



Corporate Governance Report

2014

2014

CORPORATE GOVERNANCE REPORT

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INTRODUCTION

CTT - Correios de Portugal, S.A. (“CTT” or the “Company”) complies with a significant part of recommendations contained in the Corporate Governance Code of the Securities and Exchange Commission (“CMVM”), in the version published in July 2013 (“CMVM Recommendations” or “CMVM Code”), as well as in the Corporate Governance Code of the Portuguese Institute of Corporate Governance (“IPCG”), in its version published in 2014 (“IPCG Recommendations” or “IPCG Code”), two reference instruments in the Portuguese market on matters of corporate governance (the former constitutes an instrument issued by the regulator and consolidates the experience of CMVM over the past few years, and the latter constitutes an instrument derived from the recent contribution of civil society).

The adoption of these recommendations by the Company has contributed to the strengthening of CTT's governance model and practices in 2014, the first year during which (i) the Company's shares were admitted to trading during a complete financial year in the regulated market Euronext Lisbon, (ii) CTT was no longer integrated in the State corporate sector, following the completion of the two phases of its privatisation, and (iii) CTT has a free float of 100% of its share capital dispersed among institutional and private shareholders.

In this report, the Company carries out an assessment of its compliance with the CMVM Recommendations (comply or explain included in Part II), by reference to the report's model provided in Regulation no. 4/2013 of CMVM (corresponding especially to Part I).

PART I – INFORMATION ON THE SHAREHOLDER STRUCTURE, ORGANISATION AND GOVERNANCE OF THE COMPANY

A. SHAREHOLDER STRUCTURE

I. Capital structure

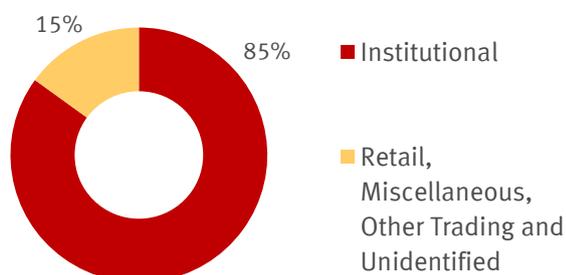
1. Capital structure

CTT's share capital is €75,000,000, fully subscribed and paid-up, and represented by 150,000,000 ordinary shares (with no different categories) registered, book entry, with nominal value of €0.50 each, admitted to trading on the regulated market Euronext Lisbon.

After the completion of the privatisation of CTT in September 2014, the entirety of the share capital became held by private sector shareholders. At the end of the year, CTT conducted a study for their characterisation.

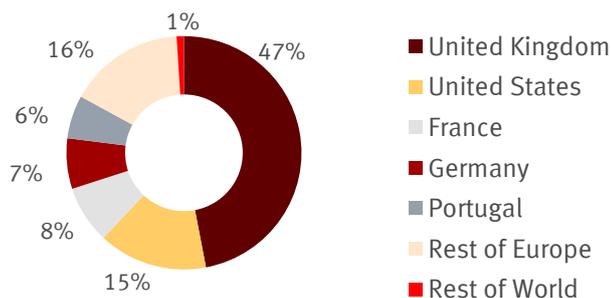
This study identified 193 institutional shareholders with a stake of approximately 85% of the Company's share capital.

TOTAL SHAREHOLDER COMPOSITION



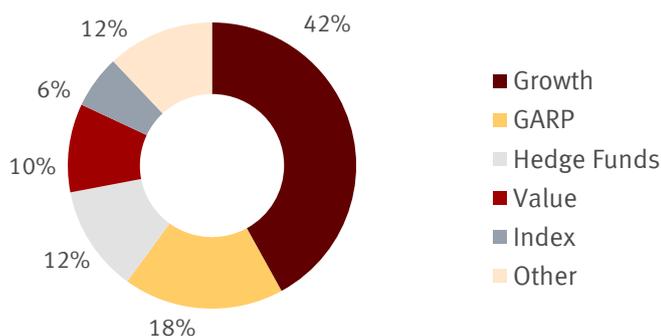
According to this study, investors based in the United Kingdom represented 47% of CTT shares held by identified institutional investors, while institutional investors based in the United States and France held 15% and 8%, respectively. Institutional investors based in Germany (7%) and Portugal (6%) were also identified.

ALLOCATION BY GEOGRAPHY



The investors with a growth strategy represented 42% of the shares held by the identified institutional investors, followed by 18% of investors with a GARP (Growth at a Reasonable Price) type of strategy. Hedge Funds, Value and Index Fund investor's type of strategy together represented less than 1/3 of the total identified institutional investors.

INSTITUTIONAL SHARES BY INVESTMENT STRATEGY



This study also demonstrated that the top 10 shareholders of CTT held 34% of the Company's share capital, while the top 25 held a total of 57%.

2. Restrictions on the transfer of shares

CTT shares are not subject to any limitations (either statutory or legal) regarding the transfer or ownership.

The lock-up period of the shares acquired by CTT employees in the first privatisation phase ended on 5 March 2014.

Although CTT shares are freely transferable, their acquisition will imply compliance with the legal requirements referred to in the following paragraph in the context of the setting up of the Postal Bank (credit institution to be owned by CTT, authorised by the Bank of Portugal and whose start of activity still depends on the completion of the incorporation process, the verification of the applicable regulatory requirements and conditions and the special registration with the Bank of Portugal).

In this context and pursuant to the Legal Framework of Credit Institutions and Financial Companies, established in Decree-Law No. 298/92, of 31 December, in its updated version, anyone intending (i) to hold a qualified holding in CTT and indirectly in said institution (i.e. a direct or indirect holding equal to or higher than 10% of the share capital or voting rights or which, for any reason, allows the exercise of significant influence in the management), (ii) to increase their shareholding to 10%, 20%, 1/3 or 50% or more of the share capital or voting rights of CTT (and indirectly in this institution), or (iii) that this institution is transformed into an affiliate of the acquiring entity, should previously inform the Bank of Portugal of their project for the purpose of the respective non-opposition. The Bank of Portugal shall also be informed any acts triggering the acquisition of a shareholding which reaches at least 5% of the share capital or voting rights of CTT, within the period of 15 days as of its occurrence.

3. Own shares

As at 31 December 2014 and up to the date of this report, the Company did not hold any of its own shares, with no transactions having been carried out by the Company relative to its own shares.

4. Significant agreements with change of control clauses

Some of the real estate lease agreements concluded over the years expressly stipulated that if the Portuguese State ceased to hold at least 50% of the share capital of the Company, the latter would be required to provide a revolving bank guarantee on first demand in favour of the respective leaseholder of the amount equivalent to 6 or 24 months of rent. As at 31 December 2014, all the requested guarantees had been provided and no contractual provision was in force (nor is in force on this date) a change of control in the lease agreements concluded by CTT.

CTT is a party in various relevant contracts for its financial products offer which establish change of control clauses. The contract for the sale and marketing of Cetelem credit products at CTT's Retail Network and on its website, concluded on 23 June 2014 with BNP Paribas Personal Finance, S.A. establishes that, under certain circumstances, either of the parties can unilaterally terminate the contract should a change of shareholder control occur. The contracts concluded on 16 July 2013 and 8 October 2007, respectively, with Fidelidade – Companhia de Seguros, S.A., for the mediation of insurance of this entity, and with Western Union Payment Services Network EU/EEA Limited, for the provision of funds transfer services, establish that any of the parties can terminate these contracts in the case of an change of control in the shareholder structure of the counterparty.

Although these contracts are strategically relevant for CTT's current offer of financial services, these change of control clauses constitute normal market conditions for this type of financial product marketing/distribution contracts (especially for protection of the parties in the case of acquisition of control of the counterparty by competitors) and neither seek nor are capable of hindering the free transfer of CTT shares.

The Company is not a party to any other significant agreements which enter into force, are altered or cease (including the respective effects) in the case of CTT's change of control following a take-over offer.

In line with CMVM Recommendation I.5., there are no significant agreements which CTT is a party to that trigger any payments or the bearing of costs by the Company in the case of change of control or change of composition of the corporate body and which appear capable of hindering the free transferability of CTT shares and the free assessment by the shareholders of the performance of the members of the management body of CTT.

5. Regime applicable to the renewal or revocation of defensive measures in particular limitations on votes held or exercised by a single shareholder individually or acting in concert with other shareholders

There are no limits established in the Articles of Association to the number of votes that may be held or exercised by a single shareholder, individually or acting in concert with other shareholders, pursuant to which the Company considers that CMVM Recommendation I.4. is not applicable to it.

6. Shareholders agreements that are known to the Company and may lead to restrictions on the transfer of securities or voting rights

The Company is not aware of any shareholder agreements relative to CTT, namely on matters of transfer of securities or voting rights.

II. Shareholdings and bonds held

7. Qualified holders, percentage of share capital and votes imputable, source and causes of the attribution

As at 31 December 2014, based on the communications to the Company made up to such date, the structure of the qualified holdings in CTT, calculated under article 20 of the Securities Code, is the following (without prejudice to the changes disclosed to the market up to the date hereof and identified in the table below):

Shareholders ⁽¹⁴⁾	No. of shares	% Share capital	% Voting rights
Standard Life Investments Limited ⁽¹⁾	9,910,580	6.607%	6.607%
Ignis Investment Services Limited ⁽¹⁾	97,073	0.065%	0.065%
Standard Life Investments (Holdings) Limited	Total	6.672%	6.672%
Kames Capital plc ⁽²⁾	2,045,003	1.363%	1.363%
Kames Capital Management Limited ⁽²⁾	3,096,134	2.064%	2.064%
Aegon NV ⁽³⁾	Total	3.427%	3.427%
Allianz Global Investors Europe GmbH (AGIE) ⁽⁴⁾	Total	3.131%	3.131%
UBS AG ⁽⁵⁾	3,705,257	2.470%	2.470%
UBS Fund Management (Switzerland) AG ⁽⁵⁾	55,397	0.037%	0.037%
UBS Fund Services (Luxembourg) AG ⁽⁵⁾	57,770	0.038%	0.038%
UBS Global Asset Management (UK) Limited ⁽⁵⁾	8,330	0.006%	0.006%
UBS Global Asset Management (Australia) Ltd ⁽⁵⁾	3,715	0.002%	0.002%
UBS Group AG ⁽⁶⁾	Total	2.553%	2.553%
Morgan Stanley & Co. International plc ⁽⁷⁾	3,553,396	2.369%	2.369%
Morgan Stanley ⁽⁷⁾	Total	2.369%	2.369%
Pioneer Funds - European Equity Target Income ⁽⁸⁾	613,645	0.409%	0.409%
Pioneer Funds - Global Equity Target Income ⁽⁹⁾	170,047	0.113%	0.113%
Pioneer Funds - ABS Return European Equities ⁽⁹⁾	95,475	0.064%	0.064%
Pioneer Funds - European Potential ⁽⁹⁾	825,082	0.550%	0.550%
Pioneer Funds - European Equity Value ⁽⁹⁾	764,953	0.510%	0.510%

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Pioneer Funds - European Equity Market Plus ⁽⁹⁾		15,876	0.011%	0.011%
Pioneer Funds - European Research ⁽⁹⁾		643,204	0.429%	0.429%
UniCredit S.p.A.	Total	3,128,282	2.086%	2.086%
Artemis Fund Managers Limited ⁽¹⁰⁾		3,104,624	2.070%	2.070%
Artemis Investment Management LLP	Total	3,104,624	2.070%	2.070%
FMRC-FMR CO., INC. ⁽¹¹⁾		716,444	0.478%	0.478%
FMR UK-FIDELITY MANAGEMENT & RESEARCH (U.K.) INC. ⁽¹¹⁾		2,379,854	1.586%	1.586%
FMR LLC	Total	3,096,298	2.064%	2.064%
DSAM Partners LLP ⁽¹²⁾		3,096,079	2.064%	2.064%
DSAM Cayman Ltd.	Total	3,096,079	2.064%	2.064%
Goldman Sachs International ⁽¹³⁾				
Goldman Sachs Asset Management, L.P. ⁽¹³⁾				
Goldman Sachs Asset Management International ⁽¹³⁾				
The Goldman Sachs Group, Inc. ⁽¹³⁾	Total	3,019,750	2.013%	2.013%
Other shareholders	Total	107,326,538	71.551%	71.551%
TOTAL		150,000,000	100.000%	100.000%

⁽¹⁾ Company held by Standard Life Investments (Holdings) Limited.

⁽²⁾ As of 1 January 2015, as a result of a group corporate restructuring the client portfolios managed by Kames Capital Management Limited (a subsidiary of Kames Capital plc) have been transferred and are currently managed by Kames Capital plc.

⁽³⁾ This qualified shareholding is imputable to the following chain of entities: (i) Kames Capital Holdings Limited, which holds 100% of Kames Capital plc; (ii) Aegon Asset Management Holding BV, which holds 100% of Kames Capital Holdings Limited; and (iii) Aegon NV, which holds 100% of Aegon Asset Management Holding BV.

⁽⁴⁾ By virtue of the merger of Allianz Global Investors Luxembourg, S.A. (AGIL) into Allianz Global Investors Europe (AGIE), the qualified shareholding mentioned above became imputable to AGIE. According to a communication of 17 March 2015, funds managed by Allianz Global Investors GmbH acquired on 12 March 2015: (i) 9,768 shares in CTT outside the regulated market; and (ii) 52,842 shares in CTT on Euronext Lisbon, the qualified shareholding imputable to Allianz Global Investors GmbH in CTT has been increased to 7,552,637 shares representing 5.04% of the voting rights corresponding to the share capital in CTT.

⁽⁵⁾ Subsidiary of the UBS Group AG.

⁽⁶⁾ As a result of the acquisition of UBS AG by UBS Group AG the shares of UBS AG were transferred to UBS Group AG. The UBS AG subsidiaries also became controlled by UBS Group AG. According to a communication of 16 February 2015, the UBS Group AG ceased to hold a qualifying shareholding of 2% or more of the share capital and voting rights of CTT due to the disposal of 55,121 shares (on the market) on 9 February 2015. The total holding then became 2,973,863 shares representing 1.98% of CTT share capital and distributed as follows:

- UBS AG: 2,843,529 shares
- UBS Fund Management (Switzerland) AG: 40,397 shares
- UBS Fund Services (Luxembourg) SA: 77,146 shares
- UBS Global Asset Management (UK) Limited: 9,076 shares
- UBS Global Asset Management (Australia) Limited: 3,715 shares

⁽⁷⁾ The parent company is Morgan Stanley and the chain of companies between the parent company and the shareholder is: Morgan Stanley, Morgan Stanley International Holdings Inc., Morgan Stanley International Limited, Morgan Stanley Group (Europe), Morgan Stanley UK Group, Morgan Stanley Investments (UK) and Morgan Stanley & Co. International plc. According to a disclosure of 29 January 2015, Morgan Stanley & Co. International plc ceased to hold a qualifying shareholding of 2% or more of the share capital and voting rights of CTT.

⁽⁸⁾ Fund managed by Pioneer Investments Kapitalgesellschaft GmbH, appointed by Pioneer Asset Management, S.A., which is fully owned by UniCredit S.p.A.

⁽⁹⁾ Fund managed by Pioneer Investments Management Limited Dublin, appointed by Pioneer Asset Management, S.A., which is entirely owned by UniCredit S.p.A.

⁽¹⁰⁾ Company held by Artemis Investment Management LLP. According to a disclosure of 15 January 2015, Artemis Investment Management LLP then held a qualified holding of 5.01% of the share capital and voting rights of CTT, as a result of the direct acquisition of 293,875 CTT shares. According to a communication dated 6 March 2015, it sold a part of those shares and reduced the qualified holding to 6,935,853 CTT shares corresponding to 4.62% of the share capital and voting rights of CTT.

⁽¹¹⁾ Company owned by FMR LLC. According to a communication of 11 March 2015, FMR LLC ceased to own a qualified holding in CTT, as it then held 2,866,787 shares corresponding to 1.91% of the share capital and voting rights of CTT.

⁽¹²⁾ The chain of undertakings between the parent company and the shareholder is: DSAM Cayman Ltd, DSAM Cayman LP, DSAM Capital Partners Ltd and DSAM Partners LLP. The holding is exclusively an economic long position resulting from an over the counter equity swap transaction with trade date 10 September 2014, settlement date 15 September 2014 and termination date 2 September 2015. The swap transaction referred to foresees cash settlement as the settlement option. According to a communication of 11 March 2015, following the mentioned swap transaction with settlement date 9 March 2015, the economic long position imputable to DSAM Partners LLP in CTT was reduced to an economic long position equivalent to 2,724,161 ordinary shares representing 1.82% of the voting rights corresponding to the share capital of CTT.

⁽¹³⁾ The chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held is as follows: The Goldman Sachs Group, Inc. (parent company); Goldman Sachs (UK) L.L.C. (Controlled by The Goldman Sachs Group, Inc.); Goldman Sachs Group UK Limited (Controlled by Goldman Sachs (UK) L.L.C.); Goldman Sachs International (Controlled by Goldman Sachs Group UK Limited); Goldman Sachs Asset Management International (Controlled by Goldman Sachs Group UK Limited); Goldman Sachs Asset Management, L.P. (Controlled by The Goldman Sachs Group, Inc.). The holding includes 1.42% corresponding to 2,131,364 CTT shares and 0.59% held through economic long position via CFD and corresponding to 888,386 shares. The CFD details are as follows:

Expiration / Exercise / Conversion Period/Date	No. of shares/ voting rights that may be acquired if the instrument is exercised / converted	% of voting rights that may be obtained if the instrument is exercised/converted
25-Nov-2019	2,453	0.0016%
22-Nov-2019	1,278	0.0009%
4-Dec-2024	506,660	0.3378%
4-Dec-2024	4,869	0.0032%
9-Dec-2024	600	0.0004%
23-Sep-2024	11,502	0.0077%
26-Sep-2024	360,000	0.2400%
11-Nov-2024	1,024	0.0007%
Total Number of voting rights and percentage of voting rights	888,386	0.59%

⁽¹⁴⁾ According to communications of 12 and 30 January and 11 March 2015, respectively, (i) Henderson Global Investors Limited became the holder a qualified holding of 3,037,609 CTT shares imputable to the Henderson Group plc, its controlling entity, i.e., 2.03% of the share capital and voting rights of CTT, (ii) Lyxor International Asset Management S.A.S. became the holder directly of a qualified holding of 3,400,000 CTT shares, i.e., 2.27% of the share capital and voting rights of CTT, and (iii) Norges Bank became the holder directly of 3,143,496 shares, i.e., 2.10% of the share capital and voting rights of CTT.

8. Number of shares and bonds held by members of the managing and supervisory bodies

Under article 447(5) of the Companies Code and article 14 of CMVM Regulation 5/2008, and pursuant to the communications made to the Company up to 31 December, the number of shares held by the members of the managing and supervisory bodies of CTT, senior officers of CTT under article 248-B of the Securities Code (list in force up to April 2014) and their related parties, as well as all their acquisitions, encumbrances or disposals of ownership, during the financial year of 2014, are indicated in the following lists:

2014

Board of Directors ^(a)	No. Shares as at 31.12.2013	Date	Acquisition	Encumbrance	Disposal	Price	No. Shares as at 31.12.2014
Francisco José Queiroz de Barros de Lacerda	3110					€5.52	3110
António Sarmento Gomes Mota	0 ^(b)						0
Manuel Cabral de Abreu Castelo-Branco	1550					€5.52	1550
André Manuel Pereira Gorjão de Andrade Costa	3110					€5.52	3110
Dionizia Maria Ribeiro Farinha Ferreira	0						0
Ana M ^a Carvalho Jordão Ribeiro Monteiro de Macedo	0						0
António Manuel de Carvalho Ferreira Vitorino	0 ^(b)						0
Nuno de Carvalho Fernandes Thomaz	0 ^(b)						0
Diogo José Paredes Leite de Campos	0 ^(b)						0
Rui Miguel de Oliveira Horta e Costa	0 ^(d)						0
José Manuel Baptista Fino	0 ^(e)						0
José Alfredo de Almeida Honório	0 ^(b)						0 ^(c)
Parpública - Participações Públicas, SGPS, S.A.	54,545,455	03.01.2014	2,253,834 ^(f)		9,545,455 ^(g)	€5.51-€5.52	
	47,253,834	05.09.2014			47,253,834	€7.25	0 ^(h)

Supervisory Board ⁽ⁱ⁾	No. Shares as at 31.12.2013	Date	Acquisition	Encumbrance	Disposal	Price	No. Shares as at 31.12.2014
António Sarmento Gomes Mota	0						0
Diogo José Paredes Leite de Campos	0						0
Elsa Maria Roncon Santos	0						0 ^(j)

Statutory Auditor and External Auditor	No. Shares as at 31.12.2013	Date	Acquisition	Encumbrance	Disposal	Price	No. Shares as at 31.12.2014
PriceWaterhouseCoopers & Associados, SROC, Lda. ^(k)	0						0 ^(l)
José Pereira Alves (permanent)	0						0 ^(l)
Ana Maria Ávila de Oliveira Lopes Bertão (alternate)	0						0 ^(l)
José Manuel Henriques Bernardo (alternate)	0						0 ^(l)
KPMG & Associados, SROC, S.A. ^(m)	0 ⁽ⁿ⁾						0
Maria Cristina Santos Ferreira (permanent)	0 ⁽ⁿ⁾						0
Vítor Manuel da Cunha Ribeirinho (alternate)	0 ⁽ⁿ⁾						0

Related Entities (CA)	No. Shares as at 31.12.2013	Date	Acquisition	Encumbrance	Disposal	Price	No. Shares as at 31.12.2014
Alice Monjardino de Campos de Azevedo Soares ^(o)	120						120
Manuel M ^a Azevedo Soares de Abreu Castelo-Branco ^(o)	1550						1550
Susana Gorjão Costa ^(p)	3110						3110

- (a) Includes the members of the Executive Committee and Audit Committee.
- (b) Date of his election, on 24 March 2014, at the Extraordinary General Meeting.
- (c) As at the date of communication of his resignation, on 22 July 2014.
- (d) Date of his cooptation, on 29 July 2014.
- (e) As at the date of his cooptation, on 19 December 2014.
- (f) Exercise by the Stabilisation Manager, as defined in the Institutional Underwriting Agreement of the sales option, held over Parpública, of 2,253,834 shares, corresponding to 1.5% of the share capital and voting rights of CTT, acquired by this Stabilisation Manager, under the stabilisation operations conducted under the terms of the aforesaid underwriting agreement, which was an integral part of the privatisation process of CTT.
- (g) Consequent termination of the call option held by Parpública over the financial institutions which are part of the Underwriters, as defined in the Underwriting Agreement, represented for the effect by the Underwriting Manager, which allowed the acquisition of 9,545,455 shares, representing 6.36% of the share capital and voting rights of the Company.
- (h) Following the disposal of the remaining shareholding of Parpública in the share capital of CTT, on 5 September 2014, and as at the date of his resignation from the positions of Non-Executive Director and Member of the Audit Committee, disclosed on 14 November 2014.
- (i) In the new corporate governance model approved at the Extraordinary General Meeting of 24 March 2014, the Supervisory Board was replaced by the Audit Committee.
- (j) As at the date of alteration of the corporate governance model, on 24 March 2014.
- (k) Submitted his resignation from the position, taking effect as of 8 April 2014.
- (l) As at the date of end of office, on 8 April 2014.
- (m) As at the date of his election, at the General Meeting of 5 May 2014.
- (n) As at the date of taking up office, on 5 May 2014.
- (o) Person closely related to Manuel Cabral de Abreu Castelo-Branco.
- (p) Person closely related to André Manuel Pereira Gorjão de Andrade Costa.

Other Senior Managers ^(a)	No. Shares as at 31.12.2013	Date	Acquisition	Encumbrance	Disposal	Price	No. Shares as at 22.04.2014 ^(a)
Alberto Alves Maria Pimenta	1000						1000
Ana Rita Baião Matos	2500						2500
Antónia Ascensão Rato	2500						2500
António Augusto Labrincha Correia Marques	500						500
António Manuel Borges Vaz	2500						2500
António Pedro Ferreira Vaz da Silva	240						240
Carla Maria Teixeira Gonçalves Veiga ^(b)	2500						2500 ^(c)
Carla Salomé Preto Martins Marques da Cruz	1300	20.03.2014			1300	€7.80	0
Fernando Manuel Costa Afonso	500						500
Filipe Jacinto Flores Ribeiro	200						200
Graça Maria Porto Temudo Pires de Oliveira	2500						2500
Helena Maria Gameiro Carreira Rodrigues	0						0
Hernâni Joaquim Mateus dos Santos	1000						1000
Isabel Maria Lemos Lourenço	1750	16.01.2014			250	€6.75	1250
		20.03.2014			1250	€8.00	0
João Domingues dos Santos da Cunha Leal	620						620
João Manuel da Costa Araújo	2500	21.03.2014			1500	€8.00	1000
João Pedro Namora Gonçalves	2800	19.03.2014			1800	€7.62	1000
José Eduardo Dias de Mendonça David	500						500
Julietta Aurora Barracho Gomes Jorge Cainço	0						0
Laura Maria Falcão da Costa	300						300
Luís Miguel Soares Rodrigues	2500						2500
Maria da Graça Farinha de Carvalho e Sousa Góis	200						200
Maria Helena Henriques Camacho	800						800
Maria Margarida Jarego Colaço da Silva	950						950
Maria Teresa Geraldês Caetano	0						0
Miguel Alexandre Ferreira Amaral Salema Garção	3130	13.03.2014			3130	€7.33	0
Paulo José Carteiro Veiga	2500						2500
Pedro Miguel Lourenço Salvador	0						0
Peter Iordanov Tsvetkov	4990						4990
Raul Manuel Matias Moreira	1000						1000
Rui Pedro Silva	500						500
Sílvia Maria Correia	2500						2500

Related Entities (Other Senior Managers)	No. Shares as at 31.12.2013	Date	Acquisition	Encumbrance	Disposal	Price	No. Shares as at 22.04.2014 ^(a)
Helena Augusta Monteiro Afonso Gonçalves ^(d)	1000						1000
Ana Soraia Teixeira Vaz da Silva ^(e)	240						240
Jaime Francisco Teixeira ^(e)	240						240
Maria José Cabrita da Silva ^(f)	310	19.03.2014			310	€7.62	0

^(a) After redefinition of the List of Senior Managers by the Executive Committee communicated to the CMVM on 22 April 2014, the indicated senior managers were no longer part of this list, therefore only the transactions made up to this date are mentioned.

