

**ANNUAL GENERAL MEETING OF SHAREHOLDERS
May 4, 2017**

NOVABASE - Sociedade Gestora de Participações Sociais, S.A.

Public Company

Registered Office: Av. D. João II, no. 34, Parque das Nações, Lisbon

Share Capital: 15,700,697 Euros

Lisbon Commercial Registry inscription and corporation number 502.280.182

PROPOSAL OF THE REMUNERATIONS COMMITTEE

ITEM 5 ON THE AGENDA:

To resolve on the Remuneration Committee report on the remuneration policy for the 2016 financial year, and to approve the declaration of the same on the remuneration policy for members of the management and supervisory bodies of the Company pursuant to Law no. 28/2009 of 19 June 2009 and other applicable rules.

Whereas:

- A) The Remunerations Committee, as appointed by the shareholders, shall determine the remuneration of the members of the management and supervisory bodies in accordance with articles 399 and 422-A of the Commercial Companies Code;
- B) Law no. 28/2009, of 19 June 2009, establishes that remunerations committees of issuers of securities admitted to trading on a regulated market must submit, each year, to the approval of the general meeting of shareholders, a declaration on the remuneration policy for members of the management and supervisory bodies;
- C) Paragraph 4 of article 8 of the Articles of Association provides that a pension supplement may be attributed to directors, and the Company may enter into insurance agreements in their benefit;

- D) The current and foreseeable economic environment for the national economy in the medium and long term shows that great difficulties will remain, and in the short term a very significant demographic pressure will also occur, which will accentuate the viability and sustainability risks affecting national and European pensions systems;

- E) There is the need to provide solutions to certain directors that ensure their economic and life security in the medium and long term, which also acts as an incentive and retention mechanism for key positions in the field of management;

We propose that the General Meeting of Shareholders resolve:

To approve the Remunerations Committee report on the remuneration policy for the 2016 financial year and approve the declaration of the same on the remuneration policy for members of the management and supervisory bodies pursuant to Law no. 28/2009, of 19 June 2009 and other applicable rules, as detailed in the document attached hereto.

Lisbon, April 7, 2017

THE REMUNERATIONS COMMITTEE

Report of the Remunerations Committee regarding the 2016 Financial Year and Recommendations for the Remunerations Policy for the 2017 Financial Year

The Remunerations Committee of Novabase SGPS (RC) met only once in the 2016 financial year, at the company's office, on May 3, 2016.

This Remunerations Committee (RC) is composed by Francisco Luís Murteira Nabo (Chairman) and the members Pedro Rebelo de Sousa and João Quadros Saldanha. All members were present at the meeting referred to above.

The RC's work was guided in this financial year by the remuneration policies applicable to the corporate bodies that were approved by the shareholders at General Meetings.

This report summarizes the decisions of the remunerations committee taken during the 2016 financial year and includes the annual statement of the Remunerations Committee on the remuneration policy for the management and supervisory bodies of the company.

PART I

Remunerations Committee Report for the 2016 financial year

Prior Note:

As usual, the Remunerations Committee clarifies that the decisions regarding variable remunerations mentioned in this report relate to decisions taken by the RC in 2016 and, therefore, such decisions were taken with reference to the directors' performance in 2015.

After this clarification, below is a summary of the decisions taken by the RC in the meeting held on May 3, 2016.

1. The remuneration for the 2016 financial year of the members of the board of the General Meeting of Shareholders of Novabase SGPS

The RC unanimously approved to maintain the usual attribution to the Chairman of the board of the General Meeting of Shareholders, Prof. António Menezes Cordeiro, and to the Secretary of the same board, Madalena Paz de Oliveira, of a remuneration corresponding to attendance fees per General Meeting of Shareholders made. It was also unanimously approved to maintain the attendance fee in the amount of 1000 (one thousand) euros for the Chairman and 750 (seven hundred and fifty) euros for the Secretary for each meeting. These amounts were the same as those established for the previous financial year.

2. Fixed remuneration of the Directors of Novabase SGPS for the 2016 financial year

Given the adverse environment that affects the Portuguese economy, and despite the growth in the international component of the company's business, it was unanimously decided to maintain the fixed remuneration of the directors of Novabase SGPS for the 2016 financial year without any change in relation to the individual remuneration received in respect of the 2015 financial year.

Thus, the follow annual gross amounts were determined for each director, to be paid in 12 monthly instalments, in light of the features of each director's functions:

- Luis Paulo Cardoso Salvado (Chairman and CEO/delegated director) – €267,000 (two hundred and sixty-seven thousand euros);
- Francisco Figueiredo Morais Antunes (CFO/delegated director for finance) - €114,000 (one hundred and fourteen thousand euros);
- José Afonso Oom Ferreira de Sousa - €21,000 (twenty-one thousand euros);
- Pedro Miguel Quinteiro Marques de Carvalho - €21,000 (twenty-one thousand euros).

3. Variable remuneration of the Directors of Novabase SGPS, related to performance in the 2015 financial year.

The decision taken by the General Meeting of April 2009 established the general conditions for the remuneration of the directors. This decision was reiterated in the several General Meetings held in the last years.

