ALTRI, S.G.P.S., S.A.
(OPEN CAPITAL COMPANY)

Corporate Governance

Rua General Norton de Matos, 68
4050-424 Porto
Share Capital: 25,641,459 €
CORPORATE GOVERNANCE

In compliance with the guidelines included in Stock Exchange Directive (Regulamento da CMVM) 7/2001 with the changes introduced by Regulations 11/2003 and 10/2005 this section serves to summarise the fundamental aspects of the management of the Company as regards the Board of Directors, considering the need for transparency with respect to this matter and the need for information for the investors and others to which the information is addressed.

This section is organised in accordance with the instructions included in the Attachment to the above mentioned regulation, it being the Board of Directors’ belief that the majority of the items included in the Stock Exchange Recommendations for Governance of Listed Companies have been complied with.

Regarding this matter, it is to highlight the fact that, following the changes introduced to the Commercial Companies Code by Decree-Law 76-A/2006, the Shareholders’ General Meeting held 29 March 2007 approved a partial change to the Company’s articles of association, transforming the oversight structure from the Sole Statutory Auditor regime to a Statutory Audit Board and Statutory Auditor.

Thus, were elected until the term of the current mandate (2005/2007) the following members:

Statutory Audit Board
- Dr. João da Silva Natária – President
- Dr. Manuel Tiago Alves Baldaque de Marinho Fernandes - Member
- Dra. Cristina Isabel Linhares Fernandes – Member
- Dr. Joaquim Augusto Soares da Silva – Substitute

Statutory Auditor
- Deloitte & Associados, SROC S.A., represented by Dr. António Manuel Martins Amaral

0. Statement of compliance

Altri, S.G.P.S., S.A. complies with the majority of recommendations of the Securities Market Commission (Comissão do Mercado de Valores Mobiliários - CMVM) relating to Corporate Governance, except for the following (in accordance with the numeration set in the attachment of the directive):

- Recommendation I-2: Although there are no formal internal control committees with the function of assessing corporate structure and governance, the Board of Directors believes that such functions, in the case of the Company, can be
CORPORATE GOVERNANCE

carried out by its Board of Directors and, in the case of its subsidiaries, it is carried out by their management control departments.

The Company’s Board of Directors is directly responsible for assessing corporate structure and governance and is constantly debating this matter.

- Recommendation III-2: Altri, S.G.P.S., S.A. does not include an organic unity dedicated specifically to internal audit. This task is developed by the management control department, and supervised by the Financial Management, who prepares and provides the Board of Directors with month reports for the several participated companies.

- Recommendation IV: The Board of Directors currently in functions does not include any members that can be considered independent under the provisions of Regulation 11/2003.

- Recommendation IV-5: In this section Altri, S.G.P.S., S.A. discloses information relating the fixed and variable remuneration of its Board of Directors and believes that disclosure of the individual remuneration of each director does not provide relevant information for the shareholders.
I. Disclosure of Information

1. Corporate Bodies and definition of responsibilities

Corporate Bodies

The corporate bodies of Altri, S.G.P.S., S.A. are:

- The Shareholders’ General Assembly, made up of all the shareholders with voting rights, who are responsible for approving changes in the articles of association, making a general assessment of the Management and monitoring the Company, approving the Directors’ Report and financial statements for the year, electing the members of the corporate bodies of its competence and, in general, considering all the matters submitted to it by the Board of Directors;

- The Board of Directors, elected by the Shareholders’ General Assembly, currently made up of 5 members who are responsible for carrying out all the management functions to implement the operations inherent in its corporate objectives, acting in the best interests of the Company, its shareholders and employees. On December 31, 2007, this corporate body was composed of the following members:

  - Paulo Jorge dos Santos Fernandes      President
  - João Manuel Matos Borges de Oliveira   Member
  - Pedro Macedo Pinto de Mendonça        Member
  - Domingos José Vieira de Matos         Member
  - Carlos Manuel Matos Borges de Oliveira Member

- Statutory Audit Board, appointed by the General Assembly, composed of three members and one or two alternates, responsible for the surveillance of the society and the appointment of the Statutory Auditor. On December 31, 2007 this corporate body was composed by the following members:

  - Dr. João da Silva Natária              President
  - Dr. Manuel Tiago Alves Baldaque de Marinho Fernandes Member
  - Dra. Cristina Isabel Linhares Fernandes Member
  - Dr. Joaquim Augusto Soares da Silva    Substitute

- The Statutory Auditor, who is responsible for the examination of Company’s financial statements. On December 31, 2007 this function was performed for Deloitte & Associados, SROC S.A.
Main areas of responsibility of the members of the Board of Directors

The Board of Directors, elected by the Shareholders’ General Assembly develops its tasks on a collective basis with the functions of management and coordination of the Group companies and is currently made up of a president and four members, all with executive functions.