^(b) Resigned from the position of Director of the subsidiary EAD on 27 February 2014.

^(c) As at the date of his resignation from the position of Director from the subsidiary EAD.

^(d) Person closely related to Maria Pimenta.

^(e) Person closely related to António Pedro Ferreira Vaz da Silva.

^(f) Person closely related to João Pedro Namora Gonçalves.

All the transactions of “Other Senior Officers” and related entities referred to above were conducted in a regulated market.

As at 31 December 2014, none of the members of the managing and supervisory bodies of CTT held any bonds issued by the Company nor any shares or bonds issued by companies in a control or group relationship with CTT, nor did they carry out any transactions relative to those securities during the financial year of 2014, under the terms and for the purposes of article 447 of the Companies Code.

9. Special powers of the Board of Directors, namely resolutions on capital increase

The powers attributed to the Board of Directors of CTT are described in section 21 of Part I below. According to the Articles of Association, there are no provisions conferring special powers to the Board of Directors as regards capital increases, being such matter within the exclusive powers of the Shareholders General Meeting.

10. Information on the existence of significant business relations between the qualified holders and the Company

The significant business relations maintained between the Company and its qualified holders during the financial year of 2014 correspond to the transactions with related parties identified in section 92 of Part I below.

B. CORPORATE BODIES AND COMMITTEES

I. Shareholders General Meeting

a) Composition of the Board of the Shareholders General Meeting

11. Identification, office and term of office (beginning and end) of the members of the Board of the Shareholders General Meeting

Under article 10 of CTT Articles of Association, the Board of the Shareholders General Meeting is composed of a Chairman and Vice-Chairman, elected every three years at the Shareholders General Meeting. In 2014, the composition of the Board of the General Meeting was as follows:

Members	Office	Term of Office ⁽¹⁾
Júlio de Lemos de Castro Caldas	Chairman	2014/2016
Francisco Maria Freitas de Moraes Sarmiento Ramalho	Vice-Chairman	2014/2016

⁽¹⁾ Members initially elected on 12 November 2013 to complete the term of office 2012/2014, with the General Meeting of 24 March 2014 having resolved to extend their term of office to 2014/2016.

Pursuant to the same provision, the members of the Board of the Shareholders General Meeting are assisted by the Secretary of the Company, functions discharged in 2014 and currently by Maria da Graça Farinha de Carvalho e Sousa Góis.

b) Exercise of the voting right

12. Possible restrictions on voting rights

CTT Articles of Association do not set out any limitations to voting rights or to the detachment of financial rights.

Pursuant to articles 7 and 8 of the Articles of Association, shareholders who, on the record date, corresponding to 0 hours (GMT) of the fifth trading day prior to the General Meeting, hold at least one share have the right to vote at the Shareholders General Meeting.

Under the same provisions, the right to vote can be exercised by proxy, correspondence or electronic means and can cover all the matters included in the notice to convene. The exercise of the right to vote by any of these methods should be carried out under the terms, within the stipulated periods and through the mechanisms established in detail in the notice to convene in order to encourage shareholder participation (the exercise of the right to vote was permitted by all of these methods at the Shareholders General Meetings held in 2014). In view of the above, CTT fully complies with CMVM Recommendation I.1.

CTT's Articles of Association do not establish any mechanisms causing a mismatch between the right to receive dividends or to subscribe new securities and the right to vote attached to each share, pursuant to which the Company adopts CMVM Recommendation I.3.

13. Maximum percentage of voting rights that may be exercised by a single shareholder or by shareholders who are in any of the relations under article 20 (1) of the Securities Code

CTT's Articles of Association do not establish any percentage limitation to the voting rights that may

be exercised by a single shareholder or by shareholders who are in any of the relations under article 20 (1) of the Securities Code, thus CMVM Recommendation I.4. is not considered applicable to CTT.

14. Shareholder resolutions which may only be adopted by qualified majority under the Articles of Association other than those legally established

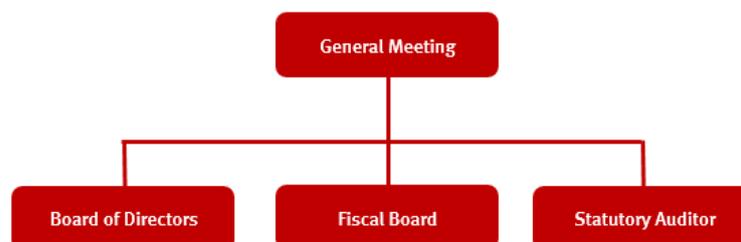
CTT's Articles of Association do not provide for qualified majorities for the adoption of resolutions beyond those legally established, thus complying with CMVM Recommendation I.2.

II. Management and supervision

c) Composition

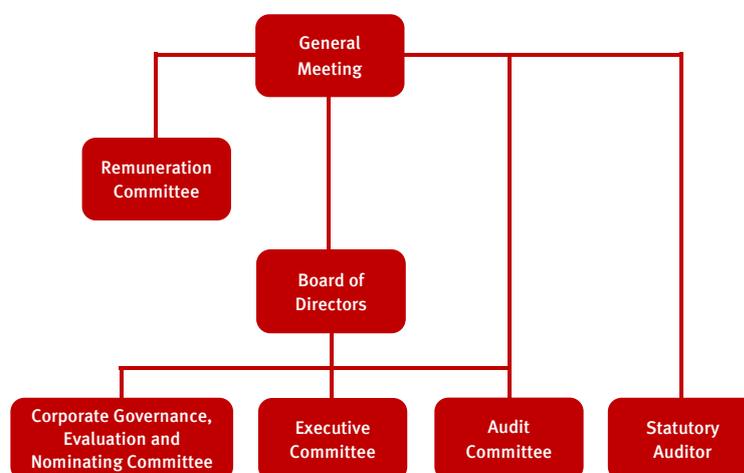
15. Identification of the adopted governance model

Up to the Shareholders General Meeting held on 24 March 2014, the Company had the following governance model, according to which the Board of Directors was responsible for the Company's management and the Fiscal Board (totally separated from the Board of Directors) and the Statutory Auditor were responsible for its oversight:



At the aforesaid General Meeting, the Company adopted the Anglo-Saxon one-tier governance model, according to which the Board of Directors is responsible for the Company's management and the Audit Committee (comprising Non-Executive and independent Directors) and the Statutory Auditor are responsible for its oversight.

The adoption of the model described below enabled, in 2014, the strengthening and consolidation of the governance structure and practices of CTT, in line with national and international best practices, thus promoting the effective performance of duties and coordination of the corporate bodies, the regular operation of a system of checks and balances and the accountability of its management to its shareholders and stakeholders.



In this context, the General Meeting is competent to: (i) elect the members of the corporate bodies (including the members of the Board of the General Meeting, the Board of Directors and the Audit Committee as well as the Statutory Auditor, the latter elected following a proposal by the Audit Committee), (ii) appraise the annual report of the Board of Directors and the opinion of the Audit Committee, (iii) decide on the allocation of profits and (iv) resolve on amendments to the Articles of Association.

In turn, in the context of its management duties, the Board of Directors delegated day to day management powers to the Executive Committee (described in section 21 of Part I below), whose action is supervised by the Non-Executive Directors, in particular by the Corporate Governance, Evaluation and Nominating Committee, currently composed of a majority of independent Directors (in the performance of the duties referred to in the same section).

The Audit Committee (currently exclusively composed of independent members), together with the Statutory Auditor, perform the oversight duties resulting from applicable legal and statutory provisions, with the Audit Committee in particular being responsible for promoting the independence of the external auditors and of the internal audit of the Company, with a view to contributing to the quality of the financial information and effectiveness of the systems of internal control, risk management and internal audit (described in section 38 of Part I below).

Furthermore, the Remuneration Committee (composed of independent members with no relation to the management and elected at the Shareholders General Meeting) is responsible for establishing the remunerations of the members of the corporate bodies (described in section 66 of Part I below).

16. Articles of Association's provisions on procedural and substantive requirements applicable to the appointment and replacement of members of the Board of Directors

Pursuant to articles 9 and 12 of the Articles of Association, (i) the Shareholders General Meeting is entrusted with the election of the members of the Board of Directors, including its Chairman and Vice-

Chairman, by majority of the votes cast by shareholders present or represented (or by the most voted proposal in case of several proposals being submitted), and (ii) one of the members of the Board of Directors can be elected among persons proposed in lists submitted by groups of shareholders, provided that none of these groups holds shares representing more than 20% and less than 10% of the share capital.

The rules contained in the Companies Code are applicable with respect to the replacement of members of the Board of Directors, in the absence of applicable provisions of the Articles of Association. Article 16 of the Articles of Association only provides that the absence of a Director at more than two meetings, consecutive or interpolated, without justification accepted by the Board of Directors, leads to a definitive absence, in which case measures should be taken for the replacement of this Director pursuant to Companies Code.

No other procedural and substantive requirements are defined in the Company's Articles of Association for the purpose of appointment or replacement of members of the Board of Directors.

17. Composition of the Board of Directors and the Executive Committee

Pursuant to article 12 of the Articles of Association, the Board of Directors is composed of five to fifteen members, for a three-year term of office which is renewable.

The Company's Board of Directors in office as at 31 December 2014 and on the present date, is composed of the following eleven Directors, appointed for the term of office 2014/2016:

Members	Board of Directors	Executive Committee	Audit Committee	Independence ⁽¹⁾	Date of 1 st Appointment
Francisco José Queiroz de Barros de Lacerda ⁽⁷⁾	Chairman	Chairman			24/08/2012
António Sarmiento Gomes Mota ⁽²⁾	Vice-Chairman		Chairman	Yes	24/03/2014
Manuel Cabral de Abreu Castelo-Branco ⁽⁷⁾	Vice-Chairman	Member			24/08/2012
André Manuel Pereira Gorjão de Andrade Costa ⁽⁷⁾	Member	Member			24/08/2012
Dionizia Maria Ribeiro Farinha Ferreira ⁽⁷⁾	Member	Member			24/08/2012
Ana Maria de Carvalho Jordão Ribeiro Monteiro de Macedo ⁽⁷⁾	Member	Member			24/08/2012
António Manuel de Carvalho Ferreira Vitorino	Member			Yes	24/03/2014
Nuno de Carvalho Fernandes Thomaz ⁽⁴⁾	Member		Member	Yes	24/03/2014
Diogo José Paredes Leite de Campos ⁽⁵⁾	Member		Member	Yes	24/03/2014
Rui Miguel de Oliveira Horta e Costa ⁽³⁾	Member			Yes	29/07/2014
José Manuel Baptista Fino ⁽⁶⁾	Member			Yes	19/12/2014

(1) The assessment of independence was conducted in accordance with the criteria defined in CMVM Recommendation II.1.7. and CMVM Regulation 4/2013, as well as the provisions in article 414(5) of the Companies Code for non-executive members there are part of the Audit Committee.

(2) From 12 November 2013 to 24 March 2014, he was Chairman of the Fiscal Board.

(3) Co-opted as non-executive member of the Board of Directors by resolution of the Board of 29 July 2014 (subject to ratification at the next General Meeting), in replacement of José Alfredo de Almeida Honório, elected on 24 March 2014 who informed his resignation as Non-Executive Director on 22 July 2014.

(4) Co-opted as Member of the Audit Committee by resolution of the Audit Committee of 19 December 2014 (subject to ratification at the next General Meeting), in replacement of Parpública – Participações Públicas SGPS, S.A., who informed its resignation as Non-Executive Director and Member of the Audit Committee, on 14 November 2014.

(5) From 12 November 2013 to 24 March 2014, he was Member of the Fiscal Board.

(6) Co-opted as Non-Executive member of the Board of Directors by resolution of the Board of Directors of 19 December 2014 (subject to ratification at the next General Meeting), in replacement of Parpública – Participações Públicas SGPS, S.A., which was elected on 24 March 2014 and informed its resignation as Non-Executive Director and Member of the audit Committee on 14 November 2014.

- (7) Performed duties from 1 January to 24 March 2014, as member of the Board of Directors elected for the term of office 2012/2014, which was composed of only five members, who performed executive duties.

18. Distinction between executive and non-executive members of the Board of Directors and, with respect to non-executive members, identification of members who may be deemed independent

The Board of Directors is composed of the executive and non-executive members indicated in section 17 of Part I above, with all the non-executive members in office, as of their appointment to the current term of office, being independent pursuant to the criteria defined in CMVM Recommendation II.1.7. and CMVM Regulation 4/2013 and, regarding the members of the Audit Committee, pursuant to article 414(5) of the Companies Code.

Thus, the Company adopts CMVM Recommendations II.1.6. and II.1.7. and IPCG Recommendations IV.2. and IV.3., since the number of non-executive and independent members assures an effective capacity to monitor, supervise and assess the activity of the remaining members of the managing body, in particular taking into account the adopted governance model, the Company's size and its shareholder structure and free float.

The Company also complies with CMVM Recommendation II.1.10. and IPCG Recommendation IV.1., since it has adopted the following mechanisms aimed at assuring the coordination and effectiveness in the performance of duties by the Non-Executive Directors, considering the accumulation of CEO duties by the Chairman of the Board of Directors of CTT:

- The Non-Executive and independent Vice-Chairman of the Board of Directors, António Sarmiento Gomes Mota (also Chairman of the Audit Committee and of the Corporate Governance, Evaluation and Nominating Committee), performs the following duties of lead independent director: (i) monitors and consults the Executive Committee on the performance of the duties delegated thereto; and (ii) contributes to the effective performance of duties and powers by the Non-Executive Directors and internal committees of the Board of Directors, assuring the appropriate coordination of their work and the necessary mechanisms for the Non-Executive Directors to receive in due time the information they deem suitable for an independent and informed decision making;
- The Non-Executive Directors may obtain the information that they deem necessary for the performance of their respective functions and duties;
- The supporting documentation of the meetings of the Board of Directors is timely made available to all Executive and Non-Executive Directors. The agendas and minutes of the meetings of the Executive Committee are distributed to the Non-Executive Directors, including to the Non-Executive Vice-Chairman of the Board of Directors, Chairman of the Audit Committee and Chairman of the Corporate Governance, Evaluation and Nominating Committee.

19. Professional qualifications and other curricular data of each of the members of the Board of Directors

Please refer to Annex I including the curricula of the members of the Board of Directors of CTT.

20. Family, professional or commercial, frequent and significant relations of members of the Board of Directors with qualified shareholders with more than 2% of voting rights

None of the members of the Board of Directors maintained, throughout 2014, any family, professional or commercial relations with qualified shareholders with a more than 2% of voting rights in the Company. Likewise, no such relations are maintained with the shareholders mentioned in the table included in section 8 of Part I above, either as at 31 December 2014 or as at the present date.

21. Division of powers between the various corporate bodies, committees and/or departments of the Company

21.1. Board of Directors

The Board of Directors is the corporate body responsible for the Company's management and representation, under the legal terms and the Articles of Association, being entrusted to practice all acts and operations relative to the corporate purpose not falling within the powers of the remaining corporate bodies of the Company.

Under article 13 of the Articles of Association and article 5 of its Regulations, the Board of Directors is responsible, namely, for:

- ✓ Approving the management goals and policies, and establishing the strategy and risk profile of the group;
- ✓ Approving the annual and multi-annual plans, strategic investment and/or financial plans and the annual budgets of the group, as well as any changes deemed necessary;
- ✓ Ensuring the effectiveness of the systems of internal control, risk management and internal audit of the group;
- ✓ Resolving on changes of registered offices and projects to increase or reduce capital, mergers, demergers and transformations and amendments to the Articles of Association to be submitted to the Shareholders General Meeting of the Company;
- ✓ Approving annual, half-year and quarter reports and accounts;
- ✓ Resolving on the provision of bonds and personal or asset guarantees by the Company under the legal terms;
- ✓ Establishing the general aspects of the group's corporate structure and the general standards of conduct;
- ✓ Presenting notices to convene the Shareholders General Meetings of the Company;
- ✓ Proceeding with the co-optation of Directors of the Company;
- ✓ Appointing the Company Secretary and alternate.

Under article 15 of the Articles of Association and article 4 of the Board Regulations, the Chairman of

the Board of Directors (in his absence or impediments, to be replaced by the Vice-Chairmen) is especially responsible for:

- ✓ To represent the Board of Directors in and out of court;
- ✓ Coordinating its activity, proceeding with the allocation of matters among Directors, when advisable for management purposes, and calling and chairing the respective meetings;
- ✓ Exercising the casting vote in the taking of resolutions by the Board of Directors;
- ✓ Ensuring the correct implementation of the resolutions of the Board of Directors;
- ✓ Promoting communication between the Company and all its stakeholders.

21.2. Executive Committee

The Executive Committee was created by resolution of the Board of Directors of 25 March 2014, being delegated with the day to day management of the Company, in line with CMVM Recommendation II.1.1. and under article 13 of the Articles of Association and articles 5 and 6 of the Regulations of the Board.

In compliance with CMVM Recommendation II.1.2., the matters referred to in section 21.1. above and the following matters are excluded from the aforesaid delegation of powers, being relevant matters for the strategy, general policies and structure of the group:

- ✓ Acquisitions of shareholdings (i) in countries where the group is not present, (ii) in new business areas for the group, or (iii) of value per operation above €20m;
- ✓ The investments by the group not included in the annual budget whose value per operation exceeds €10m and the divestments of the group of value per operation above €10m;
- ✓ Disposals or encumbrances of shareholdings (i) that determine the group's step out of a certain country or business areas, or (ii) whose value per operation exceeds €20m;
- ✓ Contracting of debt, in the form of financing or issuance of securities, of value per operation above €150m or a maturity period above 5 years;
- ✓ Any other business or operation that implies liabilities or obligations above €50m, per transaction or act, for the group.

The Chairman of the Executive Committee has the casting vote and should:

- ✓ Ensure that all information is provided to the other members of the Board of Directors relative to the activity and resolutions of the Executive Committee;
- ✓ Ensure compliance with the limits of delegation and strategy of the Company, and propose to the Board of Directors the list of management matters which should be entrusted especially to each of the members of the Executive Committee;
- ✓ Coordinate the activities of the Executive Committee, chairing its meetings, ensuring the implementation of the resolutions and distributing among its members the preparation or monitoring of the issues to be analysed or decided by the Executive Committee.

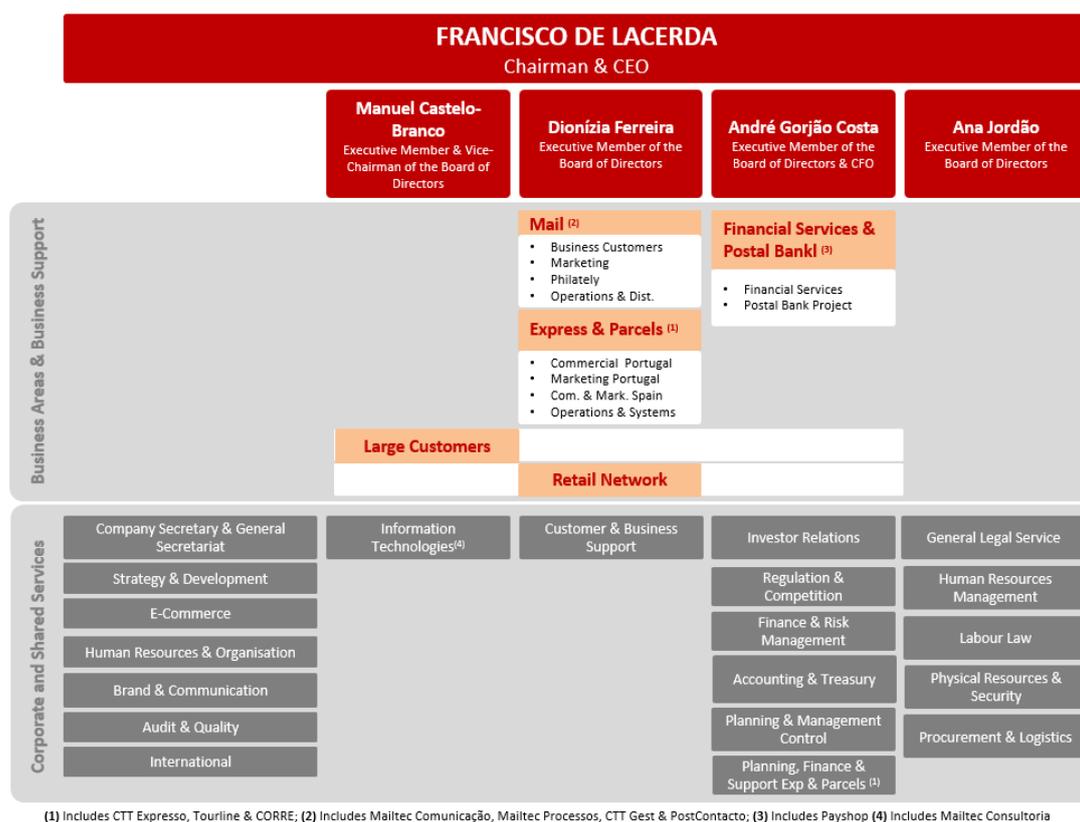
Under the Regulations of the Board of Directors and the Executive Committee, and in compliance with CMVM Recommendations II.1.8. and II.1.9. and IPCG Recommendation I.3., the Company adopts the following mechanisms:

- In order to assure that all the members of the Board of Directors and other corporate bodies are informed of the status of the Company's management, the agendas and minutes of the meetings of the Executive Committee are distributed to the Non-Executive Directors, including the Non-Executive Vice-Chairman of the Board of Directors, Chairman of the Audit Committee

- and Chairman of the Corporate Governance, Evaluation and Nominating Committee;
- At the meetings of the Board of Directors, the Executive Committee presents a summary of the aspects that are considered relevant of the activity developed since the last meeting;
 - The Executive Committee is also obliged to timely and adequately provide the members of the Board of Directors and all other members of the corporate bodies with any additional or supplementary clarifications and information requested.

Under its delegated competences, the Executive Committee can entrust one or more of its members to deal with certain matters and sub-delegate in one or more of its members the exercise of some of its delegated powers.

As at 31 December 2014 and on the date thereof, the powers of the Executive Committee are allocated to its members as follows:



21.3. Committees and departments supporting the Executive Committee

In view of the Company's size and its many areas of action and operation, committees have been created to support the management whose objective is to ensure, according to each of their particular functional areas, the monitoring of the activity of the different departments of the Company in the implementation of the strategy defined by the Board of Directors, while at the same time assuring compliance with the various Regulations and standards that are in force at each time.

