internacional, Lda.

Functions performed in the governing bodies of companies not belonging to the Ibersol Group:

ATPS - Sociedade Gestora de Participações Sociais, SA.

ATPS II, SGPS, SA.

MBR, IMOBILIÁRIA, SA.

ONE TWO TASTE, SA.

I.E.S. - Indústria, Engenharia e Serviços, SGPS, SA

POLIATLÂNTICA, SA.

SOPRANO- SGPS, SA.

Director – Prof. Juan Carlos Vázquez-Dodero

Academic qualifications

- BA in Law – Complutense University of Madrid
- BA in Business Studies – ICADE, Madrid
- Master of Business Administration – IESE, University of Navarra;
- PhD in Management - IESE, University of Navarra
- “Managing Corporate Control and Planning” and “Strategic Cost Management” programmes, Harvard University

Professional activity

- Ordinary Professor at IESE
- Advisor and consultant to various European and American companies
- Member of the Board of Directors of Ibersol, SGPS, SA
- Director of other companies in which Ibersol, SGPS, SA holds shares

Date first appointed and end of current term of office -1999 / 2016;

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

IBERUSA - Hotelaria e Restauração, SA

IBERSANDE - Restauração, SA

IBERSOL - Restauração, SA

IBERSOL ANGOLA S.A.

Functions performed in the governing bodies of companies not belonging to the Ibersol Group:

ATPS - Sociedade Gestora de Participações Sociais, SA

I.E.S. - Indústria, Engenharia e Serviços, SGPS, SA

ATPS II, SGPS. SA.

FINAVES I, SCRRC, S.A.

20. Significant relationships between members of Board of Directors and qualified shareholders.

There are no family, professional or business relationships with holders of qualifying shareholdings beyond the fact that the directors António Alberto Guerra Leal Teixeira and António Carlos Vaz Pinto de Sousa are the owners, in equal shares, of the company ATPSII- SGPS, SA, which holds 54.92% of the share capital of Ibersol.

21. Division of powers between the different boards, committees and/or departments within the company, including information on delegating responsibilities, particularly with regard to the delegation of powers, in particular with regard to the delegation of daily management of the Company.

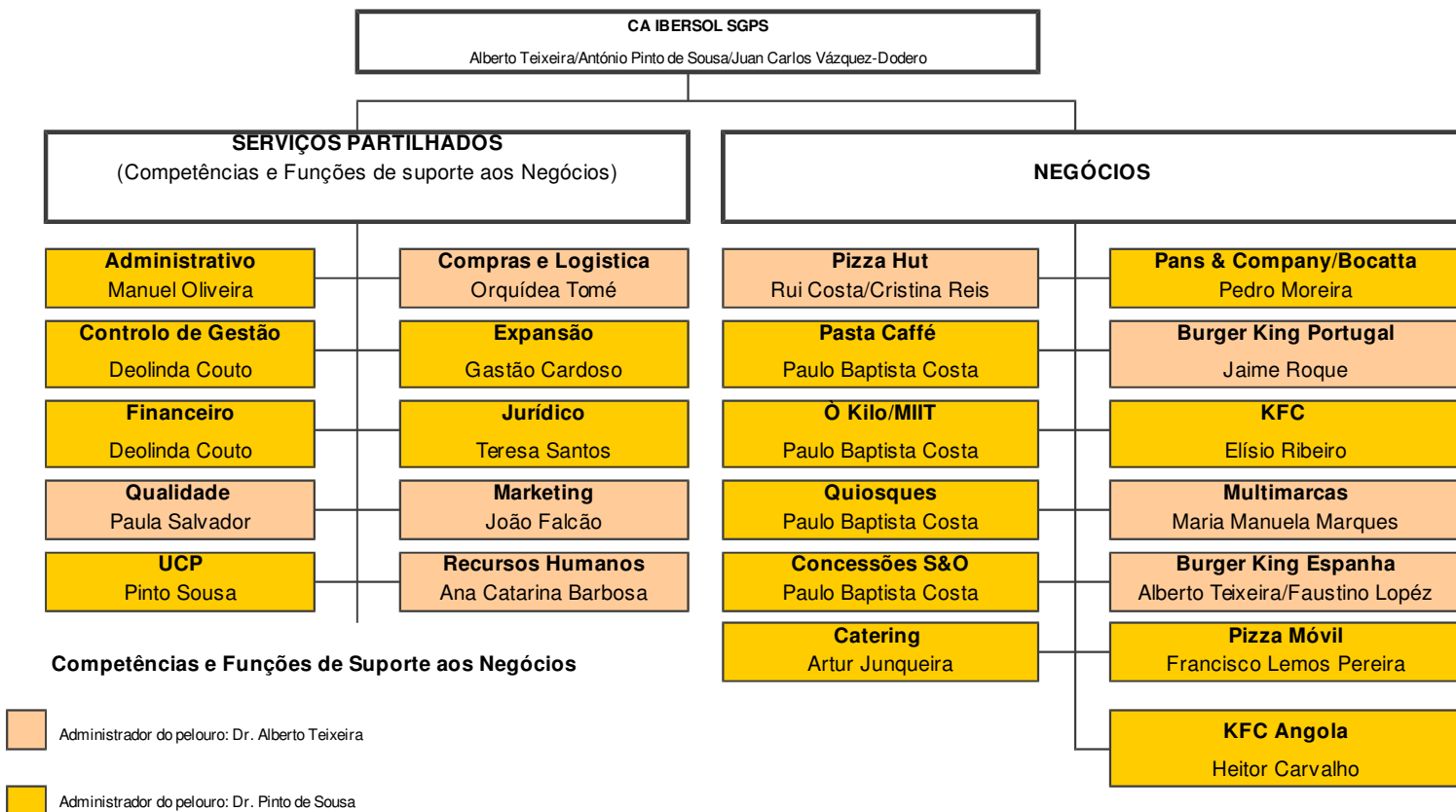
Two of the members of the Board of Directors perform executive functions and form an Executive Committee, which was elected and has powers delegated to it by the Board of Directors under the terms of art. 8.4 of the Bylaws of the Company. The third director performs non-executive functions.

The executive committee coordinates the operations of the functional units and the various businesses, meeting with the senior managers of these units and businesses on a regular basis. The decisions taken by the functional and business managers, which must respect the overall guidelines, are taken under powers delegated by the Executive Committee and are coordinated in periodic meetings.

The powers delegated to the Executive Committee are as follows:

- a) Exercise full powers of decision making, management and monitoring of the Company's activity at a strategic level, within the legal limits of art. 407.4 of the CSC.

The organization chart and distribution of tasks is as follows



- b) Develop, plan and schedule the actions of the governing body, in the Company's internal and external plan for the year, so as to achieve the corporate objectives in accordance with the Company's mission, in particular assisting the Board of Directors in the proper verification of the instruments of supervision of the economic and financial situation and in the exercise of the control function over the companies belonging to the Ibersol Group.
- c) It is responsible for assisting the Board of Directors in the updating of its structures of advice and functional support; in the procedures of the companies belonging to the Ibersol Group, in line with the changing needs of the business, defining the profiles and characteristics of their strategic partners, customers, workers, employees and other agents; and in the conduct of the Group's relationships with its environment, acquiring, disposing and encumbering movable property and establishing or terminating cooperation agreements with other companies.

b) Functioning

22. Location where the regulations governing the functioning of the Board of Directors can be found.

The Regulations of the Board of Directors may be consulted on the Company's website: www.ibersol.pt.

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

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The by-laws of the Company stipulate that the Board of Directors shall meet at least quarterly and whenever convened by the Chairman or two of its members. During 2014 the Board met ten times and the rate of attendance was 100% for the executive director António Alberto Guerra Leal Teixeira, and 90% for the executive director António Carlos Vaz Pinto Sousa, and 100% for the non-executive director Juan Carlos Vázquez-Dodero.

Meetings of the Board of Directors are arranged and prepared in advance and the necessary documentation of the points on the agenda is made available in good time.

24. Competent Bodies of the Company to appraise the performance of executive directors.

The Remuneration Committee is the body responsible, in representation of the shareholders, for assessing the performance and approving the remuneration of the members of the Board of Directors and other bodies in accordance with the remuneration policy approved by the shareholders in General Meeting.

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

The remuneration of the executive members of the Board of Directors does not include any variable component and is conducted through a service agreement with ATPS-SGPS, SA. There are no pre-determined criteria for this purpose.

26. Availability of each member of the Board of Directors indicating the positions held simultaneously in other companies inside and outside the group, and other relevant activities by members of these bodies during the financial year.

The professional activity of the current members of the Board of Directors is described in point 19 above.

c) Committees within the board of directors and delegates;

27. Identification of committees created within the board of directors and where can be found the Regulations on the functioning.

The Executive Committee is the only committee of the Board of Directors and the Regulations of the Board of Directors may be consulted on the website www.ibersol.pt. The board of directors and the executive committee that integrates the board ensure that the company develops its activity in order to comply with the statutory purposes, not delegating the competence for the definition of the strategy and company management policies, centralizing the definition of the structure business of the group, taking charge and in its exclusive competence of all relevant strategic decisions, either by its value, its potential degree of risk involved, either by its specific characterization.