The distribution of branches between the several members of the Board of Directors may be presented as follows:

Generically, Altri SGPS directors focus their activities in managing the Group’s participation and defining its strategic development. The daily management of each operating company is a responsibility of its Board of Directors, which includes some of Altri’s directors but also some other members with defined jurisdictions.

Given the present structure, the functional organisation chart of the Group is as follows:

2. Committees existing in the Company

In accordance with the Company’s articles of association, the members of the corporate bodies will be entitled to the remunerations that are decided by a committee, composed by three shareholders, one of which will be the president and will have a quality vote, all elected by the General Shareholder’s meeting. The shareholders remuneration might be fixed or partially represent a percentage that can never exceed five per cent of the net profits for the year. However, this committee is not currently appointed and the Company’s directors are not rewarded directly by Altri.

There are no other committees predicted for the society.
3. **Description of the risk control system implemented by the Company**

The Board of Directors consider that the group is exposed to the normal risks associated with its operations, namely in its operating units. Therefore, the main risks considered by the Group are: Credit Risk, Interest Rate Risk, Exchange rate Risk and Commodities Price variability Risk.

**Credit Risk**

Like any activity involving a commercial component, the Group’s exposure to credit risk is attributable mainly to the accounts receivable resulting from the Group’s operating activity. The first approach is performed through the daily management of the credit rating attributed to each credit prior to its acceptance and additionally through the adequacy of the granted payment periods. Credit risk evaluation is done in a regular basis, by analysing the current economic conjuncture conditions, in particular the credit situation of each company and, when necessary, adopting the corrective measures.

**Interest Rate Risk**

Considering the Group’s debt, possible variations on the interest rate may have an unwanted impact on the results. Therefore, the Group adopts a balanced position between the cost of the debt and its exposure to the interest rate variability. When the reasonable risk is exceeded, the Group engages interest rate swaps in order to reduce its exposure to risk and to restrict the potential volatility of results.

**Exchange Rate Risk**

Due to the great volume of transactions with non resident entities and with different currencies, exchange rate instability might have a relevant impact on the Group’s performance. Therefore, whenever the Group considers necessary to reduce the volatility of its results, the position is covered by contracting derivative instruments.

**Commodities Price variability Risk**

Since the Group’s activity involves two sectors with commodity transactions, (paper pulp and steel), it is particularly exposed to price fluctuation. The Group celebrates agreements to cover its positions, in order to reduce the volatility of the earnings.

4. **Evolution of the share price of Altri on Euronext Lisbon**

In addition to the analysis made previously on the evolution of prices of Altri capital shares, following is detailed the review of the most significant variations taking into account relevant factors such as the announcement of results, payment of dividends or the issuance of shares or other securities occurring throughout the year.
Through the communication made in March 7, 2007 the Group announced its performance for the year 2006 with the net profit including minority interests was approximately 21.1 million euro (this performance includes only 4 months of Celbi’s activity since its acquisition date on August 2006). The consolidated operating income amounted to 296 million euro and the operating cash flow (operating results + depreciation) was about 63 million euro. The consolidated net profit attributable to shareholders of the parent company in financial year 2006 was 20.8 million euro. The operating income of the 4th quarter of 2006 reached 98.5 million euro, the operating profit was 16.7 million euro and the EBITDA of 22.5 million euro, although these figures have been adversely affected by the planned stops on the factories of Celbi and Caima. Altri’s shares closed bearing 5.78 euro per share;

On April 2, it was communicated to CMVM that, as approved by the General Shareholders meeting, Altri would pay a dividend of 0.05 euro per share regarding 2006, from the day 18 of the same month. At that time the shares closed at 5.75 euro per share;

