

**POLICY ON THE NOMINATION OF MEMBERS
FOR THE BOARD OF MANAGEMENT, ITS
COMMITTEES AND THE STATUTORY BOARD
FROM M. DIAS BRANCO S/A INDÚSTRIA E
COMÉRCIO DE ALIMENTOS**

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POLCY ON NOMINATION OF MEMBERS FOR THE BOARD OF MANAGEMENT, ITS COMMITTEES AND STATUTORY DIRECTORATE FROM M. DIAS BRANCO S/A INDÚSTRIA E COMÉRCIO DE ALIMENTOS

1. DEFINITIONS

The terms and expressions listed below, when used in this Policy, both in singular and plural, shall have the following meaning:

“Stock Exchanges” – B3, as well as any other stock exchanges where the Securities issued by M. DIAS BRANCO are admitted for trading, in Brazil or other countries.

“B3” – B3 S.A. – Brasil, Bolsa, Balcão.

“Eligible Positions” – Members of the Board of Management, its Committees and the Company's Statutory Directorate

“Company” or “M. DIAS BRANCO” – M. Dias Branco S/A Indústria e Comércio de Alimentos.

“CVM” – Comissão de Valores Mobiliários (Brazilian Securities and Exchange Commission).

“Market Entities” – The Stock Exchanges or group of trading market entities organized in which the securities issued by the Company are or may be admitted on the trading, as well as equivalent entities in other countries.

“CVM Instruction number 367/2002” – The CVM Instruction number 367, dated December 29, 2002, as amended.

“CVM Instruction number 481/2009” – The CVM Instruction number 481, dated December 17, 2009, as amended.

2. PURPOSE AND SCOPE

2.1. This Policy on the Nomination of Members for the Board of Management, its Committees and Statutory Directorate of M. Dias Branco S / A Indústria e Comércio de Alimentos (**“Policy”**) is intended to establish the rules, guidelines and methods to be followed when nominating the members for the Board of Directors, its Committees and the Company's Statutory Directorate, respecting the corporate governance best practices, transparency and diversity.

2.2. The rules established in this Policy apply to the Company and the members of the Board of Management, its Committees and the Statutory Directorate, as applicable.

3. REFERENCES

3.1. This Policy was developed in compliance with the following rules:

- (i) Law number 6404, of December 15, 1976 (“Law of Stock Companies”);
- (ii) New Market Regulation by B3;
- (iii) CVM Instruction number 367/2002;
- (iv) CVM Instruction number 481/2009;
- (v) Company Bylaws;
- (vi) Company’s Code of Ethics; and
- (vii) Internal Regulations of the Company's Board of Management.

4. PRINCIPLES

4.1. In addition to comply with the provisions in the documents, legislation and regulations mentioned in Clause 3.1 above (and in any shareholders' agreements filed at the Company's headquarters), the nomination for Eligible Positions must always be in line with the Company's best interest, and it is critical that nominees are professionals committed to the values and culture of M. DIAS BRANCO, able to contribute to the implementation of the strategic guidelines from the Company, in addition to having professional and / or technical and / or academic experience, compatible with the position for which they are being nominated .

4.2. Nomination for Eligible Positions should also consider, whenever possible, the diversity of gender, age, academic background and professional experience, as well as the complementary skills and time availability to exercise their role.

4.3. The nomination process for Eligible Positions must be guided by transparency, so that all information relevant to the nominees, and not only those imposed by laws or regulations, are made available to stakeholders.

4.4. Nomination for Eligible Positions, as applicable, must consider the legal requirements and restraints, including, but not limited to, articles 145 to 147 of the Brazilian Law of Stock Companies and the CVM Instruction number 367/2002.

5. NOMINATION PROCEDURES

Board of Management

5.1. The formation of the Board of Management shall be assessed to ensure that the competencies of its members are complementary.

5.2. The election of the members of the Board of Management will be carried out by the General Meeting, as provided for in the Company's Bylaws and the applicable legislation.

5.3. The Board of Management must consist of, at least, 20% (twenty percent) of independent members, according to the applicable definition of B3's Novo Mercado Regulation.

5.3.1. It is not considered as an independent member of the Board one who: (i) is a direct or indirect Company's controlling shareholder; (ii) his/her voting rights at the Board of Management's meetings are bound by a shareholders' agreement whose object is related to the Company; (iii) is a spouse, partner or direct or collateral relative, up to the second degree, of the controlling shareholder, Company manager or controlling shareholder manager; and (iv) in the last 3 (three) years, was an employee or director of the company or its controlling shareholder.

5.3.2. Also for the purposes of verifying the eligibility of the independent director, the situations described below must be analyzed in order to verify whether it implies loss of independence of the independent director due to the characteristics, magnitude and extent of the relationship: (i) he/she is a relative-in-law up to the second degree of the controlling shareholder, the Company's manager or controlling shareholder manager; (ii) he/she was, in the last 3 (three) years, an employee or director of affiliated, controlled or under common control companies; (iii) holds a position in a company or entity having a commercial relationship with the Company, its controlling shareholder or associated, controlled or under common control companies; (iv) holds a position in a company or entity that has commercial relationship with the Company or with its controlling shareholder who has decision-making rights in conducting the activities of said company or entity; (v) receives other remuneration from the Company, its controlling shareholder, affiliated, controlled or under common control companies in addition to that relating to his/her role as a member of the Company Board of Management or Committees, from its controlling shareholder, its affiliated, controlled or under common control companies, except for cash earnings derived from interest in Company's capital stock and benefits from supplementary pension plans.