As at 31 December 2014 and on the present date, the following committees were operational:

MANAGEMENT SUPPORT COMMITTEES AND THEIR OBJECTIVES	
<p>Risk Management Committee Composed of the Chief Financial Officer and by the heads of the Finance and Risk Management, Strategy and Development, Operations and Distribution, Retail Network, Human Resources and Organisation, Information Technologies, Accounting and Treasury, and Physical Resources and Security Departments.</p>	<p>Promotion of the Corporate Risk Management function, operating as an instrument to leverage the process of operationalisation of the risk management system at CTT, under the terms described in further detail in section 52 of Part I below.</p>
<p>Credit Committee Composed of the Chief Financial Officer, who chairs it, by the Board Members with business responsibilities, and by the Executive heads of the following departments: Finance and Risk Management, Large Clients, Retail Network, Corporate Clients, Advertising Mail, Express & Parcels. The follow-up and monitoring meetings should be attended by the persons responsible for Accounting and Treasury, Litigation, Customer and Business Support, Marketing and the Payshop Network.</p>	<p>Definition and submission to the Board of Directors of customer credit policies. Assessment and review of risk levels and credit limits. Decision on granting/revision/suspension of credit prior to the formalisation of contracts. Evaluation of proposals for conclusion of payment agreements. Monitoring and evaluation of the results of the implementation of customer credit policy and identification of measures to achieve the defined objectives.</p>
<p>Treasury Committee Composed of the Chief Financial Officer, who chairs it, and by the heads of the Accounting and Treasury, Finance and Risk Management departments and by the heads of the Finance departments of the subsidiaries.</p>	<p>Measurement and analysis of CTT's funds management process with a view to its continuous management and ongoing adaptation to needs.</p>
<p>Investment Committee Composed of the heads of the corporate departments of Strategy and Development (which it coordinates), Management Planning and Control and Finance and Risk Management.</p>	<p>All proposals for investment policies amounting to more than €50,000.00, prior to the assessment/final approval of the Executive Committee, should be submitted to this Committee for comment and preparation of a non-binding opinion.</p>
<p>Real Estate Management Committee Composed of two Executive Directors of CTT – the responsible for Physical Resources and Security and the Chief Financial Officer - and by the heads of the following departments: Physical Resources and Security (accompanied by 2 employees), Retail Network, Operations and Distribution, Management Planning and Control, and a member of the Board of Directors of CTT Espresso. Depending on the issues on the agenda, the following are also members: the Executive Director responsible for the Retail Network and other senior managers, other than those referred to above.</p>	<p>Strategic planning and management of real estate, real estate investment programming and promotion of optimisation and enhanced economic returns of real estate.</p>

As at 31 December 2014 and currently, the organisational structure of CTT was as follows:

<p>Secretary-General and Legal Services</p>	<p>To ensure the institutional relations of the Company between the sovereign bodies, ombudsmanship and other entities; To provide technical and administrative support to the Board of Directors, the Executive Committee and other governing bodies; To ensure formal communication between the Board of Directors, the Executive Committee, CTT's structure, its subsidiaries and external entities; To ensure legal advice to the Board of Directors, the Executive Committee, different departments of the Company and the subsidiaries, except for labour and disciplinary matters; To ensure the legal advising of the Company and workers when required, in the context of their duties, and to its subsidiaries when they require them.</p>
<p>Investor Relations</p>	<p>To act as CTT's representative with the shareholders, investors, financial analysts, rating agencies, the capital markets and the financial community in general, being responsible for providing information that allows knowledge on the economic, financial and governance reality and evolution of CTT.</p>
<p>Strategy and Development</p>	<p>To support the Executive Committee in the definition, implementation and management of the development strategy of the CTT business areas, proposing and promoting initiatives for strategic development and management of its business portfolio, in a perspective of sustained value creation.</p>

E-Commerce	To ensure that CTT is an agent and beneficiary of the development of e-commerce in the Iberian Peninsula, especially in the last mile, and specifically (i) in studying the market's reality and evolution and (ii) boosting the evolution of the product offer as to keep it permanently in line with market preferences, (iii) promoting the development of the proximity of CTT to the principal international and domestic players and (iv) accompanying the alignment of the e-commerce solutions with international postal operators, namely the e-CIP project.
Human Resources and Organisation	To develop and implement human resources policies aligned with the strategy defined for the group, while promoting a culture of merit and continuous professional development; To provide human resources administration services to CTT and its subsidiaries; To promote health and safety at work, as well as the availability of health care and social protection.
Brand and Communication	To define and implement strategies for CTT's internal and external communication through various channels and supports; To ensure the management of sponsorships and patronage of the CTT universe, through the development of actions that contribute to the improvement of reputation and creation of value of the institutional image and CTT brand, in close collaboration with the Executive Committee; to ensure, coordinate and implement the institutional image management of CTT and its brands, values and its related strategic value, the management of the public and institutional relations, as well as events, fairs and exhibitions, sponsorships and others; to identify the interested parties' needs and expectations and define the strategy and involvement with them, ensuring the compliance with the policy and commitments regarding sustainability, environment, social responsibility and corporate citizenship of the CTT universe; To advise the Board of Directors and the Executive Committee in all required subjects and ensure media relations; To define ensure the management and coordinate the presence and actions of the CTT universe in the digital footprint, websites and social media in a transversal manner, in conjunction with other areas of the company, as well as intranet and others.
Audit and Quality	To examine and evaluate, in an independent fashion, the activities and business of CTT, in order to mitigate risks associated with processes and transactions, recommending corrective measures to the audited areas and providing necessary information; To contribute to the management and mitigation of compliance risks in the provision of financial services; To investigate unlawful and/or fraudulent practices; To define and promote quality policies and processes at CTT.
International	To propose and implement CTT's international policy in the context of international organisations and groups and cooperation for development.
Information Technology	To develop CTT's strategy for information systems and technologies so as to maximize its competitiveness and efficiency; To ensure proper planning and control of the information systems and technologies; To promote innovation and implementation of new solutions for business development.
Business and Customer Support	To develop CTT's policy on customer relations in terms of after-sales, information and customer support, contributing to customer loyalty; To ensure support to business in all-encompassing function, aimed at the optimisation of resource use, proposing measures to optimise processes and/or improvement actions.
Regulation and Competition	To advise the Executive Committee on matters regarding regulation and competition and relations with regulatory and supervisory entities of the sector; To manage regulatory risk and relations with competitors.
Management Planning and Control	To advise the Executive Committee in terms of CTT's management planning and control, ensuring coordination with all the organisational units of CTT and subsidiaries, with a view to value creation.
Finance and Risk Management	To provide and implement strategies for the suitable use of resources by optimising the cost and return of capital and appropriate risk management, in alignment with the strategic objectives defined for CTT.
Accounting and Treasury	To ensure accounting management, economic and financial management, and the management of the evaluation of business processes with an impact on revenue generation.
Physical Resources and Security	To define a coordinated strategy for the fleet and real estate resources; To ensure the provision of services by suppliers under the contractual conditions; To ensure the integrated management of documentation and archiving processes; To define, coordinate and control policies on security and surveillance of facilities, equipment and people.
Procurement and Logistics	To define CTT's strategy in terms of procurements, centralisation and planning of needs in terms of leasing and acquisition of movable assets, services and execution of contract work, the coordination, preparation and monitoring of procurement procedures, the centralisation of the administrative management of contracts, quality control and evaluation of suppliers and the effective management of warehouses and stocks.

Operations and Distribution	To manage the operations of collection, printing and finishing and transport, handling and delivery in an efficient manner, ensuring excellence in quality of service and respect for the nationwide obligations of the universal service, promoting synergies with all business areas of the Company towards increasing efficiency and value creation for the Company.
Labour Law	To assure labour-related legal and disciplinary services to the Board of Directors, Executive Committee, the different Departments of the Company and its subsidiaries; To assure and coordinate the legal advice of the Company and its subsidiaries when required, on matters concerning labour issues.
Marketing	To manage the portfolio of transactional and advertising mail products and services and value added solutions upstream and downstream of its value chain for individuals and companies, integrating the available technological capacities and new trends, in order to offer clients innovative solutions adapted to market needs.
Philately	To develop the business of philately and collecting in a comprehensive, sustained and profitable manner, maintaining the integrity and quality levels of Portuguese philately.
Corporate Clients	To assure the loyalty of corporate clients, along with capitalizing on the turnover and profitability of sales of the entire portfolio of products and services made available by the Mail Business Unit.
Financial Services	To manage an innovative offer of competitive financial products and services, creating value for the shareholder, strategically oriented towards customers, margins and efficiency, based on the Retail Network and Payshop agents.
Retail Network	To manage the Retail Network, ensuring increasing revenue resulting from acts of sale and their profitability; to maximize resource productivity and rationalisation of supply versus demand, in terms of the defined offer, price levels and obligations of the universal service; To rationalise the retail network and points of access to the postal network in a privatization context; To ensure the quality of customer service at all points of access to the postal network; To maximise the value of the network's offer by assuring more efficient and competitive management.
Large Customers	To ensure the integrated management of large customers, managing the key accounts segment in terms of maximising sales and profitability of the various business areas of CTT.
Commercial - Express & Parcels (Portugal)	To ensure customer loyalty and revitalisation of existing customers and acquisition of new customers, aiming at business profitability through a commercial response suited to the needs and opportunities within each sales department.
Marketing - Express & Parcels (Portugal)	To support the organic growth of the Company, based on creating value for customers while maintaining the relationship with customers, taking into account the achievement of maximum return; To create, communicate, capture and manage the business in the organisation through the understanding of customer needs, providing innovation to the offer; To communicate and position the brand's strategic value across multiple channels; To identify an overview of the Company's objectives in order to translate them into marketing strategies to achieve the expected return; To conceive and develop plans/projects and implement marketing campaigns, while developing interdepartmental relationships to ensure operational alignment, providing the Company with a customer-focused vision and performance, as well as satisfaction and loyalty of the customer base.
Commercial and Marketing – Express & Parcels (Spain)	To define and implement strategic actions concerning products and prices, in line with the Company's guidelines, so as to strengthen its strategic and Iberian positioning; To ensure the promotion of the Company through actions that contribute to the strengthening of the image of the Tourline network, according to the guidelines of CTT.
Operations and Systems – Express & Parcels	To materialise the portfolio of services, through the management of operations of Collection, Transport, Handling and Delivery, fulfilling the agreed service levels and maximizing operational efficiency.

21.4. Corporate Governance, Evaluation and Nominating Committee

In line with CMVM Recommendation II.1.4. and IPCG Recommendation IV.4., V.1. and V.4., on 7 May 2014, the Board of Directors created the Corporate Governance, Evaluation and Nominating Committee, which is entrusted with the following competences pursuant to the Regulations of the Board of Directors and its Internal Regulations:

- On matters of governance structure and practices as well as ethics:
 - ✓ To assist the Board in the definition and assessment of the Company's governance model,

- principles and practices;
- ✓ To collaborate in the preparation of the annual corporate governance report of the Company;
 - ✓ To supervise the definition and monitoring of the standards on ethics and conduct within the group;
 - ✓ To formulate recommendations to the Board concerning corporate governance requirements and good practices, conflicts of interest, incompatibilities, independence and expertise;
 - ✓ To prepare a report on the operation and effectiveness of the model, principles and practices of governance of the Company, as well as on the Company's degree of compliance with the applicable requirements;
 - ✓ To assess the corporate image of CTT among the shareholders, investors, financial analysts, market in general and supervisory authorities, and monitor the inspection actions of the CMVM;
 - ✓ To support and monitor the Board's definition of policies and strategies of social responsibility and sustainability of the Company.
- On matters of performance assessment and remunerations:
 - ✓ To propose or issue an opinion, on an annual basis, to the Remuneration Committee on the remuneration policy of the Board of Directors and the annual statement to be submitted to the General Meeting for this purpose;
 - ✓ To monitor and support the process of annual assessment of the overall performance of the Board of Directors and respective internal committees as well as the members of the Executive Committee;
 - ✓ To propose to the Remuneration Committee the result of the qualitative assessment of the Executive Directors in the context of the overall assessment model for the purpose of establishment of the variable remuneration to be defined by that Committee;
 - ✓ To propose or issue an opinion to the Board of Directors and the Remuneration Committee, as applicable, on plans of share awarding, stock options or stock options based on share price variations.
 - On matters of appointments:
 - ✓ To formulate recommendations about qualifications, knowledge and experience for the performance of corporate functions and in the context of selection of the members of the managing and supervisory bodies of CTT, after hearing the Chairman and, in the case of executive directors, the CEO;
 - ✓ To monitor the processes of selection of the group's senior officers and of members of the corporate bodies of companies that CTT is entitled to appoint;
 - ✓ To monitor the preparation, in coordination with the Executive Committee, of succession plans;
 - ✓ To propose to the Board of Directors the termination of office by members of the Executive Committee, following an assessment and hearing of the CEO;
 - ✓ To issue opinions relative to the performance, by members of the Executive Committee, of executive duties in companies which are not part of the CTT group.

21.5. Ethics Committee

An Ethics Committee was operational throughout this term of office, with its powers and composition having been reviewed on 19 December 2014.

The main duties of the Ethics Committees are as follows:

- ✓ To promote the disclosure, application and compliance with the Code of Ethics in force in the group, to this end defining plans and channels of communication for all hierarchical levels;
- ✓ To establish training actions aimed at the disclosure and compliance with the Code of Ethics;
- ✓ To receive and treat any communications of irregularities received within the group in coordination with the Audit Committee and the Audit and Quality Department.

For details on the coordination of the Board of Directors and its committees with all the other corporate bodies, see sections 15, 38 and 66 of Part I of this report.

d) Functioning

22. Existence and location where the Regulations of the Board of Directors and Executive Committee are available

The full text of the Regulations of the Board of Directors and Executive Committee are available in CTT's website, at: <http://www.ctt.pt/ctt-e-investidores/a-empresa/governo-da-sociedade/estatutos-e-regulamentos.html#panel2-1>

23. Number of meetings of the Board of Directors and attendance of each member

During 2014, the Board of Directors in office for the term 2012/2014 held 12 meetings, during which all its members were always present.

The Board of Directors in office for the term 2014/2016 held 9 meetings in 2014, with the following attendance by its members:

Members ⁽³⁾	Attendance	Proxy
Francisco José Queiroz de Barros de Lacerda	9	0
António Sarmiento Gomes Mota	8	1
Manuel Cabral de Abreu Castelo-Branco	9	0
André Manuel Pereira Gorjão de Andrade Costa	9	0
Dionizia Maria Ribeiro Farinha Ferreira	9	0
Ana Maria de Carvalho Jordão Ribeiro Monteiro de Macedo	9	0
António Manuel de Carvalho Ferreira Vitorino	8	1
Nuno de Carvalho Fernandes Thomaz	9	0
Diogo José Paredes Leite de Campos	6	3
Rui Miguel de Oliveira Horta e Costa ⁽¹⁾	5	1
José Manuel Baptista Fino ⁽²⁾	0	0

(1) Co-opted on 29 July (see section 17 above), having been held 6 meetings of the Board of Directors after such date until the end of 2014.

(2) Co-opted on 29 December (see section 17 above), not having been present in any meetings held during 2014 for such reason.

(3) In respect to the members who terminated office in 2014: (i) Parpública – Participações

Públicas SGPS, S.A. neither appointed any natural person to discharge office nor participated in the meetings of the Board of Directors; and (ii) José Alfredo de Almeida Honório was present in the 3 meetings held during the period during which he discharge his functions (see section 17 above).

24. Indication of corporate bodies with powers to perform the evaluation of the Executive Directors

Pursuant to article 9 of CTT's Articles of Association, the Remuneration Committee is responsible for establishing the remunerations of the members of the corporate bodies and, consequently, the definition of the remuneration policy and principles of the Board of Directors and the overall assessment model for purposes of the variable remuneration of the Executive Directors, under the terms described in sections 66 and following of Part I below.

In turn, under the terms of its Regulations, the Corporate Governance, Evaluation and Nominating Committee is responsible for supporting the Remuneration Committee and Board of Directors in the process of assessment of the members of the managing body, as described in section 21 of Part I above and in sections 70 and 71 of Part I below.

25. Predetermined criteria for evaluating the performance of the Executive Directors

On this issue, sections 66 and following of Part I below present details on the remuneration policy and principles for the managing body, in particular on the criteria, objectives and limits of the variable remuneration of the Executive Directors.

26. Availability of each member of the Board of Directors, with indication of offices held simultaneously in other companies, within and outside the group, and other relevant activities performed by members of the Board of Directors

The offices held simultaneously in other companies, within and outside the group, by the Company's directors are detailed in Annex I.

As supplementary information, it is considered important to note:

- ✓ The Executive Directors have evidenced their total availability for the performance of their duties, which can be confirmed by their attendance to the meetings of the Board of Directors and Executive Committee and by their exercise of executive duties exclusively within CTT group;
- ✓ The Non-Executive Directors have also demonstrated their total availability, as shown by their attendance to the meetings of the Board of Directors, the Corporate Governance, Evaluation and Nominating Committee and the Audit Committee.

e) Committees within the managing body

27. Committees created within the Board of Directors and location where the Regulations are available

See sections 21 and 22 of Part I above regarding committees created within the Board of Directors. Concerning the Audit Committee, also see section 38 of Part I below. The aforesaid committees have adopted internal Regulations whose full texts are available on CTT's website, at www.ctt.pt.

28. Composition of the Executive Committee

The Executive Committee is composed of the following five members in office as at 31 December 2014 and also on the present date (for the term of office 2014/2016):

Members	Office ⁽¹⁾
Francisco José Queiroz de Barros de Lacerda	Chairman
Manuel Cabral de Abreu Castelo-Branco	Member
André Manuel Pereira Gorjão de Andrade Costa	Member
Dionizia Maria Ribeiro Farinha Ferreira	Member
Ana Maria de Carvalho Jordão Ribeiro Monteiro de Macedo	Member

⁽¹⁾ From 1 January to 24 March 2014 these members performed executive duties, still under the term of office 2012/2014.

29. Powers of each committee created and overview of the activities developed during the exercise of those powers

See section 21 of Part I above regarding the powers of the committees created within the Board of Directors and the Executive Committee.

29.1 Executive Committee

During 2014, the Executive Committee held 40 meetings, having resolved on various matters within its powers, in particular including the following:

March	<ul style="list-style-type: none"> Approval of the disposal of CTT's stake in EAD, conducted within the context of optimisation of the business portfolio, enabling CTT to obtain a value of €2.75m.
April	<ul style="list-style-type: none"> Updating of prices of the universal postal service of mail and parcels. Second phase of the update of the special prices applicable to senders of bulk mail. Approval of the Code of Conduct of senior officers and Insiders. Approval of the Code of Ethics.
June	<ul style="list-style-type: none"> Updating of prices of the service of editorial mail/newspapers, periodicals and non-periodical publications and books. Signing of a protocol with BNP Paribas Personal Finance, with a view to allowing the sale and marketing of consumer credit products of this financial institution at CTT's Retail Network.
July	<ul style="list-style-type: none"> Award of the contract for information and communication technology services, regarding basic infrastructure services, support line and desktop management services and fixed voice and data telecommunications services.
August	<ul style="list-style-type: none"> Notice of termination of CTT's Collective Agreement of 2013 and proposal of the new CTT's Collective Agreement, with a view to obtaining a conventional framework enabling more efficient human resources management.

September	<ul style="list-style-type: none"> Start of the negotiation process with the Trade Unions and the Workers' Committee representing the employees of CTT with a view to the reformulation of CTT's Social Works Regulation (Healthcare Plan).
November	<ul style="list-style-type: none"> Approval by ICP-ANACOM of the criteria for the formulation of prices of postal services comprising the universal service for 2015/2017. Conclusion of a Memorandum of Understanding with Altice Portugal, S.A., bidder for the acquisition of PT Portugal, with a view to the conclusion of a Framework Agreement enabling joint synergies between CTT and PT Portugal.
December	<ul style="list-style-type: none"> Registration of the merger by incorporation of Mailtec Holding, S.G.P.S., S.A. in CTT, through the full transfer of the assets of Mailtec Holding, S.G.P.S., S.A. to CTT. Resolution on the key terms under which CTT is available to negotiate with the Trade Unions and the Workers Committee representing the employees of CTT regarding a new CTT's Collective Agreement and a new Social Works Regulation. Decision to record the value of impairment regarding CTT's financial participation in Tourline.

29.2 Corporate Governance, Evaluation and Nominating Committee

Under the terms of the respective regulation, the Corporate Governance, Evaluation and Nominating Committee is composed of three to five members, including inherently the Chairman of the Executive Committee ⁽¹⁾ and Non-Executive Directors (at least, one of them being independent). This committee is composed of the following five members in office as at 31 December 2014 and on the present date (for the term of office 2014/2016):

Members	Office
António Sarmiento Gomes Mota	Chairman
Francisco José Queiroz de Barros de Lacerda	Member ⁽¹⁾
António Manuel de Carvalho Ferreira Vitorino	Member
Rui Miguel de Oliveira Horta e Costa	Member
José Manuel Baptista Fino	Member

⁽¹⁾ It should be noted that the presence of the Chairman of the Executive Committee in this Committee does not hinder compliance with CMVM Recommendation II.1.4, since under the terms of the Internal Regulations of this Committee, such member is prevented from voting in resolutions where there is a conflict of interest, namely with respect to his individual assessment.

During 2014, the Corporate Governance, Evaluation and Nominating Committee held 3 meetings and carried out the following main activities:

- ✓ Submission of proposals for co-optation of 2 Members of the Board in order to fill vacancies;
- ✓ Review of the Code of Ethics, the composition of the Ethics Committee and its Regulations;
- ✓ Issuing opinion on the Regulations for Assessment and Control of Transactions with Related Parties and Prevention of Conflicts of Interests;
- ✓ Preparation of the assessment models, including the self-assessment of the Board of Directors, the qualitative assessment of the Executive Directors and the self-assessment of this committee;
- ✓ Analysis of the information provided by the Chairman of the Executive Committee on the contracting of senior officers;
- ✓ Benchmarking analysis and internal discussion on the corporate governance code to be adopted by CTT.

29.3 Ethics Committee

The Ethics Committee in office as at 31 December 2014 and on the present date (for the term of office 2014/2016) is chaired by the Non-Executive Director Nuno de Carvalho Fernandes Thomaz, and also includes the Director of Audit and Quality and the Director of Human Resources and Organisation of

CTT. This committee reports to the Board of Directors through the Chairman of the Board of Directors.

During 2014, the Ethics Committee held 2 meetings and carried out the following main activities:

- ✓ Updating of CTT's Code of Ethics and the internal Regulations of the committee;
- ✓ Preparation of the communication plan of the Code of Ethics;
- ✓ In 2014 this committee did not receive any communication on irregularities.

III. Oversight

f) Composition

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

During the current term of office the Company's activities are being supervised by the Audit Committee and the Statutory Auditor. For more details on this issue see section 15 of Part I above.

31. Composition of the Fiscal Board/Audit Committee, minimum and maximum number of members and term of office set out in the Articles of Association, number of permanent members, date of first appointment and date of termination of office of each member

In accordance with article 19 of CTT's Articles of Association, the Audit Committee consists of three board members, including its Chairman, all elected at the Shareholders General Meeting (for a term of office of 3 years renewable) together with the other Board Members. The lists of candidates for the Board of Directors must indicate which members will serve on the Audit Committee and who shall be its Chairman.

The Company's Audit Committee at 31 December 2014, and at the date hereof, consists of the following three members for the 2014/2016 term of office:

Members	Office	Date of first appointment	Independence ⁽¹⁾
António Sarmiento Gomes Mota ⁽²⁾	Chairman	24/03/2014	Yes
Diogo José Paredes Leite de Campos ⁽³⁾	Member	24/03/2014	Yes
Nuno de Carvalho Fernandes Thomaz ⁽⁴⁾	Member	19/12/2014	Yes

⁽¹⁾ The members' independence was evaluated in accordance with article 414(5) of the Companies Code.

⁽²⁾ Between 12 November 2013 and 24 March 2014 he was Chairman of the Fiscal Board, and was elected Chairman of the Audit Committee on 24 March 2014.

⁽³⁾ Between 12 November 2013 and 24 March 2014 he was Member of the Fiscal Board, and was elected Member of the Audit Committee on 24 March 2014.

⁽⁴⁾ He was elected Non-Executive Director on 24 March 2014, and was co-opted by resolution of the Audit Committee on 19 December 2014 to replace Parpública – Participações Públicas SGPS, S.A. (non-independent member), that communicated its resignation as Non-Executive Director of the Board and Member of the Audit Committee on 14 November 2014.

In accordance with article 423-B of the Companies Code and article 19 of the Articles of Association, the Audit Committee, on 31 December 2014 and as at the present date, consists exclusively of Non-Executive Directors, who meet the applicable independence requirements and have higher education adequate for the exercise of these functions, with at least one of the members having accounting knowledge.

In compliance with CMVM Recommendation II.2.1., the Chairman of the Audit Committee is independent, in accordance with the applicable legal criteria, and has adequate skills for discharging his functions.

As at the Annual General Meeting on 24 March 2014, the supervision of the Company's activities was the responsibility of (i) a Fiscal Board, composed of a Chairman, two effective Members and an Alternate, all elected by the Shareholders General Meeting, and (ii) a Statutory Auditor.

Thus, up to such General Meeting, the Fiscal Board was composed by the following members (also complying with (i) the requirements provided in article 414 of the Companies Code, including a majority of independent members and one member with the above mentioned expertise, and (ii) CMVM Recommendation II.2.1. mentioned above):

Members	Office	Independence ⁽¹⁾	Date of first appointment	Term of office
António Sarmiento Gomes Mota	Chairman	Yes	12/11/2013	2012/2014
Elsa Maria Roncon Santos ⁽²⁾	Member		24/08/2012	2012/2014
Diogo José Paredes Leite de Campos	Member	Yes	12/11/2013	2012/2014
Sara Alexandra Ribeiro Pereira Simões Duarte Ambrósio ⁽³⁾	Alternate Member		24/08/2012	2012/2014

⁽¹⁾ The members' independence was evaluated in accordance with article 414(5) of the Companies Code.

⁽²⁾ Resigned on 11/2013. Re-elected to complete the term of office 2012/2014 on 12/11/2013.

⁽³⁾ Resigned on 7/11/2013. Re-elected to complete the 2012/2014 term of office on 12/11/2013.

32. Identification of the members of the Fiscal Board/Audit Committee deemed independent, under the terms of art. 414(5) of the Companies Code

See section 31 of Part I above.

33. Professional qualifications and other relevant curricular data for each of the members of the supervisory body

For this section please refer to Annex I including the *curricula* of the members of CTT's supervisory body.

g) Functioning

34. Existence and location where Regulations applicable to the supervisory body are available

The full text of the Regulations of the Audit Committee is available for consultation on CTT website, at www.ctt.pt.

35. Number of meetings of the Fiscal Board/Audit Committee and attendance of each member

During 2014, the Audit Committee held 12 meetings, with all its members present in all the meetings (with the exception of Parpública – Participações Públicas SGPS, S.A. which did not designate a representative to discharge its functions, and did not take part in the Audit Committee meetings).

The Fiscal Board in place until 24 March 2014 held 2 meetings, with all its members present at both meetings.

During 2014, the Audit Committee carried out the following main activities:

- Supervision of the quality and integrity of the financial information in CTT's interim financial statements.
- Supervision of the internal audit, internal control and risk management systems, namely:
 - ✓ Monitoring the activities of the Audit and Quality Department with respect to internal audit and compliance (e.g. prevention of money-laundering and financing terrorism) and assessing the Auditing and Compliance Activities Plan and the resources allocated for 2015;
 - ✓ Monitoring the risk management activities of the Finance and Risk Management Department;
 - ✓ Approving the proposal of Regulation for the Assessment and Control of Transactions with Related Parties and Prevention of Conflicts of Interest.
- Supervision of the performance of the Statutory Auditor/External Auditor:
 - ✓ Approval of the proposal submitted to the Shareholders General Meeting to elect the Statutory Auditor to complete the 2012/2014 term of office;
 - ✓ Approval of the Regulation for the Provision of Services by the Statutory Auditor/External Auditor, and analysing engagement proposals and their work.
- Approval of the proposed Regulation for Reporting Irregularities (no such reports were received in 2014).
- Approval of its Internal Regulation, annual agenda of activities and self-assessment model.