On May 9, 2007 were communicated to the market the results of Altri for the first quarter of 2007. Compared with the last quarter of 2006, the only period comparable with the current period, there is a growth on the activity of the Altri’s Group, namely an increase in operating income (8%), and with regard to operating results with a positive variation of 27% over the comparable period. In the first quarter of 2007, the Altri Group reached consolidated operating income of 106 million euro and a consolidated net profit of approximately 11 million euro. The operational cash flow (operating results + depreciation) was approximately 28 million euro. At that time the shares of Altri SGPS, S.A. closed bearing 6.55 euro per share;

Through communication made on September 5, 2007, the Group announced its performance for the first semester of 2007 with the net profit including minority interests of approximately 19.3 million euro. The consolidated operating income amounted was up than 213 million euro. The operating cash flow (operating results + depreciation) was 53.5 million euro. The operating income of the second quarter of 2007 reached 107 million euro, the operating profit was 18 million euro and the operating cash flow was 25 million euro; and
On November 7, 2007, were communicated to the market the results of Altri for the 3rd quarter of 2007. The consolidated operating income of Altri Group reached around 102 million euro which represents a growth of 3% compared to the 4th quarter of 2006. The operating cash flow amounted to about 27 million euro and registered a growth of 18% compared with the 4th quarter of 2006. These results produced a consolidated net profit greater than 9 million euro (+9% compared with the 4th quarter of 2006).

5. Dividend policy

Incorporate during 2005, Altri does not have relevant historical data regarding dividend distribution. However, in accordance with the policy set by the Board of Directors, the dividends proposed for distribution should be in such a manner that offers the shareholders the adequate compensation for their investment, at the same time that sustains the Group’s needs regarding its continuous growth and investment.

Concerning the year 2005, distributed dividends amounted to 2,564,146 Euro, corresponding to a dividend of 0.05 Euro per share, and a total of 51,282,918 shares.

Concerning the year 2006, distributed dividends amounted to 5,128,292 Euro, corresponding to a dividend of 0.05 Euro per share, and a total of 102,565,836 shares.

Concerning the year 2007, the board proposes a distribution of dividends equal to the previous year, that means, 0.05 Euro per share, corresponding to a total dividend distribution of 5,128,292 Euros.

6. Share distribution and share option plans

Altri, S.G.P.S., S.A. does not have any share distribution or share options plans for members of its corporate boards or employees.

7. Transaction carried out between the Company and members of its corporate boards

During 2007 no transactions were carried out between the Company and the members of its corporate boards (Board of Directors, Statutory Audit Board and Statutory Auditor), holders of qualified participations or subsidiaries of the Group that were not performed under normal market conditions for similar transactions, and were always performed under the Company's normal course of business of managing its investments.
8. **Investor support office**

The Company has established a representative for the relations with the market – Alfredo Luís Portocarrero Pinto Teixeira, secretary to the Board of Directors.

Contacts for investors to obtain information are as follows:

Rua do General Norton de Matos, 68 - r/c
4050-424 Porto
Porto
Phone: (+351) 22 8346502
Fax: (+351) 22 8346503
E-mail: aportocarrero@altri.pt

Whenever necessary the representative for the relations with the market ensures that all the relevant information regarding significant occurrences, relevant facts, disclosure of quarterly results and replies to possible requests, by investors or the public in general, for clarification of publicly available financial information, is provided.

Additionally, Altri provides financial information relating to its non consolidated and consolidated operations, as well as that of its affiliated companies, through its official internet page (www.altri.pt). This site is also used by the Company to provide information on press releases, as well as any relevant facts occurring in the life of the Company. This page also includes the Company’s statements of account.

9. **Remuneration Committee**

As mentioned before, it is not currently in function the Remuneration Committee predicted in the Company’s articles of association, due to the fact that the members of the Board of Directors are not rewarded directly by Altri, S.G.P.S., S.A., but directly by the subsidiary companies where they also perform duties.

10. **Fees paid to the auditors**

Fees paid to the Group’s auditors and other entities belonging to the same network by the Company and its subsidiaries amounted to, approximately, 595 thousand Euro, distributed as follows:

- Statutory audit 39.3%
- Other assurance services 20.5%
- Tax consultancy services 32.6%
- Other services 7.6%
In requesting projects, before awarding the services, the Board of Directors ensures that services are not contracted that, under the terms of European Commission Recommendation C (2002) 1873 of 16 May 2002, can put in question the independence of the auditors and their respective network. In addition, independence is usually safeguarded by the fact that the other services are rendered by different professionals from those performing financial audit services.

