

ANNUAL GENERAL SHAREHOLDERS' MEETING OF THE 17TH OF MAY 2012

PROPOSAL PRESENTED WITHIN THE SCOPE OF THE FOURTH ITEM OF THE AGENDA

Within the scope of Teixeira Duarte Annual General Shareholders' Meeting Fourth Item of the Agenda, the Remunerations Committee, pursuant to Law nr. 28/2009, of the 19th of June, presents to the General Shareholders' Meeting, for its approval, the following,

**STATEMENT ON THE REMUNERATION POLICY OF TEIXEIRA DUARTE, S.A. MANAGING AND
SUPERVISORY BODIES MEMBERS**

I. LEGAL FRAMEWORK:

Under the provisions of Law nr. 28/2009, of the 19th of June, this Committee has the duty to present, yearly, for the approval by the Shareholders' Meeting, a statement on the remuneration policy of this Company's managing and supervisory bodies members, taking into account, besides that legal document, the provisions of article 399 of the Portuguese Companies Code and article 248-B of the Portuguese Securities Code, as well as the Recommendations issued by the Portuguese Securities Market Commission on Corporate Governance (2010).

II. SCOPE OF THE STATEMENT:

Considering the corporate model adopted, TEIXEIRA DUARTE, S.A. has as managing and supervisory bodies the Board of Directors, the Supervisory Board and the Statutory Audit Firm.

The Board of Directors has issued a statement clarifying that, for this purpose, the collaborators which are not members of TEIXEIRA DUARTE, S.A. managing and supervisory bodies but have regular access to privileged information and take part in managing and negotiation strategy are the members of the Board of Directors of the fully-owned company TEIXEIRA DUARTE – Engenharia e Construções,

S.A. Mr. Jorge Ricardo de Figueiredo Catarino, Mr. João José de Gouveia Capelão and Mr. João José do Carmo Delgado.

Therefore, the present statement includes the identified “Teixeira Duarte, S.A.” managing and supervisory bodies members as well as those three other directors, within the scope of article 248-B of the Portuguese Securities Code.

III. INTRODUCTION:

Since, as a result of a restructuring process within Teixeira Duarte Group, in 2010, “Teixeira Duarte, S.A.” has succeeded to “Teixeira Duarte – Engenharia e Construções, S.A.” as the Group’s leading company listed on the stock exchange, for the definition of this Remuneration Policy will be taken into account the historical facts and the background of this matter which has been witnessed in this latter company through the years and the Company does not take any remuneration policy or practice from other groups of companies as a comparison for fixing remunerations.

IV. BOARD OF DIRECTORS:

With regard to the Board of Directors, the Remuneration Committee shall determine the values of the fixed and variable component of their remunerations, according to guidelines that bind them to the Company performance and results as a whole, as well as the overall activities of the management body, in view of the outlined goals, taking into account the conditions and amounts of remuneration of the other employees of the fully- owned company “Teixeira Duarte – Engenharia e Construções, S.A.”.

The present remunerations policy and its execution under the terms described hereunder shall take into consideration the company’s long-term performance, the fulfillment of the provisions applicable to the undertaking’s activity, containment in terms of risk taking and the knowledge of the market.

The variable amount is paid to each member of the Board of Directors by way of additional remuneration and performance bonuses, and that component has nothing to do with the trend in the

prices of the Company's shares, but depends on the results of the financial year, on the development of the Company's business, financial indicators such as net debt and financial autonomy, the effort on the execution of each member's tasks and goals, as well as on the profit of the year and the correspondent policy on its application that has privileged the Company's equity, assuring the permanent and balanced dividend distribution to the shareholders.

No Director is entitled to receive the variable component of their remuneration until it has been specifically granted by the Remuneration Committee and the variable component of the remuneration is not foreseen to be paid, in total or in part, after the financial year's accounts corresponding to the entire term have been established. There will be no mechanisms for limiting the variable remuneration in case the results show a relevant downfall in the Company's performance in the last financial year or if that is expected to take place in the current year.

