



*Non-binding translation
For information purposes only*

To the Chairman of the
Shareholders' General Meeting of
Sonaecom, SPGS, S.A. Lugar do
Espido, Via Norte
4470-177 Maia

Maia, 13 March 2017

Proposal number 1

We propose that the Annual Report and Individual and Consolidated Accounts of Sonaecom, SPGS, S.A., for the year ended 31 December 2016, are approved as presented.

On behalf of the Board of Directors,

SONAECOM, S.G.P.S., S. A.

Public Company
Head Office: Lugar do Espido, Via Norte, Maia
Registered at the Maia Commercial Registry
Sole Registry and Tax Id nr. 502 028 351
Share Capital: Euro 230.391.627,38



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To the Chairman of the Shareholders' General
Meeting of Sonaecom, SPGS, S.A.
Lugar do Espido, Via Norte
4470-177 Maia

Maia, 13 March, 2017

Proposal number 2

Under the legal and statutory terms, the Board of Directors proposes to allocate the net income of Sonaecom Individual accounts, in the amount of 35.003.700,44 euros as follows:

- i) 1.750.185,02 euros to legal reserves;
- ii) 23.973.182,85 euros is paid to shareholders;
- iii) Transfer of the remaining 9.280.332,57 euros to "*Other reserves*".

Considering that it will not be possible to determine the precise number of own shares that will be held by the company on the date of the abovementioned payment, without limiting the company's capacity to act, we highlight the following:

- i) To each issued share it will correspond the gross amount of 0,077 euros;
- ii) The amount corresponding to the shares that belong to the Company on the payment day of the abovementioned amount (calculated on said unit gross amount of 0,077 euros per issued share) will not be paid to shareholders, but will instead be maintained in "Other Reserves".

On behalf of the Board of Directors

SONAECOM, S.G.P.S., S. A.

Public Company
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SONAECOM, SGPS, S.A.

Attn: Chairman of the Board of the
Shareholders' Meeting of
Sonaecom, SGPS, S.A.
Lugar do Espido, Via Norte,
4470-177 Maia

Maia, 27 March 2017

Proposal number 3

It is hereby proposed to grant a vote by the shareholders to express the appreciation for and confidence in the work performed by the Management and Audit Boards, during the year of 2016.

On behalf of the Board of Directors,

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**SHAREHOLDERS' REMUNERATION COMMITTEE
SONAECOM, SGPS, S.A.**

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

Maia, 20 March 2017

Agenda Item no. 4

PROPOSAL

Remuneration Policy adopted for the members of the Statutory Governing Bodies and for Persons Discharging Managerial Responsibilities ("Dirigentes")

The Remunerations Committee proposes to the Shareholders' General Meeting the approval, under the terms and for the purposes of number 1 of article 2 of Law 28/2009 of 19 June, changed by Decree-Law nº 157/2014 of 24 October, that the Remuneration and Compensation Policy to be applied to the Company's Statutory Governing Bodies and to "Persons Discharging Managerial Responsibilities ("Dirigentes"), as well as the Stock Plan Policy that will be applied by the Remunerations Committee as follows:

1. Principles of the Remuneration and Compensation Policy for the members of the Statutory Governing Bodies and Persons Discharging Managerial Responsibilities:

The remuneration and compensation policy to be applied to the Statutory Governing Bodies and Persons Discharging Managerial Responsibilities ("Dirigentes") complies with European Commission guidelines, Portuguese law and the recommendations of the Portuguese Securities Exchange Commission ("CMVM") and is based on the understanding that initiative, competence and commitment are the essential foundations for delivering good performance, and that Remuneration Policy should be aligned with the medium and long term interests of the Company, in order to achieve sustainability.

When establishing the remuneration policy and setting remuneration levels a comparison is made with market benchmarks based on surveys carried out in Portugal and other main European markets, in particular those prepared by Mercer and the Hay Group. Comparisons are also made

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SONAECOM, SGPS, S.A.

with 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 on the median position in comparable circumstances.

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

The fixed remuneration and the incentives plan are decided by the Remuneration Committee.

The incentives plan, awarded to executive directors, is subject to a maximum percentage limits and is determined by pre-established and measurable performance criteria – performance indicators – established for each director in each year.

The variable remuneration 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 Activities” (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 the remuneration awarded to Executive Directors, is based on an individual performance assessment, which is made by the Remunerations Committee. This assessment takes place after the results of the Company are known.

