

COMISSÃO DE VENCIMENTOS DA SONAE INDÚSTRIA, SGPS, SA

(Translation from the Portuguese original)

The Chairman of the Board of the
Shareholders' General Meeting,
Sonae Indústria, SGPS, S.A.,
Lugar do Espido, Via Norte,
4470-177 Maia

Item no. 7

PROPOSAL

The Shareholders' Remuneration Committee proposes the approval of the following statement on the remuneration and compensation policy to be applied to the Company's Statutory Governing Bodies and to "Persons Discharging Managerial Responsibilities" ("Dirigentes" - hereinafter "Senior Management"):

1. Principles of the Remuneration and Compensation Policy:

The remuneration and compensation policy to be applied to the Statutory Governing Bodies of Sonae Indústria and other Senior Management complies with European guidelines, Portuguese law and the recommendations of the Portuguese Securities Market Commission (CMVM) and is based on the understanding that initiative, competence and commitment are the essential foundations for good performance and that the latter should be aligned with the medium and long term interests of the Company, in order to achieve sustainability.

In determining the remuneration policy comparisons are made with market studies available in Portugal and other European markets, including those prepared by the specialised consultant Hay Group. Comparisons are also made with remuneration practice of comparable companies issuers of securities listed at the stock market.

The fixed remuneration of the Directors is fixed in function of their level of responsibility, is subject to annual review and is placed in the median position in comparable circumstances.

Besides the fixed remuneration, the executive directors participate on an incentives plan, also named by variable bonus. The total remuneration is placed in the third quartile in comparable circumstances.

The fixed remuneration and the incentives plan are decided by the Shareholders' Remuneration Committee in coordination with the Board Nomination and Remuneration Committee.

The incentives plan, awarded to Executive Directors, is subject to maximum percentage limits and is determined by pre-established and measurable performance criteria - performance indicators - agreed with each executive director for each financial year.

The variable bonus is assessed by evaluating performance using a set of performance indicators, both business indicators mainly of an economic and financial nature "Key Performance Indicators of Business Activity" (Business KPIs), and individual indicators, combining the latter performance indicators mainly quantified "Personal Key Performance Indicators" (Personal KPIs). The content of the performance indicators and their specific weight in determining actual remuneration awarded, ensure the alignment of Executive Directors with the strategic objectives defined and compliance with the laws that apply to the Company's activities.

The variable component of remuneration to be awarded is based on an individual performance assessment, which is made by the Shareholders' Remuneration Committee, in coordination with the Board Nomination and Remuneration Committee. This assessment takes place after the results of the Company are known.

Thus, for each financial year, an evaluation is made of business activity and of the performance and individual contributions to the collective success, which, obviously, impacts the awards of the fixed and variable components of the remuneration package of each Executive Director.

In each financial year, the effective payment of at least fifty per cent of the value of the variable bonus awarded to an Executive Director in result of the individual and company' performance assessments is deferred for a period of three years. This deferred component of variable bonus (the "Medium Term Variable Bonus") is determined based on the company's shares, being applied the plan of the Medium Term Variable Bonus under the terms of the respective "Characteristics and Regulation", attached as an Appendix to this Proposal.

In applying the Remuneration and Compensation Policy consideration is given to roles and responsibilities performed in affiliated companies.

The Company's Remuneration and Compensation Policy incorporates the principle of not contemplating any compensation to members of the Board of Director, or to members of other Statutory Governing Bodies, related with the termination of a mandate, whether such termination occurs at the end of the respective mandate, or there is an early termination for any reason or on any basis, without prejudice of the Company's obligation to comply with the applicable law.

The Remuneration and Compensation Policy does not include any additional benefits system, particularly retirement benefits, in favour of the members of the governing bodies or other “Senior Management”, without prejudice of the Shareholders’ Remuneration Committee having the option to proceed with the payment of part of the amounts due through the attribution of retirement saving plans.

To ensure the effectiveness and transparency of the objectives of the Remuneration and Compensation Policy, the Executive Directors have not, and will not, enter into agreements with the Company or third parties that have the effect of mitigating the risk inherent in the variability of their remuneration awarded by the Company.

