

(Translation from the Portuguese original)

SONAE INDÚSTRIA, SGPS, SA

**TERMS OF REFERENCE OF THE BOARD NOMINATION AND REMUNERATION
COMMITTEE
9 May 2018**

The **Board Nomination and Remuneration Committee (BNRC)**, is composed of four members appointed by and from among the members of the Board of Directors.

The **BNRC** has the following specialised competencies and the following working procedures:

- a) the BNRC will review and submit proposals and recommendations on behalf of the Board to the Shareholders' Remuneration Committee in relation to the remuneration and other compensation of members of the Board and to review and approve proposals and recommendations on behalf of the Board in relation to the remuneration and other compensation for other top management of the Sonae Indústria Group;
- b) the BNRC is responsible for the succession planning and nomination processes for Board members, for reviewing all remuneration and other compensation policies and proposals for Board members and other Sonae Indústria top management and for monitoring Sonae Indústria's talent management and contingency planning processes;
- c) the BNRC will report and, when necessary, propose to the full Sonae Indústria Board and also will liaise with the Sonae Indústria Shareholders' Remuneration Committee through the Sonae Indústria Chairman;
- d) the BNRC may take advice from external experts at the expense of the Company. Such experts will be held to absolute secrecy on the topics upon which they opine;
- e) the Chairman of the BNRC shall be appointed by the Board from amongst its Independent Non-Executive members, and shall be composed by a majority of Independent Non-Executive members;
- f) The Board will appoint the secretary to the BNRC, who will circulate agendas and papers required to the members of the BNRC;
- g) the BNRC will meet at least twice a year (normally in early March, preferably before the annual meeting of the Sonae Indústria Shareholders' Remuneration Committee – "Comissão de Vencimentos" and in mid December). Other meetings may be called by the Chairman of the Board or by the Board;
- h) minutes of BNRC meetings will be prepared and extracts of these will be circulated to all Board members;