28. Executive Committee.

Dr. António Alberto Guerra Leal Teixeira;

Dr. António Carlos Vaz Pinto de Sousa;

29. Competence of each committee created and synthesis of activities in exercise of those competence.

Ibersol, SGPS, SA has a Board of Directors made up of three members: a Chairman, a Vice-Chairman and a Director.

Two of the members perform executive functions and form an Executive Committee, which was elected and has powers delegated to it by the Board of Directors under the terms of art. 8.4 of the Bylaws of the Company. The third director performs non-executive functions.

The executive committee coordinates the operations of the functional units and the company's various businesses, meeting with the senior managers of these units and businesses on a regular basis. The decisions taken by the functional and business managers, which must respect the overall guidelines, are taken under powers delegated by the Executive Committee and are coordinated in committee meetings.

The powers delegated to the Executive Committee are as follows:

- d) Exercise full powers of decision making, management and monitoring of the Company's activity at a strategic level, within the legal limits of art. 407.4 of the CSC.
- e) Develop, plan and schedule the actions of the governing body, in the Company's internal and external plan for the year, so as to achieve the corporate objectives in accordance with the Company's mission, in particular assisting the Board of Directors in the proper verification of the instruments of supervision of the economic and financial situation and in the exercise of the function of control of the companies belonging to the Ibersol Group.
- f) The Executive Committee is also responsible for assisting the Board of Directors in the updating of its structures of advice and functional support; in overseeing the procedures of the companies belonging to the Ibersol Group, in line with the changing needs of the business, defining the profiles and characteristics of their strategic partners, customers, workers, employees and other agents; and in the conduct of the Group's relationships with its environment, acquiring, disposing and encumbering movable property and establishing or terminating cooperation agreements with other companies.

The Executive Committee meets monthly and whenever called by the Chairman. Apart from the regular contacts established between the members of the Executive Committee in the periods between meetings, a total of 24 meetings were held during 2014.

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The members of the Executive Committee provide the information requested by other members of the corporate governing bodies in a timely manner.

III. SUPERVISION

a) Composition

30. Identification of the Fiscal Board.

Under the adopted model, the Company is audited by the Audit Committee and the Statutory Auditor or a statutory audit firm, who are not members of the Audit Committee. The Audit Committee and the Statutory Auditor are both elected by the General Meeting of shareholders.

31. Composition.

Audit Committee

Chairman – Dr. Joaquim Alexandre de Oliveira e Silva;
Vice-Chairman – António Maria Borda Cardoso;
Member – Eduardo Moutinho Ferreira Santos;
Substitute – Maria Helena Moreira de Araújo;

The Audit Committee is made up of at least three active members, who are elected by the General Meeting and must meet at least quarterly. Where the Audit Committee has only three active members, there must be one or two substitutes; where there are more than three active members, there must be two substitutes.

The statutory auditor or statutory audit firm are elected by the General Meeting at the proposal of the Audit Committee.

The term of office of the members of the Audit Committee is four years (art. 27 of the Bylaws). The current Chairman took up the post of Vice-Chairman in 2008 and was appointed Chairman in 2013 for the period 2013-2016. The current Vice-Chairman was first appointed as a member of the Audit Committee in 2007 and was appointed vice-chairman for the period 2013-2016. The Member was first appointed as a substitute in 2007 and was appointed as a member for the period 2013-2016.

32. Independence of the Fiscal board members.

All the active members meet the criteria stated in article 414.5 of the CSC and comply with all the rules of incompatibility mentioned in article 414.1 of the CSC.

The members of the Audit Committee have the duty to immediately report to the Company any event that might give rise to incompatibility or loss of independence.

33. Professional Qualifications.

Chairman – Joaquim Alexandre de Oliveira e Silva;

Academic qualifications

- BA in Economics (1970) from the Faculty of Economics of the University of Oporto

Professional activity in the last five years:

- University teaching
- Tax consulting

Date first appointed and end of current term of office: 2008 / 2016.

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

He does not perform any functions in other companies in the Ibersol Group.

Number of shares of Ibersol, SGPS, SA held directly or indirectly:

He does not hold any shares of the company.

Vice-Chairman – Dr. António Maria de Borda Cardoso;

Academic qualifications

- BA in Economics (1966) from the Faculty of Economics of the University of Oporto

Professional activity in the last five years:

- Retired since 25/10/2005
- Director of Laminar – Indústria de Madeiras e Derivados, SA since 29/11/2002

Date first appointed and end of current term of office: 2007 / 2016.

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

He does not perform any functions in other companies in the Ibersol Group.

Number of shares of Ibersol, SGPS, SA held directly or indirectly:

He does not hold any shares of the company.

Director – Dr. Eduardo Moutinho dos Santos;

Academic qualifications

- Degree in Law from the Faculty of Law of the Univ. of Coimbra (1978)

Professional activity in the last five years:

- In legal practice in the county of Oporto;

Date first appointed and end of current term of office: 2007 / 2016.

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

President of the Audit Board of the company Ibersande Restauração, SA.

Number of shares of Ibersol, SGPS, SA held directly or indirectly:

He does not hold any shares of the company.

b) Functioning

34. Location where the regulations governing the functioning of the Fiscal Board can be found.

The Regulations of the Audit Committee may be consulted on the website: www.ibersol.pt.

35. Meeting of the Fiscal Board.

The Audit Committee meets at least once each quarter. In 2014 there were six formal meetings of this body and the rate of attendance of all the active members was 100%.

36. Availability of each member with description of positions held in other companies inside and outside the group and other relevant activities carried out.

All the members of the Audit Committee consistently demonstrated their availability to perform their functions, having attended all the meetings and taken part in the work. For point 33 above we refer to the information on other posts held in other companies by the active members of the Audit Committee in **Annex 2** to this report.

c) Competences and functions

37. Description of the procedures and criteria for intervention by the Fiscal Board for the purpose of hiring additional services to the Statutory Auditor.

The Audit Committee annually assesses the work of the external auditor and states its conclusions in its Report and Opinion, issued in the terms and for the purposes of art. 420.1.g) of the Companies Code.

The Audit Committee analyzes and approves the scope of any non-audit services provided, considering whether they call the independence of the external auditor into question. It also ensures that any consulting services provided have the necessary level of quality, autonomy and independence relative to the services provided within the scope of the audit process.

38. Other functions.

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The Audit Committee, in coordination with the Statutory Auditor, is responsible for the auditing of the Company, namely:

- examine the appropriateness of the accounting policies;
- examine continuously the effectiveness of the risk management system and internal control system;
- examine continuously the process of preparation and disclosure of financial information;
- examine the auditing of the accounts;

It is also responsible for making proposals to the General Meeting for the appointment of the statutory auditor and examining the auditor's independence, particularly as regards the provision of non-audit services.

The annual report on the work of the Audit Committee is published, together with the financial statements, on the Company's website.

To all effects, the Audit Committee represents the company in relation to the external auditor, ensuring that all the conditions of service provision are met, annually assessing the auditor's performance, acting as the auditor's main contact and receiving its reports, jointly with the Board of Directors.

To perform its functions the Audit Committee obtains from the Board of Directors the information it needs in order to carry out its activity, namely information on the Group's operations and finances, changes in the composition of the Group's portfolio of companies and businesses and the content of the main resolutions adopted by the Board.

IV. Statutory External Auditor

39. Statutory External Auditor identification and the representing partner.

The statutory auditor of the Company is PriceWaterHouseCoopers and Associates – Sociedade de Revisores Oficiais de Contas, Lda.", represented by Dr. Hermínio António Paulos Afonso or Dr. António Joaquim Brochado Correia.

40. Permanence of functions.

PriceWaterHouseCoopers and Associates has been acting as the Company's statutory auditor since 2005.

41. Other services provided to the Company.

The statutory auditor is also the Company's external auditor.

42. Identification.

The external auditor is PriceWaterHouseCoopers and Associates, SROC, registered with the Securities Market Commission under no. 9077, represented by Dr. Hermínio António Paulos Afonso or Dr. António Joaquim Brochado Correia.

No ano de 2013 o representante foi o Dr. Hermínio António Paulos Afonso.

43. Permanence of Functions.

The external auditor was elected for the first time in 2005 and this is its second term of office.

The partner who represents it has been acting as representative since 2011.

44. Policy and frequency of rotation of the external auditor and its partner.

The external auditor and the partner who represents it in this role are in their second consecutive term of office. The external auditor is elected by the General Meeting at the proposal of the Audit Committee and the need for a change of external auditor will be assessed based on best practices in corporate governance at the time of the proposal for a new term of office.

The Supervisory Board adopted the recommended principle only not to make the rotation of the external auditor at the end of two terms of four years continuously functions, if, after making a careful assessment, has concluded that the maintenance functions, in addition to that period, does not interfere or prejudice the necessary independence of the external auditor, or the level of quality that the functions should be exercised, ensuring instead monitor the company by that supervisory body, with the level of knowledge and depth already acquired – v.d. proposal of the Supervisory Board 5/4/2013 on the appointment of ROC attached to the proposal presented on point 7 of the General Meeting Call for May 6, 2013 – in www.ibersol.pt.

