

# ***Corporate Governance***

## GOVERNANCE REPORT

### PART I – INFORMATION ON SHAREHOLDER STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

#### A. SHAREHOLDER STRUCTURE

##### I – CAPITAL STRUCTURE

##### 1. CAPITAL STRUCTURE

As at 31 December 2018, the Company share capital consists of 35,000,000 fully subscribed and nominative shares, each with a nominal value of 1 Euro, all shares being listed on Euronext Lisbon.

There are no shareholders holding special rights.

##### 2. RESTRICTIONS ON TRANSMISSION OF SHARES SUCH AS CLAUSES OF CONSENT FOR SALE, OR LIMITATIONS TO SHARE OWNERSHIP

There are no restrictions on the transferability of shares or limitations to share ownership.

##### 3. NUMBER OF OWN SHARES, SHARE OF SOCIAL CAPITAL AND CORRESPONDING PERCENTAGE OF VOTING RIGHTS THAT CORRESPOND TO THE OWN SHARES

Not applicable

##### 4. SIGNIFICANT AGREEMENTS WITH TERMS OF CHANGE OF CONTROL

See number 6 of Part I.

##### 5. RENEWAL OR REVOCATION OF DEFENSIVE MEASURES, IN PARTICULAR THOSE PROVIDING FOR LIMITING THE NUMBER OF VOTES OF DETENTION OR SENSITIVE EXERCISE BY A SINGLE SHAREHOLDER

Not applicable

6. AGREEMENTS WHICH THE COMPANY IS AWARE AND MAY LEAD TO RESTRICTIONS ON THE TRANSFER OF SECURITIES OR VOTING RIGHTS

This company isn't aware of any parasocial agreement between shareholders.

II – HOLDINGS AND LIABILITIES HELD

7. QUALIFYING SHARES, SHARE CAPITAL AND VOTES OF LIABILITY, AND CAUSES OF POWER ALLOCATION

Qualified holdings in the share capital of Toyota Caetano Portugal, S.A:

Shareholder	Number of shares	%
Salvador Caetano Auto (S.G.P.S), S.A.	23.098.057	65,994%
Toyota Motor Europe NV/SA directly	9.450.000	27,000%

8. NUMBER OF SHARES AND BONDS HELD BY MEMBERS OF THE MANAGEMENT AND SUPERVISION.

The members of the Board of Directors and the members of Audit Board don't have any shares or bonds from the company.

Member	Shares	Bonds
José Reis da Silva Ramos	0	0
Maria Angelina Martins Caetano Ramos	0	0
Salvador Acácio Martins Caetano	0	0
Miguel Pedro Caetano Ramos	0	0
Rui Manuel Machado Noronha Mendes	0	0
Matthew Peter Harrison	0	0
Katsutoshi Nishimoto	0	0
Masaru Shimada	0	0
Member	Shares	Bonds
José Domingos da Silva Fernandes	0	0
Alberto Luis Lema Mandim	0	0
Daniel Broekhuizen	0	0
Maria Livia Fernandes Alves	0	0
Akito Takami	0	0

9. SPECIAL POWERS OF THE BOARD OF DIRECTORS, INCLUDING WITH RESPECT TO RESOLUTIONS OF CAPITAL INCREASE

Within the powers of the Board described in paragraph 21 of Part I is not foreseen explicitly granting of any specific power in relation to decisions to increase capital

## 10. SIGNIFICANT TRADE RELATIONS BETWEEN THE QUALIFYING SHARES AND SOCIETY

During financial year 2018 no business or transactions were performed between the company and holders of qualified holdings or entities with whom they have any relationship, pursuant to Article 20. of Código dos Valores Mobiliários (Portuguese Securities Code), outside of normal market conditions.

## B. CORPORATE BOARDS AND COMMISSIONS

### I. GENERAL SHAREHOLDERS' MEETING

The General Shareholders' Meeting consists of all shareholders with voting rights, whose remit is to deliberate on statutory changes, evaluate the overall management and auditing of the Company, deliberate on the management report and the financial statements for the year, elect the governing bodies falling under its remit and generally deliberate on all terms submitted thereunto by the Board of Directors.

The company makes the necessary and adequate human resources and logistic support available for the members of the board of the General Shareholders' Meeting, through the company's legal department. The latter collaborates actively in the preparation of the General Shareholders' Meetings, ensuring publication of the respective convening notices, receipt and control of all communications from shareholders and financial intermediaries, working closely and also guaranteeing all the logistics of the general shareholders' meetings.

## 11. IDENTIFICATION MEMBERS OF THE GENERAL MEETING

The Board of the General Shareholders' Meeting consists of 4 members, as follows:

José Lourenço Abreu Teixeira – President

Manuel Fernando Monteiro da Silva – Vice-President

Maria Olívia Almeida Madureira – Secretary

Jorge Manuel Coutinho Franco da Quinta – Secretary

The current board of the General Shareholders' Meeting was elected in 30 April 2015 for a period of 4 years, and ends its mandate in 31 December 2018.

The information below covers the points 12 to 14 of Part I of the form attached to CMVM Regulation no. 4/2013

## EXERCISE OF VOTING

Under Article 4 (6) of the Articles of Association, to each group of one hundred shares corresponds one vote.

Shareholders intending to attend must have their shares registered under their name in the Company Share Register or otherwise provide proof of their deposit at a financial intermediary, by fax or e-mail, up to five working days prior to the date set for the General Shareholders' Meeting.

The Company's Articles of Association do not include statutory provisions providing for the existence of shares that do not confer voting rights or which provide that no voting rights are counted over a certain number, when issued by a single shareholder or shareholders related to him/her.

Only those shareholders who are legitimate owners of shares entitling them to at least one vote have the right to attend the General Shareholders' Meeting and to participate in discussions and voting. However, shareholders who do not have the minimum number of one hundred shares may group themselves in such a way as to complete that amount. In this situation, one member must be elected to represent the group, and this representative's identity must be sent by letter addressed to the Chairman of the Board of the General Shareholders' Meeting.

The company's Articles of Association do not include the duty, at least every five years, to subject the resolution of the General Shareholders' Meeting, to maintenance or removal of the statutory rule which provides for limiting the number of votes likely to be held or exercised by a single shareholder individually or by arrangement with other shareholders.

There are no defensive measures intended to cause automatic and serious erosion of company assets in case of transfer of control or change of composition of the management body.

No defined statutory rules exist on the exercise of voting rights except where pertaining to the minimum quorum of 75% required for the approval of the following resolutions:

- a) Changes to the Articles of Association;
- b) Incorporation of reserve funds in the share capital, namely and specifically revaluation reserves;
- c) Transfer, leasing or cession of the operation of all or an important part of the company's activities, and the succession or acceptance of a third-party entity activity;
- d) Reduction or increase in capital;
- e) Sharing of profits and setting of the dividend percentage, as well as the possible

distribution of Free Reserve funds;

f) Issuance of bonds;

g) Election or dismissal of all or some members of the governing bodies;

h) Election or dismissal of the members of the Remuneration Committee;

i) Merger, demerger or dissolution of the Company, as well as the appointment of liquidators;

j) Acquisition, disposal, transfer, leasing and cession of fixed assets with a transaction value greater than two million, five hundred thousand Euros.

In order to deliberate on the matters referred in the previous point, if the required majority is not present during the first convening notice, the General Shareholders' Meeting will meet fifteen days later in order to deliberate on the same matters, with the requirement that the respective decision be voted by a seventy-five percent majority of the votes from present or represented shareholders.

Shareholders may exercise their postal voting rights, in accordance with the following terms and conditions:

a) Postal votes are to be sent to, and received by, the Company's headquarters, by means of registered letter with acknowledgement of receipt, addressed to the Chairman of the Board of the General Shareholders' Meeting, at least five working days prior to the date of the Meeting. The letter should include a statement issued by a financial intermediary providing proof of share ownership and also a sealed envelope containing the vote;

b) The voting paper must be signed by the legitimate shareholder or by his/her legal representative, and if the shareholder is a natural person, the vote shall be accompanied by a certified copy of his/her identification card; if the shareholder is a legal person, the signature should be certified as and empowered to exercise the voting rights.

c) Postal votes shall be considered at the moment of voting at the General Shareholders' Meeting, when they will be added to the votes cast at the meeting.

d) Only votes containing the following clear and unequivocal information shall be deemed valid:

- indication of the General Shareholders' Meeting and of the item/s of the respective agenda to which the vote refers;

- the specific proposal for which it is to be cast, including the indication of the respective proponent or proponents; however, the shareholder casting a postal vote in relation to a given proposal may declare that he/she votes against all other proposals pertaining to the same point of the agenda, with no further specification.

## Toyota Caetano Portugal, S.A.

- the precise and unconditional indication of the voting decision for each proposal, as well as whether the vote is maintained in case the proposal is altered by its proponent, the shareholder being permitted to make his/her vote conditional on a given proposal to the approval or rejection of another proposal, within the scope of the same agenda item.

e) It is understood that shareholders who send postal votes vote negatively on all deliberative proposals submitted after issuing the vote.

Toyota Caetano Portugal provides a template for exercising the postal voting right on the Company's website ([www.toyotacaetano.pt](http://www.toyotacaetano.pt)).

As described in sub-paragraph a) of number I9, the vote ballots must be received by the company up to five days prior to the General Shareholders' Meeting.

We are required to inform that, in accordance with the Company's current Articles of Association, there is no provision for voting by electronic means.

## II. MANAGEMENT AND SUPERVISION

### COMPOSITION

#### 15. IDENTIFICATION OF GOVERNANCE MODEL ADOPTED.

The Company adopts the governance model commonly known as 'enhanced Latin', which recommends the separation of the board of directors and the audit body, as well as dual auditing, consisting of an audit board and a statutory auditor. The Board of Directors' evaluation concluded that the adoption of this model allows for an audit body with effective and enhanced auditing, composed entirely of members subject to a regime of incompatibilities and independence requirements.

#### 16. STATUTORY RULES ON PROCEDURAL REQUIREMENTS AND MATERIALS FOR THE APPOINTMENT AND REPLACEMENT OF THE BOARD OF DIRECTORS

The members of the Board of Directors are elected by the General Meeting for a period of four years, renewable, which is responsible for performing all acts of management to implement the operations inherent to its objects, acting in the best interests of the Company, shareholders and employees. The General Meeting may also elect two alternate directors.

