



ALTISOURCE PORTFOLIO SOLUTIONS S.A. CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines were adopted by the Board of Directors (the “Board”) of Altisource Portfolio Solutions S.A. (the “Company”) to assist the Board in the exercise of its responsibilities. These Corporate Governance Guidelines reflect the Board’s commitment to monitor the effectiveness of policy and decision-making both at the Board and management level, with a view to enhancing long-term shareholder value. These Corporate Governance Guidelines are not intended to change or interpret any law or regulation, including the Luxembourg law of 10 August 1915 on commercial companies, as amended, or the Articles of Incorporation of the Company. These Corporate Governance Guidelines are subject to modification from time to time by the Board.

THE BOARD

Role of Directors

The business and affairs of the Company shall be under the direction of the Board. A director is expected to spend the time and effort necessary to properly discharge such director’s responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and committees on which such director sits and to review prior to meetings material distributed in advance for such meetings. A director who is unable to attend a meeting (which it is understood may occur on occasion) is expected to notify the Corporate Secretary of the Company (the “Corporate Secretary”) in advance of such meeting.

The Board’s Goals

The Board’s goals include building long-term value for the Company’s shareholders and ensuring the vitality of the Company for its customers, employees and other individuals and organizations that depend on the Company.

To achieve these goals the Board will monitor both the performance of the Company (in relation to its goals, strategy and competitors) and the performance of the Chief Executive Officer and offer him or her constructive advice and feedback. The Board is also responsible for ensuring that the Company’s management and employees operate in a lawful and ethically responsible manner. When it is appropriate or necessary, it is the Board’s responsibility to remove the Chief Executive Officer and to select his or her successor.

Selection of the Chairman of the Board

The Board does not require the separation of the offices of the Chairman of the Board and the Chief Executive Officer. The Board shall be free to choose its Chairman of the Board in any way that it believes is best for the Company and its shareholders at any given point in time.

Size of the Board

The Board believes that it should generally have no fewer than three (3) and no more than seven (7) directors. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability. The size of the Board could, however, be increased or decreased if determined to be appropriate by the Board. For example, it may be desirable to increase the size of the Board in order to accommodate the availability of an outstanding candidate for director.

Selection of New Directors

The Board shall be responsible for nominating members for election to the Board at annual meetings of shareholders and for filling vacancies on the Board that may occur between annual meetings of shareholders. The Nomination/Governance Committee is responsible for identifying, screening and recommending candidates to the Board for Board membership. When formulating its Board membership recommendations, the Nomination/Governance Committee shall also consider advice and recommendations from others as it deems appropriate.

Board Membership Criteria

Nominees for director shall be selected on the basis of, among other things, merit, experience, knowledge, skills, expertise, integrity, ability to make independent analytical inquiries, understanding of the Company's business environment and willingness to devote adequate time and effort to Board responsibilities, with due regard for the benefits of diversity on the Board. Diversity includes differences that relate to gender, age, ethnicity, race, national origin, cultural background, disability, religion and other relevant personal distinctions, as further detailed in the Board's Diversity Policy.

The Nomination/Governance Committee shall be responsible for assessing the appropriate balance of criteria required of Board members.

Other Public Company Directorships

The Company does not have a policy limiting the number of other public company boards of directors upon which a director may sit. However, the Nomination/Governance Committee shall consider the number of other public company boards and other comparable governing bodies, of which a prospective nominee is a member and should consider whether the prospective nominee's membership on such other board(s) and/or other comparable governing bodies would be in conflict with the duties of membership to the Board. Additionally, no director may serve as a member of the Audit Committee if such director serves on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee.

Independence of the Board

The Board shall consist of a majority of directors who qualify as independent directors ("Independent Directors") under applicable securities exchange listing standards and applicable law.

The Board shall review annually the relationships that each director has with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors whom the Board affirmatively determines have no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) will be considered Independent Directors, subject to additional qualifications prescribed under applicable securities exchange listing standards or under applicable law. The Board may adopt and disclose categorical standards to assist it in determining director independence.