45. External Auditor assessment.

The Audit Committee annually assesses the work of the external auditor and states its conclusions in its Report and Opinion, issued in the terms and for the purposes of art. 420.1.g) of the Companies Code.

46. Additional work.

The non-audit services provided by the external auditor will mainly include services to do with the review of tax documentation processes and keeping up to date with tax legislation.

The Audit Committee analyzed and approved the scope of said services, concluding that they do not represent any threat to the auditor's independence.

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The non-audit services are provided by different individuals from those involved in the audit, so that the independence and impartiality of the auditor is considered to be assured.

The fees billed for non-audit services in 2014 represented 18,9% of the total fees billed to the Group by PriceWaterHouseCoopers in the year.

47. Annual remuneration.

The total annual remuneration paid by the Company and other Group entities to the auditor or other corporate entities belonging to auditor's network amounted to 193,338 euros, as follows:

	2014	%	2013	%
<u>Ibersol SGPS, SA</u>				
Audit Services	49917 [█]	26%	44425	25%
Other				
<u>Group Subsidiaries</u>				
Audit	106838 [█]	55%	114327	65%
Fiscal consulting	33250 [█]	17%	17610 [█]	9%
Other	3333			
<u>Total</u>	<u>193338 [█]</u>	<u>100%</u>	<u>176362</u>	<u>100%</u>

C. INTERNAL ORGANIZATION

I. Articles of Association

48. Rules about changes in Statutes.

The rules applicable to amendment of the By-laws of the Company are those set forth in articles 85 ff. and 383 ff. of the Companies Code (CSC).

II. Whistle Blowing Policy

49. Whistle Blowing Policy.

The Company has a policy in place for the receipt of reports, claims or complaints about irregularities detected in the Company. As set forth in the Regulations of the Audit Committee, which are published on the Company's website, the Audit Committee keeps a written record of reports of irregularities that are addressed to it and, where considered appropriate, takes the necessary steps, together with the directors and the auditors, and prepares a report on the irregularities. Thus, some kinds of irregularities may be reported to the Audit Committee without maintaining

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anonymity by reporting them directly to the Company, for reference to the Audit Committee. The Company will refer the reports it receives to the Chairman of the Audit Committee, ensuring confidentiality.

During 2014 the Audit Committee did not receive any reports of irregularities.

III. Internal Control and Risk Management

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

Ibersol does not have autonomous internal audit and compliance services.

Risk management, as part of the company's culture, is present in all processes and is the responsibility of all managers and employees at every level of the organization.

Internal control and the monitoring of internal control systems are overseen by the Executive Committee.

Risk management is undertaken with the goal of creating value by managing and controlling uncertainties and threats that may affect the Group companies, with a view to the continuity of operations, to take advantage of business opportunities. As part of strategic planning are identified and evaluated the risks of the existing businesses portfolio and the development of new businesses and relevant projects and defined those risks management strategies.

At the operational level, are identified and evaluated the risks management objectives of each business and planned actions to manage those risks that are included and monitored in the plans of business and functional units. With regard to security risks of tangible assets and people are defined policies and standards, and the self-control of its application is made, being conducted external audits to all units and implemented preventive and corrective actions for the identified risks. In order to ensure compliance of the established procedures is performed regularly assessing of the main internal control systems of the group. For specific business aspects there are risk areas whose management has been assigned to functional departments. The internal control and monitoring of internal control systems are conducted by the Executive Committee.

51. Disclosure of the relationship to other committees of the Society in hierarchical dependence and/ or functional relation.

Not applicable as the Group does not have autonomous services.

52. Existence of other functional areas regarding competences in risk control.

There are central functions (the Quality, Human Resources and Financial Units), reporting to the Executive Committee, that promote, coordinate and facilitate the

development of risk management processes.

53. Main Risks to which the Company and its Affiliates are exposed.

The Board of Directors considers that the Group is exposed to the normal risks arising from its activity, namely at the level of the restaurants.

Strategic and operational risks

The business is exposed to changes in macroeconomic factors and trends in consumer preferences. The management of strategic risks involves the monitoring of macroeconomic indicators, consumer trend studies, market studies of restaurants business, consumers consultation and monitoring competition activity in the different markets where the Group operates.

Operational risks are focused on the group's value chain processes and operational risks of the units, relating to the supply management (supply chain and logistics) inventory management, fund management and efficiency and security in the use of resources and assets. The suitability and scope of control procedures are monitored and revised when necessary.

Given the nature of the business, there are certain risk areas that are assigned to particular functional departments, notably:

Food quality and food safety

In the restaurants business, the risk associated with hygiene and food safety is of primordial importance.

The management of this area of risk is overseen by the Quality Unit and is aimed primarily at adopting a responsible, proactive approach, following the principles of prevention, training, monitoring of indicators and continuous improvement in order to minimise food risks that could have an impact on the health of consumers.

The main management dimensions of this risk area are:

- qualification and selection of suppliers and products in the area of food quality/safety and a programme of periodic inspections of suppliers, products and services
- ensuring the effectiveness of the traceability system
- control of the production process in the units through HACCP systems
- system for developing food safety competencies
- maintenance and monitoring of measurement devices
- food crisis management system, which can be used to monitor existing food warning systems at all times and take immediate action when necessary

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- continuous improvement system supported by the following tools, among others: programme of external audits in all Group units; programme of microbiological analyses of the end products, carried out through sampling by an authorized outside body; complaints processing system; mystery shopper programme; and programme of internal audits in relation to food safety indicators.
- certification of the food safety management system under ISO 22000, a demanding international food safety standard.

Health and safety at work (HSW)

The management of this risk area is overseen by the Human Resources Unit, which coordinates training plans and monitors the application of the rules and procedures defined in Ibersol's HSW Manual.

Financial

Risk management in the financial area is led by the Financial Unit, which focuses on monitoring the volatility of the financial markets, especially interest rate volatility. The current situation of the markets has led to liquidity risk taking on greater importance.

The Group's policy regarding financial risk management is conservative and cautious when using derivative instruments for hedging does not take positions that are not strictly related to the activity or positions that have speculative purposes.

The main sources of exposure to financial risk are:

a) Exchange rate risk

Exchange rate risk is reduced, as the Group operates mainly in the Iberian market. However, the subsidiary companies located in Angola contracted financing in dollars, that do not have significant expression at the level of consolidated accounts.

As regards future borrowings outside the eurozone, the Group will pursue a policy of natural coverage, using preferably financing in local currency whenever interest rate conditions make it recommendable.

The growth of the business in Angola translates into an increase in exchange rate risk, which will affect the value of the assets and liabilities.

b) Interest rate risk

As the Group has no interest-bearing assets with significant interest rates, the gains and cash flows of the financing activity are substantially independent of changes in market interest rates.

The interest rate risk for the Group comes from the liabilities, namely long-term loans. Fixed-rate borrowings expose the Group to fair value interest rate risk. With the current level of interest rates, the Group's policy in long-term financings is to fully or partly fix the interest rates.

Ibersol uses interest rate hedges for 30% of the loans obtained.

c) Credit risk

The Group's principal activity is carried out with sales paid in cash or by debit/credit card, so that the Group has no material credit risk concentrations. However, with the increase in sales of the catering business, which has a significant proportion of credit sales, the Group has started to monitor its accounts receivable more regularly in order to:

- i) control the credit granted to customers;
- ii) analyze the age and recoverability of receivables;
- iii) analyze the risk profile of customers;

d) Liquidity risk

As already mentioned, the recent situation of the financial markets has lent a new importance to liquidity risk. Systematic financial planning based on cash flow forecasting in different scenarios and for periods of more than one year has become an imperative. Short-term cash management is based on the annual plan, which is reviewed quarterly and adjusted daily. In line with the dynamics of the underlying businesses, the Group's Treasury aims for flexible management of commercial paper and the negotiation of lines of credit that are available at all times. The policy of open dialogue with all the financial partners has allowed the Group to maintain relationships of trust. The Group, in detriment of the cost, chose to contract underused credit lines.

e) Capital risk

The Company seeks to maintain a level of capital appropriate to its principal business (cash sales and supplier credit) and ensure its continuity and expansion. The balance of the capital structure is monitored based on the leverage ratio (defined as: net interest-bearing debt / (net interest-bearing debt+shareholders' equity)), aiming to keep this ratio within the 35%-70% range. In 2014, as a measure of prudence in view of the current market constraints, we maintained a ratio of 17%.

Environmental

The environmental risk management area is overseen by the Quality Unit, whose main concern is the implementation of the policy deriving from Ibersol's Sustainability Principles, so that environmental processes and procedures are applied across the organization.

Adoption of good environmental management practices is a matter of concern to Ibersol's Board of Directors, which promotes a responsible, proactive approach to resource and waste management.

The procedures set forth in Ibersol's Standards Manual as regards environmental matters are focused mainly on the rational use of electricity and the recycling of used oil and packaging.

Legal

Ibersol and its businesses have a legal function, which works full-time, in coordination with the other central and business functions, in order to preventively protect the Group's interests, while ensuring strict compliance with the Group's legal duties.

Legal advice is also obtained, at national and international level, by recognized outside experts.