36. Availability of each of the members of the Fiscal Board/Audit Committee, indicating the functions discharged simultaneously by them in other companies, inside and outside the group, and other relevant activities carried out by the respective members

The functions exercised in other companies by members of the Company's Audit Committee are described in their *curricula* included in Annex I. On this matter, please refer to section 26 of Part I above.

h) Duties and responsibilities

37. Procedures and criteria applicable to the intervention of the supervisory body on the engagement of additional services to the external auditor

Under the Regulation on the Provision of Additional Services by the Statutory Auditor / External Auditor, the Audit Committee is responsible for analysing and assessing engagements of additional services to the Statutory Auditor/External Auditor by CTT or companies within a control or group relationship, being such engagement subject to prior authorisation of said corporate body.

As defined in said regulation, available for consultation on CTT's website at www.ctt.pt, in such assessment of engagements to the Statutory Auditor/External Auditor, the Audit Committee shall consider the following aspects:

- ✓ Whether the services are prohibited or not under said regulation and whether the provision of the services will affect or not the independence of the Statutory Auditor/External Auditor;
- ✓ Whether the engagement of said services exceeds or not the recommended annual value for additional services engaged by CTT to the Statutory Auditor/External Auditor in each financial year;
- ✓ The experience and knowledge of the Statutory Auditor/External Auditor in relation to the Company.

38. Other functions of the supervisory body

The Audit Committee, as a supervisory body, has the following main competences established by law, the Company's Articles of Association and in its Regulation:

- Relating to the quality of financial information and in compliance with IPCG Recommendation VII.1.1.:
 - ✓ To assess whether the accounting policies and procedures and the valuation criteria adopted are consistent with Generally Accepted Accounting Principles and appropriate for a correct presentation and valuation of the Company's assets, liabilities and results;
 - ✓ To supervise compliance with and correct application of current accounting principles and rules;
 - ✓ To issue an opinion on the annual management report, the financial statements for the year and the proposals presented by the Company's Board of Directors;
 - ✓ To monitor the preparation and disclosure of financial information;
 - ✓ To certify whether the Company's Annual Corporate Governance Report includes all required matters.
- Relating to the supervision of the internal audit, internal control and risk management systems and in compliance with Recommendations CMVM II.2.4. and II.2.5. and IPCG VII.1.2.:
 - ✓ To monitor and supervise the internal procedures for accounting and auditing matters, as well as the effectiveness and correctness of the risk management, internal control and internal audit systems;
 - ✓ To issue an opinion on the work plans and resources allocated to the Company's Internal Audit and Quality Department and compliance services and assess their independence;
 - ✓ To monitor internal auditing, in coordination with the Executive Committee, analysing the reports

- of the Internal Audit and Quality Department and compliance services;
- ✓ To supervise the Company's risk management policy and system, in coordination with the Board of Directors and the Executive Committee, monitoring the risk control policies and the integrated risk assessment methodologies;
 - ✓ To propose to the Executive Committee measures to improve the functioning of the financial information internal control systems and the risk management and internal audit system;
 - ✓ To discuss the contents of the internal control report with the Executive Committee, the Statutory Auditor and the External Auditor;
 - ✓ To define, implement and supervise the procedures for handling irregularities;
 - ✓ To issue an opinion on transactions involving members of the Board of Directors, under the terms provided by law, and establish and implement procedures for the issue of an opinion on significant transactions involving qualified shareholders.
- Relating to the statutory audit and external audit, and in compliance with Recommendations CMVM II.2.2. and II.2.3. and IPCG VII.2.:
 - ✓ To propose to the Shareholders General Meeting the appointment and replacement of the Statutory Auditor and to the Board of Directors the engagement and the termination of the External Auditor services agreement, if different from the Statutory Auditor; to carry out an annual evaluation of the Statutory Auditor and External Auditor;
 - ✓ To analyse the expertise and independence of the Statutory Auditor and the External auditor, in particular the provision of additional services;
 - ✓ To propose the remuneration of the Statutory Auditor and External Auditor to the Remuneration Committee and the Board of Directors, as applicable;
 - ✓ To monitor the activity and contractual relationship with the Statutory Auditor and the External Auditor, in particular regarding financial information and the effectiveness of internal control mechanisms, namely (i) promoting suitable conditions for them to carry out their activities, (ii) acting as their main point of contact with the Company and (iii) receiving and analysing their reports and correspondence regarding the Company and companies within a control or group relationship;
 - ✓ To analyse the statutory audit report and audit reports with the Statutory Auditor and the External Auditor.

The Statutory Auditor is responsible for the review of the Company's accounts, under the terms established in law and in the regulation on the provision of services by the Statutory Auditor and the External Auditor mentioned above.

The statutory audit and external audit are discharged by the entities referred to in sections 39 and following of Part I of this report below, including, *inter alia*, verifying the application of the remuneration policies and systems for the corporate bodies, approved by the Remuneration Committee, the effectiveness and functioning of the internal control mechanisms and reporting of any deficiencies to the Audit Committee, as per CMVM Recommendation IV.1.

IV. Statutory Auditor

39. Identification of the Statutory Auditor and the Audit Partner by whom it is represented

PricewaterhouseCoopers & Associados, SROC, Lda. (“PwC”) was re-appointed as Statutory Auditor of the Company for the term of office 2012/2014, by resolution of 20 October 2012. This Statutory Auditor was represented in its functions from 30 October 2012 by José Pereira Alves (Statutory Auditor no. 711) or by João Rui Fernandes Ramos (Statutory Auditor no. 1333), who was replaced by Ana Maria Ávila de Oliveira Lopes Bertão (Statutory Auditor no. 902) on 31 January 2014. The Alternate Statutory Auditor appointed for the 2012/2014 term of office was Manuel Henriques Bernardo (Statutory Auditor no. 903), who was re-appointed by resolution of 30 October 2012.

After the resignation of PwC on 8 April 2014 as the Company's Statutory Auditor, the Annual Shareholders General Meeting held on 5 May 2014, based on a proposal of the Audit Committee, elected KPMG & Associados, SROC, S.A. (“KPMG”), represented by Maria Cristina Santos Ferreira (Statutory Auditor no. 1010), to complete the three-year term of office 2012/2014. The Company's Alternate Statutory Auditor is Vítor Manuel da Cunha Ribeirinho (Statutory Auditor no. 1081), also elected on the same date to complete the same term of office.

40. Number of consecutive years during which the Statutory Auditor discharged its office for the Company and/or the group

KPMG discharges its office of Statutory Auditor since 5 May 2014.

41. Description of additional services rendered to the Company by the Statutory Auditor

Please refer to section 47 of Part I below on additional services rendered to the Company by the Statutory Auditor.

V. External Auditor

42. Identification of the External Auditor and the Audit Partner who represents it in the compliance of these functions, and his/her registered number in CMVM

PwC (registered in CMVM under no. 9077) discharged its office of External Auditor from 2013 until its resignation on 8 April 2014, being represented in these functions by José Pereira Alves (Statutory Auditor no. 711) or by João Rui Fernandes Ramos (Statutory Auditor no. 1333), who was replaced by Ana Maria Ávila de Oliveira Lopes Bertão (Statutory Auditor no. 902) on 31 January 2014.

Since 5 May 2014, the External Auditor has been KPMG registered with the Order of Statutory Auditors under no. 189 and with CMVM under no. 9093, represented by Maria Cristina Santos Ferreira (Statutory Auditor no. 1010).

43. Number of consecutive years during which the External Auditor and the Audit Partner representing it discharged its office for the Company and/or the group

KPMG (no. 189), represented by Maria Cristina Santos Ferreira (Statutory Auditor no. 1010), discharges its functions consecutively for CTT since 2012. KPMG discharges its functions as CTT independent auditor from 2012 to 2013.

44. Rotation policy and frequency of the External Auditor and respective Audit Partner representing it in the compliance of these functions

The Company understands that rotating its auditor constitutes a best practice to be considered in order to safeguard the auditor's independence. The Audit Committee is responsible for assessing on a case-by-case basis the advantages of this practice in the context of its impartiality and of the reliability of the Company's financial information, against the experience and knowledge of the External Auditor and the safeguards implemented to ensure its independence, in the context of the limited number of service providers available.

CTT's External Auditor was engaged to discharge the functions of independent auditor in 2012, the first year of the 2012/2014 term of office of the corporate bodies, in compliance with Recommendations IV.3 of CMVM and VII.2.3. of IPCG. The period of three terms of office, after which the Company must ensure rotation according to Recommendation IV.3 of CMVM, has not yet expired, nor has elapsed the maximum period of seven years for the Audit Partner representing KPMG in these functions, as defined in the Statutes of the Portuguese Institute of Statutory Auditors.

In due time the Audit Committee will analyse and consider the engagement relationship, qualifications, expertise, independence, advantages and costs of the possible replacement of CTT's External Auditor.

45. Corporate body responsible for assessing the External Auditor and frequency of such assessment

Please refer to section 38 of Part I above related to the responsibilities of the Audit Committee in the annual assessment of the External Auditor. Within its responsibilities and as per Recommendations II.2.3. of CMVM and VII.2.1. of IPCG, the Audit Committee certified the independence of the External Auditor and made a positive assessment of its work during the financial year 2014, in accordance with the procedures detailed in the Regulation of the Audit Committee.

46. Non audit work carried out by the External Auditor for the Company and/or companies within a control relationship, internal procedures for the approval of such services and the reasons for its engagement

Non audit services engaged during 2014 to the External Auditor by CTT and companies within a control or group relationship are summarised in the tables included in section 47 of Part I below.

As provided by law, the Audit Committee is responsible for supervising the independence of the Statutory Auditor, with specific reference to the provision of additional services. The Company's Audit Committee approved, on 22 September 2014, the Regulation for the Provision of Services by the Statutory Auditor/External Auditor. Under such Regulation, CTT's internal procedures on the prior approval of the engagement of additional services by the Audit Committee were updated.

During 2014, the Audit Committee monitored the provision of non-audit services by the External Auditor under the terms referred to above, in order to ensure that these did not give rise to conflicts of interests or compromise the independence of the Statutory Auditor/External Auditor. The Audit Committee approved on reasoned grounds the engagement of such services, considering that the Statutory Auditor/External Auditor's knowledge of the Company and the complementarity with audit services justified such engagement.

In 2014, the non-audit services engaged to KPMG and PwC and entities within its network/group by CTT and companies within a control or group relationship accounted to only 12.3% of the total value of the services engaged to those entities (as per the tables included in section 47 below). Some of the services engaged to KPMG are still on going. Thus being, CTT has followed Recommendations IV.2. of CMVM and VII.2.4. of IPCG.

47. Annual remuneration paid by the Company and/or legal entities within a control or group relationship to the auditor and other individuals or legal persons, specifying the percentage relating to each type of services

The table below shows the values (excluding VAT) corresponding to the fees of KPMG and PwC for audit services, statutory audit, compliance and assurance services, tax consultancy and services other than statutory audit and audit services engaged and accounted for (i.e. invoiced and specified) in 2014:

KPMG

	Engaged Services		Accounted Services r	
	2014		2014	
	Amount (€)	%	Amount (€)	%
CTT	182,035	100%	257,260	100%
1 Statutory audit and audit services	162,200	89%	223,875 ⁽¹⁾	87%
2 Compliance and assurance services	0	0%	0	0%
3 Tax consultancy services	19,835	11%	23,385	9%
4 Other services not referred to in 1 to 3	0	0%	10,000 ⁽²⁾	4%
Other CTT Group companies	60,800	100%	39,300	0%
1 Statutory audit and audit services	50,800	84%	39,300	0%
2 Compliance and assurance services	0	0%	0	0%
3 Tax consultancy services	10,000	16%	0	0%
4 Other services not referred to in 1 to 3	0	0%	0	0%
TOTAL	242,835		296,560	

⁽¹⁾ This value includes fees for the statutory audit and audit services engaged in 2013 and invoiced in 2014.

⁽²⁾ Value for services engaged in 2013 and invoiced in 2014.

PwC

	Engaged Services		Accounted Services	
	2014		2014	
	Amount (€)	%	Amount (€)	%
CTT	0	0%	52,200	100%
1 Statutory audit and audit services	0	0%	52,200 ⁽¹⁾	100%
2 Compliance and assurance services	0	0%	0	0%
3 Tax consultancy services	0	0%	0	0%
4 Other services not referred to in 1 to 3	0	0%	0	0%
Other CTT Group companies	0	0%	9,060	100%
1 Statutory audit and audit services	0	0%	9,060	100%
2 Compliance and assurance services	0	0%	0	0%
3 Tax consultancy services	0	0%	0	0%
4 Other services not referred to in 1 to 3	0	0%	0	0%
TOTAL	0		61,260	

⁽¹⁾ Services engaged in 2013 and invoiced in 2014.

C. INTERNAL ORGANISATION

I. Articles of Association

48. Provisions applicable to the amendment of the Company's Articles of Association

The General Shareholders Meeting is responsible for resolving on any amendment to the Company's

Articles of Association.

CTT's Articles of Association do not contain special rules applicable the approval of its amendments. General rules provided for in the Companies Code will apply in this respect, i.e. any such resolution must be approved by the Shareholders General Meeting:

- In which, at the first call, shareholders holding shares corresponding to at least one third of the Company's share capital are present or represented; and
- By a majority of two thirds of the votes cast, in either first or second call, unless, in the second call, shareholders holding shares corresponding to at least half of the Company's share capital are present or represented, in which case this resolution may be taken by simple majority of the votes cast.

II. Reporting of Irregularities (whistleblowing)

49. Mechanisms and policy adopted by the Company for the reporting of irregularities (whistleblowing)

In order to improve the Company's management practices and monitoring of compliance with current standards, in 2014 CTT approved and implemented procedures for the reception, retention and handling of irregularities, in line with best practices in this area (such as IPCG Recommendation I.2.5.). The Company's Audit Committee and its Ethics Committee play a decisive role in this field.

CTT's Audit Committee is the competent corporate body for the reception of reports of irregularities presented by the Company's shareholders, employees and other, in order to ensure the necessary independence of these procedures.

Reports of irregularities must be addressed, in writing, to CTT's Audit Committee, through any of the following mechanisms and must include the information stated in the Regulation for Procedures for Reporting Irregularities: E-mail: irregularidades@ctt.pt; Address: Remessa Livre 8335, Loja de Cabo Ruivo, 1804-001 Lisbon.

Once any report of an irregularity has been received and registered, the Audit Committee will refer it to the Ethics Committee, which will carry out actions to confirm the existence of sufficient grounds for an investigation. On conclusion of the investigation, the Ethics Committee will propose to the Audit Committee the adoption of appropriate measures or the closing of the report.

Within these procedures and as detailed in the Regulation referred to above, the following rights and safeguards are granted to anyone presenting a complaint:

- Confidential handling of reports of irregularities;
- Confidential, secure handling and safeguarding of the records and the information;
- Right to information, access and correction of personal data; and
- Prohibition of CTT from retaliating against anyone reporting irregularities under this mechanism.

III. Internal control and risk management

50. Persons/corporate bodies responsible for internal audit and the internal control system

CTT's management and supervisory bodies have attributed increasing importance to the improving of the Company's internal control, risk management and internal audit systems, referring to the best practices applicable (such as the COSO II method) and the specific characteristics of the Company.

As the Board of Directors is responsible for ensuring the effectiveness of these systems, it encourages a control culture throughout the organisation and has instituted:

- Internal information and reporting mechanisms, allowing the organisation's performance to be monitored and observed at all levels;
- Processes for identifying and responding to risks which may compromise the achievement of the Company's strategic objectives, defined by the Board of Directors; and
- An internal control system intended to guarantee efficient and sustainable execution of business and operations, protection of resources and assets, and compliance with the applicable policies, plans, procedures and regulations.

The Audit Committee, as CTT's supervisory body, is responsible for the effective oversight of these systems, as detailed in its Internal Regulation.

In this context, internal audit is carried out by the Audit and Quality Department, which is responsible for an independent assessment of the appropriateness and effectiveness of the internal control systems of CTT and its subsidiaries, through a continuous monitoring of the major risks.

Likewise CTT complies fully with CMVM Recommendations II.1.5. and II.2.4., in that (i) the Board of Directors is responsible for setting the Company's strategic objectives and risk limits and for creating systems for their control, with a view to guaranteeing that the risks actually incurred are consistent with those objectives, and (ii) the Audit Committee shall assess the functioning of the internal control and risk management systems; the latter was effected in 2014 as described in sections 50 to 55 of Part I below. In this context, the Company's practices are in line with IPCG Recommendations IV.5. and VI.1. to VI.4.

51. Relations of hierarchical/functional dependence with respect to other corporate bodies

The Audit and Quality Department reports by hierarchy to the Executive Committee and functionally to the Audit Committee, in the context of their management and supervisory functions.

Under the Company's Articles of Association and the respective Regulation, the Board of Directors is responsible for ensuring the effectiveness of the internal control, risk management and internal audit systems, establishing mechanisms and structures designed to achieve this objective. The Audit and Quality Department reports by hierarchy to the Board of Directors (through the Chairman of the Executive Committee), allowing it to act right across CTT and all its subsidiaries.

Also under the Company's Articles of Association and the respective Regulation, the Audit Committee has the following responsibilities in this area, in order to ensure functional reporting by the Internal Audit and Quality Department to the Company's supervisory body, thus complying, throughout 2014, with Recommendations II.2.5. of CMVM and VII.1.2. of IPCG:

- To issue an opinion on the work plans and resources allocated to the Company's Internal Audit and Quality Department and compliance services and to assess their objectiveness and independence;
- To monitor internal audit, in coordination with the Executive Committee, evaluating the reports of the Internal Audit and Quality Department and compliance services;
- To propose to the Executive Committee measures intended to improve the functioning of the financial information internal control systems and the risk management and internal audit system;
- To discuss the internal control report with the Executive Committee and with the Statutory Auditor and the External Auditor;
- To supervise the internal procedures for accounting and auditing matters, as well as the effectiveness and appropriateness of the risk management, internal control and internal audit systems.

52. Other functional areas with competence in risk control

The Finance and Risk Management Department, which reports directly to the Executive Committee (in the person of the CFO), is responsible for the centralised coordination of CTT's risk management model and for planning and implementing risk management programmes supported by the Company's Risk Management Policy and Manual.

Risk management and control are assumed throughout CTT's corporate structure, involving all levels, from top management to more operational levels.

The risk management function requires an integrated view of how the various risks may affect CTT's business strategy, and is also responsible for the communication and coordination with other corporate structures, whose responsibilities are described below:

Board of Directors	<ul style="list-style-type: none"> • To appoint the person responsible for the risk management function and ensure that this function possesses both the authority to perform its responsibilities and sufficient resources for a robust management system; • To approve effective and appropriate policies for managing the risks to which CTT is exposed, and ensure that they are implemented and complied with.
Audit Committee	<ul style="list-style-type: none"> • To supervise the risk management policy and system, in coordination with the Board of Directors and the Executive Committee, specifically monitoring the risk control policies and the integrated risk assessment methodologies, performing an annual assessment of the system and proposing measures necessary to improve it; • To supervise internal procedures for accounting and auditing matters, as well as the effectiveness and appropriateness of the risk management, internal control and internal audit systems.

Finance and Risk Management Department	<ul style="list-style-type: none"> • To develop and promote risk management policies and guidelines in CTT and collaborate in the creation of a risk management culture, defining a common language, promoting awareness actions and supporting other areas of the organisation involved as well as the risk owners; • To coordinate the whole of CTT's risk management process in all four phases; • To monitor and continuously improve the effectiveness of the risk management process, ensuring that best practices are applied; • To carry out periodic reviews of the risk profile and the risk management manual.
Internal Audit and Quality Department	<ul style="list-style-type: none"> • To carry out periodic audits of the risk management system; • To provide technical advice in the Regulations reviews, in order to improve internal control systems; • To follow up mitigation actions carried out.
Risk owner	<ul style="list-style-type: none"> • To carry out actions associated with the risk management process relating to assessment, response definition and mitigation actions; • To monitor and assess the results of mitigation actions; • To report to the risk management function any recommendations on control activities.
Risk Management Committee	<p>To support the Board of Directors and the Executive Committee as necessary, to:</p> <ul style="list-style-type: none"> • Strengthen organisational involvement in risk, adding to the different visions and sensitivities of the departments involved and promoting the integration of risk management into business processes, and • Promotion and cooperation with the activities of the risk management function.

53. Identification and description of the main risks (economic, financial and legal) to which the Company is exposed in the exercise of its activity

Considering CTT's strategic objectives, the following top risks have been identified which could compromise the achievement of the organisation's sustainable growth (these risks have been classified in terms of probability – possible, probable and very probable – and impact – very high, high and medium), thus establishing CTT's risk profile:

Markets and competition	The expansion of digital communications has resulted, and is expected to continue to result, in a decrease in postal traffic. Combined with this, the complete opening of the market tends to increase competition in certain areas of business or products. Management of this risk is in the hands of the Business Units and the Regulation and Competition Department.
Innovation and development	Innovation in postal services is decisive for leveraging the development of new solutions, services and products to reinforce CTT's leadership. The effects of substitution and the strong competition, as well as globalisation and liberalisation, are threats which can only be fought with strong, across-the-board efforts to adopt a culture and practices committed to innovation. The Strategy and Development Department is responsible for managing this risk.
Obligation to provide Universal Service	As the universal service provider until 2020, CTT's obligations involve significant costs which may not be sufficiently reduced or compensated in order to cover the decrease in operational earnings resulting from the increase in competition and the reduction in postal volumes. Management of this risk is the responsibility of the Regulation and Competition and the Strategy and Development Departments.
Customer focus and loyalty	Changes in consumer preferences or failures to supply high quality products and services may have a negative effect on CTT. Furthermore, a large percentage of CTT's operational earnings come from postal services, specifically from a relatively concentrated customer base. Management of this risk is the responsibility of the Business Units and the Sales Networks.

Human Resources Management	The ability to recruit and retain qualified workers and experienced managers is essential for CTT's success. To mitigate this risk CTT has implemented a talent management plan, with initiatives to be developed over the period 2014/2016, in order to introduce market best practices into the Company. The Human Resources and Organisation Department is responsible for managing this risk.
Partnerships	CTT's activity depends on partnerships and other similar agreements, either in terms of mail, financial services or business solutions business segments, or in terms of key suppliers and service providers in some areas of operations. Non-compliance with these commitments, termination of agreements or any interruption of the services provided could significantly affect operations and produce an adverse effect on CTT's business. All departments of the organisation are responsible for managing this risk.
Information Management	Analysis and decision-making, on the basis of well-selected, relevant, reliable, consistent and confidential information, are crucial for the efficient definition, implementation and management of the business strategy, as well as compliance with its disclosure obligations to the market. Management of this risk is the responsibility of the Information Technology, Management Planning and Control and Investor Relations Departments.
Information Technologies (IT)	The everyday management of CTT's operations depends heavily on its IT infrastructure and communications systems. Failures in its functioning could compromise the Company's ability to provide products and services, resulting in a reduction in operational earnings and consequences for its reputation and image with its stakeholders. Management of this risk is in the hands of the Information Technologies Department.
Strategic Alignment	Management of strategic risks involves monitoring the evolution of social, political and macroeconomic vectors, and alignment of the business portfolios of CTT and its subsidiaries with market trends, with a view to innovation and sustained value creation. The Strategy and Development Department is responsible for managing this risk.
Profitability Analysis	CTT is subject to multiple financial risks, particularly credit, interest and exchange rates and liquidity risks. Mitigation of these risks in order to maximise profitability is crucial for the Company's sustained growth. Management of these risks is a responsibility of the Accounting and Treasury and the Finance and Risk Management Departments. In this context it is also important to note the powers and activities of the Credit Committee and the Investment Committee.

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

Risk management is promoted by the Board of Directors, in coordination with the various senior officers responsible for the organisation's areas, in order to identify, assess and manage the uncertainties and threats which could influence the execution of the business plan and strategic objectives, in line with the risk profile.

The Audit and Quality Department and the Finance and Risk Management Department support the implementation of the risk management system and the continuous evaluation of the procedures established, as follows:

- Designing the risk management model in line with strategic objectives, including information and communication channels;
- Identification and assessment of risk events; and
- Permanent monitoring of the principal risks identified, so as to ensure mitigation actions.

Thus being, CTT has implemented a risk management system designed to manage systematically the risks and opportunities which might have an impact on the Company's strategic objectives, through structures, processes, methodologies and information to carry out recurring and periodic reviews of

the following risk management process:



⁽¹⁾ The strategic vision comprises the Company's strategic mission (risk sensitivity) and strategic objectives (risk tolerance).

⁽²⁾ The corporate culture consists of 6 layers: information and communication, information management, human resources, corporate structure, knowledge management and assurance.

Therefore, this risk management process involves the following four phases:

Phase I - Identification	<ul style="list-style-type: none"> The risk management system is supported by a set of standards and procedures for the capture, recording, classification and communication of the risks inherent in its daily activities (e.g. financial, operational, commercial, other), as well as environmental risks.
Phase II - Assessment	<ul style="list-style-type: none"> The probability and impact of all important risks are assessed, using approved classification levels set out in the risk management manual, which is reviewed periodically.
Phase III - Mitigation	<ul style="list-style-type: none"> Mitigation strategies are defined by reference to the risk assessment, in order to avoid, reduce, share and/or accept a particular level of risk.
Phase IV – Monitoring and reporting	<ul style="list-style-type: none"> This phase is supported by the execution of periodic activities, assessments and reports intended to ensure that all risks are monitored and to verify possible alterations in risk level; This monitoring is carried out on the basis of key risk indicators (KRIs) to provide continuous reporting and timely adoption of remedial measures; KRIs address all levels of the Company (strategic, tactical and operational) and are aimed at permanent alignment with the key performance indicators, and thus with CTT's business strategy and risk profile defined by the Board of Directors.