Lead Independent Director

If at any time the Chairman of the Board is not an Independent Director, the Board shall consider appointing a Lead Independent Director. The Lead Independent Director shall be appointed annually by a majority of the Independent Directors and may be removed or replaced at any time with or without cause by a majority of the Independent Directors, taking into account such factors as the individual's background, experience and time and ability to properly perform the role.

The Lead Independent Director coordinates the activities of the other Independent Directors and performs such other duties and responsibilities as the Board of Directors may determine.

The specific powers and responsibilities of the Lead Independent Director are as follows:

- to promote adequate opportunity for the Independent Directors to meet in executive sessions, including calling meetings of the Independent Directors as appropriate;
- to chair the executive sessions of Independent Directors and communicate, as appropriate, the results of those sessions to the Chairman of the Board;
- to consult with the Chairman of the Board regarding the agendas of the executive sessions of the Independent Directors;
- to serve as a liaison between the Chairman of the Board and the Independent Directors;
- to confer with the Chairman of the Board as to information submitted by the Company's management that is necessary or appropriate for the deliberations of the Independent Directors; and

- to respond directly to shareholder and other stakeholder questions and comments, when deemed appropriate, that are directed to the Lead Independent Director or to the Independent Directors as a group, with such consultation with the Chairman and other Directors as the Lead Independent Director may deem appropriate.

Directors Who Change Their Present Job Responsibility

The Board does not believe that Directors (including management directors) should necessarily leave the Board when they retire or change the position they held when they became a member of the Board. Promptly following such event, the director must notify the Nomination/Governance Committee, which shall review the continued appropriateness of the affected director remaining on the Board under the new circumstances. The affected director is expected to act in accordance with the Nomination/Governance Committee's recommendation following such review.

Director Tenure

In connection with each director nomination recommendation, the Nomination/Governance Committee shall consider the issue of continuing director tenure and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo. An individual director's re-nomination is dependent upon such director's performance evaluation, as well as a suitability review, each to be conducted by the Nomination/Governance Committee in connection with each director nomination recommendation.

It is the Board's view that, while Board refreshment is an important consideration in the Board's assessment of its composition, the interests of the Company are best served by being able to take advantage of all available talent, and, therefore, the Board should not make determinations with regard to its membership solely on the basis of age. As a result, the Board does not have a mandatory retirement age.

Board Compensation

The Company believes that compensation for directors should be competitive and should encourage increased ownership of the Company's stock through the payment of a portion of director compensation in Company stock, options to purchase Company stock or similar equity compensation.

The Compensation Committee of the Board will periodically review the level and form of the Company's director compensation, including how such compensation relates to director compensation of companies of comparable size, industry and complexity. Changes to director compensation will be proposed to the shareholders for consideration and approval.

Directors' fees (including any additional amounts paid to Chairpersons of committees and to members of committees of the Board) are the only compensation a member of the Audit Committee or Compensation Committee may receive from the Company.

Minimum Stock Ownership Requirement

In an effort to more closely align the interests of our non-management directors with those of our shareholders, each non-management director is required to attain and maintain stock ownership at a level equal to three times his or her annual cash retainer.

In addition, the Company's Chief Executive Officer is required to own shares of the Company's stock equal to three times his annual base salary, with vested options and restricted stock grants counting toward the satisfaction of this requirement.

The Chief Executive Officer and each non-management director has two years from the effective date of his or her initial appointment or from the date on which they first become subject to this policy, whichever is later, to come into compliance with these ownership requirements.

Each director's compliance with the minimum stock ownership level will be determined as of the later of (i) the date of such person's initial appointment or election as Chief Executive Officer or non-management director of the Company or (ii) the date when such person first becomes subject to this policy. Once the minimum stock ownership level has been determined, the minimum stock ownership level is required to be maintained for so long as he or she remains Chief Executive Officer or a non-management director.

In the event of an increase in the annual base salary or annual cash retainer payable to the Chief Executive Officer or non-management director, as applicable, the minimum stock ownership level required to be maintained by such person shall be re-determined as of the effective date of such compensation increase and shall equal (i) the minimum stock ownership level as in effect prior to such compensation increase, plus (ii) the incremental minimum stock ownership level resulting from such compensation increase (calculated as of the effective date of the increase). The Chief Executive Officer or non-management director is expected to meet the higher ownership amount within two years from the effective date of the retainer or base salary change.