In accordance with Article 17 of Toyota Caetano Portugal's Articles of Association, the appointment and replacement of the members of the management body abide by the following rules:

a) By means of the calling in of alternate members by the Chairman of the Board of Directors, respecting the order in which they appear on the list submitted to the General Shareholders' Meeting;

- b) In case there are not alternate members, through co-option, to be carried out within sixty days following a definitive absence, unless the number of acting board members is insufficient for the Board of Directors to be able to operate;
- c) Should no co-option have been effected, the alternate member shall be designated by the Audit Board;
- d) By election of a new board member.

The appointment of non-executive board members is in accordance with Article 17 of Toyota Caetano Portugal, S.A.'s Articles of Association, and abiding by the following rules:

#### Replacing an outgoing member

- a) By means of the calling in of alternate members by the Chairman of the Board of Directors, respecting the order in which they appear on the list submitted to the General Shareholders' Meeting;
- b) In case there are not alternate members, through co-option, to be carried out within sixty days following a definitive absence, unless the number of acting board members is insufficient for the Board of Directors to be able to operate;
- c) Should no co-option have been effected, the alternate member shall be designated by the Audit Board;

#### New member

- d) By election of a new board member.

New non-executive directors are appointed by election in the General Shareholders' Meeting.

## 17. COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors elected in 2015 for a period of 4 years, its mandate ending in 2018, consists, in accordance with the Articles of Association of Toyota Caetano Portugal, S.A., of 7 members, shareholders or not, elected by the General Shareholders' Meeting

The Board of Directors, its functions, independence and date of first appointment was as follows:



## Toyota Caetano Portugal, S.A.

Member	Function		Independence	Date of designation
José Reis da Silva Ramos	Chairman	Executive	No	29/01/2010
Maria Angelina Martins Caetano Ramos	Member	Executive	No	30/03/1989
Salvador Acácio Martins Caetano	Member	Executive	No	30/03/1989
Miguel Pedro Caetano Ramos	Member	Executive	No	23/04/2010
Rui Manuel Machado Noronha Mendes	Member	Executive	No	23/04/2010
Matthew Peter Harrison	Member	Non executive	No	27/08/2015
Katsutoshi Nishimoto	Member	Non executive	No	06/02/2019
Masaru Shimada	Member	Não Executivo	No	26/10/2017

### 18. DISTINCTION OF EXECUTIVE MEMBERS AND NON-EXECUTIVE DIRECTORS AND CONCERNING THE NON-EXECUTIVE MEMBERS, IDENTIFICATION OF WHICH MAY BE DEEMED TO BE INDEPENDENT

In item 17 of Part I, are discriminated executive and non-executive directors, as well as those who are considered independent.

The executive members of the Board of Directors of Toyota Caetano Portugal, S.A. cannot be considered independent insofar as the appointment of all of them corresponds to the proposal by the main shareholder and their interests are aligned with it.

The non-executive members do not perform any other role in resident companies and there is no incompatibility in the exercise of their duties. However, they may not be considered independent as they represent Toyota Motor Europe, a company holding approximately 27% of the share capital of Toyota Caetano Portugal, S.A.

The assessment of the independence of the Board of Directors' members carried out by the management body is based on Article 414 (5) of Código das Sociedades Comerciais (Portuguese Commercial Companies Code).

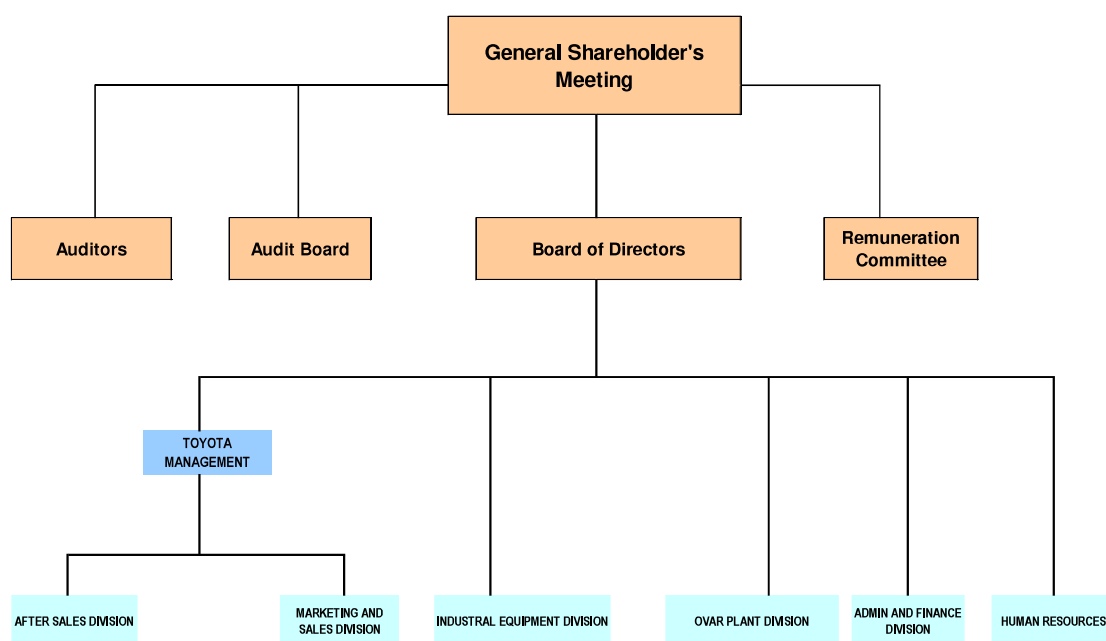
### 19. PROFESSIONAL QUALIFICATIONS AND OTHER ELEMENTS RELEVANT CURRICULUM FOR EACH OF THE MEMBERS OF THE BOARD OF DIRECTORS

In annex (Annex I) is disclosed the professional qualifications of the members of the Board of Directors

### 20. FAMILY RELATIONSHIPS, PROFESSIONAL OR TRADE, AND MEANINGFUL USUAL, THE MEMBERS OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS TO WHOM BE ATTRIBUTED QUALIFIED THAN 2% OF VOTING RIGHTS.

No member of the Board of Directors currently holds Company shares. However, it should be noted that the process of sharing of the assets of Mr. Salvador Fernandes Caetano is still in progress.

21. CHART ON THE DIVISION OF POWERS BETWEEN THE VARIOUS OFFICERS, COMMITTEES AND / OR DEPARTMENTS, INCLUDING INFORMATION ON DELEGATION OF POWERS IN PARTICULAR WITH REGARD TO THE DELEGATION OF DAILY ADMINISTRATION OF THE COMPANY



## OPERATION

### Board of Directors

The Board of Directors delegates powers to a director responsible for each of the divisions identified in the above organization chart, including current management and with whom the Board meets regularly to review and follow-up the activity carried out. It should be noted that an annual budget is prepared and which, during the financial year, is subject to periodic control carried out by the Company's Board of Directors and by the company's operational management.

The Board of Directors is responsible for exercising the widest range of powers, representing the Company in and out of court, actively and passively, as well as to carry out all acts that seek to achieve the corporate purpose, in particular the following:

- Without the need for resolution by the shareholders, the Board of Directors may create branches, agencies, delegations or other local forms of representation, in Portugal and abroad;
- Install or acquire, keep, transfer or shut down establishments, factories, laboratories, workshops, deposits or warehouses;

## Toyota Caetano Portugal, S.A.

- c) Acquire, dispose of and commit their own shares and bonds in any manner, as per resolutions of the General Shareholders' Meeting; acquire and dispose of other fixed assets and commit them by any means; and acquire fixed assets and, with the prior opinion of the Audit Board, dispose of them by means of any acts or contracts, including to provide security interest.
- d) Negotiate with any credit institution, particularly banks, each and every operation deemed necessary, namely by raising loans according to the terms, conditions and manner deemed most convenient;
- e) Make bank account transactions, deposit and withdraw moneys; issue, draw, accept and endorse letters, promissory notes, checks, statements of invoices and any other credit instruments;
- f) Admit to, desist from or compound with any actions;
- g) Appoint Company representatives;
- h) Carry out all other duties provided for in the Articles of Association or by law.
- i) Ensuring the creation and operation of internal control and risk management systems.

The executive members of the Board of Directors make available any information requested by the company's Governing Bodies, namely to the Audit Board and the Board of the General Shareholders' Meeting, in a timely manner and as appropriate to the request.

### AUDIT BOARD

The Audit Board, consisting of three permanent members and two alternate member, is responsible for supervising the management, verifying the compliance of the Company's accounts, accounting records and supporting documents, and ensuring compliance with the law and with the Company's Articles of Association.

As part of its function the Audit Board verify the internal audit process having access to all reports prepared which include, among others, matters related to accountability.

It is incumbent on the Audit Board to indicate, represent the company before, and supervise the activity and independency of, the External Auditor, directly interacting with him/her in accordance with his/her duties and the operating standards.

### 22. OPERATING REGULATIONS OF THE BOARD OF DIRECTORS

The Company is making efforts towards the creation and dissemination on the Company's website of the operating regulations of the board of directors and audit body.

23. NUMBER OF MEETINGS HELD AND DEGREE OF ATTENDANCE OF EACH MEMBER

The Board of Directors holds regular meetings, its resolutions being valid only when the majority of its members are present.

During the course of 2018, the Board of Directors convened six times, and the corresponding minutes are registered in the Board of Directors' book of minutes having been present all its members

24. STATEMENT OF CORPORATE BODIES COMPETENT TO PERFORM A PERFORMANCE EVALUATION OF EXECUTIVE.

The General Shareholders' Meeting has delegated to the Remuneration Committee the specification of the remunerative policies to be applied, as well as the performance assessment of the members of the management body and the communication of information to the General Shareholders' Meeting on proposed policies and their compliance.

The remunerations policy for the Board of Directors and for the Audit Body is defined by an independent Remuneration Committee, based on criteria that meet the ability to create shareholder value. Definition of the above-mentioned criterion takes into account several factors including market comparative data and macroeconomic data.