2. To implement the principles set out above, the remuneration and compensation of the Company’s Statutory Governing Bodies shall respect the following rules:

Executive Directors (EDs)

The remuneration and compensation policy for the Executive Directors (EDs) includes, in the way it is structured, control mechanisms, taking into account the connection to personal and collective performance, to prevent behaviours that involves excessive risk-taking. This objective is also reinforced by the fact that each Key Performance Indicator is limited to a maximum value.

The remuneration of EDs normally includes two components: (i) a fixed component, which includes a Base Remuneration paid with reference to one year period (remuneration is paid in 12 months) and an annual responsibility allowance, (ii) a variable bonus, awarded in the first half of the year following the year to which it relates (the “Performance Year”) and subject to the accomplishment of the targets and objectives fixed for the Performance Year. The variable component is divided into two parts (a) a Short Term Variable Bonus which is paid immediately after it is awarded, and (b) a Medium Term Variable Bonus which vests and is paid after a 3 years deferral period, considering that the exposure of EDs to fluctuations in the share price is the most appropriate way to align the interests of EDs with those of shareholders.

(i) The fixed remuneration of an ED is based on the personal competences and level of responsibility of the function exercised by each ED and is reviewed annually. Each ED is attributed a classification named internally as Management Level (“Grupo Funcional”). EDs are classified under one of the following Management Levels: “Group Leader”, “Group Senior Executive” and “Senior Executive”. The Management Levels are structured according to Hay’s international model for the classification of corporate functions, thereby facilitating market comparisons as well as helping to promote internal equity.

(ii) The variable bonus is designed to motivate and reward the EDs to achieve predetermined targets and objectives, which are based on indicators of Company performance, of working teams under their responsibility and of their own personal performance. Variable remuneration is awarded after the annual accounts are closed and after their performance evaluation has been completed.

The amount of the variable bonus of EDs without a specific geographic responsibility is based on the Company KPI's, at 100%, resulting 70% from the Operational Cash Flow and 30% from Fixed Costs. Thereafter, a multiplication factor will be applied. This multiplication factor results from the performance assessment and can range between 0 and 150% according with the individual performance classification attributed to the relevant ED. Regarding EDs with geographic responsibility, the calculation is similar to the previously described but the combine result of the Company's Operational Cash Flow and Fixed Costs has a weight of 70%, 50% for the Operational Cash Flow and 20% for Fixed Costs, and the weight of the relevant geography represents the remaining 30%, of which 20% is allocated to the Operational Cash Flow and 10% to Fixed Costs. The multiplication factor resultant from the performance assessment is applied in the same way. As the determination of the respective amount is subject to the accomplishment of targets and objectives, there is no guarantee that any payment will be made.

(a) The Short Term Variable Bonus

The Short Term Variable Bonus corresponds to a maximum of 50% of the amount of the total variable bonus. This bonus is paid in cash in the first half of the year following the year to which it relates, unless the Shareholders' Remuneration Committee decides that this bonus is paid, within the same term, in shares, in the terms and conditions set forth in the Medium Term Variable Bonus.

(b) The Medium Term Variable Bonus

This bonus is designed to enhance the connection of the EDs with the Company, aligning their interests with the interests of shareholders, and increasing their awareness of the importance of their performance on the overall success of the organisation. The value awarded corresponds to at least 50% of the total variable bonus.

The value awarded in euros is divided by the average of the share prices to determine the number of shares it corresponds to. The amount converted into shares is adjusted for any changes to the share capital that occurred or any dividends distributed (Total Shareholder Return) during the 3 years deferral period. During this deferral period, the value of the bonus converted into shares may also be adjusted by the level of compliance of the long term KPIs to be defined by the Shareholders' Remuneration Committee to reinforce the alignment with the long term sustainability business objectives.

In line with the statement of a policy that strengthens the alignment of the executive directors with the company long term interests, the Shareholders' Remuneration Committee can, at its discretion, determine that the executive director contributes to the acquisition of shares up to a percentage that cannot exceed 5% of its share price at the date of the share transmission.

On the vesting date, the company has the choice to settle in cash instead of shares.

Taking the two variable components together, the target values set in advance range between 40% and 60% of the total annual remuneration (fixed remuneration and target variable bonus).