II. Voting rights and shareholders’ representation

Prior to each Shareholder’s General Meeting, in compliance with the legally required periods of notice, Altri publishes extensively the dates on which meetings are to take place, complementing this with inclusion of the notice calling the meeting in the institutional site (www.altri.pt).

The Shareholders’ General Meeting is made up of all the shareholders with the right to vote, with one vote for each share.

Shareholders may vote if they hold at least one share registered or deposited in their name in the centralised securities system. Registration and deposit referred to earlier must be shown to have been made at least five days before the date of the Shareholders’ General Meeting.

The vote by mail can be made on the following terms:

- The “vote by correspondence” should be exercised through written declaration, with the signature duly recognised (by public notary, attorney or solicitor) accompanied by a document to support the shares’ registration on behalf of the shareholder and respective immobilization until the term of the day of the Shareholders’ General Meeting;

- If a declaration intends to exercise the voting by mail and the supporting document of the quality of shareholder must be delivered to the Company’s headquarters until 5h00 p.m. of the fifth working day before the day assigned for the meeting, with identification of the sender, addressed to the President of the Shareholders’ General Assembly;

- There should be a statement of votes for each point of the Order of the Day for which is allowed to vote by mail and each declaration of vote should be sent in sealed envelope which can only be opened by the President of the Shareholders’ General Assembly at the moment of votes counting. So each envelope should indicate in its exterior the point of the Order of the Day that it respects to;

- The votes by correspondence will be valid as negative votes in relation to the proposals of deliberation presented after the emission of the vote;

- The presence in the General Assembly of the shareholder or his representative will be understood as withdrawal of their vote by correspondence.
There is no specific memo for voting by correspondence.

At this time, there is no provision for voting by electronic means.

Individual persons who are shareholders with the right to vote may be represented by another shareholder, spouse, ascendant or descendant, or any member of the Board of Directors. Legal entities which are shareholders of the Company are represented by the person designated for that purpose. Such representation must be communicated to the President of the Board of the Shareholders’ General Meeting, by letter delivered to the Company’s head office up to 5h00 p.m. on the fifth day preceding that of the Shareholders’ General Meeting.

Shareholders that do not have a sufficient number of shares to vote may do so by grouping together so as to have the number of shares needed to vote, only one of the members of the group being designated to represent the group at the Shareholders’ General Meeting.
III. Corporate rules

Code of Conduct and Internal Regulations

As Altri is an open capital company, its Management and employees pay great attention to compliance with the duties of confidentiality in relations with third parties, safeguarding Altri's position in situations of conflict of interest.

Altri's Board of Directors has approved internal regulations, which define that the members of the Administration are forbidden from trading shares and securities convertible to shares of Altri, S.G.P.S., S.A or securities that confer rights to them:

a. During the period from the 15th day preceding the end of each quarter or year and public disclosure, by whatever means, of the corresponding results;

b. During the period from the time the competent bodies of Altri, S.G.P.S., S.A. decide to propose the issuance of shares or securities convertible to shares of the Company or that confer rights to them to the corresponding public announcement thereof, by whatever means.

Whenever there is an operation in progress over the capital of Altri, S.G.P.S., S.A. for which a prospectus is published, the foregoing clauses are not applicable, from the date of publication of the prospectus up to the end of the period for subscribing for the shares or securities covered by the operation for which the prospectus was published.

In terms of internal control, Altri Group operating companies have management control bodies, which perform work at all levels of the subsidiary companies and prepare monthly reports for each Board of Directors, in addition to the work performed in the various companies by the Statutory Auditor and external auditors under the provisions of the law.

There are no specific conditions that limit the exercise of voting rights by the Company's shareholders, or any para-social agreements that the Company is aware of.
IV. Management Boards

1. The Board of Directors

In accordance with Altri’s articles of association, the Board of Directors is made up of three, five, seven or nine members, shareholders or not, elected by the Shareholders’ General Meeting for a three year term.