Thus, and regarding each economic year, the assessment comprises the company’s business activity, the performance and individual contributions to the collective success, which, obviously, will impact 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”), 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.

The Remuneration and Compensation Policy contemplates roles and responsibilities performed in affiliated companies.

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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 Persons Discharging Managerial Responsibilities (Dirigentes), although the Remunerations Committee can decide 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; and

- have not, during the current mandate, nor should they sell during the mandate, company shares that may be attributed under the Medium Term Incentive Plan up to a limit of two times the value of their total annual remuneration, with the exception of those any such shares that may be required to be sold in order to pay taxes on the respective gains.

2. To implement these principles set out above, the Remuneration and Compensation of the members of the Statutory Governing Bodies and Persons Discharging Managerial Responsibilities shall respect the following rules:

Executive Board Members

The remuneration and compensation policy for the Executive Directors includes, in the way it is structured, control mechanisms, taking into account the connection to personal and collective performance, to prevent behaviors 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 Executive Directors 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 component, awarded in the first half of the year following the year to which it relates and subject to the accomplishment of the targets and objectives fixed in the previous year and which is divided into two parts (a) a Short Term Variable Bonus which is paid immediately after it is awarded, and

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(b) a Medium Term Variable Bonus which vests and is paid after a 3 years deferral period, considering that the exposure of Executive Directors to fluctuations in the share price is the most appropriate way to align the interests of Executive Director with those of shareholders.

(i) The fixed remuneration of an Executive Director is based on the personal competences and level of responsibility of the function exercised by each Executive Director and is reviewed annually. Each Executive Director is attributed a classification named internally as a Management Level ("Grupo Funcional"). Executive Directors are classified under one of the following Management Levels: "Group Leader" (GF.0), "Group Senior Executive" (GF.1), or "Senior Executive" (GF.2). The various 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 remuneration aims at directing and rewarding directors for the accomplishment of pre-defined objectives, based on the performance of the company, of work teams under their responsibility and of its own individual performance, and is attributed once the year's result is known and performance assessment has been concluded. The variable remuneration calculation is based on the completion of group, department and individual KPIs. Business KPIs, both economic and financial, account for 70% of the value. These are objective indicators and are divided into group and department KPIs. Group KPIs consist of economic and financial indicators based on budget figures, on the performance of each business unit, and also in the Company's consolidated performance. On the other hand, function/business departments KPIs have a similar nature as those, and are directly influenced by the performance of the executive director. The remaining 30% regard Individual KPIs, which can combine subjective and objective indicators. Since the respective value attribution is dependent on the accomplishment of objectives, its payment is not guaranteed.

(a) Short Term Variable Bonus - The amount of the short term variable bonus value corresponds to, at most, 50% of the total variable remuneration value. This bonus is paid, in cash, during the first half of the following year to which it respects, unless the Remuneration Committee decides to pay it in shares, in the same period, under the terms and conditions defined for Medium Term Variable Remuneration.

(b) Medium Term Variable Bonus - This bonus aims at strengthening the executive directors' loyalty to the company, aligning his/her interests with those of shareholders and at enhancing the impact of his/her performance in the overall performance of the company. The amounts of the Medium Term Bonus correspond to, at least, 50% of the total variable remuneration.

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The amount in euro is divided by the average closing share price, to determine the number of shares to be granted. The amount converted in shares will be adjusted for any changes occurred in equity or dividends (*Total Share Return*) for a deferred period of 3 years. During this deferral period, the bonus value, converted into shares, will also be adjusted by the level of compliance with medium term KPIs, to ensure continued alignment with the sustainability medium term business objectives.

Aiming to ensure a policy that strengthens the alignment of executive directors with the company's long term objectives, the Remuneration Committee can, at its sole discretion, determine an executive director's co-payment in the acquisition of shares, which will correspond to a percentage of the share price, up to 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.

Considering the two components of the variable remuneration, the pre-defined target will vary between 30% and 60% of the total annual remuneration (fixed remuneration and targeted variable remuneration).

When assessing the accomplishment, the attributable value will range from a minimum limit of 0% and a maximum limit of 140% of the target previously defined.

The payment of the variable remuneration in cash can be made through any of the approaches for revocation of the obligation provided in the Portuguese law and articles of association.

Non-Executive Board Members

The remuneration of non-executive directors, when existing, will be determined according to market data and based on the following principles: (i) payment of a fixed remuneration, dependent on the presence at the Board of Directors meetings; (ii) payment of an annual responsibility allowance. There will be no payment of a variable remuneration of any kind.