However, the Committee may consider if a significant part of the variable component of the remuneration shall be deferred for a period not inferior to three years and if the correspondent payment shall be dependent on the continuation of the Company's good performance during that period, provided that at least one of the following facts occur:

- Equity increase;
- Average EBITDA for the financial years of 2012 to 2014 superior to the EBITDA registered in 2011;
- Average Net Consolidated Profit for the financial years of 2012 to 2014 superior to the Net Consolidated Profit registered in 2010.

There is no plan for the allotment of shares and/or rights to acquire stock options and/or any other share incentive scheme.

In the overall remuneration of members of the Board of Directors, no amount is paid in the form of profit-sharing.

The Directors of "Teixeira Duarte, S.A." receive no remuneration, of any nature whatsoever, paid by companies that are in a control or group relationship with it.

There are no other significant non-cash benefits besides those fixed by the Committee.

Allowances will be paid to the Directors within the terms and the amounts settled to “Teixeira Duarte – Engenharia e Construções, S.A.” collaborators, namely concerning travelling on duty.

No amounts regarding Directors’ dismissal or renunciation by mutual agreement have been paid or are foreseen to be paid.

V. SUPERVISORY BOARD:

All members of the Supervisory Board, under the current scheme set out in the Portuguese Companies Code, receive a fixed remuneration for performing the duties inherent to their positions, determined by this Remuneration Committee, and none of them have received any other remuneration from “Teixeira Duarte, S.A.” or from any other company with which it has a control or group relationship, especially for any other services provided to these companies.

Similarly, and as mentioned above for the Board of Directors, there is plan for the allotment of shares and/or rights to acquire stock options and/or any other share incentive scheme and no amount is paid in the form of profit-sharing, nor any other significant non-cash benefits.

VI. STATUTORY AUDIT FIRM:

The remuneration of the Statutory Audit Firm is determined by the volume and quality of services provided as part of the powers conferred under the Law and the By-laws.

In the case of “Teixeira Duarte, S.A.”, this supervisory body is responsible for conducting all examinations and inspections required for the statutory auditing and accounting of the Company, for which an amount was set as the total annual amount to be paid in accordance with the deadlines

defined with the Board of Directors in accordance with their sensitivity and monitoring of business and of the activities of this Supervisory Body.

The same Statutory Audit Firm also provides services, exclusively of the same kind of statutory auditing and accounting services, to other companies of Teixeira Duarte Group, earning from them the corresponding remuneration, whose total amount is disclosed in the Corporate Governance Report.

The Supervisory Board has been playing an increasingly active role and focused on guiding the work of the Statutory Audit Firm, and should be consulted in order to determine the remuneration to be paid to the latter.

VII. OTHER PERSONS DISCHARGING MANAGERIAL RESPONSABILITIES:

The three persons discharging managerial responsibilities within this legal framework are the Directors of “Teixeira Duarte – Engenharia e Construções, S.A.”. This company elected Remunerations Committee is composed exactly by the same members of “Teixeira Duarte, S.A.” Committee.

All the rules and guidelines defined to “Teixeira Duarte, S.A.” Directors are applicable to those persons, even though the fixed and variable remunerations they receive are paid by “Teixeira Duarte – Engenharia e Construções, S.A.”.

VIII. CONCLUSION:

It is therefore based on the remuneration policy set out above that this Committee shall fix, specifically, the exact amounts of remuneration payable to members of the company’s management and supervisory boards, in accordance with the personal assessment of its members, expressed in a resolution transcribed in the minutes and whose content is then submitted to the Board of Directors for implementation, under the strict terms defined therein.



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Such amounts will be annually disclosed, provided that the law requires it so, especially in the Corporate Governance Reports.

In conclusion, we hereby reinforce that several of the guidelines mentioned above intend to fulfill the legal framework referred in the beginning of the document, and they may be modified

Lagoas Park, the 11th of May 2012

The Remunerations Committee