The current Board of Directors is made up of five members, their functions being as follows:

- Paulo Jorge dos Santos Fernandes President
- João Manuel Matos Borges de Oliveira Member
- Pedro Macedo Pinto de Mendonça Member
- Domingos José Vieira de Matos Member
- Carlos Manuel Matos Borges de Oliveira Member

All the current members of the Board of Directors of Altri, SGPS, S.A. have executive functions. Altri’s Board members cannot be considered to be independent, as they are all members of the Board of Directors of Cofihold, S.G.P.S., S.A., which holds around 20% of the capital of Altri, and exercises dominant influence over it.

The present members of the Board of Directors have been nominated for the period 2005/2007 through the deed of demerger that led to the incorporation of Altri, which took place in February 14, 2005. This was the first nomination of the Board members.

As of 31 December 2007, the Board members owned Altri’s shares as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Shares held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paulo Jorge dos Santos Fernandes</td>
<td>3,085,746</td>
</tr>
<tr>
<td>Pedro Macedo Pinto de Mendonça</td>
<td>852,500</td>
</tr>
<tr>
<td>Domingos José Vieira de Matos</td>
<td>3,469,716</td>
</tr>
<tr>
<td>João Manuel Matos Borges de Oliveira (a)</td>
<td>4,580,000</td>
</tr>
<tr>
<td>Carlos Manuel Matos Borges de Oliveira (a)</td>
<td>}</td>
</tr>
</tbody>
</table>

(a) 4,580,000 shares represent the total shares of Altri SGPS, SA owned by Caderno Azul - SGPS SA, which the administrators João Manuel Matos Borges de Oliveira and Carlos Manuel Matos Borges de Oliveira are shareholders.
The professional qualification of the present members of the Board of Directors, its professional activity and the detail of other companies where they also carry out management functions are as follows:

**Paulo Jorge dos Santos Fernandes**

Was one of the founders of Cofina (company that led to the creation of Altri, by spin-off), and has been involved in the Group's management since its incorporation. Graduated from Porto University with a degree in Electronic Engineering, also has an MBA from the University of Lisbon. Develops his activity in the media and industrial operations, as well as in the strategic definition of the Group.

In addition to the Companies which currently exercises functions of administration, his professional experience includes:

- 1982/1984: Assistant Director of Production of CORTAL
- 1986/1989: General Director of CORTAL
- 1989/1994: President of the Board of CORTAL
- 1995: Administrator of CRISAL - CRISTAI'S DE ALCOBAÇA, SA
- 1997: Administrator of the Group Vista Alegre, SA
- 1997: Chairman of the Board of ATLANTIS - Cristais de Alcobaça, SA
- 2000/2001: Administrator of SIC
- 2001: Administrator of V.A.A.

Throughout his career, also played roles in several associations:

- 1989/1994: President of FEMB (Fédération Européene de Mobilier de Bureau) for Portugal;
- 1989/1990: President of the General Assembly Assoc. Industr. Águeda
- 1991/1993: Member of the Advisory Board Assoc. Ind. Portuense

The other companies where he carries out management functions as of 31 December 2007, are as follows:

- Altri, S.G.P.S., S.A.
- Caima - Indústria de Celulose, S.A.
- Celbi – Celulose da Beira Industrial, S.A.
- Celtejo – Empresa de Celulose do Tejo, S.A.
- Celulose do Caima, S.G.P.S., S.A.
- Cofihold, S.G.P.S., S.A. (a)
- Cofina Media, S.G.P.S., S.A. (a)
- CPK – Companhia Produtora de Papel Kraftsack, S.A.
- Edisport – Soc. de Publicações, S.A. (a)
- F. Ramada – Participações, S.G.P.S., S.A. (a)
- F. Ramada – Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.
- F. Ramada II Imobiliária, S.A.
- F. Ramada Serviços de Gestão, Lda.
- F. Ramada, Aços e Indústrias, S.A.
- Invescaima, S.G.P.S., S.A.
- Medafin – S.G.P.S., S.A. (a)
- Presselivre – Imprensa Livre, S.A. (a)
João Manuel Matos Borges de Oliveira

Was one of the founders of Cofina (company that led to the creation of Altri, by spin-off), and has been involved in the Group’s management since its incorporation. Graduated from the Porto University with a degree in Chemical Engineering, holds a post-graduate in European Studies from Católica University in Lisbon, and an MBA from INSEAD. Develops his activity in the media and industrial operations, as well as in the strategic definition of the Group.