Statutory Audit Board

The remuneration of the members of the Company's Statutory Audit Board shall be based exclusively on fixed annual 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.

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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, by proposal of the Statutory Audit Board in coordination with the Board Audit and Finance Committee.

Board of the Shareholders' General Meeting

Remuneration of the members of the Board of the General Shareholders' Meeting is made up of a fixed amount, based on the Company situation and market practices.

Persons Discharging Managerial Responsibilities ("Dirigentes")

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, Persons Discharging Managerial Responsibilities 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 Persons Discharging Managerial Responsibilities, 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. Share Plan Policy and Regulation to be applied by the Compensation Committee

The full Policy Regulation of the Share Plan to be applied by the Compensation Committee is attached to this proposal.

4. Compliance with paragraphs b) and d) (sic) of Recommendation II.3.3 of the Corporate Governance Code of CMVM 2013:

As required by the above recommendation, we hereby declare 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

**SHAREHOLDERS' REMUNERATION COMMITTEE
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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.

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>N/A</i>
Statutory Audit Board	Fixed	<i>Remuneration</i>		<i>N/A</i>
External Auditor	Fixed	<i>Remuneration</i>		<i>N/A</i>

* when applicable

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, 20 March 2017

On behalf of the Remuneration Committee,

Duarte Paulo Teixeira de Azevedo

Francisco de La Fuente Sánchez

**SHAREHOLDERS' REMUNERATION COMMITTEE
SONAECOM, SGPS, S.A.**

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Declaration of the Remuneration Committee about the Remuneration and Compensation Policy for statutory governing bodies and to Persons Discharging Managerial Responsibilities (“dirigentes”) of Sonaecom

**ATTRIBUTION PLAN
(Medium term variable bonus – MTVB)**

Characteristics and Regulation

1. Characteristics of MTVB

MTVB is one of the components of Sonaecom’s Remuneration and Compensation Policy. This plan may be composed of Sonaecom’s and/or Sonae – SGPS, S.A. shares and is distinct from others due to its restrictive and volunteer nature, with attribution conditional to the eligibility rules described in this document.

MTVB allows participants to share with shareholders value created, through their direct intervention in strategy definition and business management, based on the result of the annual performance evaluation.

2. Scope of MTVB

MTVB aims to align executive directors’ interests with the objectives of the organisation, strengthening their commitment and the perception of the importance of their performance to Sonaecom’s success, reflected in the market capitalisation of the share.

3. Eligibility

Executive directors of Sonaecom, SGPS, SA and companies in domain relationship are eligible for the attribution of the MTVB. For Público – Comunicação Social, S.A. and the companies it owns, the attribution rules are more restricted than those described below and this is not expected to change.

In accordance with the remuneration policy approved by the Board of Directors, employees who, through that policy, are entitled to the Plan, are also eligible to the attribution of MTVB.

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Eligible Members	Reference Value for the Medium Term Variable Bonus (% of the total variable Bónus target)
Sonaecom's Executive Directors	At least 50%
Executive Directors of Business Units	At least 50%
Employees	Under terms to be defined by the Board of Directors of each company

4. Duration of MTVB

MTVB is set on an annual basis, for a period of three years. From the beginning of the third consecutive plan, in each moment, three plans with three year duration will coexist.

5. MTVB reference amount

The MTVB is valued at the date of attribution using prices which represent the price of the share, in the Portuguese stock market, considering for this effect the most favourable of the following: closing share price of the first day of trading after the General Meeting of Shareholders or the average closing share price (regarding the thirty-day period of trading prior to the General Meeting of Shareholders).

Members entitled to MTVB have the right to acquire a number of shares corresponding to the division between the amount of MTVB granted and the price of the share at the date of attribution calculated under the terms of the previous paragraph. Such right can be exercised three years after attribution, which will be adjusted, through the deferral period by the completion level of long term KPIs, in order to ensure the continued alignment with the medium term business sustainability objectives.

Aiming to ensure a policy that strengthens the alignment of executive directors with the company's long term objectives, the Remuneration Committee can, at its sole discretion, determine an executive director's co-payment in the acquisition of shares, which will correspond to a percentage of the share price, up to 5% of its share price at the date of the share transmission.