25. PRE-DETERMINED CRITERIA FOR PERFORMANCE EVALUATION OF EXECUTIVE

As per approval by the Remuneration Committee, the fixed remuneration of the members of the Board of Directors is not directly dependent on the evolution of the Company share price or on income obtained.

However, all members of the Management Body are dependent on company income as regards the variable component of their annual remuneration, in what is usually designated as a "Balance Reward" or annual bonus, corresponding to an annual performance bonus calculated taking into account the assessment carried out by the Remuneration Committee within the scope of its duties

Regarding the policies to be followed in respect of the variable remuneration of the Management Body, this has been exclusively dependent on the annual net profits obtained by the company, following in a certain way the dividend payment and employee bonus policy approved by the General Shareholders' Meeting which, in historical terms and in light of the aggregate total of the Board of Directors, has represented about 3% of annual net income, but with some flexibility in the range of allocation, which may fall to a lower limit of 1.5% and never exceed the upper limit of 4%.

**26. AVAILABILITY OF EACH OF THE MEMBERS OF THE BOARD OF DIRECTORS WITH INDICATION OF POSITIONS HELD SIMULTANEOUSLY IN OTHER BUSINESS IN AND OUT OF THE GROUP, AND OTHER RELEVANT ACTIVITIES HELD BY MEMBERS OF THOSE BODIES DURING THE YEAR**

The executive members of the Board of Directors also carry out management duties in the following companies:

NAME	COMPANY	FUNCTION
<b>Eng.º José Reis da Silva Ramos</b> Chairman Board Directors TOYOTA CAETANO PORTUGAL, S.A	Rigor - Consultoria e Gestão, S.A.	Chairman Board Directors
	Saltano – Invest. e Gestão, SGPS, S.A.	Chairman Board Directors
	Caetano Auto, S.A.	Chairman Board Directors
	Caetano Renting, S.A	Chairman Board Directors
	Caetanobus – Fabricação. de Carroçarias, S.A.	Chairman Board Directors
	Caetano Aeronautic, S.A.	Chairman Board Directors
	Lusilectra – Veículos. e Equipamentos, S.A.	Chairman Board Directors
	Caetano Auto CV, S.A.	Chairman Board Directors
	Portianga - Comercio Internacional e Participações, S.A.	Chairman Board Directors
	Salvador Caetano - Indústria (SGPS), S..A.	Chairman Board Directors
	Salvador Caetano Auto África, SGPS, S.A.	Chairman Board Directors
	Grupo Salvador Caetano, SGPS, S.A.	Member Board Directors
	Salvador Caetano Auto, SGPS, S.A.	Member Board Directors
	Atlântica – Comp. Portuguesa de Pesca, S.A.	Member Board Directors
	Soc. Imobiliária Quinta da Fundega, Lda.	Manager
	Movicargo - Serviços Aduaneiros, Lda.	Manager
	Crustacil – Comércio de Marisco, Lda.	Manager

NAME	COMPANY	FUNCTION
<b>Dr.ª Maria Angelina Martins Caetano Ramos</b> Vogal do cons. Adm. TOYOTA CAETANO PORTUGAL, S.A.	Grupo Salvador Caetano, SGPS, S.A.	Chairman Board Directors
	Atlântica – comp. Portuguesa de pesca, S.A.	Chairman Board Directors
	Poal - Pavimentações e Obras Acessórias, S.A.	Chairman Board Directors
	Auto Partner - Imobiliária, S.A.	Chairman Board Directors
	Cociga – Construções Cívicas de Gaia, S.A.	Chairman Board Directors
	Covim - soc. Agrícola, Silvícola e Imobiliária, S.A.	Chairman Board Directors
	Salvador Caetano Capital,SGPS, S.A.	Chairman Board Directors
	Salvador Caetano Auto, SGPS, S.A.	Vice-President Board Directors
	Saltano – Invest. e Gestão, SGPS, S.A.	Member Board Directors
	Caetano Auto, S.A.	Member Board Directors
	Portianga – Com. Int. e Participações, S.A.	Member Board Directors
	Caetano - Baviera - Comércio de Automóveis, S.A.	Member Board Directors
	Salvador Caetano Auto África, SGPS, S.A.	Member Board Directors
	Caetano Auto CV, S.A.	Member Board Directors
	Crustacil – Comércio de Marisco, Lda.	Manager
	Maqñin - Comércio e Indústria de Máq. Ferramentas e Tintas, Lda.	Manager

NAME	COMPANY	FUNCTION
<b>Eng.º Salvador Acácio Martins Caetano</b> Vogal do Conselho de Adm. TOYOTA CAETANO PORTUGAL, S.A.	Caetano-Baviera – Comércio de Automóveis, S.A.	Chairman Board Directors
	Salvador Caetano-Auto, SGPS, S.A.	Chairman Board Directors
	Caetano Retail, SGPS, S.A.	Chairman Board Directors
	Turispaiiva – Soc. Turística Paivense, s.a	Chairman Board Directors
	Lavorauto - Administração Imb. E Cons. de Empresas, S.A.	Chairman Board Directors
	Grupo Salvador Caetano, SGPS, S.A.	Vice-President Board Directors
	Rigor - Consultoria e Gestão, S.A.	Member Board Directors
	Saltano – Invest. E Gestão, SGPS, S.A.	Member Board Directors
	Caetano Renting, s.a	Member Board Directors
	Portianga – Com. Int. E participações, S.A.	Member Board Directors
	Cociga – Construções Cívicas de Gaia, S.A.	Member Board Directors
	Salvador Caetano Auto África, SGPS, S.A.	Member Board Directors
	Amorim Brito & Sardinha, Lda.	Manager
	Maqñin - Comércio e Indústria de Máq. Ferramentas e Tintas, Lda.	Manager

## Toyota Caetano Portugal, S.A.

NAME	COMPANY	FUNCTION
<b>Engº Miguel Pedro Caetano Ramos</b> Vogal do Conselho de Adm. TOYOTA CAETANO PORTUGAL, S.A.	Caetano Fórmula East África, S.A.	Chairman Board Directors
	Salvador Caetano Equipamentos, S.A.	Chairman Board Directors
	Caetano Mobility, SGPS, S.A.	Chairman Board Directors
	Sol Green Watt, s.l.	Chairman Board Directors
	Drive Angola, S.A.	Chairman Board Directors
	Caetano Retail España, S.A.U.	Chairman Board Directors
	Lidera Soluciones, S.L.	Vice-Presidente do Cons. Adm.
	Grupo Salvador Caetano, SGPS, S.A.	Member Board Directors
	Caetano - Baviera - Comércio de Automóveis, S.A.	Member Board Directors
	MDS Auto - Mediação de Seguros, S.A.	Member Board Directors
	Salvador Caetano Capital (SGPS), S.A.	Member Board Directors
	Portianga - Comércio Internacional e Participações, S.A.	Member Board Directors
	Caetano Retail, SGPS, S.A.	Member Board Directors
	Rigor - Consultoria e Gestão, S.A.	Member Board Directors
	Salvador Caetano - Auto, SGPS, S.A.	Member Board Directors
	Salvador Caetano Auto África, SGPS, S.A.	Member Board Directors
	Caetano Aeronautic, S.A.	Member Board Directors
	Auto Partner - Imobiliária, S.A.	Member Board Directors
	Salvador Caetano Indústria, SGPS, S.A.	Member Board Directors
	Ibericar Barcelona Premium, S.L.	Member Board Directors
	MAPFRE Seguros Gerais, S.A.	Member Board Directors
	Caetano Move África	Member Board Directors
	Guerin - Rent - a - Car (Dois) LDA.	Manager
	Robert Hudson, Limitada	Manager
	Simba Caetano Fórmula, Limited	Manager
	Caetsu Publicidade - Comércio e Serviços (SU), Lda	Manager
	Caetano Renting Angola, LDA	Manager
	Caetano Peças - Comércio e Serviços (SU), LDA	Manager

NAME	COMPANY	FUNCTION
<b>Dr. Rui Manuel Machado de Noronha Mendes</b> Vogal do Cons. Adm. TOYOTA CAETANO PORTUGAL, S.A.	Caetano Renting, S.A.	Member Board Directors
	Salvador Caetano Indústria (SGPS), S.A.	Member Board Directors
	Fundação Salvador Caetano	Member Board Directors

The executive member just perform on the boards of subsidiaries and affiliated companies and their availability is total.

Non-executive members do not perform any management duties in other companies, carrying out their professional activity in Toyota Motor Europe.

### COMMITTEES WITHIN THE BOARD OF DIRECTORS

The information provided in items 27 to 29 of the model attached to CMVM Regulation no. 4/2013 is not applicable to the Company.

Considering the composition of the Board of Directors, the governance model and the shareholder structure of the company, the Board of Directors does not understand appropriate the creation of special committees.

### III. SUPERVISORY BOARD

#### COMPOSITION

#### 30. IDENTIFICATION OF THE SUPERVISORY BOARD

The supervisory board adopted according to the Latin model of corporate governance is the Audit Board

#### 31. COMPOSITION OF THE AUDIT BOARD

Audit Board, consisting of three permanent members and two alternate member.

The Audit Board, elected in 2015 for a period of four years, its mandate ending in 2018 and its duties are detailed as follows:

Member	Function	Independence	Share	Date designation
José Domingos da Silva Fernandes	Chairman	Yes	0	2011-04-28
Alberto Luis Lema Mandim	Member	Yes	0	2012-04-27
Daniel Broekhuizen	Member	Yes	0	2016-04-28
Maria Lívia Fernandes Alves	Alternate Member	Yes	0	2012-04-27
Akito Takami	Alternate Member	Yes	0	2018-04-28

#### 32. IDENTITY OF THE AUDIT BOARD CONSIDER THAT INDEPENDENT PURSUANT TO ART. 414., PARAGRAPH 5 CSC

The Chairman of the Audit Board is independent, according to the criteria laid down in Article 414 (5) of Código das Sociedades Comerciais (Portuguese Commercial Companies Code), and in addition the Audit Board carries out the correspondent self-evaluation.

#### 33. QUALIFICATIONS FOR EACH MEMBER OF THE AUDIT BOARD

The members of the Audit Board have appropriate skills to carry out their roles and the Chairman is properly supported by the other members of the Audit Board (Annex I).