In addition to the Companies which currently exercises functions of administration, his professional experience includes:

1982/1983: Assistant Director of Production of Cortal
1984/1985: Production Director of Cortal
1987/1989: Marketing Director of Cortal
1989/1994: General Director of Cortal
1989/1995: Vice President of the Board of Cortal
1989/1994: Administrator of Seldex
1996/2000: Non-executive Director of Atlantis, SA
1997/2000: Non-executive Director of Vista Alegre, SA
1998/1999: Administrator of Efacec Capital, SGPS, SA

The other companies where he carries out management functions as of 31 December 2007, are as follows:

Altri, S.G.P.S., S.A.
Caima – Indústria de Celulose, S.A.
Celbi – Celulose da Beira Industrial, S.A.
Celtejo – Empresa de Celulose do Tejo, S.A.
Celulose do Caima, S.G.P.S., S.A.
Cofihold, S.G.P.S., S.A. (a)
Cofina Media, S.G.P.S., S.A. (a)
Edisport – Soc. de Publicações, S.A. (a)
F. Ramada – Participações, S.G.P.S., S.A. (a)
F. Ramada – Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.
F. Ramada II Imobiliária, S.A.
F. Ramada Serviços de Gestão, Lda.
F. Ramada, Aços e Indústrias, S.A.
Invescaima, S.G.P.S., S.A.
Jardins de França – Empreendimentos Imobiliários, S.A. (a)
Presselivre – Imprensa Livre, S.A. (a)
Prestimo – Préstigo Imobiliário, S.A. (a)
Universal Afir – Aços, Máquinas e Ferramentas, S.A.

(a) Companies that, as of December 31, 2007 cannot be considered to be part of Altri, S.G.P.S., S.A. Group
CORPORATE GOVERNANCE

Pedro Macedo Pinto de Mendonça

Attended the Faculty of Medicine in Porto for two years, and holds a degree in Mechanics from the École Superiore de L’Etat in Brussels. He is shareholder of the Company since its incorporation and has been administrator since that date.

In addition to the Companies which currently exercises functions of administration, his professional experience includes:

1959: Director of Supply of Empresa de Metalurgia Artística Lisboa
1965: Production Director of Empresa de Metalurgia Artística Lisboa
1970: Administrator and sales responsible of Seldex
1986: Founding Partner of Euroeel
1986/1990: Administrator of Euroeel
1986: Chairman of the Board of Seldex
1989: Administrator of Cortal

The other companies which perform functions of administration as of 31 December 2007 are:

Altri, S.G.P.S., S.A.
Caima – Indústria de Celulose, S.A.
Celbi – Celulose da Beira Industrial, S.A.
Celtejo – Empresa de Celulose do Tejo, S.A.
Celulose do Caima, S.G.P.S., S.A.
Cofihold, S.G.P.S., S.A. (a)
F. Ramada – Participações, S.G.P.S., S.A. (a)
F. Ramada – Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.
F. Ramada II Imobiliária, S.A.
F. Ramada Serviços de Gestão, Lda.
F. Ramada, Aços e Indústrias, S.A.
Prestimo – Prestígio Imobiliário, S.A. (a)

(a) Companies that, as of December 31, 2007, cannot be considered to be part of Altri, S.G.P.S., S.A. Group

Domingos José Vieira de Matos

Holds a degree in Economics from the Faculty of Economy of the University of Porto. Initiated his carrier in management in 1978. He is shareholder of the Company since its incorporation and has been administrator since that date.

In addition to the Companies which currently exercise functions of administration, his professional experience includes:

1983: Founding Partner of PROMEDE – Produtos Médicos, SA
1998/2000: Administrator of ELECTRO CERÂMICAS, SA

The other companies where he carries out management functions as of 31 December 2007 are as follows:

Altri, S.G.P.S., S.A.
Caima – Indústria de Celulose, S.A.
Celbi – Celulose da Beira Industrial, S.A.
Celulose do Caima, S.G.P.S., S.A.
CORPORATE GOVERNANCE

