

## SONAE SHARE ATTRIBUTION PLAN

(Medium Term Variable Remuneration – MTVR)

### Features and Regulation

#### 1. Main features of MTVR

MTVR is one of the components of Sonae's remuneration policy. This component distinguishes itself from the remaining since it is restrict and voluntary, and its attribution is subject to the eligibility criteria hereby described.

MTVR allows the beneficiaries to share with shareholders the value generated through their involvement in the strategy and management of Sonae's businesses in the just measure of the results of their annual assessment of performance.

#### 2. MTVR Scheme

MTVR aligns the interest of executive directors with the organization's objectives, reinforcing their compromise and strengthening their view over the importance of their performance for Sonae, and expressed in Sonae share market capitalization.

#### 3. Eligibility

Executive Directors are eligible for attribution of MTVR.

Under the terms of the remuneration policy approved by the Board of Directors, employees may also be eligible for the MTVR.

Eligible Members	Reference value for medium term remuneration plan (% total objective variable remuneration)
<i>Sonae Executive Directors</i>	at least 50%
<i>Sonae Business Units executive Directors</i>	at least 50%
<i>Employees</i>	to be defined by the Board of Directors

#### 4. Duration of the MTVR plan

The MTVR plan is established annually, based on the variable remuneration awarded, and each plan has duration of three years. As from the third consecutive plan it will occur in each moment the overlapping of three three-year plans.

#### 5. Valuation of the MTVR plan

The share price of the Company on the Portuguese stock exchange is used to establish the value of MTVR, using as a benchmark the most favourable price, equal to the closing price on the first work day after the Shareholders' General Meeting, or the

average price (using for this average the closing price for the 30 days prior to the date of the General Meeting).

The beneficiaries have the right to acquire a number of shares determined by the quotient between the attributed variable remuneration value and the share market price at the attribution date settled under the terms of the previous paragraph, being such right exercisable three years after the attribution date.

The executive directors included in the plan acquire shares without paying any compensation. Employees who have been attributed such right acquire the shares in the conditions established by the Board of Directors.

If, subsequent to being awarded the right to this kind of remuneration and before exercising this right, dividends are distributed, changes are made to the nominal value of shares, the Company's share capital is changed or any other change is made to the Company's capital structure, then the number of shares, which the director has been awarded, will be adjusted to an equivalent number, taking into account the impact of these changes.

## **6. Delivery by the Company**

At the moment of the exercise of the share acquisition right under MTVR, the Company reserves itself the right of delivering, in substitution of the shares, the cash equivalent amount to the share market value at the date of the exercise of the right.

## **7. Termination of the MTVR plan**

The right to acquire shares attributed under the MTVR expires three years after such attribution.

A director's rights relating to the MTVR plan expires when he/she no longer works with Sonae. However, the right to receive payment continues in case of permanent disability or decease, with the due amount being paid to the director or to his/her heirs at the normal time for payment. If the director retires, any rights to awards can be exercised on the due date for payment

## **8. Conditions for the exercise of the right**

The right to exercise the right to acquire shares attributed at the end of the Plan expires if the legal engagement between the beneficiary and the company terminates before the three-year deferral period has occurred, without prejudice of the following paragraphs.

However, the right to receive payment continues in case of permanent disability or decease, with the due amount being paid to the director or to his/her heirs at the normal time for payment.

If the director retires, any rights to awards can be exercised on the due date for payment.