

Translation from the Portuguese original)

SONAE INDÚSTRIA, SGPS, SA

BOARD OF DIRECTORS REGULATION

9 May 2018

Article 1

Purpose

1. The present document regulates the functioning of the Board of Directors (“Board”) of Sonae Indústria, SGPS, SA (“Sonae Indústria” or “Company”).
2. For the purpose of this regulation, Sonae Indústria Group includes all companies directly or indirectly held by Sonae Indústria.

Article 2

Composition

The composition of the Board is decided at a Shareholders' General Meeting, as stipulated by the Company's Articles of Association.

Article 3

Chairman and Casting Vote

1. The Board shall designate a Chairman of the Board from among its members, who holds a casting vote, as stipulated by the Company's Articles of Association.
2. The Board shall also designate a Deputy Chairman, who, in the event of the Board being composed of an even number of members, will hold a casting vote, to be exercised in the absence of the Chairman.

Article 4

Competences

1. The Board is conferred with the widest powers to manage and represent the Company under the terms of Portuguese law and as stipulated by the Company's Articles of Association.
2. In the performance of its duties, the Board of Directors is, namely, entrusted with:
 - a) defining both Sonae Indústria and Sonae Indústria Group strategy and general policies;
 - b) defining the corporate structure of Sonae Indústria Group;

- c) approving the strategic plan and annual budget of Sonae Indústria and of the affiliates that integrate Sonae Indústria Group;
- d) representing the Company in or outside court, proposing and contesting any legal proceedings, settling and withdrawing these actions and their settlement through arbitration proceedings;
- e) renting, purchasing, selling and charging any tangible or intangible assets, including shares, quotas or bonds;
- f) deciding to issue bonds and contract loans in the national and international financial markets and accepting supervision from the respective lenders;
- g) appointing third parties, individuals or corporate entities, to exercise statutory functions in other companies;
- h) deciding on the Company providing technical and financial assistance to affiliated or associated companies;
- i) deciding to associate the Company with any other persons or entities under the terms of Article Four of the Company's Articles of Association;
- j) deciding on the issue of warrants.

Article 5

Managing Directors

1. The Board shall delegate in the Managing Directors the widest powers of management of the company, including all the competencies that are, legal and statutorily, attributed to the Board of Directors, with exception of the following:
- a) appointing the Chairman of the Board of Directors;
 - b) co-opting a substitute for a member of the Board of Directors;
 - c) convening Shareholders' General Meetings;
 - d) approving any Report and Accounts;
 - e) granting any pledge, guarantee or charge over the Company's assets;
 - f) deciding to change the Company's headquarters and to approve any share capital increase;
 - g) deciding on mergers, demergers and modifications to the corporate structure of the Company;
 - h) approving the Company's business plan and annual budget;
 - i) defining human resources policies as well as decisions on individual compensation for top management;
 - j) defining or changing major accounting policies of any company included in the consolidation perimeter of Sonae Indústria Group;

- k) selling and purchasing, long-term financial leasing or any other investments in tangible fixed assets where the individual transaction value is in excess of five million euro;
- l) purchasing or subscribing new shares in the share capital of any subsidiary company where the accumulated amount exceeds twenty million euro in any financial year;
- m) investing in any other company;
- n) making any other financial investment which exceeds the accumulated amount of ten million euro in any financial year, unless in the ordinary course of business, namely in short term investments of available cash;
- o) divestments or selling of assets, if such a transaction has a significant effect on the operating results of the Company (defined as equal or greater than two million euro) or affects the jobs of more than one hundred employees;
- p) defining Sonae Indústria and Sonae Indústria Group strategy and general policies;
- q) defining the corporate structure of Sonae Indústria Group.

2. The delegation of powers to the Managing Directors does not exclude the Board from deliberating on the same matters. Under Portuguese law, the Non-Executive Directors are liable for the overall supervision of the conduct of the Managing Directors. Additionally, they are liable for any damage caused by the acts or omissions of the Managing Directors, provided that the Non-Executive Directors are aware of these acts or omissions or the intention to exercise them, and do not request the Board to intervene and take adequate measures.

Article 6

Board Committees

To improve the operational efficiency of the Board and to meet best practice in corporate governance, the Board shall create the following Board Committees:

- a) Management Committee (MANCOM)
- b) Board Audit and Finance Committee (“BAFC”);
- c) Board Nomination and Remuneration Committee (“BNRC”);
- d) Ethics Committee.

Article 7

Management Committee

1. The Board will appoint a Management Committee composed by the Managing Directors and by, the members appointed at a Board of Directors’ meeting, who will not be members of the Board of Directors of Sonae Indústria, but who must have responsibility at corporate level.

2. The Management Committee has as its main objective supporting the Managing Directors in the functions delegated to them by the Board of Directors
3. The Board of Directors shall regulate the functioning of the Management Committee.
3. The Board of Directors will appoint the Chairman of the Management Committee.

Article 8

Board Audit and Finance Committee

1. The Board Audit and Finance Committee (“BAFC”) will be composed of members of the Board. Its main tasks are to:
 - a) review the financial statements and earnings announcements to be disclosed to the market and to report its findings to the Board;
 - b) analyse risk management, internally control businesses and processes;
 - c) review the results of internal and external audits;
 - d) follow the trends in the main financial ratios and changes in formal and informal ratings of the Company, including reports from rating agencies;
 - e) analyse and advise on any changes in accounting policies and practices;
 - f) verify compliance with accounting standards;
 - g) verify compliance with legal and statutory obligations, in particular within the financial domain.
2. The Board of Directors shall regulate the functioning of the BAFC.
3. The BAFC shall keep minutes of all meetings held.

Article 9

Board Nomination and Remuneration Committee

1. The Board Nomination and Remuneration Committee (“BNRC”) is composed of members of the Board. Its main tasks are to 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.
2. The Board shall regulate the functioning of the BNRC.
3. The BNRC shall keep minutes of all meetings held.

Article 10

Ethics Committee

The Ethics Committee is composed by the Chairman of the BAFC and by the Legal Department Manager, which have the responsibility for receive any irregularity communicated and for initiating and supervising the investigation into all reports.

Article 11

Meetings

1. The Board shall normally meet at least once every quarter and in addition, whenever the Chairman of the Board or two Board members convene a meeting. Any decisions taken shall be included in the minutes of the respective Board meeting.
2. Any member of the Board can be represented at Board meetings by another Board member by means of a letter, addressed to the Chairman of the Board, indicating the day and hour of the meeting to which it refers. The letter should be noted in the minutes of the meeting and duly filed.
3. Board members can vote by correspondence.
4. Audio and video conferencing can be used at Board meetings, under the terms stipulated by Portuguese law.
5. Under the Company's Articles of Association, whenever a Board member misses two Board meetings, either consecutive or not, without a justification which is accepted by the Board, this will be considered a definitive absence.
6. At the last meeting in each calendar year, the Board shall establish a calendar of meetings for the following year.
7. The documentation to support Board meetings shall be sent to Board members five business days before the meeting, whenever possible.

Article 12

Resolutions

1. The Board can only deliberate if the majority of Board members are present or represented.
2. Resolutions shall be taken by majority of the votes issued by Board members present, or represented, and voting by correspondence.