Cofihold, S.G.P.S., S.A. (a)
F. Ramada - Participações, S.G.P.S., S.A. (a)
F. Ramada - Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.
F. Ramada II Imobiliária, S.A.
F. Ramada Serviços de Gestão, Lda.
F. Ramada, Aços e Indústrias, S.A.
Jardins de França - Empreendimentos Imobiliários, S.A. (a)
Prestimo - Prestígio Imobiliário, S.A. (a)
Silvicaima - Sociedade Silvícola Caima, S.A.
Universal Afir - Açôs, Máquinas e Ferramentas, S.A.
(a) Companies that, as of December 31, 2007 cannot be considered to be part of Altri, S.G.P.S., S.A. Group

Carlos Manuel Matos Borges de Oliveira

Holds a degree in Economics from the Faculty of Economy of the University of Porto. Initiated his career as commercial director in 1988. He is shareholder of the Company since its incorporation and has been administrator since that date.

In addition to the Companies which currently exercises functions of administration, his professional experience includes:

1991/1995: Responsible for the delegation of Aveiro Lusoleasing, SA

The other companies where he carries out management functions as of 31 December 2007, are as follows:

Altri, S.G.P.S., S.A.
Cofihold, S.G.P.S., S.A. (a)
F. Ramada - Participações, S.G.P.S., S.A. (a)
F. Ramada - Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.
F. Ramada II Imobiliária, S.A.
F. Ramada Serviços de Gestão, Lda.
F. Ramada, Aços e Indústrias, S.A.
Prestimo - Prestígio Imobiliário, S.A. (a)
Silvicaima - Sociedade Silvícola Caima, S.A.
Universal Afir - Açôs, Máquinas e Ferramentas, S.A.
(a) Companies that, as of December 31, 2007 cannot be considered to be part of Altri, S.G.P.S., S.A. Group
2. **Executive Committee**

There is no Executive Committee with management powers. Management decisions are made by the Board of Directors in the normal course of its functions, and so such a committee is considered to be unnecessary for the Company to function well and to protect investors’ interests.

3. **Control exercised by the Board of Directors**

The Board of Directors has broad powers to manage and represent the Company and carry out all operations relating to its corporate objects, namely:

- Acquire, sell and encumber moveable assets, namely vehicles and, within the legal limits, immovable assets;
- Acquire participations in other companies;
- Sell participations in other companies;
- Rent moveable and immovable assets from and to third parties;
- Issue mandates and powers of attorney for specific acts or categories of acts, defining the extent of the mandates;
- Actively and passively represent the Company in law and otherwise, propose and have legal actions followed, confess and desist from legal actions, as well as to commit themselves to arbitrators.

There is no limit to the maximum number of functions that the directors can accumulate in administrative organs of other companies. The members of Altri’s Board of Directors endeavour to be part of the administration of the more significant group companies, so as to enable their activities to be more closely accompanied.

The Board of Directors meets regularly its decisions only being valid if a majority of its members is present. In 2007 the Board of Directors met 12 times, the corresponding minutes of the meetings being recorded in the Board of Directors’ Meetings Minute Book.

For Boards Meetings of participated companies in which directors are also part of Altri, they occur with the frequency required for the proper monitoring of its operations.

4. **Remuneration policy**

The members of the Board of Directors receive no remuneration from the Company, being remunerated directly by the other Altri Group companies in which they exercise administration functions. Remuneration of the members of the Board of Directors is not directly dependent upon the evolution of the price of the Company's shares.
There is no defined policy regarding compensation to attribute to the Board members in case of dismissal or early release of contract.

5. Remuneration of the members of the Board of Directors

Remuneration during the year 2007 of the members of Altri's Board of Directors for the exercise of their functions in Group companies was as follows:

- Fixed remuneration: 850,820
- Variable remuneration: 1,150,000

Total: 2,000,820

The variable remuneration arises from the performance of the group companies, and the criteria for its attribution are previously defined.

There are no:

- Plans or incentive systems related to stock option plans for the members of the Board of Directors;
- Indemnities paid or due to ex-board members in relation to the suspension of duties during the year;
- Complementary pension regimes or early retirement for the Board members;
- Non monetary benefits considered as payment.

6. Policy of communication of irregularities

Taking into consideration the proximity of the members of the Board of Directors in relation to the current activities of the several group companies and its workers, there is no formal model of communication of internal irregularities. Each time any irregularity is detected, it is promptly communicated to the Board members that make sure that the adequate and fair procedure is adopted to deal with the mentioned issue.