In this light, and given the net profits in the 2015 financial year of 7.4 million euros, compared to 3.1 million euros in the preceding financial year, the RC unanimously decided to grant to the following directors, without prejudice to section 5 below:

- Luis Paulo Cardoso Salvado (Chairman and CEO/delegated director) – €315,600 (three hundred and fifteen thousand and six hundred euros);
- Francisco Paulo Figueiredo Morais Antunes (CFO/delegated director for finance) - €157,800 (one hundred and fifty-seven thousand and eight hundred euros);
- José Afonso Oom de Sousa - €63,150 (sixty-three thousand, one hundred and fifty euros);
- Pedro Miguel Quinteiro Marques de Carvalho - €63,150 (sixty-three thousand, one hundred and fifty euros).

As a result, the total variable remuneration of the Directors of Novabase SGPS for their performance in the 2015 financial year is €599,700, which compares to the amount of €657,669 in the previous financial year (referring

to 2014), and €1,295,100 in the 2013 financial year (when the net profits were similar to those recorded this year, i.e., 7.5 Million Euros).

On the other hand, the Chairman of the CV reminded that no new stock option plan was presented at the Annual General Meeting of 2015 and no variable remuneration in options or shares will be due this year.

4. On differing of the payment of part of the amounts attributed as variable remuneration

The RC unanimously decided to pay this year only half the amount granted to each director in office in 2015, as variable compensation, and delay the remaining 50% for payment during the next three years (2017, 2018 and 2019). In each of these years, 1/3 of this second half of the amount now granted will be paid, subject to the positive performance of the company during these periods, in line with what was decided and implemented in the years 2011 to 2015.

5. On pension supplements for directors receiving variable remuneration

In light of the current and foreseeable economic environment for the national economy in the medium and long term, which shows that great difficulties will remain due to the weight of external private and public debt, in addition to, in the short term, a very significant demographic pressure, which will accentuate the viability and sustainability risks affecting national and European pensions systems, it is a prudent practice, and so on that basis it was unanimously approved, to channel the funds attributed under item three above (as well as those previously deferred) to the strengthening of the contributions to the capitalization insurance currently in force in the company, in substitution of the payment of the variable remuneration.

6. On the remuneration of the members of Novabase SGPS' Audit Board for the 2016 financial year

In line with the Portuguese Securities Commission recommendation III.2 as regards corporate governance, the remuneration of the members of the supervisory bodies should not include a component which amount would depend on the company's performance or of its value.

Therefore, the following annual fixed remunerations were granted for the 2016 financial year:

- Chairman of the Audit Board – Prof. Paulo Soares de Pinho - €8,000 (eight thousand euros);
- Member of the Audit Board – Fátima do Rosário Piteira Patinha Farinha – €6,000 (six thousand euros);
- Member of the Audit Board – Nuno Miguel Dias Pires – €6,000 (six thousand euros).

These amounts remained unchanged by comparison to the previous year's.

7. On the remuneration of the Statutory Auditor for the 2016 financial year

The RC unanimously decided that the Statutory Auditor be remunerated in accordance with normal market remuneration practices and conditions for the type of services in question, in accordance with the service agreement entered into with the Statutory Auditor following the proposal made for such purpose by the Company's Audit Board.

8. On enforceability or unenforceability of payments related to dismissal or termination of the office of directors

In this context, as this matter is already duly regulated by law, the RC unanimously decided not to grant to the Company's directors any right to receive compensation or indemnity beyond what is provided for by law, nor to establish any generic prohibition to the Company establishing such compensations in the future, if and when it deems convenient.

PART II

Declaration of the Remunerations Committee on the Remuneration Policy of the Corporate Bodies

Given the experience of the committee in the year now ended, the committee believes that the general principles guiding the remuneration of the management bodies of Novabase, as approved by the shareholders in several shareholders meetings, represent a good practice. This practice is in line with the Corporate Governance Model that has been implemented in the current corporate bodies' term of office.

Therefore, this remunerations committee understands that the general principles that have guided the remunerations policy mentioned above should be maintained, with the following basic directives being observed in the implementation of the remunerations policy for the 2017 financial year.

a) The structure of the remunerations of executive directors and the structure of the remunerations of non-executive directors should be appropriate to the nature of the management responsibilities they undertake, with the following principles:

- i) Promotion of alignment of the interests of members of the management body with those of the Company – this may be implemented through variable remuneration components, including through plans based on securities of the company;
- ii) Individual performance should be a criterion for determining the variable remuneration component, if applicable, without prejudice to other criteria that may be relevant due to the application of this policy, including in particular the Company's own performance;

- iii) The Remunerations Committee may determine, by reason of the duties performed, that all or part of a variable remuneration of a director (if it is attributed) takes place after the determination of the annual accounts corresponding to the entire term of office;
- iv) When the Company's performance is a criterion for determining a variable remuneration, given specific circumstances, the deterioration in such performance could justify the limitation of such remuneration.

b) The members of the supervisory bodies and other corporate bodies should be remunerated in line with market practice, unless specific circumstances justify a different solution.

Lisbon, February 10, 2017

The Remunerations Committee

Francisco Luís Murteira Nabo (Chairman)

Pedro Rebelo de Sousa (Member)

João Quadros Saldanha (Member)