55. Main elements of the internal control and risk management systems implemented in the Company relating to the process of disclosure of financial information

The process of disclosure of financial information is monitored by both management and supervisory bodies and by the Business Units and corporate services. The financial statements and other financial information are prepared by the Management Planning and Control and Investor Relations Departments, based on information provided by the Accounting and Treasury Department and the Business Units.

All the documents for the presentation of financial information are approved by the Board of Directors and reviewed by the Audit Committee, the Statutory Auditor and the External Auditor.

In particular, the Audit Committee is responsible for supervising the adoption by the Company of the principles and policies for the identification and management of the main financial and operational risks associated with CTT's activity, namely by monitoring the activities of the Internal Audit and Quality Department under the terms described above.

The Audit Committee is also responsible for checking the independence of the Statutory Auditor and the External Auditor and the process for the preparation and disclosure of the Company's financial information. In this context, the Audit Committee:

- Holds meetings to monitor these processes with members of the Executive Committee, the Statutory Auditor and the External Auditor, and with the persons responsible for accounting and for management planning and control;
- Evaluates the reports of the Internal Audit and Quality Department (specifically with respect to the procedures for internal audit and internal control of the financial report), in order to make proposals to the Executive Committee if appropriate;
- Monitors internal audit, in coordination with the Executive Committee, specifically with respect to procedures for the financial report, the detection of risks, irregularities and conflicts of interest, and the safeguarding of the Company's assets.

The work carried out in this respect by the Audit Committee during 2014 aimed above all at supervising the suitability of the process for the preparation and publication of financial information, and ensuring that the internal and external auditors were able to perform their functions with independence and objectivity, as per Recommendations II.2.5. of CMVM and VII.1. of IPCG.

For the purposes of issuing the statutory audit report and audit report, the Statutory Auditor and the External Auditor evaluate the internal control mechanisms of the main business processes of the group companies affecting the financial report.

IV. Investors Office

56. Department responsible for investor support, composition, functions, information provided by this department and contacts

CTT's Investor Relations Department (IR) is responsible for ensuring a solid and long term relationship between, on one hand, shareholders, investors and analysts, CMVM, Euronext Lisbon and the capital markets and, on the other, the Company and its corporate bodies, providing timely, clear and transparent information representing the current evolution of CTT, in economic, financial and governance terms. Thus being, the Company complies with Recommendation VI.2. of CMVM and Recommendation I.1.1. of IPCG, providing an investor assistance department and a permanent contact with the market.

CTT's IR team consists of 5 people and is managed by Peter Tsvetkov, and its contacts are as follows:

Address: Avenida D. João II, nº 13, 12º piso

1999-001 Lisbon, Portugal

investors@ctt.pt

Fax: +351 210 471 996

Telephone: +351 210 471 867

Website: www.ctt.pt

In 2014, first complete calendar year of CTT as an issuer of shares admitted to trading in the regulated market, in addition to the regular publication of financial accounts – Annual Report (2013), Interim Report (1st half 2014), and press releases and presentations of quarterly results –, the Company issued the following press releases: 27 with privileged information, 32 regarding qualified holdings in CTT, and 6 concerning senior officers' transactions of CTT shares. Furthermore, IR received and processed 425 e-mails from institutional investors, 1,483 from research analysts, 670 from organisers of investor events and conferences and 253 from other investors and the general public.

During the year, CTT spent 27.5 days in external meetings with investors, 13.5 of which in conferences (organised by 12 different brokers in 6 different cities) and 14 days in 16 roadshows (organised by 8 different brokers in 9 different cities). The Chairman and CEO of the Company spent 11 days abroad on activities involving Investor Relations and the CFO spent 23.5 days on similar activities. CTT received 24 visits by investors, 4 independent and 20 organised by 10 different brokers. Over the course of the year, the Company met with 351 investors. Furthermore there were 50 scheduled conference calls with investors and 53 scheduled contacts with analysts, of which 29 conference calls and 24 meetings, besides many unscheduled calls.

CTT developed contacts with research analysts as a way of promoting awareness of the Company's equity story and strategy in the capital markets. Coverage of CTT's shares is currently provided by three Portuguese brokers (BESI, BPI, Caixa BI), two Spanish (BBVA, Fidentiis), two German (Berenberg, MainFirst) and five North American (JP Morgan, Morgan Stanley, Goldman Sachs, Jefferies and Royal Bank of Canada).

On 31 December 2014, the closing market price of CTT shares was €8.017, while the average target price of the 12 analysts who provide coverage was €8.554. As at that date, 67% of the analysts (8) held positive recommendations on the share and 17% (2) held neutral recommendations. The remaining 17% (2) held negative recommendations.

57. Market relations representative

CTT's Market Relations Representative is the Executive Member of the Board and CFO André Manuel Pereira Gorjão de Andrade Costa.

58. Information on requests for information received during the year or pending from previous years and response time

With respect to the questions asked of IR by the financial community in general (shareholders,

investors and analysts), by e-mail or telephone contact, IR recorded numerous requests for information during 2014. It received and processed 425 e-mails from institutional investors, 1,483 from research analysts, 670 from organisers of investor events and conferences and 253 from other investors and the general public, as well as numerous telephone contacts. In general these requests were answered immediately or within a period appropriate to the nature and complexity of the questions, and at the end of 2014 there were no requests for information pending, in line with CMVM Recommendation VI.2.

V. Website

59. Address

The address of CTT's website is:

<http://www.ctt.pt>

As described below, in line with CMVM Recommendation VI.1., the Company website provides access to information on the Company's evolution and current situation in economic, financial and governance terms, in Portuguese and English.

60. Website where information may be obtained about the Company, its status as a publicly-traded company, its registered address and other identifying details

This information may be found on the CTT website, at:

<https://www.ctt.pt/ctt-e-investidores/a-empresa/governo-da-sociedade/identificacao-da-sociedade.html>

61. Website where the Company's Articles of Association and the Regulations of the corporate bodies and/or committees may be found

This information may be found in the CTT website, at links:

<https://www.ctt.pt/ctt-e-investidores/a-empresa/governo-da-sociedade/estatutos-e-regulamentos.html>

62. Website where information is available on the identity of the members of corporate bodies, the market relations representative and the investor office, with their functions and contact details

This information may be found in the CTT website, at links:

<https://www.ctt.pt/ctt-e-investidores/a-empresa/governo-da-sociedade/index.html>

<https://www.ctt.pt/ctt-e-investidores/relacoes-com-investidores/contactos-ri.html?com.dotmarketing.htmlpage.language=1>

63. Website where the financial statements are available, together with the half-yearly calendar of corporate events

This information may be found in the CTT website, at links:

<https://www.ctt.pt/ctt-e-investidores/informacao-financeira/contas-consolidadas.html?com.dotmarketing.htmlpage.language=1>

<https://www.ctt.pt/ctt-e-investidores/informacao-financeira/calendario-financeiro.html>

64. Website where the convening notices to shareholders general meetings and all related preparatory and subsequent information are published

This information may be found in the CTT website, at link:

<https://www.ctt.pt/ctt-e-investidores/relacoes-com-investidores/assembleias-gerais.html>

65. Website where the records of all resolutions taken in the Company's general shareholders meetings, the share capital represented and the results of the voting process are available

This information may be found in the CTT website, at link:

<https://www.ctt.pt/ctt-e-investidores/relacoes-com-investidores/assembleias-gerais.html>

D. REMUNERATIONS

I. Competences to set remunerations

66. Indication of the competences to set the remuneration of the corporate bodies, the members of the Executive Committee and the Company's senior officers

As per article 9(2)(d) of the Company's Articles of Association, the Shareholders General Meeting is competent to set the remunerations of members of the corporate bodies. It may appoint a Remuneration Committee for this purpose. The Remuneration Committee was appointed in the Shareholders General Meeting of 24 March 2014, for the 2014/2016 term of office.

Considering that CTT's Board of Directors understands that the Company's senior officers under article 248-B of the Securities Code correspond to the members of its managing and supervisory bodies, the Remuneration Committee is responsible for setting their remuneration.

II. Remuneration Committee

67. Composition of the Remuneration Committee, including identification of the natural or legal persons engaged to assist said committee and statement of the independence of each member and consultants

The Remuneration Committee is composed by:

Members	Office	Date of 1 st appointment
João Luís Ramalho de Carvalho Talone	Chairman	24/03/2014
José Gonçalo Ferreira Maury	Member	24/03/2014
Rui Manuel Meireles dos Anjos Alpalhão	Member	24/03/2014

In compliance with Recommendations II.3.1. of CMVM and V.2.1. of IPCG, all members of the Remuneration Committee are independent from the CTT Board, since none of them (i) is part of any corporate body of the Company nor of any company within a control or group relationship with CTT, (ii) holds a qualified holding or acts in the name and on behalf of a qualified holders of CTT and/or (iii) has any family relationship (i.e., through his spouse, relatives and/or akin in straight line up to the 3rd degree, inclusive) with any Board member.

In 2014, the Remuneration Committee was supported by specialised consultants (Mercer, MLGTS and Deloitte). Among these, only Mercer maintained a relationship with the Company on that date, and was providing and had provided services to CTT over the past 3 years. Although the Company did not adopt CMVM's Recommendation II.3.2., as explained in Part II below, the Company established the mechanisms necessary to ensure the independence of the consultants assisting the Remuneration Committee.

68. Knowledge and experience of the members of the Remuneration Committee on matters of remuneration policy

The curricula of the members of the Remuneration Committee are included in Annex I. As evidenced therein, and in line with CMVM Recommendation II.3.1., all members of this committee have the appropriate knowledge to analyse and decide on matters within their competence, given their academic degree and extensive professional experience, namely by means of:

- the performance of management duties in various sectors, in Portugal and abroad, and the performance of their duties in remuneration committees, in both cases in companies of a significant size and with shares admitted to trading;
- consulting activities in the area of specialised human resources, including remuneration policies and those of selection and hiring of executives in the financial, services and industrial sectors.

III. Remuneration Structure

69. Description of the remuneration policy of the managing and supervisory bodies referred to in article 2 of Law no. 28/2009, of 19 June

At the Annual General Meeting held on 5 May 2014, the Remuneration Committee, which had just been elected on 24 March, presented to CTT shareholders its annual statement on the remuneration policy for the managing and supervisory bodies, containing the broad guidelines of the policy to be developed and approved during its first year in office.

After this statement's approval by CTT shareholders and the conclusion of the Company's privatisation process, the Remuneration Committee approved and adopted the current remuneration policy, in order to promote alignment between remuneration and the business strategy set for the term of office and hence the sustainability of results and value creation for shareholders.

This policy was approved taking into account the broad guidelines of said statement, as well as a deep reflection and benchmarking studies performed with the assistance of specialised consultants, being subsequently subject to the opinion of Corporate Governance, Evaluation and Nominating Committee.

This reflection included developing and adapting the principles laid down in said statement and the best practices applicable to the specificities of the Portuguese market, of CTT's business sector, and of the Company's strategic plan, business plan and annual budgets. In this context, the Company is compared with a group of Portuguese issuers and various European peers in the sector.

The peer group used in the benchmarking analysis underlying the remuneration policy applicable to CTT Executive Directors was selected based on 3 criteria (sector, regulated/unregulated market and stability of cash-flows), and comprised 19 companies, including 7 European companies in the sector (Bpost, Deutsche Post, La Poste, Poste Italiane, Poste NL, Post Nord and Royal Mail) and 12 Portuguese companies with shares admitted to trading on the Euronext Lisbon regulated market (BES, Brisa, Cimpor, EDP, EDP Renováveis, ES Saúde, Jerónimo Martins, NOS, Portucel, Portugal Telecom, REN and Sonae).

With regard to Non-Executive Directors and members of the Board of the General Meeting, the reference benchmark corresponded to a peer group of 14 companies in PSI 20 (Banif, BES, BPI, Galp Energia, Impresa, Jerónimo Martins, Millennium BCP, Mota Engil, NOS, Portucel, Portugal Telecom, REN, Semapa and Sonae SGPS).

The remuneration policy approved by the Remuneration Committee for the 2014/2016 term of office is based on the following main principles:

- To act as an instrument of the talent management policy;
- To compensate work, stimulate performance, reward results, taking into account performance and individual merit;
- To contribute to attract, develop and retain competent professionals, trying to be competitive with practices in force in the Portuguese market for companies of identical complexity;
- To responsibly promote the alignment of interests with CTT values and culture, business strategy, Company's shareholders and, in general, with the remaining stakeholders; and
- To contribute to value-creation not only in the short, but particularly in the medium and long term, following sustained management practices.

Considering these principles, the remuneration of the Executive Directors includes a fixed component and a variable component, the latter consisting of a portion intended to compensate performance in the short term and another intended to compensate long-term performance.

The fixed remuneration component was defined taking into account the market competitiveness, the nature and complexity of the duties (reasoning for a differentiated remuneration of the CEO, CFO and the remaining Executive Directors), as well as the required skills and the sustainability of CTT's performance. Additional benefits corresponding to the annual meal allowance and a fixed monthly amount to be allocated to the open pension fund or retirement savings plan are added to the annual base remuneration which is paid 14 times a year. This component can be reviewed annually by the Remuneration Committee.

The variable remuneration of the Executive Directors consists of:

- An annual component ("Annual Variable Remuneration"), subject to the achievement of predefined quantitative and qualitative objectives each financial year and paid in cash in the month after the approval of the accounts by the Annual General Meeting following each financial year; and
- A long-term component ("Long Term Variable Remuneration"), subject to a positive Total Shareholder Return ("TSR") of the Company's shares at the end of the assessment period, corresponding to the term of office (up to 1 January 2017), and resulting in the delivery of CTT's shares on 31 January 2017, subject also to a one-year lock-up period.

Both the Annual Variable Remuneration and the Long Term Variable Remuneration are subject to limits set by the Remuneration Committee, namely by reference to the fixed remuneration as explained below.

Non-Executive Directors receive an annual fixed remuneration, paid 14 times a year, the amount being determined by the degree of time commitment and estimated number of meetings of the corporate bodies and their internal committees, according to CMVM Recommendation III.2.

Thus, a differentiated remuneration increase is attributed to (i) Non-Executive Directors who chair or are part of one or more committees, particularly in the case of the Audit Committee, taking into account the competences and duties of this supervisory body, and (ii) to the Non-Executive Vice-Chairman of the Board of Directors who performs the duties of lead independent director as described in section 21 of Part I above.

In summary, the remuneration policy approved by the Remuneration Committee is based on the following pillars aligned with the best national and international practices in this area:

Compensation mix	<ul style="list-style-type: none"> • Appropriate balance between fixed and variable remuneration • Appropriate balance between short and long-term remuneration • Appropriate balance between the component in cash and in shares (without dilution)
Performance measures	<ul style="list-style-type: none"> • Appropriate balance between individual and collective objectives • Appropriate balance between financial and non-financial objectives • Performance measures that consider risk and set appropriate KPIs and targets vis-à-vis the peer group and the Company's plans

Alignment of interests	<ul style="list-style-type: none"> • Definition of the minimum level of performance to access the variable remuneration • Definition of the maximum level of performance as of which there is no additional payment of variable remuneration (caps) • Deferral mechanisms through the multiannual variable remuneration and the lock up of CTT shares delivered
Transparency	<ul style="list-style-type: none"> • Resolutions of an independent Remuneration Committee, assisted by specialised consultants and by a specialised and independent internal committee of the Board of Directors • Information disclosure • Alignment with the peer group and the Company's strategic objectives

These structural principles and elements of the remuneration policy for the members of the managing and supervisory bodies of CTT are detailed in the following sections of this report and also in the remuneration policy statement to be submitted annually by the Remuneration Committee for approval of the Shareholders General Meeting, as it occurred at the General Meeting held on 5 May 2014 and at the General Meeting to take place on 5 May 2015. Therefore, the Company adopts CMVM Recommendation II.3.3. as follows:

- On the annual statement, the information required under Law 28/2009, of 19 June, the criteria for determining the remuneration and the rules applicable to termination of office are presented by the Remuneration Committee to the General Meeting, in line with paragraphs a) and c) of CMVM Recommendation II.3.3. and the IPCG Recommendation V.2.2.;
- The Remuneration Committee does not expressly indicate in said statement the potential maximum remuneration amount under paragraph b) of said CMVM Recommendation, although the Company fully complies with the principles of predictability, disclosure and transparency of agency costs incurred by the Company and its shareholders, for the reasons explained in Part II below of this report.

70. Information on how remuneration is structured in order to enable the alignment of the interests of the members of the managing body with the Company's long term interests, and on how it is based on performance assessment and discourages excessive risk-taking

70.1. Setting the annual base remuneration and discouraging excessive risk-taking

As mentioned above, the defined amount of fixed remuneration seeks alignment with market practices, the discouraging of excessive risk-taking and a differentiation and compensation according to dedication (which, in the case of Executive Directors, is reinforced by the use of the annual base remuneration as the basis for calculating the variable remuneration and, in the case of Non-Executive Directors, derives from a remuneration differentiation according to the actual exercise of supervisory duties, in particular within the Audit Committee and the Corporate Governance, Evaluation and Nominating Committee).

The remuneration increase observed in 2014 was due to the fact that CTT, until completion of the Company's privatisation, was part of the State's corporate sector, to which a set of remuneration restrictions applies. As a result of these restrictions, in the last term of office the remuneration assigned to the CEO and remaining Executive Directors of CTT was positioned below the 25th percentile of the market. On the other hand, the remuneration of CTT Non-Executive Directors was close to this

percentile. With the approval of the remuneration policy for this term of office, the fixed remuneration of the members of the CTT's corporate bodies is close to the market median.

The Non-Executive Directors of CTT only receive a fixed remuneration, fulfilling CMVM Recommendation III.2.

70.2. Setting the Annual Variable Remuneration and Long Term Variable Remuneration according to the fixed remuneration

Both the Annual Variable Remuneration and the Long Term Variable Remuneration are subject to maximum limits set by the Remuneration Committee, in particular by reference to the annual base remuneration, in line with CMVM Recommendation III.3.

Thus, the Annual Variable Remuneration's target is 65% of the annual base remuneration, in the case of the CEO, and 55% of the annual base remuneration in the case of the remaining Executive Directors. Therefore, in a scenario of 100% achievement of the objectives applicable to the Annual Variable Remuneration, the CEO will be entitled to an Annual Variable Remuneration, in cash, in the amount of 65% of the annual base remuneration, and the remaining Executive Directors are entitled to an Annual Variable Remuneration, in cash, in the amount of 55% of the annual base remuneration. If the objectives achieved are above these targets, the maximum amount of Annual Variable Remuneration attributable to the CEO is 100% of the annual base remuneration and 85% of the annual base remuneration for the remaining Directors. If the minimum threshold of achievement described in section 71 of Part I below is not reached, there will be no Annual Variable Remuneration.

In turn, the Long Term Variable Remuneration is paid through the allocation of Company shares, depending on a positive TSR of the Company's shares at the end of the assessment period (until 1 January 2017). The allocation and delivery of shares is deferred to the end of the term of office (being its payment only due on 31 January 2017), subject to the above criteria and the various limits described below, determined by, inter alia, a maximum percentage of the annual base remuneration.

Thus, the Long Term Variable Remuneration has as target of 135% of the annual base remuneration for all Executive Directors. Therefore, in a scenario of 100% achievement of the objectives applicable to the Long Term Variable Remuneration, CTT's Executive Directors are each entitled to such component in CTT shares, in the amount of 135% of the annual base remuneration. If the objectives achieved are above this target, the maximum amount of Long Term Variable Remuneration attributable is 180% of the annual base remuneration. If the minimum threshold of achievement described in section 71 of Part I below is not reached, there will be no Long Term Variable Remuneration.

Additionally, the maximum number of Company shares to be allocated, as Long Term Variable Remuneration regarding the current 3-year term of office, is doubly limited by the number of shares to be allocated and their value, according to the following limits: (i) maximum cap of 148,142, 117,876 and 111,504 shares, respectively for the CEO, CFO and each of the other Executive Directors, and (ii) the value of the shares, at the average of the closing price of CTT shares in December 2016, cannot exceed a maximum of two million five hundred thousand euros and two million euros, respectively for the CEO and each of the other Executive Directors.

Once CTT shares have been allocated and delivered as Long Term Variable Remuneration in 2017, these will be partially subject to restrictions on its transfer and encumbrance, so as to ensure said alignment and incentive to the maintenance of the Company's positive performance beyond the term of office.

In view of the above, for all members of CTT's Executive Committee the fixed remuneration component will represent, on average, at least 40% of the total annual remuneration, the remaining 60% being attributed as a variable component.

Lastly and under article 23 of the Articles of Association, the Variable Remuneration of the Executive Directors may consist of a percentage of the Company's consolidated profit, in which case the overall percentage of such profit paid up as variable remuneration may not exceed, each year, 5% of the consolidated profit for the financial year.

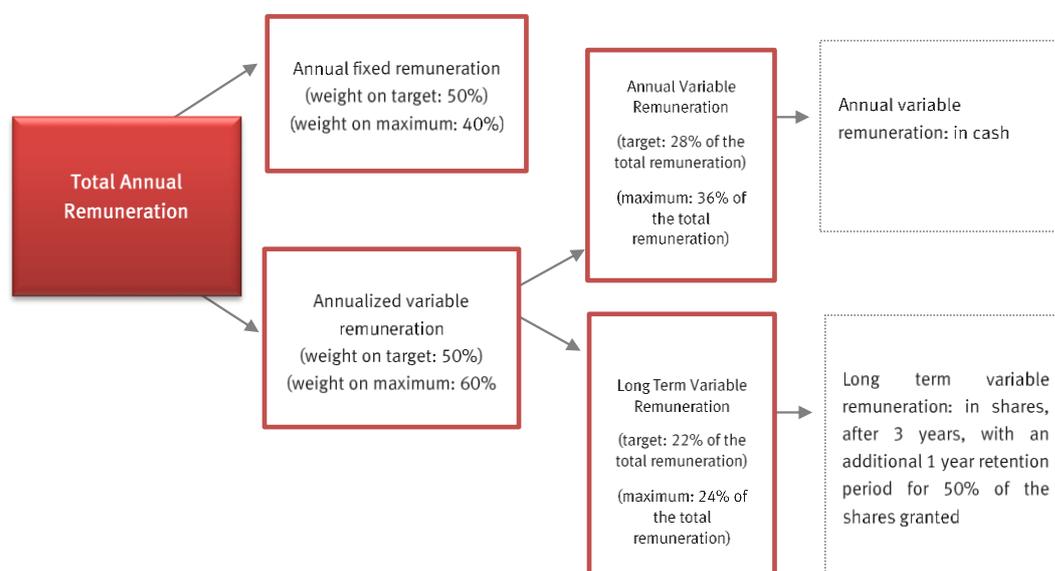
70.3. Setting the Annual Variable Remuneration and Long Term Variable Remuneration according to performance

Additionally, the awarding and value of the variable component depends on the fulfilment of pre-defined goals, measured by performance indicators. This component will fluctuate according to the achievement level of (i) quantitative annual objectives (defined based on the business plan or annual budget approved by the Board of Directors) and qualitative individual objectives (defined by Corporate Governance, Evaluation and Nominating Committee, within the parameters established by the Remuneration Committee), as well as (ii) multi-annual objectives corresponding to the duration of CTT Executive Directors' term of office (3 years).

Through these objectives described in section 71 of Part I below, one intends to set a remuneration policy that promotes the alignment of the interests of the members of the Board of Directors with the Company's interests and its long-term performance.

70.4. Balance between the Annual Variable Remuneration and Long Term Variable Remuneration and the fixed remuneration and alignment of interests

The following chart shows the weight of fixed and variable remuneration (annualised) compared to the total annual remuneration attributed, on average, to the members of the Executive Committee, in case of compliance with the target and maximum compliance with the objectives established for the Annual Variable Remuneration and the Long Term Variable Remuneration. Overall, there is a balance between the annual fixed remuneration and the annualised total variable remuneration.



The effective allocation of this remuneration mix depends on the performance assessment, as follows:

- The fixed component can be reviewed annually by the Remuneration Committee;
- The Annual Variable Remuneration depends on the assessment of quantitative and qualitative criteria, predetermined and gradual, the assessment period being the financial year in question;
- The Long Term Variable Remuneration depends on the assessment of quantitative criteria, predetermined and gradual, the assessment period being the 3-year term of office in progress, on a long-term perspective;
- The Long Term Variable Remuneration gives rise to the delivery of shares at the end of the term of office, still subject to a lock-up period which is an additional incentive to the maintenance the Company's positive performance and value-creation for shareholders beyond the term of office.

In summary, the weight of the variable component in relation to the total fixed remuneration is not only in line with the best market practices of a national reference group of companies (including major Portuguese companies and companies listed on PSI 20) and European companies (entities of the postal sector), calculated as part of the benchmarking exercise conducted, but also in line with CMVM Recommendations III.1. and III.3. and IPCG Recommendation V.3.1..

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

The Annual Variable Remuneration's amount to be received by the Executive Directors results in 70% of the assessment of the following quantitative objectives set by the Remuneration Committee based on the benchmarking exercise conducted and the business plan and budget:

- The amount of the annual recurring EBITDA margin of CTT (40%);
- The growth percentage of CTT's recurring EBITDA (as defined by CTT's Audit Committee) regarding the previous calendar year (40%);

- Annual TSR of Company's shares compared to the weighted-average TSR of a peer group (20%).

The peer group consists of two subgroups: (i) TSR of PSI 20 with a 60% weighting and (ii) TSR (simple average) of a set of relevant sector peers (Austrian Post, Bpost, Post NL and Royal Mail, subject to changes defined by the Remuneration Committee based on relevant corporate restructurings) with a 40% weighting.