#### OPERATION

#### 34. REGULATION OF OPERATION OF THE AUDIT BOARD

The regulations for the operation of the audit board are not disclosed on the website of the company.

#### External Auditor / Statutory Auditor

Under Article 420., Paragraph 1, paragraphs c), d), e) and f) and 446., Paragraph 3 of the Commercial Companies Code, the Statutory Auditors to control the regularity of the accounting records and documents supporting materials, as well as, when appropriate, and by the way thought adequate, the extent of cash and stocks of any kind of goods or



assets belonging to the Company or received as collateral, deposit or other security, and also the accuracy of the individual and consolidated financial statements and the accounting policies and valuation criteria adopted by the Company to conduct a proper assessment of the assets and profits.

Following the entry into force of Decree-Law n.º 185/2009, of 12 August also the Statutory Auditors has duty attest the Corporate governance report published annually contains the elements required under the law, namely, in respect of qualifying holdings in the share capital of the Company, the identification of holders of special rights and description of such rights, any restrictions on voting rights, the rules governing the appointment and replacement of directors and the amendment of Bylaws Society, the powers and proceedings of the board, and key elements of the internal control systems and risk management implemented in the Company in relation to the financial reporting process

### 35. NUMBER OF MEETINGS HELD AND DEGREE OF ATTENDANCE AT MEETINGS HELD EACH MEMBER OF THE AUDIT BOARD

The Audit Board met eight times during the year 2018 and the corresponding recorded in the minutes book of the minutes of the Audit Committee, having been present all its members.

### 36. AVAILABILITY OF EACH OF THE AUDIT BOARD MEMBERS WITH INDICATION OF POSITIONS HELD SIMULTANEOUSLY IN OTHER BUSINESS IN AND OUT OF THE GROUP, AND OTHER RELEVANT ACTIVITIES HELD BY THE MEMBERS OF THAT BODY

During the past five years, the members of the Audit Board have carried out other duties in the following companies:

José Domingos da Silva Fernandes

Chairman of the Audit Board for the companies

Caetano – Baviera – Comércio de automóveis, SA (Grupo Salvador Caetano)

Statutory Auditor for the companies

Multiponto, SA

Summertime – Sociedade Imobiliária, SA

Convemaia – Sociedade Imobiliária, Sa

BDS, SGPS, SA

ONIRAM Indústria Metalomecânica, Lda

Alberto Luis Lema Mandim

Member of the Audit Board for the company

Caetano Auto SA

Presidente of the Audit Board for the company

Fundação Salvador Caetano

Daniel Brekhuizen: does not perform any other duties in other Companies

Maria Livia Fernandes Alves:

Member of the Audit Board for the company

Caetano Auto SA

AkitomTakami : does not perform any other duties in other Companies



## POWERS AND FUNCTIONS

### 37. PROCEDURES AND CRITERIA FOR INTERVENTION OF THE AUDIT BOARD FOR THE PURPOSE OF EMPLOYMENT OF ADDITIONAL SERVICES TO THE EXTERNAL AUDITOR

The Audit Board has the duty of supervising the activity and independence of the External Auditor, interacting with him under the terms of his/her competences and operating standards and is the first recipient of the External Auditor's Report.

Furthermore, the Audit Board is responsible for proposing the provider of external audit services and the relevant remuneration and for ensuring that suitable conditions for the provision of the services are provided within the Company. Finally, the Audit Board evaluates the External Audit on an annual basis and submits to the General Shareholders' Meeting the proposal for his/her dismissal whenever there is fair grounds to that end.

### 38. OTHER FUNCTIONS OF THE AUDIT BOARD

Regarding this matter, reference is made in item 21 of Part I

## IV. STATUTORY ACCOUNTANT

### 39. IDENTIFICATION OF STATUTORY ACCOUNTANT AND SOCIAL AUDITOR THAT REPRESENTS

Statutory Accountant, in the person of José Miguel Dantas Maio Marques, representing the company PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. nº 9077 in CMVM

### 40. NUMBER OF YEARS IN THE STATUTORY ACCOUNTS HELD TOGETHER CONSECUTIVELY FUNCTIONS OF THE COMPANY AND / OR GROUP

The current Statutory Auditors office held consecutively with the Company since 2010

### 41. OTHER SERVICES

The item "Other services" includes verification of the values reported in the billing reports in the scope of the fulfillment of the contractual obligations arising from the contract concluded under the Framework Agreement - Motor Vehicles and Motorcycles within the competence of the Public Purchase Agency and certification of the annual declaration on tires introduced in the Portuguese territory for the year 2017.

The Board of Directors, when requesting projects, before awarding them ensures that, under the terms of European Commission Recommendation No. C (2002) 1873 of 16 May 2002, no services are contracted of the auditors and their network liable to compromise their independence.

## V. EXTERNAL AUDITOR

### 42. IDENTIFICATION OF THE EXTERNAL AUDITOR DESIGNATED FOR PURPOSES OF ART. 8.º AND SOCIAL AUDITOR THAT STANDS IN COMPLIANCE WITH THESE FUNCTIONS AS WELL AS THE RESPECTIVE REGISTRATION NUMBER IN CMVM

External auditor is PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. and the social auditor, in the person of José Miguel Dantas Maio Marques, representing the company PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. nº 9077 in CMVM.

### 43. NUMBER OF YEARS IN THE EXTERNAL AUDITOR AUDITOR AND THE RESPECTIVE MEMBER ACCOUNTS OFFICER THAT THE STANDS TO MEET THESE FUNCTIONS FUNCTIONS CONSECUTIVELY EXERCISED TO THE COMPANY AND / OR GROUP

The external auditor performs functions sequentially with the Company since 2010.

### 44. POLICY AND FREQUENCY OF THE EXTERNAL AUDITOR ROTATION AND RESPECTIVE SOCIAL AUDITOR THAT STANDS IN COMPLIANCE WITH THESE FUNCTIONS

Is not internally defined any policy of mandatory rotation of external auditor, in addition to the legally applicable to public interest entities, being the period of mandatory rotation of statutory social accounts representing the External Auditor on the performance of these functions due to the combination the paragraph. 2 of article 54. Statute of the Order of Chartered Accountants (7 years).

### 45. BODY RESPONSIBLE FOR ASSESSMENT OF EXTERNAL AUDITOR AND FREQUENCY WITH WHICH THIS ASSESSMENT IS MADE

The Audit Board undertakes an annual assessment of the work of the External Auditor, ensuring that the fulfilment of the provisions laid down in Article 54 of Decree-Law No. 487/99 of 16 November (amended by Decree-Law No. 224/2008, 20 November) in relation to the rotation of the partner responsible for implementing the work.

### 46. IDENTIFICATION OF SERVICES, OTHER THAN AUDIT, PERFORMED BY THE EXTERNAL AUDITOR FOR THE COMPANY AND / OR COMPANIES WITH IT APPLIED IN A CONTROL, AND STATEMENT OF INTERNAL PROCEDURES FOR THE PURPOSE OF APPROVAL OF EMPLOYMENT OF SUCH SERVICES AND STATEMENT OF REASONS FOR HIRING.

The item "Other services" were essentially service of compliance granted. The Board of Directors, when requesting projects, before awarding them ensures that, under the terms of European Commission Recommendation No. C (2002) 1873 of 16

## Toyota Caetano Portugal, S.A.

May 2002, no services are contracted of the auditors and their network liable to compromise their independence.

### 47. ANNUAL REMUNERATION PAID BY THE COMPANY AND / OR BY A COLLECTIVE OF OR IN RELATION TO THE FIELD GROUP AUDITOR AND OTHER INDIVIDUALS OR COLLECTIVE IN THE SAME NETWORK AND DISCRIMINATION OF PERCENTAGE OF EVERY TYPE OF SERVICE

The remunerations paid to our auditors and to other legal persons belonging to the same network, by the companies bearing a control or group relationship, amount to 56.000 Euro, distributed as follows:

Company	€	%
Value of audit services	25.000	45%
Total fees for limited accounts review	3.000	3%
Value of other services	1.000	2%
Group companies		
Value of audit services	27.000	48%

## C. ORGANIZATION

### I. STATUTES

#### 48. RULES FOR THE AMENDMENT OF ARTICLES COMPANY STATUTES

Amendment of articles of the company statutes is possible only upon approval by the General Assembly by a majority of 75% of capital.

In order to deliberate on the matters referred to in the previous point, if the required majority is not present during the first convening notice, the General Shareholders' Meeting will meet fifteen days later in order to deliberate on the same matters, with the requirement that the respective decision be voted by a seventy-five percent majority of the votes from present or represented shareholders.

### II. REPORTING OF IRREGULARITIES

#### 49. MEDIA AND POLITICS WHISTLEBLOWING OCCURRED IN SOCIETY

The reporting of irregularities shall be effected through the delivery of a written document or by internal e-mail addressed to the market liaison officer (point 57 of part I). This officer will in turn use all available means for the analysis and verification of the reported facts, keeping, if required, the confidentiality of the initial information and firstly reporting the findings to the Board of Directors, who will then consider if they shall be disclosed to the market, within legally established parameters, if such disclosure is deemed necessary.

These reports are filed for a minimum period of five years, and are made available to the Auditors on demand.

### III. INTERNAL CONTROL AND RISK MANAGEMENT

#### 50. PEOPLE, BODIES OR COMMITTEES RESPONSIBLE FOR INTERNAL AUDIT AND/OR FOR THE IMPLEMENTATION OF INTERNAL CONTROL SYSTEMS

At Toyota Caetano Portugal, S.A., the control of risks inherent to the activity is carried out directly by the Board of Directors and is assessed on an annual basis by the Audit Board.

#### 51. EXPLANATION, ALSO INCLUDING ORGANISATIONAL CHART, OF THE HIERARCHICAL AND/OR FUNCTIONAL RELATIONSHIPS OF OTHER COMPANY BODIES OR COMMITTEES

The Company produces financial information on a regular basis, and all the management information produced for both internal use and to be used by other entities, it is prepared using computer systems.

The Company Board of Directors delegates powers in the directors responsible for each of the divisions company which meets periodically for analysis and monitoring of developed financial information subject to regular monitoring carried out by the Board of Directors and the operational direction of the company.

Chart in point 21 of part I.