In respect to the calculation of the results the value awarded is limited to the minimum 0% and the maximum of 120% of the target value set in advance.

The payments may be made by any of the forms of termination of an obligation as set forth in the law and in the Company's articles of association.

Non-Executive Directors (NEDs)

The remuneration of the Non-Executive Members of the Board of Directors (NEDs) shall be based on market comparables, and be structured as follows: (1) a Fixed Remuneration (of which approximately 15% depends on attendance at Board of Directors and Board Committee meetings); (2) an Annual Responsibility Allowance. Fixed Remuneration may be increased by up to 5% for those NEDs serving as Chairman of any Board Committee. There is no remuneration as variable bonus.

Statutory Audit Board ("Conselho Fiscal")

The remuneration of the members of the Company's Statutory Audit Board shall be based exclusively on fixed amounts, which include an Annual Responsibility Allowance. The levels of remuneration are determined by taking into consideration the Company's situation and by benchmarking against the market.

Statutory External Auditor

The Company's Statutory External Auditor shall be remunerated in accordance with normal fee levels for similar services, benchmarked against the market, under the supervision of the Statutory Audit Board and the Board Audit and Finance Committee.

Board of the Shareholders' General Meeting

The remuneration of the members of the Board of the Shareholders' General Meeting shall correspond to a fixed amount, based on the Company's situation and benchmarked against the market.

Senior Management

Under the terms of Paragraph 3 of Article 248.^o - B of the Portuguese Securities Code, in addition to the members of the Statutory Governing Bodies mentioned above, Senior Management also includes individuals who have regular access to Privileged Information and are involved in taking management and business strategy decisions at the Company.

The remuneration policy applicable to other individuals who, under the terms of the law, are considered to be Senior Management, shall be equivalent to the one adopted for other managers with the same level of function and responsibility, without awarding of any other additional benefits in addition to those which result from the respective Management Level.

3. Compliance with paragraphs b) and d) (sic) of CMVM Recommendation II.3.3:

In compliance with this CMVM Recommendation we hereby expressly state that:

a) in the definition of the remuneration and compensation policy of members of the Company's statutory bodies, the main objective is to seize talent with high performance level, which represent a relevant and material contribution to the sustainability of the Company's businesses. With that in mind, remuneration parameters of statutory bodies are set and periodically reviewed in accordance with remuneration practices of comparable national and international companies, aligning, in individual and aggregate terms, the maximum target amounts to be paid to members of the statutory bodies, with market practices, differentiating on an individual and positive manner the members of statutory bodies according to, amongst others, the respective profile and curriculum, the nature and job description and the responsibilities of the relevant statutory body and of the member itself, and the direct correlation degree between individual performance and businesses performance.

To determine the global market reference values is considered the average of values applicable to top management in Europe. The companies considered as peers for remuneration purposes are those included in the group of companies which are listed in Euronext Lisbon, being the maximum potential amounts to be paid to members of the statutory bodies the following, according to market references:

Board of Directors	Components		Market Positioning	Circumstances when the amounts are due
Executive Directors	Fixed	<i>Base Remuneration</i>	<i>Median</i>	<i>N/A</i>
	Variable	<i>Short Term Variable Bonus (STVB)</i>	<i>Third Quartile</i>	<i>Compliance with objective and subjective KPIs</i>
		<i>Medium Term Variable Bonus (MTVB)</i>	<i>Third Quartile</i>	<i>Compliance with objective and subjective KPIs</i>
Non-Executive Directors	Fixed	<i>Remuneration</i>	<i>Median</i>	<i>N/A</i>
Statutory Audit Board	Fixed	<i>Remuneration</i>	<i>Median</i>	<i>N/A</i>
Statutory External Auditor	Fixed	<i>Remuneration</i>	<i>Median</i>	<i>N/A</i>

b) the Company will not assume any contractual responsibilities which are based on and have as effect the enforceability of any payments regarding dismissal or termination of functions of directors, notwithstanding the legal responsibility regime applicable to the dismissal of directors without due cause.

Maia, 6th March 2015

The Shareholders' Remuneration Committee,

Belmiro Mendes de Azevedo

José Neves Adelino

José Corte-Real