Sector-specific

The recovery of private consumption, after the severe disruption seen in recent years, mainly in Portugal, will continue to affect sales in restaurants. To mitigate the impact on its results, the company has implemented rigorous cost control, with monthly monitoring of market trends and subsequent reviews of resource planning, in order to mitigate the impact of the consumption reduction.

Operating as it does in the food service business, the company is also subject to the risk of epidemics, disruptions in raw materials markets and changes in consumption patterns, which can have a material impact on the financial statements.

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

Risk management is carried out with the aim of creating value by managing and controlling uncertainties and threats that could affect Group companies from a business continuity perspective.

In the context of strategic planning, the risks of the business portfolio, as well the risks of development of new businesses and the implementation of the most important projects are identified and assessed; and strategies to manage those risks are defined.

At operational level the risks affecting the objectives of each business are identified and assessed, and actions are planned to manage those risks. These actions are included and monitored through the plans of the individual businesses and functional units.

As regards the risks to the security of tangible assets and persons, policies and standards have been established and are monitored to ensure compliance. All units are subject to external audits and preventive and corrective measures are taken in respect of the risks that have been identified.

To ensure that the established procedures are followed, the Group's main internal control systems are evaluated periodically.

55. Main elements of the internal control systems and risk management

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implemented by the company regarding the financial disclosure process.

The Company does not have any internal audit services reporting directly to the Audit Committee (given the Latin model adopted), the necessary compliance services being overseen by the individual departments of the company. Organizationally and functionally, the various units of the Group are directly responsible for compliance services to the Board of Directors and of the Audit Committee and the persons responsible are duly identified in the Company's organization chart. Under the Latin model of corporate governance, the individual departments of the Company oversee the compliance services in interaction with the Audit Committee or the non-executive director of the Company, reporting functionally to that director, independently of the departments' reporting relationship with the Company's executive management.

External audit assesses and reports on the reliability and integrity of accounting and financial information, validating the internal control system established in the Group and the effectiveness of the separation between the persons who prepare the information and those who use it and carrying out various validation procedures throughout the financial information preparation and disclosure process.

The external auditor meets with the different departments of the Group, at least twice a year to analyze and review the internal control system, submitting a report to the Audit Committee for subsequent discussion with the Board of Directors, namely with the non-executive director.

As regards risk in the process of financial information disclosure, only a restricted number of employees is involved in the disclosure process. All those who are involved in the process of financial analysis of the Company are considered to have access to inside information and are specially informed of their obligations.

The system of internal control of the recording, preparation and disclosure of financial information rests on the following key elements:

- the use of accounting principles, as set forth in the notes to the accounts, is one of the bases of the control system

- the plans, procedures and records of the Company and its subsidiaries offer a reasonable guarantee that only duly authorized transactions are recorded and that they are recorded in accordance with generally accepted accounting principles

- the financial information is analysed systematically and regularly by business unit management (supported by the Management Control Department) and by the heads of the profit centres, ensuring continuous monitoring and the necessary budgetary control

- a timetable is established for the preparation and review of information, the work is divided up among the various areas involved and all the documents are reviewed in detail. This includes a review of the principles used, verification of the accuracy of the information produced and a check of consistency with the principles and policies used in previous years

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- the accounting records and the preparation of the financial statements are overseen by the central accounting function. The financial statements are prepared by the accountants and are reviewed by the Administrative Unit.

- The consolidated financial statements are prepared on a quarterly basis by the central consolidation function, which conducts an additional reliability check

- The financial information, annual report and financial statements are reviewed by the Financial Unit and submitted to the Board of Directors for final review and approval. Once the documents have been approved, they are sent to the external auditor, which issues its audit report and opinion.

- The statutory auditor carries out an annual audit and a half-yearly limited review of the individual and consolidated accounts. Also, each quarter it conducts a summary examination of the quarterly information.

- The process of preparation of the individual and consolidated financial information and of the management report is supervised by the Audit Committee and the Board of Directors. At quarterly intervals these bodies meet and analyze the individual and consolidated financial statements and management report.

Among the causes of risk that may materially affect financial reporting are the accounting estimates, which are based on the best information available and on the knowledge and experience of current and past events. Balances and transactions with related parties are disclosed in the annex to the financial statements and are associated above all with the Group's operating activities and its lending and borrowing, which is done at market prices.

IV. Investor Relations Office

56. Department responsible for investor relations, composition, functions, information provided by these services and elements for contract.

The Office may be contacted through the representative for the capital market, António Carlos Vaz Pinto de Sousa (Telephone: +351 22 6089708; Telefax: +351 22 6089757; E-mail: psousa@ibersol.pt, Morada: Praça do Bom Sucesso, 105/159 – 9th floor, 4150-146 Porto.

57. Legal Representative for Capital Market Relations.

The representative is the person indicated on the website of Ibersol, SGPS, SA. - Dr. António Carlos Vaz Pinto de Sousa;

58. Information about the volume and response time for information request at the year or outstanding from previous years.

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Ibersol maintains constant contact with analysts and investors, supplying them with up-to-date information.

Whenever necessary, the representative for market relations ensures that all the necessary information on the Group's activity is made available and provides any clarifications requested by investors within five business days.

In 2014 were received 11 requests for information, and there are not pending any inquires from previous years.

V. Website

59. Address.

The Ibersol has a website for disclosure of information about the company. The address of the website is www.ibersol.pt

60. Location of the information mentioned in Article 171 of the Commercial Companies Code.

[www.ibersol.pt\investidores\Governo da Sociedade](http://www.ibersol.pt/investidores/Governo da Sociedade)

61. Location where the Articles of Regulation for the committees can be found.

[www.ibersol.pt\investidores\Estatutos](http://www.ibersol.pt/investidores/Estatutos)

[www.ibersol.pt\investidores\Governo da Sociedade](http://www.ibersol.pt/investidores/Governo da Sociedade)

62. Location where is provided information about the identify of the governing bodies, the representative for market relations, the Investor Relations Office, functions and means of access.

[www.ibersol.pt\investidores\Governo da Sociedade](http://www.ibersol.pt/investidores/Governo da Sociedade)

[www.ibersol.pt\investidores\Relação com Investidores](http://www.ibersol.pt/investidores/Relação com Investidores)

63. Location where is provided the documents of accounting, calendar of corporate events.

[www.ibersol.pt\investidores\Relatório e Contas](http://www.ibersol.pt/investidores/Relatório e Contas)

[www.ibersol.pt\investidores\Calendário de Eventos](http://www.ibersol.pt/investidores/Calendário de Eventos)

64. Location where is provided the notice to General Meeting and related information.

[www.ibersol.pt\investidores\Assembleias Gerais](http://www.ibersol.pt/investidores/Assembleias Gerais)

65. Location where the historical archives are available with resolutions adopted at general meetings of the company, the represented share capital and the voting results, with reference to the previous 3 years.

D. REMUNERATIONS

I. Competence for definition

66. Competence for determining the remunerations of governing bodies of the executive committee members and managers of the Company.

The members of the corporate governing bodies are remunerated in accordance with the remuneration policy proposed by the Remuneration Committee and approved by the General Meeting of shareholders.

II. Remuneration Committee

67. Composition of the Remuneration Committee, including the identification of the other independent commission hired to support the committee.

The Remuneration Committee is made up of three members: Dr. Vítor Pratas Sevilhano, Dr. Amândio Mendonça da Fonseca and Don Alfonso Munk Pacin.

The members of the Remuneration Committee are independent of the members of the Board of Directors and no individual or corporate entity that has provided services to any body reporting to the Board of Directors of the Company or to the Board of Directors itself at any time in the last three years or that currently provides consulting services to the Company has been hired to support the Remuneration Committee in any capacity.

68. Experience and professional qualifications of the members of the Shareholders' Remuneration Committee.

The professional experience and background of the members of the Remuneration Committee allows them to perform their functions rigorously and effectively. All the members are empowered with the necessary academic, professional and technical training required for their function, and authorized with proper functional experience necessary for its proper performance, namely:

- Dr. Amândio da Fonseca: - Degree in Psychology, holding the position of *Executive Coach*, certified by ICF (International Coach Federation).

- Dr. Vítor Pratas Sevilhano: - Degree in Finance by the Instituto Superior de Economia, Degree in Hospital Administration by ENSP - Escola Nacional de Saúde Pública de Lisboa, Certified by Manchester Business School - ITP - International Teachers Program. Certified by SBDC - Small Business Development Center de

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Wisconsin, EUA, Certified by INSEAD (Fontainebleau) – Advanced Management Program and Financial Management Program. Certified by Henley College - Strategic Planning in Practice. Certified by Linkage International – GILD e Executive Coaching Master Class. PCC – Professional Certified Coach by ICF – International Coach Federation. Professional qualifications: - Managing Partner of the European School of Coaching and Partner of the Company My Change;

- D. Alfonso Munk Pacin: - Degree in Economics by London School of Economics, International Consultant in the areas of Hotels and Tourism, and Vice-President of the Melia´s Group

III. Remuneration Structure

69. Remuneration policy and performance assessment.

The remuneration policy of the corporate governing bodies is approved by the shareholders in General Meeting.