#### 52. EXISTENCE OF OTHER FUNCTIONAL AREAS WITH COMPETENCES FOR RISK CONTROL

There is no other functional areas with competences for risk control beyond those referred to in point 50 of part III.

#### 53. IDENTIFICATION OF THE MAIN TYPES OF RISK (ECONOMIC, FINANCIAL AND LEGAL) TO WHICH THE COMPANY IS EXPOSED WHEN CONDUCTING BUSINESS

In its activities, Toyota Caetano is subject, in each of its business areas or of its subsidiaries, to a multitude of risks that have been identified in order to mitigate and control.

##### Credit to customers

Toyota Caetano's credit risk is mainly associated with loans to customers, related to its operating activity, the risk that a customer pays late or does not pay for property acquired primarily due to lack of liquidity.

The main goal of Toyota Caetano's credit risk management is to ensure the effective collection of the operating receivables from its Customers, according to the negotiated payment terms.

##### Interest rate risk

## Toyota Caetano Portugal, S.A.

As a result of the relevant proportion of debt at variable rate in its Consolidated Balance Sheet, and of the subsequent interest payment cash flows, Toyota Caetano is exposed to interest rate risk.

### Exchange Rate Risk

As a geographically diversified Group, with subsidiaries located in Cape Verde, the exchange rate risk is mainly the result of commercial transactions, arising from the purchase and sale of products and services in a currency that is different from the functional currency of each company.

### Liquidity Risk

Liquidity risk management at Toyota Caetano Group aims that the company has the ability to obtain, in a timely manner, the necessary funding to be able to undertake its business activities, implement its strategy and meet its payment obligations when due, while avoiding the need to obtain funding under unfavourable terms.

## 54. DESCRIPTION OF THE RISK IDENTIFICATION, ASSESSMENT, MONITORING, CONTROL AND MANAGEMENT PROCESS

### Credit to customers

In order to mitigate the credit risk that results from the potential customer-related defaults on payments, the group's companies that are exposed to this risk have:

- a specific credit risk analysis and monitoring department;
- proactive credit management processes and procedures that are implemented and always supported by information systems;
- hedging mechanisms (credit insurance, letters of credit, etc).

### Interest rate risk

Toyota Caetano has been using financial derivatives to hedge, at least partially, its exposure to interest rate variations.

### Exchange Rate Risk

The exchange rate risk management policy seeks to minimize the volatility of the investments and operations denominated in foreign currencies, contributing to reduce the sensitivity of the group's results to exchange rate fluctuations. the group's exchange rate management policy is focused on a case-by-case assessment of the opportunity to hedge this risk, taking into account, particularly, the specific circumstances of the currencies and countries in question.

Toyota Caetano has been using financial derivatives to hedge, at least partially, its exposure to exchange rate variations.

#### Liquidity Risk

Liquidity risk management at Toyota Caetano Group aims at:

- (i) Liquidity, i.e. guaranteeing continued access in the most efficient way to sufficient funds to meet current payments on their due dates, as well as any requests for funds, within the times set for such, even where these are not planned;
- (ii) Safety, i.e. minimizing the probability of default in repayment of any application of funds; and
- (iii) Financial efficiency, i.e. ensuring that Companies maximize the value/minimize the opportunity cost of holding excess liquidity in the short term.

Any surplus liquidity in the Group is applied to the amortization of short-term debt, as per the criteria of economic and financial reasonableness.

For detailed For this purpose, the Group's liquidity management involves the following aspects:

- a) A consistent financial planning based on operating cash flow forecasts for different time horizons (weekly, monthly, annual and multi-annual);
- b) The diversification of funding sources;
- c) The diversification of the maturities of the debt issued in order to avoid excessive concentrations of debt repayments in short periods of time;
- d) The arrangement of committed (and uncommitted) credit facilities, commercial paper programmes, and other types of financial operations with relationship Banks, ensuring the right balance between satisfactory liquidity levels and adequate commitment fees.

#### 55. MAIN ELEMENTS IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IMPLEMENTED AT THE COMPANY WITH REGARD TO THE FINANCIAL INFORMATION DISCLOSURE PROCESS (ART. 245(A)(1) (M))

It should be noted further that the risk management set out above includes the following:

- Sensitivity analysis (measurement of potential impacts according to the likelihood of occurrence of each risk);
- strategic alignment of the company according to the risks actually incurred;
- mechanisms for controlling the execution of the risk management measures adopted and their effectiveness;
- information and communication internal mechanisms on the various components of the risk alert system.

#### IV. INVESTOR SUPPORT

##### 56. OFFICE RESPONSIBLE INVESTOR SUPPORT, COMPOSITION, FUNCTIONS, SERVICES PROVIDED BY SUCH INFORMATION AND ELEMENTS FOR CONTACT

Although no Investor Assistance Office has yet been formally established, this task is carried out by the market liaison officer. Whenever necessary, the market liaison officer ensures the provision to the market of all relevant information regarding noteworthy events, facts susceptible of inclusion within the framework of relevant facts, quarterly disclosure of income and answers to any clarification requests made by investors or by the general public as regards financial information of a public nature.

##### 57. MARKET LIAISON OFFICER

Market liaison officer:

Rui Manuel Machado de Noronha Mendes  
Telefone: 227867203  
E-mail: rmendes@toyotacaetano.pt

##### 58. MARKET LIAISON OFFICER, COMPOSITION, FUNCTIONS, SERVICES PROVIDED BY SUCH INFORMATION AND ELEMENTS FOR CONTACT

The representative for market relations receives calls daily with various issues, including clarification on dividends and other general meetings, usually answered immediately when the information is public.

#### V. WEB SITE

##### 59. ADDRESS

The website of the Company, [www.toyotacaetano.pt](http://www.toyotacaetano.pt), is available in Portuguese and in English according to CMVM VI.1 recommendation.

##### 60. SITE OF INFORMATION ABOUT THE FIRM, THE PUBLIC COMPANY STATUS, HEADQUARTERS AND REMAINING DATA PROVIDED FOR IN ARTICLE 171 OF THE COMPANIES CODE

On the page of the Company's Internet within the tab identified as "investors" we find a tab for the "Company", where is published information on the company, the public company status, headquarters and remaining data provided for in Article 171 of the Commercial Companies Code.

##### 61. SITE OF INFORMATION ABOUT THE STATUTES AND THE OPERATING REGULATIONS OF THE ORGANS AND / OR COMMITTEES

On the page of the Company's Internet within the tab identified as "investors" we find a tab for the "Company", where is published information of The Statutes ;



62. SITE OF INFORMATION OF THE IDENTITY OF THE CORPORATE OFFICERS, THE REPRESENTATIVE FOR MARKET RELATIONS, THE INVESTOR SUPPORT OFFICE OR EQUIVALENT STRUCTURE, THEIR FUNCTIONS AND LOCAL ACCESS MEANS WHERE THE STATUTES AND OPERATING REGULATIONS OF ORGANS AND / OR COMMITTEES

On the page of the Company's Internet within the tab identified as "investors" we find a tab for the "Company", where is published information of corporate officers;

Also find on the page of the Company's Internet within the tab identified as "investors" we find a tab for the "Investor support" where is published the representative for market relations, the investor support office or equivalent structure, their functions and local access.

63. SITE OF INFORMATION PROVIDE THE FINANCIAL STATEMENT WHICH MUST BE ACCESSIBLE FOR AT LEAST FIVE YEARS AS WELL AS THE SEMI-ANNUAL CALENDAR OF CORPORATE EVENTS, AT THE BEGINNING OF EACH SEMESTER, INCLUDING, AMONG OTHERS, THE GENERAL MEETINGS, DISCLOSURE OF ACCOUNTS ANNUAL AND, IF APPLICABLE, QUARTERLY

On the page of the Company's Internet within the tab identified as "investors" we find a tab for the "Reports and accounts" where is disclosed for five years, the documents presenting the accounts for each financial year.

On the page of the Company's Internet within the tab identified as "investors" we find a tab for the "Calendar of events" is published the calendar of corporate events.

64. SITE OF INFORMATION WHERE IS PUBLISHED THE NOTICE FOR THE GENERAL MEETING AND ALL THE PREPARATORY AND SUBSEQUENT INFORMATION RELATED TO IT

On the page of the Company's Internet within the tab identified as "investors" we find a tab for the "General Meeting" where we find the disclosure of the notice, resolutions and minutes of the General Assembly.

65. SITE OF INFORMATION WHERE IT PROVIDES THE HISTORICAL RESOLUTIONS PASSED AT THE GENERAL MEETINGS OF THE COMPANY, THE REPRESENTED CAPITAL AND THE VOTING RESULTS, WITH REFERENCE TO THE SEVEN YEARS PERIOD

On the page of the Company's Internet within the tab identified as "investors" we find a relative to "General Meetings" tab where we find a historical record with the resolutions passed at general meetings of the company, the represented share capital and the voting results, with reference to the 7 year period.



## D. REMUNERATION

### I. JURISDICTION TO DETERMINE

#### 66. INDICATION AS TO THE JURISDICTION TO DETERMINE THE REMUNERATION OF GOVERNING BODIES, OF MEMBERS OF THE MANAGING DIRECTOR AND EXECUTIVE OFFICERS OF THE COMPANY

The remuneration policy of the Board of Directors and Audit Board is set by an independent Remuneration Committee, based on criteria that meet the ability to create shareholder value. In defining the criteria stated above are taken into account several factors including comparative market data and macroeconomic data

### II. REMUNERATION COMMITTEE

#### 67. COMPOSITION OF THE CHARGES, INCLUDING IDENTIFICATION OF INDIVIDUALS OR COLLECTIVE CONTRACTED FOR YOUR SUPPORT AND DECLARATION OF INDEPENDENCE OF EACH OF THE MEMBERS AND ADVISORS

The Remuneration Committee consists of the following members:

- Alberto Luis Lema Mandim
- Maria Conceição Monteiro Silva
- Francelim Costa da Silva Graça

#### 68. KNOWLEDGE AND EXPERIENCE OF MEMBERS OF THE REMUNERATION POLICY OF REMUNERATION

The professional experience of the members of the Remuneration Committee allows them to exercise their responsibilities effectively, while safeguarding the interests of the Company.