The awarding of the Annual Variable Remuneration in relation to these objectives depends on (i) a weighted-average of these objectives above 80%, (ii) a recurring EBITDA margin that satisfies at least 85% of the set target and (iii) a positive TSR of the Company's shares at the end of the calendar year.

Having satisfied these conditions, the recorded performance regarding the quantitative objectives is gradually remunerated, according to the level of achievement and the parameters set by the Remuneration Committee, in particular:

- If the recorded performance meets the set goal in less than 80%, there will be no allocation of Annual Variable Remuneration for that quantitative target;
- If the recorded performance is between 80% and 100% of the set goal, that amount will be between 29.25% and 65% of the CEO's annual base remuneration, and between 24.75% and 55% of the remaining Executive Directors' annual base remuneration;
- If the recorded performance is between 100% and 130% of the set goal, that amount will be between 65% and 100% of the CEO's annual base remuneration, and between 55% and 85% of the remaining Executive Directors' annual base remuneration;
- If the recorded performance fulfils the set goal in more than 130%, that amount will correspond to 100% of the CEO's annual base remuneration and to 85% of the remaining Executive Directors' annual base remuneration.

The amount of the Annual Variable Remuneration to be received results in 30% of the assessment of set qualitative individual objectives, and subject to assessment by the Corporate Governance, Evaluation and Nominating Committee, according to the parameters set by the Remuneration Committee. According to these parameters, the performance recorded on these objectives is gradually remunerated by reference to a percentage of the annual base remuneration between 65% and 100% for the CEO, and between 55% and 85% for the remaining Executive Directors, depending on the achievement level. In this context, the Corporate Governance, Evaluation and Nominating Committee defined an assessment model that considers composition, image and activity of the members of the Executive Committee, as well as their relationship with the various corporate bodies and stakeholders of the Company (including aspects such as sustainability and environment, organisational culture, Company's reputation and relationship with shareholders, employees, suppliers and customers).

In turn, the awarding of the Executive Directors' Long Term Variable Remuneration is subject to verification of a positive TSR of the Company's shares at the end of the assessment period, corresponding to the 3-year term of office. Thus being, the awarding and delivery of shares is deferred (being the awarding assessed until 1 January 2017 and the delivery made on 31 January 2017) and only occur if at the end of the term of office the Long Term Variable Remuneration's awarding criteria are fulfilled.

The calculation of the number of shares corresponding to the Long Term Variable Remuneration to be

awarded is based on the comparison of the recorded performance of the TSR of the Company shares and the weighted-average TSR of a peer group formed by the subgroups identified above for the Annual Variable Remuneration and the following parameters (in addition to the limits described in section 70.2 above):

- If the TSR of the Company's shares is less than 90% of the weighted TSR of the peer group's shares, no Long Term Variable Remuneration will be awarded;
- If the TSR of the Company's shares is equal to or greater than 90% and less than or equal to 110% of the weighted TSR of the peer group's shares, each Executive Board member is assigned the number of Company's shares corresponding to the quotient of the proportional division of the percentage between 50% and 135% of the annual base remuneration of the corresponding Executive Board Member by the awarding price of the Company's shares;
- If the TSR of the Company's shares is greater than 110% of the weighted TSR of the peer group's shares, each Executive Board Member is awarded a number of Company's shares corresponding to the quotient of the division of 180% of the annual base remuneration of the corresponding Executive Board Member by the awarding price of the Company's shares.

These shares awarding plan and the corresponding regulation will be subject to approval of the Company's Annual General Meeting as detailed by the Board of Directors, in line with the remuneration policy approved by the Remuneration Committee. This plan will not lead to any dilutive effect, since it will be implemented through the acquisition and sale of own shares, duly authorised by the General Meeting, and not by means of capital increases.

72. Deferral of payment of the variable component of remuneration and deferral period

The awarding of the Long Term Variable Remuneration depends on the verification of a positive TSR of Company's shares at the end of an assessment period, corresponding to the 3-year term of office. Thus being, the awarding and delivery of shares is deferred (being the awarding assessed until 1 January 2017 and the delivery made on 31 January 2017) and only occur if at the end of the term of office the Long Term Variable Remuneration's awarding criteria are fulfilled.

Therefore, a significant component of the total variable remuneration to be received for the performance in this term of office is deferred to the end of its term and subject to the Company's positive performance, giving full effect to CMVM Recommendation III.4. and IPCG Recommendation V.3.2..

The positive performance is measured by comparing the recorded performance of the TSR of Company's shares and the weighted-average TSR of a peer group (TSR of PSI 20 with a 60% weighting and TSR of a set of relevant sector peers with a 40% weighting, as described in section 71 of Part I above). In addition to this mechanism that conditions and defers a significant part of the variable remuneration, the Long Term Variable Remuneration delivered by means of shares is also subject to a lock-up/retention period, since 50% of Company's shares delivered on 31 January 2017 may only be transferred or encumbered one year after the Long Term Variable Remuneration's delivery date, except for the purposes of payment of due taxes and contributions, and in the following cases of termination of office.

The payment of the Annual Variable Remuneration and of the Long Term Variable Remuneration relating to an assessment period during which there is termination of office will not be due, unless in case of early termination of office for reasons not attributable to the Director, including changes of the Company's control, in which case there will be a proposal for a pro-rata allocation, after a resolution adopted by the Remuneration Committee. If a Director is not elected for another term of office, the lock-up/retention regime of shares described above will cease. In case of termination of office for any cause (with exception of destitution with just cause) after a period of assessment, but prior to the payment of the Annual Variable Remuneration or LTRV, its overall payment shall be made for such corresponding period.

Since the shares to which the Executive Director has access under this Long Term Variable Remuneration scheme are only awarded and delivered after the term of office and are still subject to a lock-up period of 50% of the delivered shares, the Company considers that CMVM Recommendation III.6. has been fully complied with.

These rules also aim at an alignment of interests of the executive management team with value-creation for the shareholder, which, given the specificities of the Company and the sector, is considered to derive from the combination of assessment criteria over the 3-year TSR, as described above, and from a lock-up period for 50% of the acquired shares.

Thus, the Long Term Variable Remuneration creates a deferral mechanism and retention of a significant part of the variable remuneration, subject to the maintenance of positive performance, in two ways, in line with IPCG Recommendations V.3.1. and V.3.2.:

- The multi-annual assessment period corresponding to the 3-year term of office determines that, throughout this period, the Director shall not acquire any rights or receive the shares in question, until after the 3-year period and when the positive performance is confirmed at the end of this period. In this model, not only the vesting but also the awarding are deferred and conditioned by the positive performance (performance conditions). This multi-annual assessment model eliminates the need for "malus" or "claw-back" provisions, since there is no awarding or vesting on an annual basis of Long Term Variable Remuneration, until the end of the term of office (January 2017);
- After the term of office and depending on performance, the Director becomes entitled to the Long Term Variable Remuneration and receives the shares, but is unable to sell or encumber 50% of those shares for 1 year, i.e. until 31 January 2018 (holding period).

These two mechanisms encourage the Director, on a long-term basis, to pursue the interests of the Company, its shareholders and stakeholders, and maximise shareholder value.

73. Criteria underlying the awarding of variable remuneration in shares, and the maintenance of these shares by the Executive Directors; agreements regarding these shares, namely hedging or risk transfer agreements, their limits and its proportionate value in terms of total annual remuneration

The Long Term Variable Remuneration's awarding depends on a positive TSR of Company's shares at the end of the assessment period, in which terms the vesting of the shares is postponed to 31 January 2017 and subject to a positive performance at the end of the term of office (until 1 January 2017).

In addition to this deferral mechanism, the awarded shares will be subject to a lock-up/retention period, according to which 50% of the Company's shares awarded, as Long Term Variable Remuneration, may only be transferred or encumbered, for whichever purposes, one year after such component's payment date, subject to section 72 of Part I above.

Under the remuneration policy approved by the Remuneration Committee, the Executive Directors shall not enter into any contracts, either with the Company or with third parties, which have the effect of mitigating the risk inherent to the variability of their remuneration, in compliance with CMVM Recommendation III.5..

74. Criteria underlying the allocation of variable remuneration in options and indication of the deferral period and exercise price

Not applicable. See section 71 of Part I above.

75. Main parameters and grounds of any annual system of bonuses and any other non-cash benefits

The Company did not adopt any annual system of bonuses and other non-cash benefits, without prejudice to the following paragraph.

The Executive Directors receive the following non-cash benefits of fixed value: car use (including fuel and tolls), life and personal accident insurances (including travel), liability insurance (D&O) and access to the health benefits system - *IOS – Instituto de Obras Sociais* (Social Works Institute) – under the same terms as the Company's employees.

76. Main characteristics of supplementary pension schemes or early retirement for the Board members and date on which they were individually approved at the General Meeting

Without prejudice to the following paragraph, the Company's remuneration policy does not include the allocation of pension supplements or any compensation in the case of early retirement of its Directors, therefore CMVM Recommendation II.3.5. is not applicable to the Company.

Each of the Executive Directors receives a fixed monthly amount, to be allocated to an open pension fund or retirement savings plan.

IV. Disclosure of remunerations

77. Indication of the annual remuneration earned, in aggregate and individually, by the members of the managing body of the Company, including fixed and variable remuneration and, regarding the latter, mentioning its different components

The table below shows the gross remunerations paid by the Company, as fixed remuneration, to the members of the Board of Directors and the Audit Committee in 2014:

Member	Office	Amount ⁽¹⁾
Francisco José Queiroz de Barros de Lacerda	Chairman of the Board of Directors and the Executive Committee	€449,942.44
Manuel Cabral de Abreu Castelo Branco	Vice-Chairman of the Board of Directors and Executive Director	€346,655.17
André Manuel Pereira Gorjão de Andrade Costa	Executive Director and Chief Financial Officer	€359,119.81
Dionízia Maria Ribeiro Farinha Ferreira	Executive Director	€343,119.83
Ana Maria de Carvalho Jordão Ribeiro Monteiro de Macedo	Executive Director	€343,119.83
Total of the Executive Committee		€1,841,957.08
António Sarmiento Gomes Mota	Vice-Chairman (lead independent director), Chairman of the Audit Committee and Chairman of Corporate Governance, Evaluation and Nominating Committee	€107,428.02
Diogo José Paredes Leite de Campos	Member of the Audit Committee and Non-Executive Director	€47,570.95
Parpública – Participações Públicas SGPS, S.A. ⁽²⁾	Member of the Audit Committee and Non-Executive Director	€0
Total of the Audit Committee ⁽³⁾		€154,998.97
António Manuel de Carvalho Ferreira Vitorino	Non-Executive Director and member of the Corporate Governance, Evaluation and Nominating Committee	€34,474.26
Nuno de Carvalho Fernandes Thomaz ⁽⁴⁾	Non-Executive Director	€34,474.26
Rui Miguel de Oliveira Horta e Costa ⁽⁵⁾	Non-Executive Director and member of the Corporate Governance, Evaluation and Nominating Committee	€19,105.88
José Manuel Baptista Fino ⁽⁶⁾	Non-Executive Director and member of the Corporate Governance, Evaluation and Nominating Committee	€0
José Alfredo de Almeida Honório ⁽⁷⁾	Non-Executive Director	€15,428.55
Total of the Non-Executive Directors who are not members of the Audit Committee		€103,482.95
TOTAL		€2,100,439.00

⁽¹⁾ Fixed remuneration amount, including, in the case of Executive Directors, the annual base remuneration, amounts regarding annual meal allowance and a fixed amount paid monthly to be allocated to an open pension fund or a retirement savings plan.

⁽²⁾ Parpública – Participações Públicas SGPS, S.A., legal person appointed as member of the Audit Committee at the General Meeting held on 24 March 2014, did not designate a natural person to perform those duties on his/her own name, hence no remuneration was due in 2014. As announced to the market on 14 November 2014, Parpública – Participações Públicas SGPS, S.A. resigned as Non-Executive member of the Board of Directors and member of the Audit Committee of CTT.

⁽³⁾ As of 24 March 2014, the Company adopted an Anglo-Saxon governance model including a Board of Directors and an Audit Committee, as managing and supervisory bodies respectively. Thus, the members of the Fiscal Board, António Sarmiento Gomes Mota and Diogo José Paredes Leite de Campos, have then started to perform duties of Non-Executive Directors and members of the Audit Committee, as better described in section 15 *et seq.* of Part I above. The remunerations of these Directors indicated in this table refer only to the functions as Non-Executive Directors and members of the Audit Committee during the 2014, while the remuneration as members of the Fiscal Board is indicated in section 81 of Part I below.

⁽⁴⁾ Although he has been a Non-Executive Director of CTT since the beginning of the current term of office, only on 19 December 2014 was he co-opted as member of the Audit Committee of CTT. Hence, the remuneration earned during the year 2014 refers only to the performance of Non-Executive Director duties.

⁽⁵⁾ Co-opted as Non-Executive Director only since 29 July 2014.

⁽⁶⁾ Co-opted as Non-Executive Director on 19 December 2014, hence no remuneration was paid to him during this financial year.

⁽⁷⁾ As announced to the market on 22 July 2014, José Alfredo de Almeida Honório resigned as Non-Executive Director of CTT.

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

During the financial year of 2014, companies with a control or group relationship with CTT did not pay any remuneration or any other compensation to the Board of Directors.

79. Remuneration paid in the form of profit sharing and/or bonus payments and reasons for such bonuses and/or profit sharing to be granted

During the financial year of 2014, no remuneration was paid in the form of profit sharing or bonuses to the members of the Board of Directors.

According to the applicable accounting rules, the net profit for 2014 reflects a cost amounting to € 1,400,000.00 relating to the attribution of profit sharing to the Executive Directors of CTT (as better described in the profit allocation proposal).

80. Compensations paid or owed to former Executive Directors relating to the termination of their office during the financial year

During the financial year of 2014, no compensation was paid or became due to former Directors relating to the termination of their office during the financial year.

81. Annual remuneration earned, in aggregate and individually, by the members of the supervisory body of the Company, for the purposes of Law 28/2009, of 19 June

See section 77 of Part I above regarding the members of the Audit Committee.

The following table presents the gross remunerations paid by the Company to the members of the Fiscal Board during the financial year 2014, as fixed remuneration, considering that until 24 March 2014 the Company had adopted a one-tier governance model:

Member	Office	Amount
António Sarmento Gomes Mota	Chairman of the Fiscal Board	€8,580.00
Diogo José Paredes Leite de Campos	Member of the Fiscal Board	€8,294.00
Elsa Maria Roncon Santos	Member of the Fiscal Board	€6,435.00
TOTAL		€23,309.00

82. Remuneration of the Chairman of the Board of the General Meeting during the year

During the financial year 2014, the remuneration received by the Chairman and Vice-Chairman of the General Meeting Board amounted to five thousand euros and four thousand euros respectively (excluding VAT and withholding taxes).

V. Agreements with remuneration implications

83. Contractual limits established for compensation payable for destitution without just cause of a Board member and their connection with the variable component of remuneration

The members of CTT's corporate bodies did not enter into any contracts with the Company on remuneration or compensation/indemnity matters.

On the other hand, the remuneration policy approved by CTT's Remuneration Committee for the term of office 2014/2016 neither provides for nor establishes any compensation regime in a context of termination of office by the members of corporate bodies, thereby applying the current legal regime in this area.

The legally due compensation regarding members of the Board of Directors (including Executive Directors), in case of destitution without just cause, corresponds to a compensation for the damage suffered by them as required by law, which may not exceed the remuneration amount that the Board member would presumably receive until the end of the period for which he/she were elected.

Considering the absence of individual agreements in this area and the terms of the remuneration policy approved by the Remuneration Committee, the Company fully complies with CMVM Recommendation III.8., in which terms, in case of a destitution not resulting from a serious fault of duties or inability to regularly exercise duties, but nonetheless due to inadequate performance, the Company will be obliged to pay a compensation only under the terms legally owed.

See section 72 of Part I above concerning the impact of the termination of office on the the Annual Variable Remuneration and Long Term Variable Remuneration.

84. Agreements between the Company and members of the managing body and senior officers under article 248-B(3) of the Securities Code providing for compensation/indemnities in the case of resignation, dismissal without just cause or termination of employment following a change of control of the Company

During the financial year 2014, there were no agreements between the Company and the members of the Board of Directors or the Audit Committee which provided for compensation in the case of resignation, dismissal without just cause or termination of employment following a change in the control of the Company, without prejudice to section 72 of Part I above.

It should be noted, in this regard, that CTT's Board of Directors believes that the Company's senior officers as per article 248-B of the Securities Code correspond only to the members of CTT's managing and supervisory bodies.

VI. Plans for shares awarding or stock options

85. Identification of the plan and its recipients

The allocation of the Long Term Variable Remuneration to Executive Directors of CTT gives rise to the awarding of Company's shares under the plan for share awarding and in line with what is described in sections 69 to 73 of Part I above.

This share awarding plan and the corresponding regulation will be subject to the approval of the Company's Annual General Meeting, to be held on 5 May 2015, in terms further detailed by the Board of Directors, in line with the remuneration policy approved by the Remuneration Committee.

Since this awarding plan was set by the Remuneration Committee in the context of approval of the remuneration policy for the current term of office, such approval having occurred following the last Annual General Meeting of CTT, the approval of share awarding plans will only be submitted to the shareholders in the next Annual General Meeting, in compliance with CMVM Recommendation II.3.4.. Indeed, up until then this recommendation was not applicable to CTT.

The Company does not currently have any type of share options plan, thus CMVM Recommendation III.7. is not applicable.

86. Characteristics of the plan (awarding terms, lock-up provisions, criteria on the share price and exercise price of options, period during which options may be exercised; characteristics of shares or options to be granted, existence of incentives for the acquisition of shares and/or exercise of options)

Taking into account the model of the Long Term Variable Remuneration approved by the Remuneration Committee, the Board of Directors will submit for approval at the Company's Annual General Meeting, to be held on 5 May 2015, a plan for the awarding of ordinary shares representing the share capital of

CTT (with all the inherent social and economic rights) to the Company's Executive Directors, in line with the remuneration policy approved by the Remuneration Committee and with the characteristics described in sections 71 and 72 of Part I above.

87. Stock options plans where the Company's employees are the beneficiaries

Please refer to section 85 of Part I above.

88. Control mechanisms stipulated in any system of employee participation in the Company's equity to the extent that the voting rights are not exercised directly by them

No system of employee participation in equity was in force in 2014 or exists in CTT.

E. TRANSACTIONS WITH RELATED PARTIES

I. Control Mechanisms and Procedures

89. Mechanisms implemented by the Company for the purpose of monitoring transactions with related parties

During the financial year of 2014, the Company approved and implemented procedures to ensure (i) strict compliance with the legal and accounting principles and best practices existing in the context of transactions with related parties and (ii) the pursuance of CTT's interest in this context, in particular by the Regulation on Assessment and Control of Transactions with Related Parties and Prevention of Conflicts of Interests.

For this purpose, "Related Parties" are considered to be:

- Any shareholder with at least 2% of the CTT's share capital directly or indirectly, pursuant to article 20 of the Securities Code;
- Members of the managing or supervisory bodies of CTT and any senior officer who, not being a member of these corporate bodies, has regular access to inside information and participates in decisions about the Company's management and business strategy, or any third party related to them through any significant commercial or personal interest;
- Subsidiaries or associated companies or jointly controlled entities (joint venture).

According to such Regulation, "Transactions with Related Parties" (i.e., all onerous or gratuitous legal transactions between CTT and a related party) shall respect the following principles:

- Only take place on the basis of grounds clearly falling within CTT's businesses;
- Its implementation must comply with market conditions, according to the legislation in force and fulfil the best corporate governance practices in order to ensure transparency and full consideration for CTT's interests;
- They must always be formalised in writing, specifying the terms and conditions;
- Loans in favour of "Related Parties" are expressly prohibited, except in favour of subsidiaries,

- associated companies or jointly controlled entities (joint venture);
- They should be clearly and accurately disclosed in the notes of the Company's financial statements, with sufficient detail to identify the "Related Party" and the main conditions regarding the transactions.

See section 91 of Part I below on the prior and subsequent control mechanisms by the Audit Committee regarding transactions with related parties.

90. Transactions subject to control in the year of reference

During the financial year 2014, there were no transactions with related parties to be subject to prior control by the Company's supervisory body, in particular under the Regulation for Assessment and Control of Transactions with Related Parties mentioned in sections 89 and 91 of Part I of this report. Regarding the transactions executed, see section 92 of Part I of this report.

91. Procedures and criteria applicable to the intervention of the supervisory body for the purposes of pre-assessment of transactions between the Company and qualified holders

According to the Regulation for Assessment and Control of Transactions with Related Parties, the "Significant Transactions with Related Parties" (i.e., of an amount exceeding €1,000,000.00 for a single transaction or a set of transactions conducted in each financial year, with the exception of transactions made between CTT and its subsidiaries whose capital is, directly or indirectly, 100% owned by CTT) are submitted by the Executive Committee to the prior opinion of the Audit Committee, giving full effect to CMVM Recommendation V.2..

In this context, the Audit Committee shall analyse, namely, the terms, purpose and opportunity of the transaction, the interest of the related party, any limitations that may be imposed on CTT as a result of the transaction, the pre-contractual procedures implemented, the mechanisms adopted to solve or prevent potential conflicts of interest and the evidence that the operation will be carried out under normal market conditions. In the case of an unfavourable opinion of the Audit Committee, the conclusion of the transaction depends on the authorisation of the CTT's Board of Directors, a corporate body that should clearly support its approval, evidencing that it conforms to CTT's interests and that the advantages outweigh the disadvantages.

The remaining "Transactions with related parties" are reported to the Audit Committee for the purpose of subsequent review, particularly in the context of half-yearly report.

II. Transactions information

92. Financial information on the transactions with related parties pursuant to IAS 24

The relevant transactions with related parties are set out in Note 42 - Related Parties to the consolidated financial statements in the 2014 Annual Report, having been carried out in normal market conditions in compliance with CMVM Recommendation V.1..

PART II - CORPORATE GOVERNANCE ASSESSMENT

1. Identification of the adopted Corporate Governance Code

The strengthening of the CTT's governance structure occurred in 2014, as described in this report, took place in a context of significant change in the current regulatory framework.

Indeed, the approval of CMVM Regulation 4/2013 and the review of CMVM Code, carried out in 2013, as well as the approval of the final version of the IPCG Code, which occurred in 2014, provided issuers - and particularly CTT in this new stage of the Company's life - an opportunity for deepening its governance practices and models.

2013-2014 was a period of broad reflection and discussion about said regulatory framework, during which CMVM Code was the instrument that endured for a longer period, whereby CTT decided to maintain some stability regarding the recommendations that serve as reference to the declaration of compliance to be included in this report for 2014, thus following the CMVM Code for this purpose.

Thus, under the terms and for the purposes of CMVM Regulation 4/2013, CTT adopts the CMVM Code, which is available for consultation at www.cmvm.pt, under the described terms.