If dividends are distributed, changes in the nominal value of shares or in the share capital of the company occur or any other change in equity with impact in the economic value of attributed rights, after the granting date and before its exercise, the amount converted in shares will be adjusted to an equivalent figure considering the effect of the mentioned changes.

6. Delivery by the Company

On the vesting date of the MTVB plan, the company reserves the right to settle in cash, equivalent to the market value as at the date of the respective delivery, instead of shares.

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7. Due date of MTVB

The right to acquire shares granted via MTVB expires three years after its attribution.

8. Conditions to exercise acquisition rights

The right to exercise acquisition rights of shares granted under MTVB plans expires if the contractual link between the member and the company ceases before the three year period subsequent to its attribution, notwithstanding situations included in the following paragraphs.

The right will remain valid in case of permanent incapacity or death of the member, in which case payment is made to the member himself or to his/her heirs on the vesting date.

In case of retirement of the member, the attributed right can be exercised in the respective vesting date.

The current policy is extensive to all active plans regarding which shares have not yet been transmitted.

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To The Chairman of the Board of the
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Maia, 13 March, 2017

Proposal number 5

We propose that approval be granted to the Board of Directors to:

- a) purchase own shares, over the next 18 months, on the regulated market or over-the-counter, if the seller is *i)* a company directly or indirectly controlled by this Company, or *ii)* any other entity, including financial institutions, for the fulfilment of legal or contractual obligations, including but not limited to the execution of guarantees for the benefit of the Company or of companies directly or indirectly controlled by the Company, or payment in kind or transfer in lieu of payment, and, in any case, up to the limit of 10 % of the share capital consolidated with the shares purchased by companies directly or indirectly controlled by this Company (as set out in Paragraph 2 of Article 317 of Portuguese Company Law), and for a price per share not lower than the average of the last 10 quoted share prices prior to the date of purchase, less 50%, and not higher than the average of the last 10 quoted prices prior to the date of purchase, plus 10%.

- b) sell on the regulated market, or over-the-counter, including in case the buyer is a company directly or indirectly controlled by this Company, over the next 18 months and up to the limit permitted by Portuguese Company Law, a minimum of one hundred own shares, for a price per share not lower than the average of the last 10 quoted share prices prior to the date of sale, less 10% per share, but without restricting the implementation of any share sales or awards required to fulfill the Sonaecom Medium Term Incentive Plan.

Furthermore, the Board of Directors shall have the power to decide if and when such transactions should be made – and which may include the sale or award of shares to Executive Members of the Board of Directors and employees of the Company or of companies controlled or jointly controlled, provided they strictly comply with the terms of the Sonaecom’s Remuneration policy, previously approved by shareholders -, always taking into consideration market conditions and the interests of the Company and its shareholders, as well as the rules set forth by Regulation (EU) No 596/2014 of the European Parliament and of the Council, of 16 April, and, when applicable, by the Commission Delegated Regulation (EU) 2016/1052, of 8 March 2016.

On behalf of the Board of Directors,



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4470-177 Maia

Maia, 13 March, 2017

Proposal number 6

We propose that, under the terms of Paragraph 2 of Article 325-B of Portuguese Company Law, companies controlled, directly or indirectly, by this Company (as defined in Article 486 of Portuguese Company Law) are authorized to purchase and hold shares issued by this Company. Such shares are to be purchased in a regulated market, or over the counter, if the purchase is i) from this Company or from a company directly or indirectly controlled by this Company or ii) any other entity, including financial institutions, for the fulfilment of legal or contractual obligations, including but not limited to the execution of guarantees for the benefit of the Company or of companies directly or indirectly controlled by the Company, or payment in kind or transfer in lieu of payment, and in any case over the next 18 months and up to the limit of 10%, when consolidated in this Company, for a price per share, not lower than the average share price of the last 10 trading sessions prior to the date of purchase, less 50%, and not higher than the average share price of the last 10 trading sessions prior to the date of purchase, plus 10% per share.

The purchases authorised above, shall be carried out by the Board of Directors of the respective companies, taking into account their requirements, such as the sale or transfer of shares to Members of their Boards of Directors and to managers, as required by the remuneration policy they have adopted, and taking into consideration market conditions and the interests of the companies and their respective shareholders, and the rules set forth by Regulation (EU) No 596/2014 of the European Parliament and of the Council, of 16 April, and, when applicable, by the Commission Delegated Regulation (EU) 2016/1052, of 8 March.

On behalf of the Board of Directors,

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