The General Meeting of shareholders held on 30 April 2014 approved the remuneration policy already in force, which has been implemented consistently.

The remuneration policies and practices of other groups of companies are not used as a benchmark in setting the remuneration of the members of the Board of Directors and Audit Committee and no policy has been established with regard to severance payments for directors, as indicated in the statement of the Remuneration Committee attached to the Corporate Governance Report.

The remuneration policy for senior managers is described in the statement of the Board of Directors attached to the Corporate Governance Report. The remuneration of senior managers includes no major or material variable components.

The executive members of the Board of Directors are remunerated by the shareholder ATPS-SGPS, SA, which provides administrative and management services to the Group.

The non-executive member receives a fixed annual remuneration and no other remuneration of any kind.

The total remuneration of the members of the Audit Committee for 2014 was as follows: Chairman: 8,785.92 euros; Vice-Chairman: 8,785.92 euros; Member: 8,785.92 euros; and SROC: 47,916.68 euros.

70. Information about remuneration structure in order to align the interests of members of the board with the long-term interests of the Company as well as about the Company assess and discourage excessive risk assumption.

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The directors' remuneration policy is the responsibility of the Remuneration Committee, which will submit its proposals to the approval of the Company's shareholders in the 2015 Annual General Meeting, in accordance with Annex 1.

The general principles of the remuneration policy for the audit bodies and the Board of the General Meeting are as follows:

a) Functions performed: - the nature and volume of the activity involved in the functions performed by each member of the abovementioned corporate governing bodies is taken into consideration, as well as the responsibilities assigned to each one. The members of the Audit Committee, the Board of the General Meeting and the audit firm will not all occupy the same organizational or functional position. Various criteria are applied, including level of responsibility, time commitment or the value of a particular service or institutional representation.

b) The Company's economic situation.

One relevant consideration will be the size of the company and the relative degree of functional complexity.

71. Reference, if applicable, of the existence of a variable remuneration component and information about likely impact of performance appraisal in this component.

There is no variable component.

72. Deferring payment of the variable remuneration component, specifying the period of deferral.

There is no variable component.

73. Criteria that underlie the allocation of variable remuneration in shares and the maintenance of these shares by Executive Directors.

No remuneration involving the allocation of shares or any other system of bonuses paid in shares is envisaged.

74. Criteria that underlie the allocation of variable remuneration in options and indication of the deferral period and the exercise price and the members of the Company.

No remuneration involving the allocation of share options is envisaged.

75. Main parameters and reasoning for any scheme of annual bonuses and any other noncash benefits.

There is no system of annual awards or other non-cash benefits.

76. Main characteristics of complementary pension or early retirement schemes

for the Administrators.

There is no pension or early retirement scheme for members of the governing bodies, audit bodies or other senior managers.

IV. Disclosure of remuneration

77. Statement of the annual amount of remuneration received by the board members including fixed and variable remuneration, and for this, mentioning the different components that gave rise

The executive members of the Board of Directors are remunerated by the shareholder ATPS-SGPS, SA, which provides administrative and management services to the Group. In 2014 ATPS-SGPS, SA received a total of 756,034.00 euros from the investee Ibersol, Restauração, SA. for such services. One of the obligations of ATPS-Sociedade Gestora de Participações Sociais, SA. under the service agreement with Ibersol, Restauração, SA. is to ensure that the directors of the Company António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira perform their duties without the Company incurring any additional expense. The Company does not directly pay any remuneration to any of its executive directors. Given that ATPS-Sociedade Gestora de Participações Sociais, SA. is owned in equal shares by the directors António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira, out of the abovementioned total of 756,034.00 euros paid in 2014, each director received the amount of 378,017.00 euros. The executive directors do not receive any remuneration from other companies in the group and acquired no pension rights in the year in question.

The non-executive member receives a fixed annual remuneration of 6,000.00 euros and no other remuneration of any kind. In particular, he receives no performance award, bonus or complementary performance-related fees, retirement supplement or any additional payments beyond the annual amount of 6,000.00 euros delivered to him by the Company.

78. Any amounts paid by other companies in a control or group or that they are subject to the same domain

No other amounts are paid on any account by other companies controlled by or belonging to the Group, except as indicated in no. 77 above.

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

During the year no remuneration was paid in the form of profit-sharing or awards.

80. Compensation paid or owed to former executive directors following the

termination of their duties during the year.

No amounts were paid or are owed as compensation to directors who ceased to be directors.

81. Indication of the annual remuneration earned in aggregate and individually, by the members of the Fiscal Board of the Company.

The total remuneration received by the members of the Audit Committee was 26,357.76 euros. this total breaks down as follows:

Chairman – Dr. Joaquim Alexandre de Oliveira e Silva: 8,785.92 euros;

Vice-Chairman - Dr. António Maria de Borda Cardoso: 8,785.92 euros

Member – Dr. Eduardo Moutinho do Santos: 8,785,92 euros;

82. Indication of the annual remuneration earned by the Chairman of the Shareholders' General Meeting.

Chairman of the Board – Dr. Alice de Assunção Castanho Amado: 1,333.44 euros;

V. Agreements with remuneration implications

83. Contractual limitations provided for compensation payable for unfair dismissal Managers and its relationship with the variable remuneration component.

No contractual limitation is envisaged for the compensation payable for unfair dismissal of a director, nor is there any indication of a relationship with the variable component of remuneration (the variable component is not stipulated in the contract).

84. Reference to the existence and description stating the sums involved, of the agreements between the company and members of the Board of Directors, providing for compensation in case of dismissal without due cause or termination of the employment relationship, following a change of control of the company.

There are no agreements between the Company and the directors or other senior managers, within the meaning of article 248-B.3 of the Securities Code, that provide for compensation in the event of resignation, unfair dismissal or termination of the employment relationship following a change of control of the company.

VI. Share Plans and Stock Option Plans

85. Identification of the plan and recipients.

There are no share or share option schemes in force.

86. Plans functioning.

The Company does not have any share or share option scheme.

87. Option rights granted to acquire shares (stock options) where the beneficiaries are company employees.

No share options have been allocated to workers or employees of the Company.

88. Control mechanisms in any system of employee participation in the capital.

Not applicable.

E. RELATED PARTY TRANSACTIONS

I. Control procedures and mechanisms

89. Mechanisms implemented by the Company for purposes of monitoring of transactions with related parties (for this purpose refers to the concept resulting from IAS 24).

The Audit Committee has approved the criteria for a previous evaluation of the transactions between the Company and holders of qualified shareholdings or entities related to them, within the terms of art. 20 of the Securities Code, require prior assessment. The criteria has been defined as a transaction value equal to five per cent or more of the consolidated net assets of Ibersol SGPS, SA.

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

No businesses or transactions were entered into that required such prior assessment.

91. Description of the procedures and criteria for intervention by the Authority for the purpose of preliminary assessment of the business carried out between the Company and holders of qualifying holdings or entities that are in a relationship with them, under Article 20. of CVM.

The Audit Committee was not required to issue any opinion in 2014, given no liability transactions were entered into that required its opinion.

The procedures for intervention by the Audit Committee in the preliminary assessment of any business to be held between the company and holders of qualifying holdings follows the rules of the respective Regulation of the Supervisory Board, published in www.ibersol.pt ;

II. Elements related to transactions

92. Location where the financial statements and the information about transactions with subsidiaries can be found (in accordance of IAS 24).

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Information on transactions with related parties is provided in Note 25 of the Annex to the individual financial statements and Note 34 of the Annex to the consolidated financial statements.

PART II - GOVERNANCE MODEL EVALUATION

1. Identification of adopted Corporate Governance Code.

This Corporate Governance Report was prepared in accordance with CMVM Regulation 4/2013 of 1 August and the CMVM's Corporate Governance Code. In accordance with article 4. 2 of CMVM Regulation 4/2013, the necessary and indispensable information is disclosed as required by these regulations, both in substance and in form.

The report complies with article 245-A of the Securities Code and, in accordance with the comply or explain principle, indicates the degree of compliance with the CMVM's recommendations as stated in the 2013 Corporate Governance Code.

The reporting obligations under Law 28/2009 of 19 June, articles 447 and 448 of the Companies Code and CMVM Regulation 5/2008 of 2 October 2008 are also met.

All the legal and regulatory texts mentioned in this report are available at www.cmvm.pt.