The seniority of the members of the Committee in carrying out their duties should be noted in this respect.

The Remuneration Committee to support the performance of its functions didn't contract any singular or collective entity that provides or has provided, over the past three years, services to any structure subject of the corporate boards, to the corporate boards itself or has current relationship with the company or consultant of the company.

### III. STRUCTURE OF REMUNERATION

#### 69. DESCRIPTION OF THE REMUNERATION OF MANAGEMENT AND SUPERVISORY REFERRED TO IN ARTICLE 2.º LAW NO. 28/2009 OF 19 JUNE

The remunerations policy for the Board of Directors and for the Audit Body is defined by an independent Remuneration Committee, based on criteria that meet the ability to create

shareholder value. Definition of the above-mentioned criterion takes into account several factors including market comparative data and macroeconomic data.

The policy for remuneration of the directors responsible for each of the divisions identified in the functional organization chart of the Company presented of this report is structured based on a balance between the level of responsibility, in the fixed part, and performance against targets set both at the level of budgetary follow-up and for the result of previously agreed projects, in the variable part.

70. INFORMATION ON HOW THE REMUNERATION IS STRUCTURED WAY TO ALIGN THE INTERESTS OF MEMBERS OF THE BOARD OF DIRECTORS TO THE LONG TERM INTERESTS OF THE COMPANY AS WELL AS ON THE WAY IT IS BASED ON PERFORMANCE EVALUATION AND EXCESSIVE DISCOURAGES RISKS.

As per the Remuneration Committee's attached statement (Annex II), there are mechanisms within the Company that permit alignment of the interests of the members of the Management Body with the interests of the company.

71. REFERENCE, IF APPLICABLE, THE EXISTENCE OF A VARIABLE COMPONENT OF REMUNERATION AND INFORMATION ABOUT POSSIBLE IMPACT OF PERFORMANCE APPRAISAL IN THIS COMPONENT

As approved by the Remuneration Committee sets the remuneration of the members of the Board of Directors is not directly dependent on the evolution of the share price of the Company or of the results obtained.

72. DEFERRED PAYMENT OF VARIABLE COMPONENT OF REMUNERATION TO MENTION THE PERIOD OF DEFERRED

There were no deferred payment of the variable component.

73. CRITERIA WHICH IS BASED ON THE ALLOCATION VARIABLE REMUNERATION SHARES

There is no allocation of variable remuneration in shares and taking into account the model of remuneration the members of the Board of Directors doesn't celebrate any contracts with the company or with third parties to mitigate the risk inherent in the variability of remuneration.

There is no agreement by the Board of Directors for the award of variable remuneration in shares

There is no agreement by the Board of Directors that have the effect to mitigate the risk inherent in the variability of remuneration fixed by the company.

74. CRITERIA WHICH IS BASED ON THE ALLOCATION VARIABLE REMUNERATION IN OPTIONS

No variable remuneration in options

#### 75. MAIN PARAMETERS AND GROUNDS OF ANY SYSTEM ANNUAL AWARDS AND ANY OTHER NON-CASH BENEFITS

Members of the Board of Directors are dependent on the performance of the company in the variable portion of their annual compensation, as is usually designated as "Bonus Balance" or annual bonus, corresponding to an annual performance bonus determined taking into account the assessment made by the Remuneration Committee as part of their duties.

#### 76. MAIN FEATURES OF ADDITIONAL PENSION SCHEME OR EARLY RETIREMENT FOR DIRECTORS

Toyota Caetano Portugal, S.A. (together with other affiliates) has constituted a pension fund by public deed on 29 December 1988. This Pension Fund initially provided, initially and as long as Toyota Caetano continued with its decision to make contributions to the fund, for the workers to receive, from the date of their retirement, a non-updateable supplement to be determined based on a percentage of salary, among other conditions.

Given the economic circumstances as of 1 January 2008 Toyota modified the conditions of Salvador Caetano Pension Fund, which can be summarised as follows:

- retention of a Defined Benefits system (20% of social security pensionable salary as at the date of retirement (65 years)) for current pensioners and beneficiaries of deferred pensions, and also for all current employees of member companies of Salvador Caetano Group who on 1 January 2008 were over 50 years of age with more than 15 years' service in the company;
- a Defined Contribution Scheme for the rest of the employees of the group.

The members of the Board of Directors benefit from the Salvador Caetano Pension Fund provided that they fulfil all the requirements demanded for any other employee of one of the companies of the universe included in the Pension Fund.

Currently, the pension fund covers the members of the Board of Directors who meet the above conditions.

#### IV. DISCLOSURE OF REMUNERATION

The information below covers the points 77 to 81 of Part I of the form attached to CMVM Regulation no. 4/2013

The remunerations obtained by the members of the Board of Directors and Audit Board of Toyota Caetano Portugal, S.A. during the financial year of 2018 for the performance of their duties in the Company and in other Companies of the Group are as follows:

## Toyota Caetano Portugal, S.A.

Remunerations	Fixed Component		Variable Component		Total
	Company	Toyota Group Companies	Company	Toyota Group Companies	
BOARD OF DIRECTORS					
José Reis da Silva Ramos	159.638	0	0	0	159.638
Maria Angelina Martins Caetano Ramos	117.386	305.180	0	0	422.566
Salvador Acácio Martins Caetano	0	0	0	0	0
Rui Manuel Machado Noronha Mendes	107.700	0	0	0	107.700
Miguel Pedro Caetano Ramos	0	0	0	0	0
Matthew Peter Harrison	0	0	0	0	0
Katsutoshi Nishimoto	0	0	0	0	0
Masaru Shimada	0	0	0	0	0
AUDIT BOARD					
José Domingos da Silva Fernandes	4.900	0	0	0	4.900
Alberto Luis Lema Mandim	3.500	0	0	0	3.500
Daniel Broekhuizen	0	0	0	0	0
Maria Livia Fernandes Alves	0	0	0	0	0
Akito Takami	0	0	0	0	0
Total	393.124	305.180	0	0	698.304

During the year ended December 31, 2018 didn't occur any cession of functions of any executive member and there wasn't no payment or due any payment as compensation.

### 82. REMUNERATION OF THE YEAR OF REFERENCE OF THE CHAIRMAN OF THE GENERAL ASSEMBLY

The remuneration of the Chairman and Vice-Chairman of do Board of the General Shareholders' Meeting consists of a fixed amount corresponding to the actual attendance to the meetings held during 2018.

In 2018 both Chairman and Vice-Chairman did not earn any remuneration.

### V. AGREEMENTS WITH IMPLICATIONS REMUNERATION

The information provided in sections 83 and 84 of the model attached to CMVM Regulation no. 4/2013 is not applicable to the Company.

### VI. PLANS FOR ALLOTMENT OF SHARES OR OPTIONS ON SHARES

The information provided in paragraphs 85 to 87 of the model attached to CMVM Regulation no. 4/2013 is not applicable to the Company as the Company has not adopted any plans to allot shares or any plans allocation of purchase of shares to members of governing bodies or employees options.

E. TRANSACTIONS WITH RELATED COMPANIES

I. MECHANISMS AND CONTROL PROCEDURES

89. MECHANISMS IMPLEMENTED BY THE COMPANY FOR PURPOSES OF CONTROLLING TRADES WITH RELATED PARTIES (PLEASE SEE THE CONCEPT RESULTING FROM IAS 24)

During financial year 2018 no business or transactions were performed between the company and holders of qualified holdings or entities with whom they have any relationship, pursuant to Article 20. of Código dos Valores Mobiliários (Portuguese Securities Code), outside of normal market conditions.

90. INDICATION OF THE TRADES WHICH WERE SUBJECT TO CONTROL IN THE REFERENCE YEAR

The Audit Board, within the scope of its remit, in accordance with the previous points, did not conduct a preliminary assessment of the business carried out between the company and holders of qualified holdings or entities with whom they have any relationship, pursuant to Article 20 of Código dos Valores Mobiliários (Portuguese Securities Code).

91. DESCRIPTION OF THE PROCEDURES AND CRITERIA APPLICABLE TO THE INTERVENTION OF THE SUPERVISORY BODIES FOR THE PURPOSES OF ASSESSING BUSINESS BETWEEN THE COMPANY AND THE HOLDERS OF QUALIFIED SHAREHOLDINGS OR ENTITIES WITH WHICH THEY ARE IN ANY RELATIONSHIP, PURSUANT TO ARTICLE 20 OF THE PORTUGUESE SECURITIES CODE

The Audit Board within its competence, in accordance with the above points, did not make prior assessment to the transactions between the company and the qualifying shareholders or entities with which they are in any relationship, in accordance with Article 20 of Securities code

II. ELEMENTS FOR TRANSACTIONS

92. PLACE OF DOCUMENTS OF ACCOUNTABILITY WHERE IS AVAILABLE INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

Business with related parties are disclosed in Note 30 to the consolidated financial statements of the Annual Report 2018.

The Report is available on the Company's website at [www.toyotacaetano.pt](http://www.toyotacaetano.pt) as well as in the field of Securities Market Commission [www.cmvm.pt](http://www.cmvm.pt).

## PART II - EVALUATION OF CORPORATE GOVERNANCE

### 1. Identification of the Code of Corporate Governance adopted

The Report was prepared in compliance with the guidelines laid down in CMVM (Comissão do Mercado de Valores Mobiliários – Portuguese Securities Market Commission) Regulation No. 4/2013 of 18 July.