2. Compliance analysis with the adopted Corporate Governance Code

	CMVM CODE	ADOPTION	SECTIONS
I. VOTING AND CONTROL OF THE COMPANY			
I.1.	Companies should encourage their shareholders to take part and vote in General Meetings, especially by not establishing an excessively high number of shares required to be entitled to one vote and implementing the necessary means to the exercise of the voting right by mail and electronic means.	Adopted	12
I.2.	Companies should not adopt mechanisms that hinder the process of reaching decisions from their shareholders, in particular by establishing a resolution quorum higher than that provided for in the law.	Adopted	14
I.3.	Companies should not establish mechanisms that have the effect of causing a gap between the right to receive dividends or the subscription of new securities and the voting right of each ordinary share, unless they are duly justified by reference to the long-term interests of shareholders.	Adopted	12
I.4.	Companies' Articles of Association providing for the limitation of the number of votes that may be held or exercised by a sole shareholder, individually or jointly with other shareholders, shall also provide that, at least every five years, the changing or maintenance of such by-laws provision will be subject to deliberation by the General Meeting – with no quorum requirements in relation to the law – and that on such resolution any votes cast are counted with no restriction.	n.a.	5 and 13

CMVM CODE		ADOPTION	SECTIONS
I.5.	Measures that have the effect of requiring payments or assuming charges by the Company in case of change of control or change in the composition of the managing body and which appear likely to hinder the free transfer of shares and the free assessment of the performance of the members of the managing body by the shareholders shall not be adopted.	Adopted	4
II. OVERSIGHT, MANAGEMENT AND SUPERVISION			
II.1. OVERSIGHT AND MANAGEMENT			
II.1.1.	Within the limits established by law, and unless resulting from the small size of the Company, the Board of Directors must delegate the daily management of the Company, with the delegated competences being identified in the Annual Corporate Governance Report.	Adopted	21
II.1.2.	The Board of Directors must ensure that the Company operates in line with their objectives, and shall not delegate their duties, in particular with regard to: i) defining the strategy and the Company's general policies; ii) defining the corporate structure of the group; iii) decisions that should be considered as strategic due to their amount, risk or particular characteristics.	Adopted	21
II.1.3.	The Supervisory Board, in addition to the exercise of the supervisory duties for which it is responsible, shall assume full responsibility for the Company's governance, so that, through a by-laws provision or through equivalent means, this Board shall be responsible for deciding on the strategy and the main Company's political policies, the definition of the group's corporate structure and the decisions that shall be considered as strategic regarding their amount and risk included. This corporate body shall also assess compliance with the strategic plan and execution of the main Company policies.	n.a.	15
II.1.4.	Unless resulting from the small size of the Company, the Board of Directors must create the committees necessary to: a) Ensure a competent and independent performance assessment of the Executive Directors and their overall performance, as well as the various existing committees; b) Reflect on the governance system, structure and practices adopted, monitor its effectiveness and propose to the competent corporate bodies the measures to be executed, with a view to their improvement.	Adopted	21, 27 and 29
II.1.5.	The Board of Directors shall establish the objectives on risk-taking and create systems to control them, with a view to ensuring that the risks actually incurred are consistent with these objectives.	Adopted	21, 50 and 51
II.1.6.	The Board of Directors shall include a number of non-executive members who shall ensure an effective oversight, supervision and assessment of the activity of the other members of the managing body.	Adopted	17 and 18

CMVM CODE	ADOPTION	SECTIONS
<p>II.1.7. The Non-Executive Directors shall include an adequate proportion of independent Directors, taking into account the adopted governance model, the size of the Company, its shareholder structure and its free float.</p> <p>Among the members of the Board of Directors, a person who is not associated with any group with specific interests in the Company, nor is in any situation likely to affect its impartiality on the decision making, is considered an independent member, namely in relation to:</p> <ul style="list-style-type: none"> a. Having been an employee of this Company or of a company that has a control or group relationship with it in the last three years; b. Having, over the last three years, provided services or established a significant commercial relationship with the Company or a company that has a control or group relationship with it, either directly or as a shareholder, director, manager or officer of a legal entity; c. Being a recipient of remuneration paid by the Company or company that has a control or group relationship with it in addition to the remuneration arising from the exercise of duties as director; d. Living as an unmarried couple or being spouse, relative or akin in a straight line up to a 3rd degree, inclusively, in the collateral line, of Directors or natural persons directly or indirectly with a qualified holding; e. Being a holder of a qualified holding or representative of a shareholder with qualified holdings. 	Adopted	17 and 18
<p>II.1.8. When requested by other members of the corporate bodies, the Directors performing executive duties should provide, in due time and in a form appropriate to the request, any information required by them.</p>	Adopted	21
<p>II.1.9. The Chairman of the Executive Committee should send to the Chairman of the Board of Directors and the Chairman of the Audit Committee the convening calls and minutes of their meetings.</p>	Adopted	21
<p>II.1.10. If the Chairman of the Board of Directors performs executive duties, the Board shall appoint an independent director, among its members, capable of ensuring the coordination of the work of other non-executive members and the terms so that they can decide on an independent and informed manner or find an equivalent mechanism to ensure such coordination.</p>	Adopted	18
II.2. SUPERVISION		
<p>II.2.1. The Chairman of the Audit Committee shall be independent, according to the legal applicable standard, and have the necessary skills to carry out their duties.</p>	Adopted	31
<p>II.2.2. The supervisory body should be the main interlocutor of the external auditor and the first recipient of its reports, being responsible, inter alia, for proposing their remuneration and ensuring, within the Company, that the appropriate conditions for the service contract are provided.</p>	Adopted	38
<p>II.2.3. The supervisory body shall assess, on an annual basis, the external auditor and suggest, to the competent corporate body, its dismissal or termination of the service contract whenever there is just cause.</p>	Adopted	38 and 45

CMVM CODE		ADOPTION	SECTIONS
II.2.4.	The supervisory body shall assess the functioning of internal control and risk management systems and suggest the adjustments as necessary.	Adopted	38 and 50
II.2.5.	The Audit Committee shall decide on the working plan and resources allocated to the services of internal audit and services that ensure the compliance of the rules applicable to the Company (compliance services), and shall receive the reports executed by these services at least when matters related to accountability, the identification or the resolution of conflicts of interest and the detection of potential illegalities are concerned.	Adopted	38, 51 and 55
II.3. ESTABLISHMENT OF REMUNERATIONS			
II.3.1.	Any member of the Remuneration Committee or equivalent should be independent from the executive members of the managing body and include at least one member with knowledge and experience on matters of remuneration policy.	Adopted	67 and 68
II.3.2.	No natural or legal person who provides or has provided, over the last three years, services to any structure dependent on the managing body, to the managing body of the Company itself or who has a current relationship with the Company or a consultant of the Company should be engaged to assist the Remuneration Committee in the performance of its duties. This recommendation is also applicable to any natural or legal person related to the above by means of an employment or services contract.	Not adopted	67
II.3.3.	The statement on the remuneration policy of the managing and supervisory bodies referred to in article 2 of Law 28/2009, of 19 June, shall additionally include: a) Identification and explanation on the criteria for determining the remuneration to be attributed to the members of the corporate bodies; b) Information on the maximum potential amount, individually, and the maximum potential amount, in aggregate, payable to the members of the corporate bodies, and identification of the circumstances under which these maximum amounts may be due; c) Information regarding the enforceability or unenforceability of payments for the destitution or termination of office by Directors.	Partially not adopted regarding what is recommended in paragraph b)	69
II.3.4.	A proposal regarding the approval of share awarding and/or stock options plans or those based on the variations in the prices of shares to members of the corporate bodies must be submitted to the General Meeting. The proposal shall contain all the elements required for a correct assessment of the plan.	Partially adopted with regard to the share awarding plan to be submitted to the General Meeting on 5 May 2015, and n.a. in the remaining	85
II.3.5.	The proposal regarding the approval of any retirement benefits system established on behalf of the members of the corporate bodies must be submitted to the General Meeting. The proposal shall contain all the elements required for a correct assessment of the system.	n.a.	76

CMVM CODE		ADOPTION	SECTIONS
III. REMUNERATIONS			
III.1.	The remuneration of the executive members of the managing body shall be based on effective performance and discourage excessive risk-taking.	Adopted	69, 70 and 71
III.2.	The remuneration of non-executive members of the managing body and remuneration of the members of the supervisory body shall not contain any component whose value depends on the performance of the Company or of its value.	Adopted	69 and 70
III.3.	The variable component of the remuneration should be reasonable, as a whole, in relation to the fixed component of the remuneration and maximum limits should be established for all components.	Adopted	70 and 71
III.4.	A significant portion of the variable remuneration should be deferred for a period of no less than three years, and its payment should be dependent on the continuation of the positive performance of the Company over this period.	Adopted	72
III.5.	The members of the managing body should not sign contracts, either with the Company or with third parties, which have the effect of mitigating the risk inherent to the variability of their remuneration as established by the Company.	Adopted	73
III.6.	Until the end of their term of office, executive board members must keep any Company's shares they had access to by virtue of variable remuneration plans, up to the limit of twice the value of the total annual remuneration, except for those that must be sold with a view to paying taxes arising from the benefit of those shares.	Adopted	72
III.7.	When the variable remuneration includes the awarding of options, the beginning of the exercise period shall be deferred for a period of no less than three years.	n.a.	85
III.8.	If the destitution of a board member does not result from a serious fault of his/her duties nor his/her inability to regularly exercise his/her duties, but is, nonetheless, due to inadequate performance, the Company shall be provided with the suitable and required legal instruments so as to ensure that any compensation/indemnity, in addition to that which is legally due, is not due.	Adopted	83
IV. AUDIT			
IV.1.	The external auditor shall, within its competences, check the application of remuneration policies and systems of the corporate bodies, the effectiveness and operation of the internal control mechanisms and report any failings to the supervisory body of the Company.	Adopted	38
IV.2.	The Company and the entities within a control relationship with it shall not engage the external auditor, or any entities which are in a group relationship with it or are part of the same network, services other than audit services. Where there are motives for the contracting of such services – which should be approved by the supervisory body and explained in its annual Corporate Governance Report – those cannot exceed 30% of the total value of the services provided to the Company.	Adopted	46 and 47
IV.3.	Companies should promote the rotating of the auditor at the end of two or three terms of office, depending to whether they are of four or three	Adopted	44

CMVM CODE	ADOPTION	SECTIONS	
V. CONFLICTS OF INTEREST AND TRANSACTIONS WITH RELATED PARTIES			
V.1.	The Company's transactions with shareholders with a qualified holdings or with entities which are in any relationship with them, under the terms of article 20 of the Securities Code, shall be performed under regular market conditions.	Adopted	92
V.2.	The supervisory body should establish the procedures and criteria required for defining the relevant level of materiality of transactions with qualified shareholders – or with entities which are in any of the relationships mentioned in number 1 of article 20 of the Securities Code – being the execution of significant transactions subject to a prior opinion of this corporate body.	Adopted	90 and 91
VI. INFORMATION			
VI.1.	Companies shall provide, through their website, access to information, in Portuguese and English, enabling knowledge about its progress and its current situation in economic, financial and governance terms.	Adopted	59
VI.2.	Companies should ensure the existence of an investors office and permanent contact with the market, which responds in due time to requests from investors, keeping a record of the submitted requests and their subsequent follow-up.	Adopted	56 and 58

Recommendation II.3.2.

"No natural or legal person who provides or has provided, over the last three years, services to any structure dependent on the managing body, to the managing body of the Company itself or who has a current relationship with the Company or a consultant of the Company should be engaged to assist the Remuneration Committee in the performance of its duties. This recommendation is also applicable to any natural or legal person related to the above by means of an employment or services contract."

In 2014 and for the preparation of the remuneration policy for the current term of office, CTT's Remuneration Committee was assisted by consultants specialised in remuneration matters and human resources (Mercer), legal advisors and tax consultants. Among these, only Mercer maintained a relationship with the Company on that date, and was providing and had provided services to the Company over the past 3 years. In any case, in the context of the engagement process extended to several service providers, the Remuneration Committee assessed such fact and concluded that it was appropriate to engage Mercer, by comparison with the available proposals, due to its experience and expertise and the extent that independence safeguards were guaranteed through team segregation mechanisms and Chinese walls.

Thus, although the Company does not adopt the benchmarks on the independence of external

consultants stipulated in CMVM Recommendation II.3.2., CTT considers adopting mechanisms to ensure the total independence of the consultants assisting the Remuneration Committee, through:

- The free selection of such consultants by this Committee made up exclusively of independent members, being duly informed of the work done in the past by such consultants and having conducted an extended initial consultation of other consultants available on the market (reaching a conclusion as to which were in better condition to assist it);
- The establishment of procedures to ensure the objectivity, neutrality and impartiality of the consultants who work with the Remuneration Committee, whether because they have not provided services to the Company over the past 3 years (in the case of MLGTS and Deloitte), or through team segregation and Chinese walls (more specifically guaranteed in 2014 in the context of the Mercer's engagement); and
- The provision of information to the Remuneration Committee on the engagement of its consultants by the Company, in order to allow such committee to adopt an informed decision (a process generally in line with IPCG Recommendation V.2.5., which does not prohibit *tout court* the engagement of the Company's service providers by the Remuneration Committee).

In summary, CTT considers that the practices followed by the Company ensure that the Remuneration Committee performs its duties with the assistance of specialised consultants who evidence independence and neutrality, thereby ensuring an alternative solution regarding CMVM Recommendation II.3.2., in line with the principles of good corporate governance and being materially equivalent to compliance with this Recommendation.

Recommendation II.3.3 (b)

“The statement on the remuneration policy of the managing and supervisory bodies referred to in article 2 of Law 28/2009, of 19 June, shall additionally include: (...) b) Information on the maximum potential amount, individually, and the maximum potential amount, in aggregate, payable to the members of the corporate bodies, and identification of the circumstances under which these maximum amounts may be due; (...).

The annual statement on the CTT remuneration policy submitted by the Remuneration Committee to the Annual General Meeting held in 2014 did not include the potential maximum amount, in aggregate or individually, of the remuneration payable to the members of the Company's corporate bodies, as recommended in CMVM Recommendation II.3.3(b).

However, this annual statement is prepared by the CTT's Remuneration Committee as required by Law 28/2009, of 19 June, and CMVM Recommendation II.3.3. (a) and (c) and IPCG Recommendation V.2.2. (especially the annual statement on the 2014/2016 term of office, which will be submitted to the Annual General Meeting to be held on 5 May 2015, once approved by the Remuneration Committee for the current term of office), specifying: (i) the criteria and limits to which the remuneration policy is subject, in particular with regard to the variable component of the Executive Directors' remuneration (which is established by reference to the fixed component and pre-defined metrics); and (ii) the compensation/indemnity policy existing in the Company, as described in this report.

In turn, in each annual governance report prepared in accordance with CMVM Regulation 4/2013, the

Company discloses the amount of remuneration received, individually and in aggregate, by the members of the corporate bodies.

Thus, from the combination of these two information materials, the shareholders, the investors and the market in general obtain, with full transparency, information regarding the remuneration mix and the amounts involved, being able to decide on these at the Annual General Meeting and estimate agency costs arising from the remuneration policy approved by the CTT's Remuneration Committee.

In summary, the Company believes that its disclosure practices of the remuneration policy in force enable it to achieve 3 key objectives in this area:

- Predictability, presenting the standards appropriate for a review of agency costs, as opposed to a quantification of potential maximum remuneration amounts depending on performance objectives particularly aimed at motivating the management team;
- Information on actual due and paid remuneration, as opposed to the indication of potential amounts representing an inappropriate image of agency costs, particularly due to the fact that such potential amounts disregard unpredictable factors related to the business, sector, market and context, and are subject to a performance assessment to be held at each moment;
- Transparency, resulting from the indication of the maximum amounts of fixed remuneration of the corporate bodies, together with an indication of the limits and criteria of the variable component (established by reference to the annual base remuneration of each Executive Director) - a more appropriate way for the shareholders to become aware of and decide on the remuneration policy, whereby the Remuneration Committee and the Corporate Governance, Evaluation and Nominating Committee are responsible for the analysis of the appropriateness of the individual remuneration of each member of the management team and its assessment.

Thus, the Company ensures an alternative solution regarding CMVM Recommendation II.3.3 (b), in line with the principles of good corporate governance, being materially equivalent to compliance with this recommendation.

ANNEX I

- A. CURRICULA OF THE MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE AND REMUNERATION COMMITTEE**

- B. CURRICULA OF MEMBERS WHO TERMINATED OFFICE**

A. CURRICULA OF THE MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE AND REMUNERATION COMMITTEE

I. MEMBERS OF THE BOARD OF DIRECTORS AND AUDIT COMMITTEE

Francisco de Lacerda

Chairman & CEO

Date of Birth	September 24 th , 1960, Portugal
Date of 1 st appointment	August 24 th , 2012
Term of Office	2014 / 2016

Education

- ✓ 1982: Degree in Business Administration and Management, Universidade Católica Portuguesa

Internal functions held

- ✓ Chairman & CEO of CTT - Correios de Portugal, S.A.
- ✓ Chairman of CTT Expresso - Serviços Postais e Logística, S.A. (Postal Services and Logistics)
- ✓ Chairman of Tourline Express Mensajería, S.L.U.
- ✓ Chairman of the Board of the General Meeting of Correio Expresso de Moçambique, S.A. (Express Mail)

Professional experience

For 25 years, until 2008, he held several functions in investment banking, enterprises and retail, including CEO of Banco Mello and Member of the Executive Board of Directors of the Portuguese Bank Millennium BCP, listed on the stock exchange and with prominent operations in Central and Eastern Europe, for which he was responsible, after which he held functions in Portuguese institutions, also listed, having been CEO of Cimpor - Cimentos de Portugal SGPS, S.A. - an international cement group operating in 12 countries and one of the 5 largest companies in the NYSE Euronext Lisbon stock market - and non-Executive Director and Member of the Audit Committee of EDP Renováveis, the 3rd global renewable energy company.

Management and supervisory functions held in other companies (last 5 years)

- ✓ May-October 2014: Non-Executive Director of Norfin – Portuguese Property Group, S.A.
- ✓ 2010 - 2012: CEO of Cimpor - Cimentos de Portugal SGPS, S.A.
- ✓ 2010 - 2012: Chairman of Cimpor Inversiones, S.A.
- ✓ 2010 - 2012: Chairman of Sociedade de Investimento Cimpor Macau, S.A. (investment company)
- ✓ 2008 - 2012: Non-executive Director of EDP Renováveis, S.A., Member of the Audit Committee in 2008-2011

2014

- ✓ 2008 - 2012: Managing Partner of Deal Winds – Sociedade Unipessoal, Lda.
- ✓ 2008 - 2010: Director of Mague – SGPS, S.A.

Other external functions held

- ✓ 2014 - ...: Member of the Board of AEM - Associação de Empresas Emitentes de Valores Cotados em Mercado (Association of Securities Issuer Companies listed in the Stock Market)
- ✓ 2009 - ...: Member of the Remuneration Committee of Portugal Telecom SGPS, S.A. (he suspended his activity between August 2012 and March 2014)
- ✓ 2011 - ...: Member of the Advisory Board of Nova School of Business & Economics
- ✓ 2006 - ...: Member of the Advisory Board of the Master's Degree in Finance at Católica Lisbon School of Business & Economics
- ✓ 2006 - ...: Member of the General Council of Clube Naval de Cascais

António Gomes Mota

Vice-Chairman, Non-Executive Director, Chairman of the Audit Board

Date of Birth	June 10 th , 1958, Portugal
Date of 1st appointment *	March 24 th , 2014
Term of Office	2014 / 2016

* Chairman of the Fiscal Board between November 12th, 2013 and March 24th, 2014

Education

- ✓ 1981: Degree in Business Management and Organization, ISCTE - Instituto Universitário de Lisboa
- ✓ 1984: MBA, Universidade Nova de Lisboa
- ✓ 2000: PhD in Business Management, ISCTE

Internal functions held

- ✓ Vice-Chairman and Non-Executive Member of the Board of Directors of CTT - Correios de Portugal, S.A.
- ✓ Chairman of the Audit Board of CTT - Correios de Portugal, S.A.
- ✓ Chairman of the Corporate Governance, Evaluation and Nominating Committee of CTT - Correios de Portugal, S.A.

Professional experience

His 20-year corporate journey has included management functions in the sectors of banking, consulting and financial services. He was Director of the ISCTE Business School (from 2003 to 2012) and Chairman of INDEG/ISCTE (from 2005 to 2012). He is a Professor at the ISCTE Business School since 2005 and a Visiting Professor at the Nova/Católica Lisbon MBA since 2013. He has a long experience as a consultant in the areas of strategy, business valuation and risk management for large Portuguese and international companies. He is the author of several reference works in the financial area. He has held leadership functions in several Boards of Directors and Supervisors in large listed companies in Portugal.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2014 - ...: Vice-Chairman the Board of Directors (non-executive) of Soares da Costa Construção SGPS, S.A.
- ✓ 2013 - ...: Chairman of the Board of Directors (non-executive) of SDC Investimentos, SGPS, S.A.
- ✓ 2009 - ...: Member of the General and Supervisory Boards and of the Audit Committee and (since 2012) of Performance and Competitiveness of EDP - Energias de Portugal, S.A.
- ✓ 2009 - 2012: Member of the Board of Directors and Chairman of the Nominating and Remuneration Committee of CIMPOR – Cimentos de Portugal SGPS, S.A.

Other external functions held

- ✓ 2013 - ...: Member of the Remuneration Committee of Portugal Telecom SGPS, S.A.
- ✓ 2010 - ...: Vice-Chairman of the Portuguese Institute of Corporate Governance

Manuel Castelo-Branco

Vice-Chairman, Executive Director

Date of Birth	September 14 th , 1968, Portugal
Date of 1st appointment	August 24 th , 2012
Term of Office	2014 / 2016

Education

- ✓ **1992:** Degree in Business Administration and Management, Universidade Católica Portuguesa

Internal functions held

- ✓ Vice-Chairman of CTT - Correios de Portugal, S.A.
- ✓ Member of the Board of Directors of CTT Expresso - Serviços Postais e Logística, S.A. (Postal Services and Logistics)
- ✓ Member of the Board of Directors of Tourline Express Mensajería, S.L.U.

Professional experience

Vice-Chairman of the Board of Directors of CTT, responsible for Large Customers and Information Technology. He held sales and marketing functions in consumer goods companies, including Unilever, Sara Lee and Reckitt Benckiser. He joined the Sonae staff as Sales Manager for the Group's retail brands, such as Worten and Continente. As General Manager of Media Capital he was responsible for the launch of what would become the 3rd largest Internet service provider in Portugal. Subsequently he was Director of Reditus, an information technology company listed on the stock exchange, and was part of the top management after the merger with Tecnidata. He was also a strategic consultant at Saudi Oger – Lebanon-Saudi Holding Company - for its telecommunications business in Portugal.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2010 - 2012: Member of the Board of Directors of Reditus BS Products, S.A.
- ✓ 2009 - 2012: Member of the Board of Directors of Strong, S.A.
- ✓ 2009 - 2011: Member of the Board of Directors of Reditus Gestão, S.A.
- ✓ 2008 - 2012: Member of the Board of Directors of Partblack, S.A.
- ✓ 2008 - 2012: Member of the Board of Directors of ALL2it Infocomunicações, S.A.
- ✓ 2008 - 2011: Member of the Board of Directors of TD IF, S.A.
- ✓ 2008 - 2011: Member of the Board of Directors of Tecnisuporte, S.A.
- ✓ 2007 - 2012: Member of the Board of Directors of Tecnidata, S.A.
- ✓ 2007 - 2012: Member of the Board of Directors of Reditus SGPS, S.A.

Other external functions held

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André Gorjão Costa

CFO, Executive Director

Date of Birth	June 1 st , 1973, Portugal
Date of 1st appointment	August 24 th , 2012
Term of Office	2014 / 2016

Education

- ✓ 1996: Degree in Economics, Universidade Nova de Lisboa

Internal functions held

- ✓ Member of the Board of Directors and Chief Financial Officer (CFO) of CTT - Correios de Portugal, S.A.
- ✓ Member of the Board of Directors of CTT Expresso - Serviços Postais e Logística, S.A. (Postal Services and Logistics)
- ✓ Member of the Board of Directors of Tourline Express Mensajería, S.L.U.
- ✓ Chairman of the Board of Directors of Payshop (Portugal), S.A.

Professional experience

He performs duties as Chief Financial Officer and Member of the Board of Directors of CTT, being responsible for the Financial Services Business Unit and Postal Bank Project, and the departments of Regulation and Competition and Investor Relations, outside the CFO functions. With a 16-year professional career in commercial and investment banking at Grupo Santander, he has held several functions in Portugal and abroad. He joined the Corporate Finance team of Banco Santander de Negócios in 1996 and subsequently led the cross border team in the Area of Mergers and Acquisitions where he was responsible for several acquisitions in Latin American countries. In 2000, he was appointed Director of Corporate Banking, being responsible for creating the Department of Global Customers of Santander and relations with the key Portuguese corporate customers of the bank. He provided advisory services for Sonae on the acquisition of a participation in Modelo Continente from Carrefour and the Américo Amorim Group on the acquisition of 33.34% of Galp Energia, among many other prominent transactions in Portugal, Spain and Brazil. In 2007, he was appointed Coordinating Director of Credit Markets in Portugal, at which point Santander was Bookrunner in many issuances of Eurobonds, and Mandated Lead Arranger in some of the most important financing operations of projects in the renewable and infrastructure sectors in Portugal, as well as the financing of several acquisitions.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2012 - : Member of the Board of Directors of Eurogiro A/S
- ✓ 2006-2012.....: Partner and Manager of Pleximyng, Lda.

Other external functions held

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Dionízia Ferreira

Executive Director

Date of Birth	January 3 rd , 1966, Portugal
Date of 1st appointment	August 24 th , 2012
Term of Office	2014 / 2016

Education

- ✓ 1988: Degree in Business Administration and Management, Instituto Superior de Economia e Gestão

Internal functions held

- ✓ Member of the Board of Directors of CTT - Correios de Portugal, S.A.
- ✓ Member of the Board of Directors of CTT Expresso - Serviços Postais e Logística, S.A. (Postal Services and Logistics)
- ✓ Member of the Board of Directors of Tourline Express Mensajería, S.L.U.
- ✓ Chairman of the Board of Directors of Mailtec Comunicação, S.A.
- ✓ Chairman of the Board of Directors of Mailtec Consultoria, S.A.
- ✓ Manager at Mailtec Processos, Unipessoal, Lda.
- ✓ Chairman of the Board of Directors of CTT Gest - Gestão de Serviços e Equipamentos Postais, S.A. (Postal Equipment and Services Management)
- ✓ Chairman of the Management Board of PostContacto - Correio Publicitário, Lda. (Advertising Mail)
- ✓ Member of the Board of Directors of Correio Expresso de Moçambique, S.A. (Express Mail)

Professional experience

As Member of the Board of Directors of CTT she was responsible for the Business Units of Mail and Express and Parcels and the Retail Network. Until 2003, she developed a 14-year professional career in commercial and retail banking at Barclays Bank, Banco Mello and Millennium BCP. From 2003 to 2007 she was Commercial and Marketing Director of CTT, having been responsible for the operational and strategic marketing of the retail network, for the design and launch of Correio Verde (Green Mail), for the optimization of the product and services portfolio and for preparing the launch of Banco Postal (Postal Bank). Over five years, until 2012, she has held the functions of Chief Executive Officer of Payup, Coordinating Director of New Branches at Barclays Bank PLC (Permanent Representation) and was Responsible for the Divestment of Banco Popular Portugal.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2013 – 2014: Chairman of the Board of Directors of EAD - Empresa de Arquivo de Documentação, S.A.
- ✓ 2008 – 2009: Chief Executive Officer of Payup - Desenvolvimento de Negócios, S.A

Other external functions held

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Ana Maria Jordão

Executive Director

Date of Birth	December 14 th , 1955, Portugal
Date of 1st appointment	August 24 th , 2012
Term of Office	2014 / 2016

Education

- ✓ 1977: Law Degree, Universidade Clássica de Lisboa

Internal functions held

- ✓ Member of the Board of Directors of CTT - Correios de Portugal, S.A.
- ✓ Member of the Board of Directors of CTT Expresso - Serviços Postais e Logística, S.A. (Postal Services and Logistics)
- ✓ Member of the Board of Directors of Tourline Express Mensajería, S.L.U.