2. Analysis of compliance with the adopted Corporate Governance Code.

Overall, Ibersol, SGPS, SA complies with the CMVM's corporate governance recommendations, as follows:

RECOMMENDATIONS (July 18th 2013 Corporate Governance law in www.cmvm.pt)	DETAILS OF THE ADOPTION OF THE RECOMMENDATION	
I – VOTING AND CONTROL OF THE COMPANY		
I.1. Companies shall encourage shareholders to attend and vote at general meetings and shall not set an overly large number of shares required for the entitlement of one vote, and implement the means necessary to exercise the right to vote by mail and electronically.	Adopted	Part I Number 12 of this Corporate Governance Report
I.2. Companies shall not adopt mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided for by law.	Adopted	Parte I Numbers 13.14. of of this Corporate Governance Report
I.3. Companies shall not establish mechanisms intended to cause mismatching between the		

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right to receive dividends or the subscription of new securities and the voting right of each common share, unless duly justified in terms of long-term interests of shareholders.	Adopted	No such mechanisms are established under the By-laws.
I.4. The company's articles of association that provide for the restriction of the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also foresee for a resolution by the general assembly (five year intervals), on whether that statutory provision is to be amended or prevails - without super quorum requirements as to the one legally in force - and that in said resolution, all votes issued be counted, without applying said restriction.	Not Applicable	The Company's articles of association set no limit to the number of votes to be issued by a shareholder.
I.5. Measures that required payment or assumption of fees by the company in the event of change of control or change in the composition of the Board and that which appear likely to impair the free transfer of shares and free assessment by shareholders of the performance of Board members, shall not be adopted.	Adopted	No such measures have been established or adopted.
II . SUPERVISION, MANAGEMENT AND OVERSIGHT		
II.1. SUPERVISION AND MANAGEMENT		
II.1.1. Within the limits established by law, and except for the small size of the company, the board of directors shall delegate the daily management of the company and said delegated powers shall be identified in the Annual Report on Corporate Governance.	Adopted	Parte I Numbers 15. 16. 17 of this Corporate Governance Report
II.1.2. The Board of Directors shall ensure that the company acts in accordance with its objectives and shall not delegate its responsibilities as regards the following: i) define the strategy and general policies of the company; ii) define business structure of the group; iii) decisions considered strategic due to the amount, risk and particular characteristics involved.	Adopted	Parte I Numbers 21 to 29 of this Corporate Governance Report
II.1.3. The General and Audit Committee, in addition to its supervisory duties supervision, shall take full responsibility at corporate governance level, whereby through the statutory provision or by equivalent means, shall enshrine the requirement for this body to decide on the strategy and major policies of the company, the definition of the corporate structure of the group and the decisions that shall be considered strategic due to the amount of risk involved. This body shall also assess compliance with the strategic plan and the implementation of key policies of the company.	Not applicable	The corporate governance model adopted does not include a General Supervisory Board.

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<p>II.1.4. Except for small-sized companies, the Board of Directors and General and Audit committee, depending on the model adopted, shall create the necessary committees in order to:</p> <p>a) Ensure a competent and independent assessment of the performance of the executive directors and its own overall performance, as well as of others committees;</p> <p>b) Reflect on the system structure and governance practices adopted, verify its efficiency and propose to the competent bodies, measures to be implemented with a view to their improvement.</p>	<p>Not applicable</p>	<p>There are no specialised committees of the Board of Directors. Part I , Numbers 25 and 27 of this Corporate Governance Report</p>
<p>II.1.5. The Board of Directors or the General and Audit Committee, depending on the applicable model, should set goals in terms of risk-taking and create systems for their control to ensure that the risks effectively incurred are consistent with those goals.</p>	<p>Adopted</p>	<p>Part I Number 50 of this Corporate Governance Report.</p>
<p>II.1.6. The Board of Directors shall include a number of non-executive members ensuring effective monitoring, supervision and assessment of the activity of the remaining members of the board.</p>	<p>Adopted</p>	<p>Parte I Numbers 17 and 18 of this Corporate Governance Report</p>
<p>II.1.7. Non-executive members shall include an appropriate number of independent members, taking into account the adopted governance model, the size of the company, its shareholder structure and the relevant free float. The independence of the members of the General and Supervisory Board and members of the Audit Committee shall be assessed as the law in force states. The others members of the Board of Directors are considered independent if the member is not associated with any specific group of interests in the company nor is under any circumstance likely to affect an exempt analysis or decision, particularly due to:</p> <p>a. Having been an employee at the company or at a company holding a control or group relationship within the last three years;</p> <p>b. Having, in the past three years, provided services or established commercial relationship with the company or company with which it is in a control or group relationship, either directly or as a partner, board member, manager or director of a legal person;</p> <p>c. Being paid by the company or by a company with which is in a control group relationship besides the remuneration arising from the exercise of the functions of a board member;</p> <p>d. Living with a partner or a spouse, relative or any first degree next of kin and up to and including the third degree of collateral affinity of board members or natural persons that are direct and indirectly holders of qualifying holdings;</p> <p>e. Being a qualifying shareholder or</p>	<p>Adopted</p>	<p>Part I Number 18 of this Corporate Governance Report</p>

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representative of a qualifying shareholder..		
II.1.8 When board members that carry out executive duties are requested by other board members, shall provide the information requested, in a timely and appropriate manner to the request.	Adopted	The Executive Committee makes all the requested information available at all time to the members of the other corporate bodies.
II.1.9 The Chairman of the Executive Board of the Executive Committee shall submit, as applicable, to the Chairman of the Board of Directors, the Chairman of the Supervisory Board, the Chair of the Audit committee, the Chair General and Supervisory Board and the Chairman of the Financial Matters Board, the convening notices and minutes of the relevant meetings.	Adopted	The Chairman of the Executive Committee makes all the information about committee meetings available to the members of the Board of Directors and the Audit Committee.
II.1.10 If the chair of the board of directors carries out executive duties, said body shall appoint, from among its members, an independent member to ensure the coordination of the work of other non-executive members and the conditions so that these members can make independent and informed decisions or to ensure the existence of an equivalent mechanism for such coordination.	Adopted	Part I Number 18 of this Corporate Governance Report
II. 2. SUPERVISION		
II.2.1 Depending on the applicable model, the Chair of the Supervisory Board, the Audit Committee or the Financial Matters Committee shall be independent in accordance with the applicable legal standard, and have the necessary skills to carry out their relevant duties.	Adopted	Part I Numbers 32 and 33 of this Corporate Governance Report
II.2.2 The supervisory body shall be the main representative of the external auditor and the first recipient of the relevant reports, and is responsible, inter alia, for proposing the relevant remuneration and ensuring that the proper conditions for the provision of services are provided within the company.	Adopted	Part I Numbers 37 and 38 of this Corporate Governance Report
II.2.3 The Audit Committee shall evaluate the external auditor on an annual basis and propose to the competent body its dismissal or termination of the contract as to the provision of their services when there is a valid basis for said dismissal.	Adopted	Part I Numbers 37,38. and 45. of this Corporate Governance Report.
II.2.4 The Audit Committee shall evaluate the functioning of the internal control systems and risk management and propose adjustments as may be deemed necessary.	Adopted	Part I Numbers 38, 49, 50, 54 and 55 of this Corporate Governance Report.

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<p>II.2.5 The Audit Committee, the General and the Supervisory Board and the Audit Committee decide on the work plans and resources concerning the internal audit services and services that ensure compliance with the rules applicable to the company (compliance services), and should be recipients of reports made by these services at least when it concerns matters related to accountability, identification or resolution of conflicts of interests and detection of potential illegalities.</p>	<p>Adopted</p>	<p>Part I Numbers 38, 49, 50, 54 and 55. of this Corporate Governance Report</p>
<p>II.3 REMUNERATION SETTINGS</p>		
<p>II.3.1 All members of Remuneration Committee or equivalent should be independent from the executive board members and include at least one member with knowledge and experience in matters of remuneration policy.</p>	<p>Adopted</p>	<p>Part I Numbers 67. and 68. of this Corporate Governance Report.</p>
<p>II.3.2 Any natural or legal person that provides or as provided services in the past three years, to any structure under the board of directors, the board of directors of the company itself or who as a current relationship with the company or consultant of the company, shall not be hired to assist the Remuneration Committee in the performance of their duties. This recommendation also applies to any natural or legal person that is related by employment contract or provision of services with the above.</p>	<p>Adopted</p>	<p>Part I Number 67. of this Corporate Governance Report.</p>
<p>II.3.3 A statement on the remuneration policy of the management and supervisory bodies referred to in Article 2 of Law No. 28/2009 of 19 June, shall also contain the following; d) Information regarding the enforceability or unenforceability of payments for the dismissal or termination of appointment of board members.</p>	<p>Adopted</p>	<p>Part I Number 69. of this Corporate Governance Report.</p>
<p>II.3.4. Approval of plans for the allotment of shares and/or options to acquire shares or based on share price variation to board members shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly evaluate said plan.</p>	<p>Not applicable</p>	<p>Part I Numbers 70. and 73. and 85. of this Corporate Governance Report.</p>
<p>II.3.5 Approval of any retirement benefit scheme established for members of corporation members shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly evaluate said system.</p>	<p>Not applicable</p>	<p>There are no approved or submitted for approval by the General Assembly any systems of retirement benefits established for members of governing bodies</p>

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III . REMUNERATION		
III.1. The remuneration of the executive members of the board shall be based on actual performance and shall discourage taking on excessive risk-taking.	Adopted	Part I Numbers 69 to 79 of this Corporate Governance Report.
III.2 The remuneration of the non-executive board members and the remuneration of the members of the Audit Committee shall not include any component whose value depends on the performance of the company or of its value.	Adopted	Part I Numbers 69, 70.e 71. of this Corporate Governance Report.
III.3 The variable component of remuneration shall be reasonable overall in relation to the fixed component of the remuneration and maximum limits should be set for all components.	Not applicable	Part I Numbers 69. to 76. of this Corporate Governance Report.
III.4 A significant part of the variable remuneration should be deferred for a period not less than three years, and the right of the payment shall depend on the continued positive performance of the company during that period.	Not applicable	Part I Numbers 69. to 76. of this Corporate Governance Report.
III.5 Members of the Board of Directors shall not enter into contracts with the company or with third parties which intend to mitigate the risk inherent to remuneration variability set by the company..	Not applicable	No such contracts exist. Part I Numbers 69. to 76. of this Corporate Governance Report.
III.6 Executive board members shall maintain the company's share that were allotted by virtue of variable remuneration schemes, up to twice the value of the total annual remuneration, except for those that need to be sold for paying taxes on the gains of said shares, until the end of their mandate..	Not applicable	No variable remuneration is paid to executive directors. Part I Numbers 69. to 76. of this Corporate Governance Report.
III.7 When the variable remuneration includes the allocation of options, the beginning of the exercise period shall be deferred for a period not less than three years.	Not applicable	No variable remuneration is paid to executive directors. Part I Numbers 69. to 76. of this Corporate Governance Report.
III. 8 When the removal of board members is not due to serious breach of their duties nor to their unfitness for the normal exercise of their functions but is yet do on inadequate performance, the company shall be endowed with the adequate and necessary legal instruments so that any damages or compensation, beyond that which is legally due,	Adopted	In such situations the legal rules are applied.