### 2. Compliance with the recommendations contained in CMVM's Corporate Governance Code

CMVM RECOMMENDATIONS	COMPLIANCE	REPORT
<b>I. ELIGIBILITY AND CORPORATE CONTROL</b>		
I.1. Companies should encourage shareholders to attend and vote at general meetings, in particular by not setting an excessively high number of shares required to be entitled to one vote and implementing the necessary to exercise the right to vote by postal voting and electronic postal voting.	Yes	Item 12
I.2. Companies should not adopt mechanisms that hinder the passing of resolutions by shareholders, including shall not set a constitutive or deliberating quorum which outnumbers that which is provided for by Law.	No	Item 12
I.3. Companies should not establish mechanisms that have the effect of causing the gap between the right to receive dividends or subscription of new securities and the voting rights of each share, unless duly justified by reference to the long-term interests of shareholders.	Yes	Item 12
I.4. . The articles of association of companies that, in fulfilling this principle, provide for the limitation of the number of votes that may be held or exercised by a single shareholder, individually or jointly with other shareholders, should also provide that the change or maintenance of this statutory provision be subject to decision by the General Shareholders' Meeting at least every five years - with no aggravated quorum requirement compared to the legal quorum - and that this decision shall count all the votes cast without operation of that restriction.	No	Item 12
I.5. Defensive measures should not be adopted where these are automatically intended to cause serious erosion of company equity in the event of transfer of control or change in the composition of the board of directors and thus obstruct the free transferability of shares and free assessment by shareholders of the performance of the members of board of directors.	Yes	Item 12
<b>II.1. SUPERVISION, GOVERNING AND AUDITING BODIES</b>		
<b>II.1. SUPERVISION AND GOVERNING</b>		
II.1.1. Within the limits established by law for each governing and auditing structure, and unless the company is of a reduced size, the board of directors shall delegate the day-to-day running of the company and the delegated duties should be identified in the annual report on Corporate Governance.	Yes	Item 21
II.1.2. The board of directors shall ensure that the company acts in accordance with its goals, and should not delegate its duties, namely in what concerns: i) definition of the company's strategy and general policies; ii) definition of the corporate structure of the group; iii) decisions that should be considered to be strategic due to the amounts, risk or particular characteristics.	Yes	Item 21
II.1.3 1 In addition to fulfilling its auditing duties, the general and supervisory board must assume full responsibility to the corporate governance level, so by the statutory provision or by equivalent means, shall be paid to the requirement of this organ decide on the strategy and major policies of society, the definition of the corporate structure of the group and the decisions that must be considered strategic due to the amounts or risk. This body should also assess compliance with the strategic plan and the implementation of major policies of the company.	Not Applicable	
II.1.4. Unless the company is of a reduced size and depending on the model adopted, the board of directors and the general and supervisory board, shall set up the necessary committees in order to: a) ensure that a competent and independent assessment of the executive board members' performance is carried out, as well as its own overall performance and further yet, the performance of all existing committees;	Not Applicable	



## Toyota Caetano Portugal, S.A.

b) study the adopted governance system and verify its efficiency and propose to the competent bodies measures to be carried out with a view to its improvement		
II.1.5. Unless the company is of a reduced size and depending on the model adopted, the board of directors and the general and supervisory board should set goals in terms of risk-taking and create systems for their control to ensure that the risks actually incurred are consistent with those goals.	Yes	Item 50
II.1.6. The Board of Directors shall include a number of non-executive members that ensure the efficient supervision, auditing and assessment of executive members' activity.	No	Item 17
II.1.7. The non-executive board members must include an adequate number of independent directors, taking into account the governance model adopted, the size of the company and its shareholder structure and the respective free float. The independence of the members of the General and Supervisory Board and Member of the Audit Committee is assessed in accordance with applicable law, and as to the other members of the Board are considered independent person who is not associated with any group of interests specific society, nor under any circumstance likely to affect their impartiality of analysis or decision, particularly in relation to : a) Have been employees of the company or a company with which it is found in a control or group in the past three years; b) Have, in the past three years, provided services or established significant business relationship with the company or company with which it is in a control or group, either directly or as a partner, director, manager or officer of a legal person ; c) Being in favor of compensation paid by the company or by a company with which it is found in a control or group than the remuneration resulting from the exercise of the duties of a director; d) Living in consensual union, or a spouse, relative or order in and straight up to the 3rd degree, even in the collateral line, administrators or individuals directly or indirectly qualifying shareholders e) Be qualified shareholder or representative of a shareholder holding qualifying holdings.	No	Item 18
II.1.8. When the board members that carry out executive duties are requested by other members of governing bodies to supply information, the former shall do so in a timely manner and the information supplied must adequately suffice the request made.	Yes	Item 21
II.1.9. The chairman of the executive committee shall send the convening notices and minutes of the meetings to the chairman of the board of directors and, when applicable, to the chairman of the audit board or of the audit committee.	Yes	Item 21
II.1.10. If the chairman of the board of directors carry out executive duties, this body shall appoint, from among its members, an independent member to ensure the coordination of the work of other non-executive members and the conditions so that they can make independent and informed or find an equivalent mechanism to ensure such coordination.	No	Item 18
<b>II.2. AUDITING BODIES</b>		
II.2.1. Depending on the applicable model, the chairman of the audit board, of the audit committee or of the committee on financial matters, should be independent and should have the appropriate skills to carry out his/her duties.	Yes	Item 32
II.2.2. The auditing body should be the main interlocutor of the external auditor and the first recipient of their respective reports, responsible for the propose the respective remuneration and to ensure that they are provided within the company, the appropriate conditions for the provision of services.	Yes	Item21
II.2.3. The auditing body, shall assess the external auditor on an annual basis and advise the General Shareholders' Meeting that he/she be discharged whenever justifiable grounds are present.	Yes	Item 45
II.2.4. The auditing board shall evaluate the functioning of the internal control systems and risk management and propose adjustments that may be required.	Yes	Item 21
II.2.5. The Audit Committee, the General and Supervisory or the Audit Board shall decide on the work plans and affections to internal audit services and services that ensure compliance with the rules applicable to the company (compliance services) resources, and should be addressed to the reports from these services at least when they are concerned matters related to accountability identification or resolution of conflicts of interest and the detection of potential illegalities.	Yes	Item 21
<b>II.3. REMUNERATION</b>		
II.3.1. Members of the remuneration committee or alike, shall be independent from the members of the board of directors and shall include at least one member with knowledge and experience in remuneration policy matters.	No	Item 68
II.3.2. No natural or legal person who provides or has provided, over the past three years, services to any structure under dependence of the Board of Directors, the company's Board of Directors itself or who is currently in a relationship with a company consultancy agency, shall be hired to support the Remuneration Committee in the performance of its duties. This recommendation also applies to any natural or legal person who has an employment or service provision contract with those bodies.	Yes	Item 68
II.3.3. The statement on the remuneration policy for the board of directors and the audit body, referred to in Article 2 of Law 28/2009 of 19 June, shall, in addition to the contents specified therein, contain sufficient information on:	No	Item 69

## Toyota Caetano Portugal, S.A.

<p>a) Identification and explanation of the criteria for determining the remuneration to be paid to members of governing bodies;</p> <p>b) Information on the maximum potential amount, in individual terms, and the maximum potential amount, in aggregate, to be paid to members of governing bodies, and identification of the circumstances under which these maximum amounts may be payable;</p> <p>d) Information regarding the enforceability or unenforceability of payments for the dismissal or termination of appointment of administrators.</p>		
<p>II.3.4. A proposal shall be submitted at the General Shareholders' Meeting on the approval of schemes for the allotment of shares and/or stock options or further yet based on the fluctuations in share prices, to members of the governing and auditing bodies and other directors information for a correct assessment of the scheme.</p> <p>II.3.5. Must be submitted to the General Meeting a proposal on the approval of any system of retirement benefits established for members of governing bodies. The proposal should contain all the elements necessary for a correct evaluation of the system.</p>	Not Applicable	
<p>III. REMUNERATION</p> <p>III.1. The remuneration of the members of the board of directors should be structured to allow the alignment of their interests with the company's long-term interests and should be based on performance evaluation, and should discourage excessive risk taking.</p>	Yes	Item 76
<p>III.2. The remuneration of non-executive members of the board of directors and of the members of the audit board should not include any component whose amount depends on company performance or value.</p>	Yes	Item 77
<p>III.3. The variable component of the remuneration should be reasonable overall in relation to the fixed component of the remuneration, and ceilings should be set for all components.</p>	No	Item 69
<p>III.4. A significant portion of the variable remuneration shall be deferred for a period not less than three years, and its payment should be dependent on the continued positive performance of the company throughout this period.</p>	No	Item 72
<p>III.5. The members of the board of directors shall not enter into contracts, both with the company or with third parties, that may mitigate the risk inherent in the variability of remuneration fixed for them by the company.</p>	Not Applicable	Item 73
<p>III.6. Until the end of their mandate, executive directors should hold company shares that they have acquired through variable remuneration schemes, to a limit of twice the amount of their total annual remuneration, except those that need to be disposed of for the payment of taxes resulting from income on said shares.</p>	Not Applicable	
<p>III.7. when the variable remuneration includes allocation of options, the start of the period should be deferred for not less than three years.</p>	Not Applicable	
<p>III.8. When the removal of administrator is not due to serious breach of its duties or their unfitness for the normal exercise of their functions but still be reducible to poor performance, the company will find yourself provided with the appropriate and necessary legal instruments to any damages or compensation, beyond the legally due, is not required.</p>	No	
<p>IV. AUDITING</p> <p>IV.1. The external auditor shall, within the scope of his/her remit, verify the application of the remuneration policies and systems, the efficiency and effectiveness of internal control mechanisms and report any deficiencies to the company's audit board.</p>	Yes	Item 34
<p>IV.2 The company shall not hire from the external auditor, or any entity with which it has a shareholding relationship or which are part of the same network, miscellaneous services other than audit services. Where there are reasons for hiring such services - which must be approved by the audit board and explained in its annual report on Corporate Governance - they shall not be more than 30% of the total value of the services provided to the company.</p>	Yes	Item 47
<p>IV.3. Companies shall promote the rotation of the auditor after two or three mandates depending on whether these are, respectively, four or three years. Retention of the auditor beyond this period shall be substantiated on a specific opinion of the audit board that explicitly considers the level of auditor independence and the costs and benefits of replacement.</p>	yes	Item 44
<p>V. CONFLICT OF INTEREST AND AND RELATED PARTY TRANSACTIONS</p> <p>V.1. The company's businesses with shareholders with qualifying holdings or entities with whom it has any type of relationship, pursuant to Art. 20 of Código dos Valores Mobiliários (Portuguese Securities Code), shall be carried out under normal market conditions.</p>	Yes	Item 89
<p>V.2. Businesses of significant relevance with shareholders with qualifying holdings or entities with whom it has any type of relationship, pursuant to Art. 20 of Código dos Valores Mobiliários (Portuguese Securities Code), shall be subject to the prior opinion of the audit board. This body shall establish the procedures and criteria required to</p>	No	Item 89



## Toyota Caetano Portugal, S.A.

define the relevant level of significance of such businesses and the other terms of its intervention.		
VI. REPORTING		
VI.1 Companies shall provide, through its website, in Portuguese and English, access to information enabling knowledge about its evolution and its current reality in economic, financial and governance terms	Yes	Item 59 a65
VI.2 Companies should ensure the existence of an investor assistance office and permanent contact with the market, responding to requests from investors in a timely processing of applications submitted and the treatment that was given should be maintained	Yes	Item 56

In relation to the recommendations that are not met, we wish to provide the following information:

I.2. Although a constitutive quorum that outnumbers that provided for by law has not been set, the Articles of Association of the Company provide for a set of resolutions, as defined in number 18 of the Report, which require a minimum quorum of 75% of the Company's share capital, a percentage higher than that provided for by law.