The minimum stock ownership level will not change as a result of fluctuations in the market price of the Company's common stock; provided, however, that the minimum stock ownership level for the Chief Executive Officer and each non-management director shall be appropriately adjusted in the event of a stock split, reverse stock split, stock dividend or other similar change in the Company's outstanding capital stock.

Prohibition on Hedging and Pledging for Directors and Executive Officers

Anti-Hedging Policy

Executive officers and directors of the Company shall not, directly or indirectly, purchase any financial instrument (including prepaid variable forward contracts, equity swaps, collars, and exchange funds) or enter into any transaction that is designed to hedge or offset any decrease in the market value of the Company's common stock or other equity securities either (i) granted to the executive officer or director by the issuer as part of the compensation of the

executive officer or director, or (ii) held, directly or indirectly, by the executive officer or director.

Anti-Pledging Policy

Executive officers and directors of the Company shall not, directly or indirectly, pledge, hypothecate, or otherwise encumber shares of the Company's common stock or other equity securities as collateral for indebtedness. This prohibition includes, but is not limited to, holding such shares in a margin account.

Separate Sessions of Independent Directors

The independent directors of the Company shall meet in executive session without management on a regularly scheduled basis but no less than four times a year with the Chairman of the Board (if he is then an independent director) or the Lead Independent Director presiding. In the event the Chairman of the Board is not an independent director and there is no Lead Independent Director, an independent director shall preside on a rotational basis as determined by the Board at each executive session.

Board and Committee Self-Evaluations

The Nomination/Governance Committee will oversee an annual self-assessment of the Board's performance as well as the performance of each committee of the Board. The assessments should include a review of any areas in which the Board or Committee believes that it can make a better contribution to the Company. The Nomination/Governance Committee will utilize the results of the self-evaluations in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board and in making recommendations to the Board with respect to assignments of Board members to various committees.

Strategic Direction of the Company

It is management's job to formalize, propose and implement strategic choices and it is the Board's role to approve strategic direction and evaluate strategic results. However, as a practical matter, management and the Board will be better able to carry out their respective strategic responsibilities if there is an ongoing dialogue between members of senior management and the Board of Directors. To facilitate such discussions, members of senior management who are not directors may be invited to participate in Board meetings when appropriate.

Board Access to Management, Auditors and Outside Advisors

Board members shall have access to the Company's management and internal and independent auditors and, as appropriate, to the Company's outside advisors. Board members shall coordinate such access through the Chief Executive Officer or the Corporate Secretary. Board members will use their best judgment to assure that this access is not distracting to the business operation of the Company and shall follow the procedures outlined

in the *“Communications with Management, Auditors and Outside Advisors”* section of the Policy Regarding Shareholder Engagement and Board of Directors’ Communications with Shareholders and Interested Parties.

Attendance of Management Personnel at Board Meetings

The Board encourages the Chief Executive Officer to invite members of management to Board meetings from time to time to (i) provide management insight into items being discussed by the Board, which involve the manager; (ii) make presentations to the Board on matters which involve the manager; and (iii) bring managers with significant potential into contact with the Board. Attendance of such management personnel at Board meetings is at the discretion of the Board. If the Chief Executive Officer wishes to invite certain members of management to Board meetings on a regular basis, he or she shall first obtain Board approval.

Board Materials Distributed in Advance

Information and materials that are important to the Board’s understanding of the agenda items and other topics to be considered at a Board meeting should, to the extent practicable, be distributed sufficiently in advance of the meeting to permit prior review by the directors. In the event of a pressing need for the Board to meet on short notice or if such materials would otherwise contain highly confidential or sensitive information, it is recognized that written materials may not be available in advance of the meeting.

Board Interaction with Institutional Investors, Analysts, Press and Customers

The Board believes that management generally should speak for the Company. Thus, directors should generally refer all inquiries from institutional investors, analysts, the press or customers to the Chief Executive Officer or his or her designee.