Professional experience

As Member of the Board of Directors of CTT, she was responsible for Legal and Litigation Services, Human Resources Management, Physical Resources and Purchasing and Logistics. Her career was built in Public Administration, since 1978, where she held functions of high responsibility, including those of Deputy Secretary of State for National Defence, Assistant to the Secretary of State for Budget, Deputy General Secretary of the General Secretariat of the Ministry of Planning and Territory Administration, Chief of staff to the Secretary of State for Fiscal Affairs, Member of the Commission for Supervision of the Securities Market Commission and Director General of Customs and Taxes on Consumption. Over the last five years, she has held the functions of Director of Administrative and Financial Services (from 2006 to 2011) and Secretary General of Parliament (2012).

Management and Supervisory functions held in other companies (last 5 years)

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Other external functions held

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António Vitorino

Non-Executive Director

Date of Birth	January 12 th , 1957, Portugal
Date of 1st appointment	March 24 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1981: Law Degree, Universidade Clássica de Lisboa
- ✓ 1986: Master's Degree in Legal and Political Sciences, Universidade Clássica de Lisboa

Internal functions held

- ✓ Non-Executive Member of the Board of Directors of CTT - Correios de Portugal, S.A.

Professional experience

He is a member of the Bar Association and an Assistant at the Faculty of Law of Universidade de Lisboa since 1982, and was also a visiting Professor at the Faculty of Law of Universidade Nova de Lisboa from 2008 to 2010. He has held several top functions in the governmental, legislative and policy areas in Portugal and abroad, as Member of Parliament (1980 to 2006), Secretary of State for Parliamentary Affairs (1983 to 1985), Secretary of State of the Government of Macau (1986 to 1987), Judge of the Constitutional Court (1989 to 1994), Member of the European Parliament (1994 to 1995), Minister of the Presidency and National Defence (1995 to 1997) and European Commissioner for Justice and Domestic Affairs (1999 to 2004). Also in the corporate domain he has held supervisory and non-executive management functions in several Portuguese and international companies.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2014 - ...: Chairman of the Fiscal Board of Tabaqueira, S.A.
- ✓ 2014 - ...: Chairman of the Fiscal Board of Siemens Portugal
- ✓ 2007 - ...: Non-Executive Director of Áreas Portugal

Other external functions held

- ✓ 2011 - ...: Chairman of Notre Europe - Instituto Jacques Delors, Paris
- ✓ 2010 - ...: Chairman of the Board of the General Meeting of Finpro SGPS, S.A.
- ✓ 2008 - ...: Chairman of the Board of the General Meeting of Novabase SGPS, S.A.
- ✓ 2007 - ...: Chairman of the Board of the General Meeting of Brisa - Auto-estradas de Portugal, S.A.
- ✓ 2005 - ...: Chairman of the Board of the General Meeting of Banco Santander Totta, S.A.
- ✓ 2005 - ...: Partner at Cuatrecasas, Gonçalves Pereira

Nuno Fernandes Thomaz

Non-Executive Director, Member of the Audit Committee

Date of Birth	August 5 th , 1943, Portugal
Date of 1st appointment	March 24 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1965: Law Degree, Universidade Clássica de Lisboa

Internal functions held

- ✓ Non-executive Member of the Board of Directors of CTT - Correios de Portugal, S.A.
- ✓ Member of the Audit Committee of CTT - Correios de Portugal, S.A.

Professional experience

With a background in law, he started his professional career exercising law in Portugal, from 1965 to 1974, having then held management functions in major international financial and industrial consortia, namely the Anglo American Group/De Beers in Portugal, Interbrás-Petrobras and Banco Pinto de Magalhães in Brazil. Since his return to Portugal, he has held, since 1981, various executive management functions in Grupo Jorge de Mello/Nutrinveste, such as Director, Vice-Chairman and Chairman of more than 25 industrial and financial companies (including Tabaqueira, Molaflex and Incofina). Throughout his career, he has held leadership and consulting functions in various foundations, forums, institutes and universities.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2014 - ...: Non-executive Director of Espírito Santo Saúde SGPS, S.A.
- ✓ 2010 - ...: Chairman of Sociedade Gestora do Fundo de capital de Risco Bem Comum
- ✓ 2005 - ...: Manager at I Cook - Organização de Eventos, Lda
- ✓ 1998 - 2014: Director of Nutrinveste SGPS, S.A.

Other external functions held

- ✓ 2014 - ...: Vice-Chairman of the Competitiveness Forum
- ✓ 2011 - ...: Member of the Advisory Commission of the Portuguese Institute of Corporate Governance
- ✓ 2009 - ...: Chairman of the Board of Nova School of Business and Economics
- ✓ 1998 - 2002: Member of the Steering Committee of CIP - Confederação da Indústria Portuguesa (Confederation of Portuguese Industry)

Diogo Leite Campos

Non-executive Director, Member of the Audit Committee

Date of Birth	December 4 th , 1944, Portugal
Date of 1st appointment *	March 24 th , 2014
Term of Office	2014 / 2016

* Between November 12th, 2013 and March 24th, 2014, he was Member of the Fiscal Board

Education

- ✓ 1967: Law Degree, Universidade de Coimbra
- ✓ 1978: PhD in law, Universidade de Coimbra
- ✓ 1979: Docteur d'État en Droit, Université de Paris II
- ✓ 1979: PhD in Economics, Université de Paris IX

Internal functions held

- ✓ Non-executive member of the Board of Directors of CTT - Correios de Portugal, S.A.
- ✓ Member of the Audit Committee of CTT - Correios de Portugal, S.A.

Professional experience

He is a Retired Professor at the Law School of Coimbra and Universidade Autónoma de Lisboa. He was Director of Banco de Portugal and Chairman of the Advisory Board of CMVM between 1994 and 2000. He is a lawyer (partner) at the law firm Leite de Campos, Soutelinho & Associados - Sociedade de Advogados, RL. (Lisbon) and at Rolim, Viotti and Leite de Campos (Brazil).

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2014-....: Non-Executive Director of Banco Millennium in Romania.
- ✓ 2009 - ...: Chairman of the Fiscal Board of Banco Santander Consumer Portugal, S.A.
- ✓ 2008 - 2014: Non-Executive Director of RES SGPS, S.A.
- ✓ 2008 - 2011: Chairman of the Fiscal Board of Hagen Engenharia, S.A.

Other external functions held

- ✓ 2013 - 2015: Member of the Monitoring Committee of the Privatisation of the Insurance Branch of Caixa Geral de Depósitos, S.A.

Rui Horta e Costa

Non-Executive Director

Date of Birth	August 27 th , 1960, Portugal
Date of 1st appointment	July 29 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1984: Degree in Economics, Universidade Católica - Lisboa
- ✓ 1986: MBA, University of Minnesota - EUA
- ✓ 1995: FSA Certificate - Londres, RU

Internal functions held

- ✓ Non-executive Member of the Board of Directors of CTT - Correios de Portugal, S.A.

Professional experience

He was Managing Director of UBS in Investment Banking in London, Utilities Team Leader for Europe, Middle East and Africa (EMEA) and member of the Investment Banking Management Board for the EMEA Region. At UBS he headed a significant number of large operations in Europe, during a total period of 8 years - 6 years before (from 1995 to 2000) and 2 years after (from 2006 to 2008) working at EDP. He was a member of the Board of Directors and CFO at EDP-Energias de Portugal for 6 years (from 2000 to 2006), where he very actively participated in the company's strategic shift, in the implementation of its re-focus on the Iberian Peninsula and the accelerated growth in renewable energy, as well as in the restructuring and ring fencing of EDP's business in Brazil. At the beginning of his professional career, he worked for a period of 7 years in Portugal (1986-1994), in investment banking (MDM-Morgan, Deutsche & Mello, Finantia and Citibank), and in industry (Executive Director of Nutrinveste).

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2014 - ...: Non-executive member of the Board of Directors of Agrocortex
- ✓ 2012 - ...: Member of the Board of Directors of Cell2B
- ✓ 2012 - ...: Member of the Iberian Advisory Board of AT Kearney
- ✓ 2008 - ...: Non-executive member of the Board of Directors of EIP
- ✓ 2008 - ...: Founder and member of the Board of Directors of Luz.on
- ✓ 2007 - ...: Non-executive member of the Board of Directors of Vale do Lobo Resort

Other external functions held

- ✓ 2008 - ...: Founder, as a consultant, for RHCAS

José Baptista Fino

Non-Executive Director

Date of Birth	January 10 th , 1954, Portugal
Date of 1st appointment	December 19 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1972 - 74: Attended the course on Business Studies (North East London Polytechnic, UK)

Internal functions held

- ✓ Non-executive member of the Board of Directors of CTT-Correios de Portugal, S.A.

Professional experience

An entrepreneur since 1977, he was a promoter and manager in several companies in Portugal, Spain and most recently Mozambique, which include activities in the area of retail for the home, such as Snucker and Area Infinitas (a company that resulted from the franchise of Habitat in Portugal), in real estate and in the agro-industrial activity. While representing relevant shareholder functions, he was a non-executive member of the Board of Directors of Cimpor-Cimentos de Portugal, SGPS, S.A. for 8 years (from 2004 to 2012), and is, since 2008, also a non-executive member of SDC – Investimentos SGPS, S.A., both of which are companies with shares listed on Euronext Lisbon. He is also a non-executive member of the Board of Directors of Specialty Minerals (Portugal), a subsidiary of the multinational group Minerals Technologies Inc., in Portugal.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2009-...: Chairman of the Board of Directors of Ramada Energias Renováveis, S.A.
- ✓ 2008-...: Member of the Board of Directors of SDC – Investimentos SGPS, S.A.
- ✓ 2007-...: Chairman of the Board of Directors of Dignatis – Investimentos Imobiliários e Turísticos, S.A.
- ✓ 2001-...: Chairman of the Board of Directors of Ramada Holdings SGPS, S.A.
- ✓ 1997-...: Managing Partner of Nova Algodoeira, Lda.
- ✓ 1996-...: Manager at Dorfino Imobiliário, Lda.
- ✓ 1994-...: Director at Specialty Minerals (Portugal) Especialidades Minerais, S.A.

Other external functions held

- ✓ 2004 – 2013: Member of the Board of Directors of Investifino – Investimentos e Participações SGPS, S.A.
- ✓ 2004 – 2013: Member of the Board of Directors of Manuel Fino SGPS, S.A.
- ✓ 2004 – 2012: Member of the Board of Directors of Cimpor – Cimentos de Portugal SGPS, S.A.
- ✓ 2001 – 2013: Chairman of the Board of Directors of Ethnica SGPS, S.A.
- ✓ 2001 – 2013: Chairman of the Board of Directors of Area Infinitas Design de Interiores, S.A.

II. Members of the Remuneration Committee

João Talone

Chairman of the Remuneration Committee

Date of Birth	October 27 th , 1951, Portugal
Date of 1st appointment	March 24 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1974: Degree in Civil Engineering, Universidade Técnica de Lisboa
- ✓ 1984: MBA, Universidade Nova de Lisboa
- ✓ 2002: AMP Harvard Business School

Internal functions held

- ✓ Chairman of the Remuneration Committee of CTT – Correios de Portugal, S.A.

Professional experience

For 13 years (1988 to 2001) he was Member of the Executive Board of Directors of Banco Comercial Português (BCP), having been appointed Special Commissioner for the Portuguese Government and led the process of extinction of Investimentos e Participações Empresariais (IPE), a Portuguese State Company which owned and controlled the main holdings of the State in industrial companies. Between 2003 and 2006 he was CEO of EDP-Energias de Portugal, S.A., one of the major European operators in the sector of energy, and Vice-Chairman of the Board of Directors of HidroCantábrico, after the takeover by EDP in 2005. He is a founding partner of Magnum Capital, the largest Iberian private equity fund.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2006-....: Chairman of the Board of Directors of Iberwind
- ✓ 2006-....: Member of the Board of Directors of Grupo Eptisa
- ✓ 2006-....: Chairman of the Board of Directors of Grupo Vendap
- ✓ 2006-....: Chairman of the Board of Directors of Grupo Generis
- ✓ 2014 Member of the Board of Directors of Grupo Nace

Other external functions held

- ✓ 2014-....: Elected member of CNEI - Conselho Nacional de Empreendedorismo e Inovação (National Council for Entrepreneurship and Innovation)
- ✓ 2013-....: Elected member of Academia de Engenharia (Engineering Academy)
- ✓ 2014-....: Representative of Portugal in the “Comissão Trilateral” (Trilateral Committee)

José Gonçalo Maury

Member of the Remuneration Committee

Date of Birth	October 27 th , 1950, Portugal
Date of 1st appointment	March 24 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1973: Degree in Finance, Instituto Superior de Economia, Lisboa
- ✓ 1978: MBA, INSEAD, Fontainebleau

Internal functions held

- ✓ Member of the Remuneration Committee of CTT – Correios de Portugal, S.A.

Professional experience

He began his professional career in 1971 at the formal Technical Secretariat of the Presidency of the Council, having subsequently held functions in various bodies of the Ministry of Industry, namely in IAPMEI (until 1977). After finishing his MBA, he returned to Portugal where he was Commercial Director of Tobom (1978 to 1979) and then Deputy and Chief of Staff to the Secretary of State for Transport (1980 to 1981). From 1981 to 1989 he worked at Citibank in Spain and Portugal, where he was responsible for the financial sector (banking and insurance), was part of the team that negotiated and prepared the opening of Banco de Portugal and was Director of the Department of Credit and Risk Management. Since 1990 he has been working as a consultant for Egon Zehnder, a global executive search company, where he advises Portuguese and multinational companies present in Portugal, on all sectors of activity, namely: financial, services and industry.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2015 - ...: Non-Executive Director and Member of the Nominating and Remuneration Committee of Gestmin SGPS, S.A.

Other external functions held

- ✓ 2006 -...: Chairman of the Remuneration Committee of Semapa - Sociedade de Investimento e Gestão, SGPS, S.A.
- ✓ 2006 -...: Chairman of the Remuneration Committee of Grupo Portucel Soporcel
- ✓ 2007 -...: Chairman of the Remuneration Committee of Secil – Companhia Geral de Cal e Cimento, S.A.

Rui Alpalhão

Member of the Remuneration Committee

Date of Birth	August 5 th , 1963, Portugal
Date of 1st appointment	March 24 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1985: Degree in Economics, Universidade Nova de Lisboa
- ✓ 1988: Master's Degree in Business Management, Universidade Nova de Lisboa
- ✓ 2007: PhD in Finance, Instituto Universitário de Lisboa

Internal functions held

- ✓ Member of the Remuneration Committee of CTT – Correios de Portugal, S.A.

Professional experience

He started his professional career in university education after completing his degree, currently being an Associate Visiting Professor of Finance at the Instituto Universitário de Lisboa. He was a director of companies owned (and controlled) by Banco Totta & Açores and Caixa Geral de Depósitos and coordinated the management buy-in of a fund manager, whose Executive Management he would later ensure. Later, he created FundBox Holdings SGPS, which holds qualified holdings in two fund management companies and began operations in the market for distressed assets through Tram 28, with the acquisition of a hotel from Parvalorem. He has had two books published in Portugal and has published scientific articles in international magazines such as "Applied Financial Economics", the "Financial History Review", the "International Journal of Financial Research" and "ISRN Economics".

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2011 -...: Chairman of FundBox – Sociedade Gestora de Fundos de Investimento Mobiliário, S.A.
- ✓ 2008 -...: Member of the Board of Directors of Safeunit, S.A.
- ✓ 2007 -...: Member of the Board of Directors of Sintra Retail Park – Parques Comerciais, S.A.
- ✓ 2007 -...: Member of the Board of Directors of Lansdowne SGPS, S.A.
- ✓ 2007 -...: Member of the Board of Directors of Lima Retail Park, S.A.
- ✓ 2006 -...: Member of the Board of Directors of Safeshare – Consultoria, S.A.
- ✓ 2005 -...: Chairman of FundBox Holdings SGPS
- ✓ 2005 -...: Manager at Tram 28, Lda.
- ✓ 2007-2013: CEO of FundBox – Sociedade Gestora de Fundos de Investimento Imobiliário, S.A.

Other external functions held

- ✓ Member of the Committee of the PSI20 Index at Euronext Lisbon

B. CURRICULA OF MEMBERS WHO TERMINATED OFFICE

I. Members of the Board of Directors who terminated office

José Honório ¹

Non-Executive Director

Date of Birth	November 30 th , 1957, Portugal
Date of 1 st appointment	March 24 th , 2014
Term of Office	2014 / 2016

Education

- ✓ 1980: Degree in Economics, Universidade de Coimbra

Internal functions held

- ✓ Non-executive member of the Board of Directors of CTT-Correios de Portugal, S.A.

Professional experience

He has served as CEO of the Portucel group since 2004 and as Member of the Board of Directors and of the Executive Committee of Semapa - Sociedade de Investimento e Gestão, SGPS, S.A. since 1994, and was Member of the Board of Directors of several other companies of the Portucel, Secil and Semapa groups, having ceased functions in February 2014. He joined Queiroz Pereira in 1989, joined Semapa in 1994 and took part in the privatization of the Portuguese cement industry. He previously developed his activity in the automotive sector, in banking and in the oil industry.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2004-2014: CEO and Member of the Board of Directors of Portucel, S.A.
- ✓ 2004-2014: CEO and Member of the Board of Directors of Soporcel – Sociedade Portuguesa de Papel, S.A.
- ✓ 1994-2014: Member of the Board of Directors of Semapa – Sociedade de Investimento e Gestão SGPS, S.A.
- ✓ 1994-2014: Member of the Board of Directors of Secil – Companhia Geral de Cal e Cimento, S.A.
- ✓ 2005-2014: Member of the Board of Directors of CEPI – Confederation of European Paper Industries

¹ Curriculum updated at the time of his election as non-Executive Director on March 24th, 2014 at the General Meeting, having communicated his resignation on July 22nd, 2014

Other external functions held

- ✓ 2011-2013: Vice-Chairman of CIP - Confederação Empresarial de Portugal
- ✓ 2010-2013: Chairman of BCSD Portugal - Conselho Empresarial para o Desenvolvimento Sustentável
- ✓ 2007-2012: Director of CIP - Confederação da Indústria Portuguesa/Confederação Empresarial de Portugal
- ✓ 2008-2011: Member of the Management of RAIZ - Instituto de Investigação da Floresta e Papel
- ✓ 2006-2008: Chairman of IBET - Instituto de Biologia Experimental Tecnológica

Parpública - Participações Públicas SGPS, S.A.¹

Non-Executive Director, Member of the Audit Committee

Share Capital	€ 2,000,000,000.00 (paid-up: € 1,027,151,031.48)
Date of 1 st appointment	March 24 th , 2014
Term of Office	2014 / 2016

Identification

Registered at the Commercial Registry of Lisbon under the single registration and VAT number 502769017, PARPÚBLICA, Participações Públicas SGPS, S.A., a state owned holding company, governed by Decree-Law no. 209/2000, of September 2nd, which is a vehicle of the State for acting in the following areas:

- ✓ Management of investments in companies in a process of privatisation or likely to be privatised;
- ✓ Development of privatization processes within the framework determined by the Government;
- ✓ Restructuring of companies transferred to his portfolio for such purpose;
- ✓ Monitoring of holdings in privatised companies that grant special rights to the State;
- ✓ Management of surplus public property, through subsidiary companies of specialized object;
- ✓ Assisting the exercise - by the Minister of Finance – of financial supervision over State companies and concessionary companies of services of general economic interest.

Object

- ✓ The management of public holdings that are part of its assets;
- ✓ The management, through subsidiaries of specialized object, of public property that have an effect on it;
- ✓ The provision of technical support to the exercise – by the Minister of Finance - of the State's financial supervision over public companies and private concessionary companies of services of general economic interest, as well as the management of financial assets of the State;
- ✓ The provision of services in the field of settlement of companies dissolved by the State or by other public entities;
- ✓ The provision of technical services of administration and management to the subsidiaries.

¹ Curriculum updated at the time of his election as non-Executive Director and member of the Audit Committee on March 24th, 2014 at the General Meeting, having communicated his resignation on November 14th, 2014

Majority shareholdings held

- ✓ Sagestamo - Sociedade Gestora de participações Sociais Imob. SGPS, S.A.
- ✓ TAP SGPS, SA
- ✓ Imprensa Nacional Casa da Moeda, S.A.
- ✓ Companhia das Lezírias, S.A.
- ✓ SIMAB - Sociedade Instaladora de Mercados Abastecedores, S.A.
- ✓ ADP - Águas de Portugal, SGPS, S.A.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ Member of the Board of Directors of AdP – Águas de Portugal SGPS, S.A.
- ✓ Member of the Board of Directors of Cruz Vermelha Portuguesa – CVP –SGH, S.A.

II. Members of the Fiscal Board who terminated office¹

Elsa Maria Roncon Santos

Member of the Fiscal Board

Date of Birth	March 10 th , 1951, Goa
Date of 1st Appointment	August 24 th , 2012
Date of 2nd Appointment	November 12 th , 2013
Term of Office	2012 / 2014 2 nd appointment for the conclusion of the 2012/2014 term of office

Education

- ✓ 1975: Degree in Economics, Universidade Técnica de Lisboa
- ✓ 1976: Port-graduation at the Instituto Gulbenkian de Ciência (Gulbenkian Science Institute)

Internal functions held

- ✓ Member of the Fiscal Board of CTT - Correios de Portugal, S.A. (since November 12th, 2013)

Professional experience

With a long career in the public business sector, she currently holds the functions of Director-General of Treasury and Finance, an office which inherently grants her those of Chairman of the Board of Directors of the Fund in Support of the Payment System of the National Health Service and Chairman of the Board of Directors of the Fund for Rehabilitation and Heritage Conservation. In addition to these, she is Chairman of the Joint Commission of the Portuguese Fund to Support Investment in Mozambique; She is a State Representative on the Standing Committee Monitoring the Framework Agreement on the Re-privatization of Banco Português de Negócios, S.A., entered into between the Portuguese State and Banco BIC Português; Chairman of the General Meeting of Parpública – Participações Públicas SGPS, S.A. (Public Holdings); and Member of the Steering Committee of the Resolution Fund, appointed by the Minister of State and Finance, and a full representative of the business sector of the State at the Economic and Social Council, appointed by Resolution no. 2/2014.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2011-...: Director-General of Treasury and Finance
- ✓ 2010-2011: Chairman of the Fiscal Board of EMEF - Empresa de Manutenção de Equipamento Ferroviário, S.A.
- ✓ 2010-2011: Chairman of the Fiscal Board of CP Carga – Logística e Transportes Ferroviários de Mercadorias, S.A.

Other external functions held

- ✓ 2009-2011: Chairman of the Ethics Commission of CP – Comboios de Portugal, EPE
- ✓ 2005-2008: Chairman of the Executive Committee of Fernave – Formação Técnica, Psicologia Aplicada e Consultoria em Transportes e Portos, S.A.
- ✓ 2005-2008: Chairman of the Board of Directors of Ecosaúde, S.A.
- ✓ 2005-2008: Chairman of the Management Board of Pactogest, Lda.

¹The previous model of governance of CTT included the National Fiscal board, which remained in Office until the election of the Audit Committee at the General Meeting held on March 24th, 2014.

Sara Alexandra Ambrósio

Alternate Member of the Fiscal Board

Date of Birth	July 13 th , 1971, Portugal
Date of 1st Appointment	August 24 th , 2012
Date of 2nd Appointment	November 12 th , 2013
Term of Office	2012 / 2014 2 nd Appointment for conclusion of the 2012/2014 term of office

Education

- ✓ **1994:** Law Degree, Universidade Autónoma de Lisboa
- ✓ **1996:** Post-graduation in European Studies, Instituto Superior de Economia e Gestão, Lisboa
- ✓ **2011:** Post-graduation in Administrative Litigation, Instituto de Ciências Jurídico-Políticas da Faculdade de Direito, Universidade de Lisboa

Internal functions held

- ✓ Alternate member of the Fiscal Board of CTT - Correios de Portugal, S.A. (since November 12th, 2013)

Professional experience

She has been holding the position of Legal Officer of the Directorate-General of Treasury and Finance since 1997, which includes providing legal opinions, analysis and drafting of legislative projects, as well as the follow-up of administrative and judicial proceedings, in the areas of competence of that Directorate-General. She has held several functions in supervisory bodies, as Member of the Board of the General Meeting and also as a member of Remuneration Committees in several companies in the business sector of the State, having also represented the State in several General Meetings of companies of the same scope and in various work groups.

Management and Supervisory functions held in other companies (last 5 years)

- ✓ 2013-2015: Member of the Fiscal Board of APSS – Administração dos Portos de Setúbal e Sesimbra, S.A.
- ✓ 2008-2010: Member of the Fiscal Board of APSS – Administração dos Portos de Setúbal e Sesimbra, S.A.

Other external functions held

- ✓ 2013-2015: Secretary of the Board of the General Meeting of APS – Administração do Porto de Sines, S.A.
- ✓ 2008-2010: Secretary of the Board of the General Meeting of APS – Administração do Porto de Sines, S.A.
- ✓ 2009-2011: Chairman of the Board of the General Meeting of SIEV – Sistema de Identificação Eletrónica de Veículos, S.A.
- ✓ 2008-2010: Chairman of the Remuneration Committee of Parque Expo 98, S.A.
- ✓ 2009-2011: Chairman of the Remuneration Committee of CARRIS – Companhia Carris de Ferro de Lisboa, S.A.
- ✓ 2009-2011: Member of the Remuneration Committee of LUSA – Agência de Notícias de Portugal, S.A.
- ✓ 2009-2011: Chairman of the Remuneration Committee of STCP – Sociedade de Transportes Coletivos do Porto, S.A.