I.4. As mentioned in items 12 to 14 for each group of one hundred shares corresponds to one vote and are not contemplated in the statutes of the Company duty to submit to five years the amendment of the statutory provision in the General Assembly.

II.1.4. The Board of Director saw no need to create specific commissions for assessment of the executive members' performance and their overall performance and reflect on system structure and the adopted governance practices, verify its efficiency and propose measures to be implemented to its improvement.

II.1.6 The Board of Directors consists of a total of seven members, two of whom are non-executive members (refer to item 17 of the Report for further details concerning the composition of the Board), the number of non-executives accounting for 29% of the total number of board members.

II.1.7. The non-executive members of the board of directors (2 out of a total of 7 members), appointed by Toyota Motor Europe, may not be regarded as independent.

II.1.10. The chairman of the board of directors has executive functions and as mentioned in point no 18 the members non-executive aren't independent.

II.3.1. The members of the Remuneration Committee can not be considered independent due to seniority in the performance of their duties.

II.3.3. The statement on the remuneration policy for the board of directors and audit body, made by the remuneration committee as described in item 69, does not include decisions on payments for dismissal or termination by agreement of directors' roles.

III.3. There are not limits for fixed and variable components of the remuneration of the members of the management and supervisory

III.4. As described in item 72 the variable remuneration does not depend on a policy of medium and long-term maximization of profit of the Company.

III.8. The company does not have the legal instruments adequate and necessary to avoid any compensation don't be required beyond the legally due.

V.2. The Audit Board, within the scope of its remit, did not conduct a prior evaluation of businesses carried out between the company and shareholders with qualifying holding and entities with whom it has any type of relationship, in accordance with Article 20 of Código dos Valores Mobiliários (Portuguese Securities Code), as it considers that these were carried out under normal market conditions.

*Note: This Report on Corporate Governance is a translation of the Report on Corporate Governance originally issued in Portuguese language. In the event of discrepancies, the Portuguese language version prevails.*

## ANNEX I

### CURRICULUM VITAE

Name: José Reis da Silva Ramos

Date and Place of Birth: 15 August 1946, in Vila Nova de Gaia.

Marital Status: Married

Address: Alameda Senhor da Pedra, 262, Miramar Arcozelo, Vila Nova de Gaia

Academic Qualifications: Degree in Metallurgic Engineering

Professional Activity: Companies' Director

Name: Maria Angelina Martins Caetano Ramos

Date and Place of Birth: 18 August 1949, in Vila Nova de Gaia.

Marital Status: Married

Address: Alameda Senhor da Pedra, 262, Miramar Arcozelo, Vila Nova de Gaia

Academic Qualifications: Degree in Economics

Professional Activity: Companies' Director

## Toyota Caetano Portugal, S.A.

Name: Salvador Acácio Martins Caetano

Date and Place of Birth: 30 January 1955, in Vila Nova de Gaia.

Marital Status: Married

Address: Rua Moreira Lobo, 80, Miramar Arcozelo, Vila Nova de Gaia

Academic Qualifications: Degree in Engineering

Professional Activity: Companies' Director

Name: Miguel Pedro Caetano Ramos

Date and Place of Birth: 26 September 1971, in Vila Nova de Gaia.

Marital Status: Married

Address: C Carnicero Edif. Puerto Chico, 5 P04 B, Torremolinos – Malaga - Spain

Academic Qualifications: Degree in Mechanical Engineering

Professional Activity: Companies' Director

Name: Rui Manuel Machado Noronha Mendes

Date and Place of Birth: 8 August 1954, in Leça da Palmeira - Matosinhos.

Marital Status: Married

Address: Rua Dr. Manuel Rodrigues de Sousa, 64 – 6º Esq. - Matosinhos

Academic Qualifications: Degree in Economics

Professional Activity: Companies' Director

Name: José Domingos Silva Fernandes

Date and Place of Birth: 28 March 1951, in Cedofeita - Porto.

Marital Status: Married

Professional Address: Rua Cunha Júnior, 41 – B, 1º sala 4 4250-186 Porto

## Toyota Caetano Portugal, S.A.

### Academic Qualifications:

- 1970 Accountant studies, at the former Instituto Comercial do Porto
- 1975 Degree in Economics – Porto University

### Work experience:

- 1975 – 1993 Technician at Inspeção- Geral de Finanças
- 1987 – 2011 Professor at Porto's Instituto Superior de Contabilidade e Administração

Since 1982 Registered at the Statutory Auditors' Association, and has performed such duties in several

entities.

- 2001 – 2005 Chairman of the Disciplinary Board of the Statutory Auditors' Association

Currently 1) Performs the duties of Chairman of the Audit Board at other entities

Caetano – Baviera – Comércio de automóveis, SA (Grupo Salvador Caetano)

2) Performs the duties of Statutory Auditor at the following entities

Multiponto, SA

Summertime – Sociedade Imobiliária, SA

Convemaia – Sociedade Imobiliária, Sa

BDS, SGPS, SA

Poliedro, SGPS, SA

ONIRAM – INDUSTRIA METALOMECÂNICA, LDA

## Toyota Caetano Portugal, S.A.

Name: Maria Livia Fernandes Alves

Date and Place of Birth: 31 January 1945, in Nune - Vila Nova de Famalicão.

Marital Status: Divorced

Address: Rua Amorim Girão, 161, 1º Dtº, 4460-209 Senhora da Hora

Academic Qualifications: General Studies in Commerce

Name: Alberto Luis Lema Mandim

Date and Place of Birth: 5 de julho de 1939 in Ermesinde-Valongo

Marital Status: Married

Address: Rua da Boavista nº 53, 4445-349 Ermesinde

Academic Qualifications:

-1964 Accountant studies, at the former Instituto Comercial do Porto

-1966 Chartered accountant; member nº 3927 da otoc

-1968 programming in em fortran (edp)

-1981 programming in rpg (ibm )

-1990 information systems analysis (ibm)

-2008 companies valuation ( ctoc )

Work experience:

- 1961 – 1964 Bank employee banco espírito santo

- 1964 – 1966 Accountant moto meca rl

- 1966 – 1979 Manager soc. Construções soares da costa, s.a.

- 1979 – 1999 Manager toyota caetano portugal, s.a..

- 2000 – 2005 Member of Board of Directors Rigor - consultoria e gestão, s.a.

## Toyota Caetano Portugal, S.A.

- 2005 – 2007      Member of Board of Directors inforauto - consultoria e informática de gestão,s.a.
- 2003 – 2012      Vice –president of the Board of directors salvador caetano capital s,g.p.s.,s.a.
- 2005 – 2011      Member of Board of Directors caetsu publicidade sa
- 2006              Member of Audit Board caetano auto, s.a.
- 2010              Member of Audit Board fundação salvador caetano.

ANNEX II

REMUNERATION COMMITTEE DECLARATION:

The Remuneration Committee of Toyota Caetano Portugal, S.A states the following:

a) Compliance with the policy set defined for Financial Year of 2017:

Analyzed all accounting data and other records of Toyota Caetano Portugal, this Committee verified that there was no change on the remuneration of the Governing Bodies during the year 2017, thus having been complied the proposals of this Committee approved in the General Meeting of Shareholders of April 21, 2017.

b) Policy of Remuneration applicable during the Financial Year 2018:

In view of the current economic climate and given the forecasts of activity and results for the financial year 2018, provided by the Management of the Company, is the understanding of this Committee that the amounts of remuneration of the fixed nature for all members of the governing bodies, who maintain executive functions, must respect in its essence the deliberations of the Management concerning the salary policy to be applied to the remaining Employees, in other words, they must in 2018 be updated in a range of 1,5% to 3%.

For the non-Executive, this Committee has the opinion that they shall not receive any remuneration, as it is the practice hitherto followed.

Regarding the Variable Remuneration of the executive members of the Board of Directors, it has been allocated according to the results obtained by the Company, combining with the distribution policy of dividends to the shareholders and the bonus payable to employees.

In 2017, this component of remuneration did not exist, and therefore it was accomplished the proposal of this Committee of do not exceed 2% of distributable results.

Therefore and referring to paragraph b) of number 3 of article 2 of Law 28/2009 of 19 June, this Remuneration Committee propose the maintenance of the criteria established for 2018, namely that the variable remuneration of the Executive Members of the Board of Directors as a whole does not exceeds 3% of the profits distributable determined in the financial year of 2017.

The decision to award Variable Remuneration depending on the results obtained has implicit the verification of the alignment of interests of the members of the Board of Directors with the interests of the Company and, therefore, is one of the mechanisms to be integrated in paragraph a) of number 3 of article 2 of Law No. 28/2009 of 19 June and simultaneously responding to paragraph e) of the same number of article 2 of Law

## Toyota Caetano Portugal, S.A.

No.28/2009, ensuring the limitation of the variable remuneration in the case that the results obtained are of a negative nature.

Concerning the information related to paragraph c) of number 3 of article 2 of Law No. 28/2009 of June 19, we certify the absence of any plan of allocation of shares or options to acquire shares by the members of the administration and supervision. This committee proposes to maintain this criterion.

The company's practice in the timing of annual payments must, in our opinion, remain, and therefore shall be excluded the possibility stated in paragraph d) of number 3 of article 2 of Law No. 28/2009.

The Remuneration Committee

Alberto Luis Lema Mandim

Maria Conceição Monteiro da Silva

Francelim Costa da Silva Graça