Anyone who desires to contact the independent directors regarding the Company may do so by contacting the Office of the Corporate Secretary at telephone number +352.2060.2055 or by mail addressed to the Corporate Secretary at the Company’s headquarters.

Board Orientation and Continuing Education

The Company shall provide new directors with a director orientation program to familiarize such directors with, among other things, the Company’s business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of business conduct and ethics, corporate governance guidelines, principal officers, internal auditors and independent auditors. Each director should consider participation, as appropriate, in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a director.

BOARD MEETINGS

Frequency of Meetings

There shall be a minimum of four regularly scheduled meetings of the Board each year. The Board shall hold at least one meeting per quarter.

Selection of Agenda Items for Board Meetings

The Chairman of the Board shall annually prepare a "Board of Directors Master Agenda" with input from management. This Master Agenda shall set forth a general agenda of items to be considered by the Board at each of its specified meetings during the year. Thereafter, the Chairman of the Board, in consultation with the Board, may adjust the agenda to include special items not contemplated during the initial preparation of the annual Master Agenda.

Once completed, the Master Agenda shall be provided to the entire Board. Each Board member shall be free to suggest inclusion of items on the Master Agenda, as well as to raise at any Board meeting subjects that are not specifically on the agenda for that meeting.

COMMITTEE MATTERS

Number and Names of Board Committees

The Company shall have five standing committees: Audit, Nomination/Governance, Compensation, Compliance and Executive. The purpose and responsibilities of the committees shall be outlined in committee charters adopted by the Board. The Board may, from time to time, form a new committee or disband a current committee depending on circumstances. In addition, the Board may form ad hoc committees from time to time and determine the composition and areas of competence of such committees.

Independence of Board Committees

Each of the Audit Committee, the Nomination/Governance Committee and the Compensation Committee shall be composed entirely of Independent Directors satisfying applicable legal, regulatory and stock exchange requirements necessary for an assignment to any such committee.

Assignment and Rotation of Committee Members

The Nomination/Governance Committee shall be responsible, after consultation with the Chairman of the Board, for making recommendations to the Board with respect to the assignment of Board members to various committees. After reviewing the Nomination/Governance Committee's recommendations, the Board shall be responsible for appointing the committee Chairs and members on an annual basis.

The Nomination/Governance Committee shall annually review the Committee assignments and shall consider the rotation of the Chair and members with a view toward balancing the

benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors.

LEADERSHIP DEVELOPMENT

Selection of the Chief Executive Officer

The Board shall be responsible for identifying potential candidates for, and selecting, the Company's Chief Executive Officer. In identifying potential candidates for, and selecting, the Company's Chief Executive Officer, the Board shall consider, among other things, a candidate's experience, understanding of the Company's business environment, leadership qualities, knowledge, skills, expertise, integrity and reputation in the business community.

Evaluation of the Board and Management

The Independent Directors shall be responsible for overseeing the evaluation of the Board as a whole and the management of the Company, including the Chief Executive Officer. The Board will provide the Chief Executive Officer with an annual performance review for the prior year during the first quarter of each fiscal year. The following steps will be utilized to carry out this review:

- The Compensation Committee will review the performance of the Chief Executive Officer pursuant to the goals approved by the Compensation Committee and report their evaluation to the non-management directors in executive session during the first quarter of the fiscal year.
- After agreement by the non-management directors as to the evaluation, the Chairman of the Board or Lead Independent Director, as appropriate, will meet with the Chief Executive Officer to discuss the Board's assessment. The Chief Executive Officer may then take the opportunity to discuss his or her reaction to the evaluation.

Succession Planning

The Board shall take an active role in the management of succession planning and shall approve a succession plan for the Chief Executive Officer, including in the event of an emergency impacting the Chief Executive Officer or retirement of the Chief Executive Officer. To assist the Board, the Chief Executive Officer shall periodically prepare and distribute to the Board a report on succession planning for all executive officers of the Company with an assessment of such executive officers and their potential to succeed the Chief Executive Officer and other senior management positions.

Management Development

The Board shall determine that a satisfactory system is in place for the education, development and orderly succession of senior and mid-level managers throughout the Company.