



**SUMOL+COMPAL, S.A.**

**SUPERVISORY BOARD REGULATIONS**

**1.**

**SCOPE**

The present regulations establish the rules governing the operation of the Supervisory Board of SUMOL+COMPAL, S.A., in the aim of complying with the law and the company Articles.

**2.**

**COMPOSITION**

1. The Supervisory Board is composed of a minimum of 3 and a maximum of 5 permanent members and one or two deputies, elected by the General Assembly in accordance with the company Articles.
2. The Chair of the Supervisory Board is appointed by the General Assembly from among the Board's elected members; if the General Assembly fails to appoint a Chair, the members of the Supervisory Board have the responsibility to do so.
3. The Supervisory Board shall include at least one independent member with qualifications suited to the exercise of his duties and knowledge of auditing or accounting, as stipulated in Article 414.4 and 414.5 of the Commercial Companies Code.
4. The majority of Sumol+Compal, S.A., Supervisory Board members must be independent.
5. The Chair of the Supervisory Board is assigned the casting vote in Board decisions in the following situations:
  - a) when the Board consists of an even number of members;
  - b) in all other situations where the memorandum of association stipulates.
6. In situations referred to in 5(a), when the Chair is absent or unable to attend, the casting vote shall be assigned to the board member designated to that effect by the Chair.



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3.

**KEY DUTIES OF MEMBERS OF THE SUPERVISORY BOARD**

1. Members of the company's Supervisory Board are obliged to comply with the law and must:
  - a) attend the meetings of the Board and the Shareholder's Annual General Meeting and also those meetings of the Board of Directors for which they are convened by the Chair thereof, or at which the company accounts for the fiscal year ended are analysed;
  - b) exercise their supervisory duties conscientiously and impartially;
  - c) maintain confidentiality with regard to facts and information to which they may have access while performing their duties, without prejudice to the duty stated in point 3;
  - d) inform the directors of all findings, supervision and inquiries undertaken and of the results;
  - e) inform the shareholders at the next General Assembly of all violations and inaccuracies verified and whether the necessary explanations were obtained in order to perform their duties;
  - f) record in writing all findings, supervision, reported violations and inquiries undertaken and of the results;
2. Members of the Supervisory Board shall not benefit, except with the express permission of the shareholders, from trade or industrial secrets of which they may have had access as a result of performing their duties;
3. Members of the Supervisory Board must inform the Public Prosecutor's Office of all offences of which they have knowledge and which constitute a crime;
4. All members of the Supervisory Board shall be removed from their offices if they miss, without justifiable grounds and during the financial year, two board meetings, or do not appear at a meeting of the General Assembly, or miss two meetings of the Board of Directors referred to in point 1a) above;
5. Each member of the Supervisory Board shall, in the 30 days following their election, guarantee their liability with regard to potential claims to compensation by means of providing surety guarantees or purchasing insurance, pursuant to the terms and amounts established by law; this guarantee shall remain in place until the end of the calendar year following that in which the member of the Supervisory Board ceases his duties;
6. The emergence of any of the grounds for incompatibility stated in Article 414-A of the Commercial Companies Code shall result in a member's dismissal;
7. Members of the Supervisory Board shall inform the company:
  - a) as early as reasonably possible or immediately, if unforeseeable, of any



- circumstances that may compromise their independence and exemption or which are legally incompatible with the performance of their duties;
- b) within three days of any acquisition or sale of shares or bonds, issued by the company or companies controlled thereof, by them or by the people or entities determined by the law in force, namely in Article 248-B and Article 20 of the Portuguese Securities Market Code and Article 447 of the Commercial Companies Code.

**4.**

**MEETINGS AND DECISIONS OF THE SUPERVISORY BOARD**

1. The Supervisory Board shall meet at least once every quarter.
2. The meetings of the Supervisory Board shall be convened by the Chair or by any other two respective members by letter or fax sent to the remaining members a minimum of five days prior to the date of the meeting.
3. The meeting may take place at the company offices or at any other location designated by the member responsible for calling the meeting, for which the agreement of the board's other members is necessary.
4. The decisions of the Supervisory Board shall be taken by majority vote, all those members in disagreement recording their reasons in the minutes.
5. Minutes shall be taken at every meeting and recorded in the respective register or on separate sheets of paper and signed by all those present.
6. The minutes shall always contain mention of those present at the meeting, as well as a summary of the more important findings of the Supervisory Board or any of its members and of the decisions taken.

**5.**

**REPLACEMENT OF SUPERVISORY BOARD MEMBERS**

1. If the Chair terminates his duties before the end of the term for which he was appointed or elected, the other members shall choose one of their fellow members to fill the position for the remainder of the Chair's term.
2. Permanent members of the Supervisory Board who are temporarily indisposed or have terminated their duties shall be replaced by a deputy; the deputy statutory auditor shall replace the permanent member with the same qualifications.
3. Deputies who replace permanent members whose duties have terminated shall remain in office until the next General Assembly, at which time the vacancies shall be filled.
4. If it is not possible to fill a vacancy for a permanent member due to a lack



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of elected deputies, the vacant offices, both of permanent members and deputies, shall be filled by holding new elections and the new incumbents shall remain in office until the end of the terms of their predecessors.