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is unenforceable.		
IV. AUDITING		
IV.1. The external auditor shall, within scope of its duties, verify the implementation of remuneration policies and systems of the corporate bodies as well as the efficiency and effectiveness of the internal control mechanisms and report any short comings to the supervisory body of the company.	Adopted	The external auditor reports on the audit work carried out during the year in the annual audit report. Part I, numbers 37 and 38 of this Corporate Governance Report.
IV.2. The company or any entity with which it maintains a control relationship shall not engage the external auditor or any entity with which it finds itself in a group relationship or that incorporates the same network, for services other than audit services. If there are reasons for hiring such services - which must be approved by the Audit Committee and explained in its Annual Report on Corporate Governance - said should not exceed more than 30% of the total value of services rendered to the company.	Adopted	Part I Number 46 of this Corporate Governance Report.
IV.3 Companies shall support auditor rotation after two or three terms whether four or three years, respectively. Its continuance beyond this period must be based on a specific opinion of the Audit Committee that explicitly considers the conditions of auditor's independence and the benefits and costs of its replacement.	Adopted	Part I Numbers 44 and 45 of this Corporate Governance Report.
V. CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS		
V.1. The company's business with holders of qualifying holdings or entities with which they are in any type of relationship pursuant to article 20 of the Portuguese Securities Code, shall be conducted during normal market conditions.	Adopted	Part I Numbers 10, 90, 91 of this Corporate Governance Report.
V.2 The supervisory or oversight board shall lay down procedures and criteria that are required to define the relevant level of significance of business with holders of qualifying holdings - or entities with which they are in any of the relationships described in article 20.1 of the Portuguese Securities Code - thus significant relevant business is dependent upon prior opinion of that body.	Adopted	Part I Numbers 89 to 92 of this Corporate Governance Report.
V.I. INFORMATION		

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VI.1.1. Companies shall provide, via their websites both the Portuguese and English languages, access to information on their progress as regards the economic, financial and governance state of play.	Adopted	Part I Numbers 56 to 65 of this Corporate Governance Report.
VI.2. Companies shall ensure the existence of an investor support and market liaison office, which responds to requests from investors in a timely fashion and a record of the submitted requests and their processing, shall be kept.	Adopted	Part I Numbers 56 to 65 of this Corporate Governance Report.

3. Other information

The company should provide any additional elements or information that, if not finding poured in the preceding paragraphs, are relevant to understanding the model and governance practices adopted.

There is no other relevant information beyond that provided herein.

REMUNERATION COMMITTEE

**STATEMENT OF THE REMUNERATION COMMITTEE
ABOUT THE REMUNERATION POLICY FOR THE CORPORATE GOVERNING
BODIES
OF IBERSOL, SGPS, S.A. TO BE SUBMITTED FOR APPROVAL BY THE GENERAL
MEETING ON 30 APRIL 2015**

1. Under the terms of the authority assigned to this Committee by the General Meeting of shareholders of Ibersol SGPS, SA. and under the terms of article 26.2 of the By-laws of the Company, the function of this Remuneration Committee is to set the remuneration of the members of the corporate governing bodies.
2. Under the applicable terms of the By-laws, the Remuneration Committee was appointed by the General Meeting of shareholders on 6 May 2013 and is made up of three members, who are independent of the members of the Company's governing and audit bodies.
3. The Remuneration Committee thus submits this report for the consideration of this General Meeting and for the purpose of adoption of Recommendation II.3.3 of the Corporate Governance Code of the CMVM. The report contains the guidelines followed by this Committee in setting the remuneration of the members of the governing and audit bodies and the Board of the General Meeting, as follows:
 - a) The remuneration of the members of the Board of the General Meeting for 2014 was set at a fixed annual amount, payable twelve times a year, having its members earned the following annual remuneration:
 - Chairman – Dr.^a Alice de Assunção Castanho Amado: € 1.333,44;
 - Vice-Chairman – Dr.^a Anabela Nogueira de Matos : € 667,92;
 - Secretary – Dr.^a Maria Leonor Moreira Pires Cabral Campello: € 333,36;
 - b) The shareholder ATPS-SGPS, SA. provided administrative and management services to the Group and in 2014 received from the investee Ibersol, Restauração, SA. a total of 756,034.00 euros for such services. One of the obligations of ATPS-Sociedade Gestora de Participações Sociais, SA. under the service agreement with Ibersol, Restauração, SA. is to ensure that the directors of the Company António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira perform their duties without the Company having to incur additional expense. The Company does not directly pay any remuneration to any of its executive directors. Given that ATPS-Sociedade Gestora de Participações Sociais, SA. is owned in equal shares by the directors António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira, out of the abovementioned total of 756.034,00 euros paid in 2014, each director received the amount of 378.017,00 euros. The non-executive member receives annual remuneration of 6.000,00 euros.

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In view of the above, it is impossible to issue a statement on the remuneration policy of the members of the governing body of the company, particularly not a report containing the information mentioned in article 2.3 of Law 28/2009.

c) The remuneration of the members of the Audit Committee for 2014 was set at a fixed annual amount, payable twelve times a year. The individual members received the following annual remuneration:

Chairman - Dr. Joaquim Alexandre de Oliveira e Silva: €8.785,92;

Vice-Chairman - Dr. António Maria de Borda Cardoso: €8.785,92;

Director – Dr. Eduardo Moutinho dos Santos: €8.785,92;

The general principles observed are essentially those that follow from the law, taking into account the activities actually performed by the above persons, the Company's economic situation and the usual terms and conditions in comparable situations. The functions performed by each member of the corporate governing bodies were considered in the most broadest sense of the activity actually performed, using the level of responsibility as an assessment parameter. The weighting of the functions is considered in a broad sense, in the light of various factors, particularly the level of responsibility, the time spent and the value the member's institutional role added to the Group. The size of the company and the degree of complexity of the assigned functions is also an important aspect. The combination of the abovementioned factors and assessment thereof serves to guarantee not only the interests of the post holders but also those of the Company.

The remuneration policy we submit to the shareholders of the Company for approval is therefore based on the abovementioned parameters, consisting of the remuneration of the members of the corporate bodies in a gross fixed amount, paid in twelve monthly instalments until the end of the year. In setting all remuneration, the general principles stated above were observed: functions performed, situation of the Company and comparative criteria for equivalent degrees of performance.

Oporto, 31 March 2015.

Remuneration Committee,

Vítor Pratas Sevilhano, Dr.

Amândio Mendonça da Fonseca, Dr.

Don Alfonso Munk Pacin.

Annex 2

List of Positions (in other companies) held by the members of the Statutory Audit Committee and the General Meeting Board

STATUTORY AUDIT COMMITTEE

President – Dr. Joaquim Alexandre de Oliveira e Silva;

Beyond the position held in Ibersol SGPS, S.A. he holds the following position outside the Ibersol Group:

Managing Partner

Alexandra Silva, Lda.

Vice – President – Dr. António Maria de Borda Cardoso;

Beyond the position held in Ibersol SGPS, S.A. he carries out no duties in other companies.

Effective Member – Dr. Eduardo Moutinho dos Santos;

Beyond the position held in Ibersol SGPS, S.A. he holds the following position in other Ibersol Group Company:

President of Statutory Audit Committee

Ibersande Restauração, S.A.

Alternate Member – Dr.ª Maria Helena Moreira de Araújo;

Beyond the position held in Ibersol SGPS, S.A. she holds the following positions outside the Ibersol Group:

President of the General Meeting

Volare - Equipamentos, S.A.
Volare – Gestão de Projectos, S.A.
Mirtal - SGPS, S.A.
Gravos 2012, S.A.
Regulsucesso – Imobiliária, S.A.

Secretary of the General Meeting

Daytime – Serviços e Gestão Imobiliária, S.A
Tenancy – Gestão de Projectos e Imobiliária, S.A.

