

SHAREHOLDERS' ANNUAL GENERAL MEETING OF ALTRI, SGPS, S.A.

TO BE HELD IN ITS HEAD OFFICE ON 26 APRIL 2017

AT 11H30

PROPOSAL
OF THE SUPERVISORY BOARD
CONCERNING
POINT FIVE ON THE AGENDA

(translation a document originally issued in Portuguese)

Under the terms of and for the purposes of article 3, number 3, subparagraph f) of Law no. 148/2015, of 9 September, that approved the Legal Regime of Supervision and Audit, the Supervisory Board has competence to initiate the selection process of the Statutory Auditors of the Company, as well the competence, under the terms of subparagraph b) of number 2 of article 420 of the Portuguese Commercial Companies Code, to propose to the Shareholders' General Meeting the appointment of the Statutory Auditor selected following such selection process.

Therefore, according with the established under article 16 of Regulation (EU) No 537/2014, of the European Parliament and of the Council, of 16 April 2014, and taking into account the obligations set forth in the new Statute of the Statutory Auditors Association, approved by Law no. 140/2015, of 7 September 2015, in particular the mandatory rotation regime of the Statutory Auditor, the Supervisory Board launched, still in 2016, a broad selection process of a new Statutory Auditor, to be proposed to the Shareholders at the General Meeting of the Company, in which the following auditing companies of renowned national and international competence were invited to participate:

- *Pricewaterhouse Coopers & Associates - SROC, Lda .;*
- *KPMG & Associates - SROC, S.A .;*
- *Ernst & Young Audit & Associates, SROC, S.A..*

Deloitte & Associados, SROC, S.A., the Company's current Statutory Auditor, was excluded of the selection process because the legal maximum period allowed for renewals of the audit mandate was exceeded.

The eligibility conditions have integrated the experience and competence that the market recognizes to the participating companies in general terms and, in particular, the expertise and competence of these companies in the specific area of activity where ALTRI, SGPS, S.A. intervenes, as well as the competence, sufficiency and availability of the proposed work team, the methodologies identified, as well the costs to be borne by the Company, having in mind strict conditions of equality and transparency.

The Supervisory Board received, analyzed and discussed the proposals presented by each one of the candidate companies and, considering all the selection criteria previously identified, unanimously concluded that *(i)* all the candidate companies evidenced to have the quality standards required for the exercise of the audit mandate and *(ii)* the proposal of *Ernst & Young Audit & Associates, SROC, SA* was, in general terms, more suitable to the Company, not only in what concerns the availability of the work team, but also the commercial conditions of the proposal.

Accordingly, the Supervisory Board decided to propose to the Shareholders' General Meeting the deliberation of the election, for the mandate period that begins in 2017 and ends in 2019, of the Statutory Auditor

Ernst & Young Audit & Associates - SROC, SA, with headquarter at Avenida da República, no. 90 - 6º, 1600-206 Lisboa, with the registration identification no. 505 988 283, member of the Statutory Auditors Association under no. 178, represented by Rui Manuel da Cunha Vieira, widowed, with professional address at Avenida da República, no. 90 - 6º, 1600-206 Lisbon, holder of tax identification number 185 961 827, member of the Statutory Auditors Association under no. 1154, or by Rui Abel Serra Martins, married, with professional address at Avenida da República, no. 90 - 6º, 1600-206 Lisbon, holder of tax identification number 185 813 054, member of the Statutory Auditors Association under no. 1119,

Substitute: Pedro Jorge Pinto Monteiro da Silva and Paiva, married, with professional address at Avenida da República, no. 90 - 6º, 1600-206 Lisbon, holder of tax identification number 184 437 202, member of the Statutory Auditors Association under no. 1258,

Who will be responsible for auditing the individual and consolidated accounts of the respective financial years, as well as all other duties inherent to the performance of the relevant functions.

The information required by subparagraph d) of number 1 of article 289 of Portuguese Commercial Companies Code is attached hereto.

Oporto, 24 March 2017

The Supervisory Board,

Pedro Nuno Fernandes de Sá Pessanha da Costa – Chairman

André Seabra Ferreira Pinto – Member

José Guilherme Barros Silva – Member