**6.**

**REMOVAL OF MEMBERS OF THE SUPERVISORY BOARD**

1. The General Assembly may remove a member of the Supervisory Board from office who has not been legally appointed if there are fair grounds for doing so.
2. Before a decision is taken, a meeting of the General Assembly shall be convened and the member questioned on the charges before him.
3. At the behest of the Board of Directors or those who requested the member's appointment, the courts may remove legally appointed members of the Supervisory Board, if there are fair grounds for doing so, and a new legal appointment procedure begun.
4. Members of the Supervisory Board are obliged, within 30 days, to present the Chair of the Steering Committee of the General Assembly with a report on the supervision undertaken up until the end of their terms of office.
5. After the report has been presented, the Chair of the of the Steering Committee of the General Assembly shall immediately send copies to the Board of Directors and Supervisory Board and submit it for timely evaluation by the General Assembly.

**7.**

**COMPETENCE OF THE SUPERVISORY BOARD**

1. The Supervisory Commission is deemed competent to:
  - a) supervise the company's Board of Directors;
  - b) ensure observance of the law and the memorandum of association;
  - c) verify the accuracy of the registers, accounting records and their supporting documents;
  - d) verify, when deemed convenient and in a manner considered appropriate, the extension of cash and the existence of any type of property or assets belonging to the company or received by it as a guarantee, deposits or other security;
  - e) verify the accuracy of accountability documents;
  - f) verify whether the accounting policy and the valuation criteria adopted by the company result in a true reflection of the value of its assets and results;
  - g) draw up an annual report on its supervisory work and present its views on



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- the report, accounts and proposals presented by the Board of Directors;
  - h) convene the General Assembly, which it is responsible for doing when the respective Chair fails to do so;
  - i) supervise the effectiveness of the risk management system, internal control system and internal audit system, where they exist;
  - j) receive reports on violations from shareholders, employees, and others;
  - k) hire the services of experts who assist one or several of its members to perform their duties, the hiring and remuneration of which should take into account the importance of the matters for which they are hired and the company's financial situation;
  - l) comply with all other situations pursuant to the law and the memorandum of association;
  - m) supervise the process of preparing and disseminating financial information;
  - n) propose the appointment of a statutory auditor to the General Assembly;
  - o) supervise the statutory audit of the company's accountability documents;
  - p) evaluate the work of the statutory auditor and supervise his respective impartiality, specifically as regards the providing of additional services;
  - q) verify the regularity with which the Board of Directors and members of the Supervisory Board itself provide surety guarantees or obtain liability insurance;
2. Any member of the Supervisory Board shall proceed, jointly or severally and at any time of the year, with any checks and inspections that are deemed convenient to ensure compliance with the obligations of supervision.

**8.**

**POWERS OF THE SUPERVISORY BOARD**

1. In order to perform its duties, the members of the Supervisory Board may, either jointly or severally:
  - a) obtain the company registers, records and documents from the Board of Directors for examination and verification, as well as verify the existence of any classes of assets, namely money, securities and merchandise;
  - b) obtain information or explanations from the Board of Directors or any of the directors about the course of the company's operations or activities or about any of its businesses;
  - c) obtain from third parties who have worked on behalf of the company the information it needs for the convenient clarification of said work;
  - d) attend the meetings of the Board of Directors, whenever it is deemed convenient.
2. Point 1c) does not cover notification of documents or contracts held by third parties, except if this has been legally authorised or requested by the



statutory auditor, in execution of the powers conferred on him by the legislation governing his activities; to the right conferred by the same point, the claim of professional confidentiality may not be used that may not also be used against the company's Board of Directors.

3. In order to perform its duties, the Supervisory Board may decide to hire the services of experts who assist one or several of its members to perform their duties.
4. The hiring and remuneration of the experts referred to in the preceding point shall take into account the importance of the matters for which they are hired and the company's financial situation.
5. In the hiring of the experts referred to in the preceding points, the company shall be represented by the members of the Supervisory Board and Articles 408 and 409 of the Commercial Companies Code, duly adapted and where applicable, shall apply.

9.

**EVALUATION OF VIOLATIONS**

1. For the purposes of that stated in Article 7.1j), violations may be reported to any member of the Supervisory Board, who should bring them to the immediate attention of the other members of the Supervisory Board.
2. After the members of the Supervisory Board have been notified of the reported abuse, the Chairman shall designate a member to undertake inquiries in order to verify the alleged facts.
3. A report on each reported violation should be produced by the member responsible for reporting it and shall be discussed at a meeting of the Supervisory Board and a decision taken as to whether the case should be filed due to lack of evidence or whether different measures should be adopted.

These regulations were approved at the Supervisory Board meeting on 23/4/2009 and entered into immediate force.

Portela de Carnaxide, 23 April 2009