GENERAL MEETING BOARD:

Chairwoman – Dr.^a Alice da Assunção Castanho Amado

Beyond the position held in Ibersol SGPS, S.A. she holds the following positions outside the Ibersol Group:

Chairwoman of the General Meeting

Azulino – Imobiliária, S.A.
BB Food Service, S.A.
Bertimóvel – Sociedade Imobiliária, S.A.
Bom Momento – Restauração, S.A.
Canasta - Empreendimentos Imobiliários, S.A.
Chão Verde - Sociedade de Gestão Imobiliária, S.A.
Citorres - Sociedade Imobiliária, S.A.
Contibomba – Comércio e Distribuição de Combustíveis, S.A.
Contimobe - Imobiliária de Castelo de Paiva, S.A.
Continente Hipermercados, S.A.
Cumulativa - Sociedade Imobiliária, S.A.
Discovery Sports, S.A.
Farmácia Selecção, S.A.
Fashion Division, S.A.
Fozimo - Sociedade Imobiliária, S.A.
Igimo - Sociedade Imobiliária, S.A.

Iginha – Sociedade Imobiliária, S.A.
Imoconti - Sociedade Imobiliária, S.A.
Imoestrutura - Sociedade Imobiliária, S.A.
Imomuro - Sociedade Imobiliária, S.A.
Imoresultado - Sociedade Imobiliária, S.A.
Imosistema - Sociedade Imobiliária, S.A.
Infocfield – Informática, S.A.
MJLF - Empreendimentos Imobiliários, S.A.
Modalfa - Comércio e Serviços, S.A.
Modalloop – Vestuário e Calçado, S.A.
Modelo Continente Hipermercados, S.A.
Modelo Hiper Imobiliária, S.A.
Modelo.Com – Vendas Por Correspondência, S.A.
Pharmaconcept - Actividades em Saúde, S.A.
Pharmacontinente - Saúde e Higiene, S.A.
Ponto de Chegada – Sociedade Imobiliária, S.A.
Predicomercial - Promoção Imobiliária, S.A.
Predilugar – Sociedade Imobiliária, S.A.
Selifa - Sociedade de Empreendimentos Imobiliários, S.A.
Sempre à Mão – Sociedade Imobiliária, S.A.
Sesagest - Projectos e Gestão Imobiliária, S.A.
Socijofra – Sociedade Imobiliária, S.A.
Sociloures - Sociedade Imobiliária, S.A.
Sonae Center Serviços II, S.A.
Sonae MC - Modelo Continente, SGPS, SA
Sonae - Specialized Retail, SGPS, S.A.
Sonaegest - Sociedade gestora de Fundos de Investimento, S.A.
Sonaerp - Retail Properties, S.A.
Sondis Imobiliária, S.A.
SDSR - Sports Division SR, S.A.
Sonaesr - Serviços e Logística, S.A.
Têxtil do Marco, S.A.
Tlantic Portugal - Sistemas de Informação, S.A.
Valor N, S.A.
Worten - Equipamentos Para o Lar, S.A.
Zippy - Comércio e Distribuição, S.A.

Vice-Chairwoman of the General Meeting

Insco - Insular de Hipermercados, S.A.

Modelo - Distribuição de Materiais de Construção, S.A.

Sempre a Postos - Produtos Alimentares e Utilidades, Lda.

Secretary of the society

Sonae Investimentos, S.G.P.S., S.A.

Vice-Chairwoman – Dr.ª Anabela Nogueira de Matos

Beyond the position held in Ibersol SGPS, S.A. she holds the following positions outside the Ibersol Group:

Member of the Board of Directors

Andar – Sociedade Imobiliária, S.A.

Bloco Q – Sociedade Imobiliária, S.A.

Casa da Ribeira – Sociedade Imobiliária, S.A.

Centro Residencial da Maia – Urbanismo, S.A.

Cinclus Imobiliária, S.A.

Country Club da Maia – Imobiliária, S.A.

Empreendimentos Imobiliários Quinta da Azenha, S.A.

Imobeauty, SA

Imoclub – Serviços Imobiliários, S.A.

Imodivor – Sociedade Imobiliária, S.A.

Imohotel – Empreendimentos Turísticos Imobiliários, S.A.

Imoponte - Sociedade Imobiliária, S.A.

Imosedas – Imobiliária e Serviços, S.A.

Implantação – Imobiliária, S.A.

Inparvi – SGPS, S.A.

Norscut – Concessionária de Auto-Estradas, S.A.

Porturbe – Edifícios e Urbanizações, S.A.

Praedium – Serviços, S.A.

Praedium II – Imobiliária, S.A.

Praedium – SGPS, S.A.

Prédios Privados – Imobiliária, S.A.

Predisedas – Imobiliária das Sedas, S.A.

Promessa - Sociedade Imobiliária, S.A.

Sonae Turismo, SGPS, S.A. (anteriormente denominada SC Assets, SGPS, S.A.)

SC – Sociedade de Consultadoria, S.A.

Sete e Meio Herdades – Investimentos Agrícolas e Turismo, S.A.

Sociedade Construções do Chile, S.A.

Soira - Sociedade Imobiliária de Ramalde, S.A.

Sotáqua – Sociedade de Empreendimentos Turísticos de Quarteira, S.A.

Sopair, S.A.

Spinveste – Gestão Imobiliária, SGII, S.A.

Spinveste – Promoção Imobiliária, S.A.

Urbisedas – Imobiliária das Sedas, S.A.

Vastgoed One – Promoção imobiliária, S.A.

Vastgoed Sun – Promoção Imobiliária, S.A.

Vistas do Freixo – Empreendimentos Turísticos e Imobiliários, S.A.

Member of the Management

SC For – Serviços de Formação e Desenvolvimento de Recursos Humanos, Unipessoal, Lda

Chairwoman of the General Meeting

Andar – Sociedade Imobiliária, S.A.

Atlantic Ferries – Tráfego Local, Fluvial e Marítimo, S.A.

Capwatt, SGPS, S.A.

Capwatt Brainpower, S.A. (anteriormente denominada Integrum – Energia, S.A.)

Capwatt, A.C.E, S.A. (anteriormente denominada Integrum ACE, S.A.)

Capwatt Colombo – Heat Power, S.A. (anteriormente denominada Integrum Colombo - Energia, S.A.)

Capwatt Engenho Novo – Heat Power, S.A. (anteriormente denominada Integrum Engenho Novo –Energia, S.A.)

Capwatt Martim Longo – Solar Power, S.A. (anteriormente denominada Integrum Martim Longo – Energia, S.A.)

Capwatt Vale do Caima – Heat Power, S.A. (anteriormente denominada

Integrum Vale do Caima – Energia, S.A.)

Capwatt Vale do Tejo – Heat Power, S.A. (anteriormente denominada Integrum Vale do Tejo – Energia, S.A.)

Capwatt II – Heat Power, S.A. (anteriormente denominada Integrum II – Energia, S.A.)

Capwatt III – Heat Power, S.A (anteriormente denominada Integrum III – Energia, S.A.)

Contacto Concessões, SGPS, S.A.

Capwatt Maia – Heat Power, S.A. (anteriormente denominada Ecociclo II – Energia, S.A.)

Golf Time - Golfe e Investimentos Turísticos, S.A.

Imoareia – Investimentos Turísticos, SGPS, S.A.

Imopeninsula – Sociedade Imobiliária, S.A.

Imoresort – Sociedade Imobiliária, S.A..

Marina de Tróia, S.A.

Marmagno – Exploração Hoteleira, S.A.

Marvero – Exploração Hoteleira e Imobiliária, S.A.

Powercer – Sociedade de Cogeração da Vialonga, S.A.

SC, SGPS, S.A.

SC Engenharia e Promoção Imobiliária, SGPS, S.A.

SC Hospitality, SGPS, S.A. (anteriormente denominada Sonae Turismo, SGPS, S.A.)

S.I.I. – Soberana – Investimentos Imobiliários, S.A.

Sistavac, S.A.

Sistavac – SGPS, S.A.

Sociedade Construções do Chile, S.A.

Solinca – Health and Fitness, S.A.

Solinca – Investimentos Turísticos, S.A.

Soltróia – Sociedade Imobiliária de Urbanização e Turismo de Tróia, S.A.

Spred – SGPS, S.A.

The Artist Porto Hotel & Bistro – Actividades Hoteleiras, S.A.

Tróia Market – Supermercados, S.A.

Tróia Natura, S.A.

Troiareport – Investimentos Turísticos, S.A.

Troiaverde – Exploração Hoteleira e Imobiliária, S.A.

Tulipamar – Exploração Hoteleira e Imobiliária, S.A.

Vastgoed One – Promoção imobiliária, S.A.

Vastgoed Sun – Promoção Imobiliária, S.A.

Vice-Chairwoman of the General Meeting

Interlog - SGPS, S.A.

NET – Novas Empresas e Tecnologias, S.A.

Secretary of the General Meeting

Norscut – Concessionária de Auto-Estradas, S.A.

Secretary – Dr.^a Maria Leonor Moreira Pires Cabral Campello

Beyond the position held in Ibersol SGPS, S.A. she carries out no duties in other companies.