5.4. In addition to the provisions in Clause 4 above, the proposal for the reelection of the members of the Board of Management must take into account their performance during the period, their experience, attendance at meetings during the previous term, as well as the assessment of the benefit of their replacement and the renewal of the Board of Directors, when compared to their permanence and reelection. In addition, it is recommended that the Board of Management have among its members professionals experienced in different topics.

5.5. Nomination Process. Nomination of members to comprise the Board

of Directors may be carried out by the managers or by any shareholders of the Company, pursuant to the Brazilian Stock Company Law, CVM Instruction number 481/2009 and the applicable law.

5.5.1. The shareholder who wishes to nominate candidates for the Board of Management may notify the Company in writing informing the nominee full name and qualifications, from the first business day of the fiscal year in which the General Meeting will be held and up to 25 (twenty-five) days before the date of the Meeting, in case of an Annual General Meeting; or from the first business day after the occurrence of an event that justifies calling the General Meeting for the election of members of the Board of Directors and up to 25 (twenty-five) days before the date of the Meeting, in case of an Extraordinary General Meeting convened for that purpose.

5.5.2. Under the terms of art. 3 of CVM Instruction number 367/2002, as applicable, the shareholder who nominates a member for the Board of Management shall present, simultaneously:

- (i) copy of the no-liability statement, under the terms of art. 2 of CVM Instruction number 367/2002, or declare that he obtained from the nominee the information that he is in a position to sign such a statement, indicating any reservations;
- (ii) the nominee resumé, containing, at least, information on his/her qualification, professional experience, education, main professional activity at the moment and information on which positions he occupies on boards of management, tax or advisory boards in other companies, in addition to the compliance with the requirements of Clause 4 of this Policy; and
- (iii) the information requested in items 12.5 to 12.10 of the Company's Reference Form, as provided by CVM Instruction number 481/2009.

5.5.3. Compliance with the principles and requirements established in this Policy, as well as, when applicable, with the requirements regarding the nominees eligibility as independent directors, will be verified by the Nominating Committee, which (i) will send an opinion to the Company's management containing the recommendations regarding the eligibility of nominees to election or reelection, and (ii) will assist the Board of Management in preparing the statement required by art. 25, sole paragraph of Brazilian B3's Novo Mercado Regulation.

Advisory Committees to the Board of Management

5.6. The formation of the Committees shall be assessed to ensure that the competencies of its members are complementary.

5.7. In compliance with the provisions of Clause 4 above, the Board of Management shall nominate qualified professional for the Committees according to the areas of competence of their respective Committees, and who are able to serve the best interests of the Company and shareholders, guided by ethics and best governance practices.

5.8. Committee members reelection should take into account their performance during the period, adherence to Company values and strategic guidelines, their experience, attendance at meetings during the previous term, as well as the assessment of the benefit of their replacement and renewal of the Committee, when compared to their permanence and reelection.

5.9. Nomination Process. Nomination and election of the members for the Committees will be carried out by the Company's Board of Management, under the terms of the respective internal regulations, the Brazilian Stock Company Law, the Company's Bylaws and the applicable legislation.

5.9.1. Compliance with the principles and requirements established in this Policy will be verified by the Nominating Committee, which will send an opinion to the Company's Board of Management containing the recommendations regarding the eligibility of nominees to election or reelection.

Statutory Directorate

5.10. In compliance with the provisions of Clause 4 above, the Board of Management shall nominate professionals to comprise the Statutory Directorate who know how to harmoniously combine the interests of the Company, shareholders, managers and employees, being committed to the business sustainability as well as socially and environmentally responsible. The nominee shall be in line with the Company's strategic demands and guided by legality and ethics.

5.11. The proposal for Directors reelection must be based on their annual assessment, where performance indicators such as finance, market, process efficiency, people management, governance, *compliance*, integrity and alignment with the values and strategies of M DIAS BRANCO will be considered.

5.12. Nomination Process. Nomination and election of the members for the Statutory Directorate will be carried out by the Company's Board of Management, under the terms of the Brazilian Stock Company Law, the Company's Bylaws and the applicable legislation.

5.12.1. Compliance with the principles and requirements established in this Policy will be verified by the Nominating Committee, which will send an opinion to the Company's Board of Management containing the recommendations regarding the eligibility of nominees to election or reelection.

6. FORBIDDEN NOMINATIONS

6.1. It is forbidden the nomination to and / or permanence as a member of an Eligible Position of:

- (i) representative of a regulatory body to which the Company is subject;
- (ii) former public agents, during the quarantine period provided for in the legislation, when applicable;
- (iii) a person who has served, in the last 36 (thirty-six) months, as a statutory national leader of a political party or as a mandate holder in the legislative power of any federated state.

6.1.1. Without prejudice to the provisions above, with the assistance of the Nominating Committee, the Board of Management, or the Statutory Directorate, as the case may be, will assess other potential conflicts that make the nomination and / or permanence for an Eligible Position not advisable.

7. NOMINATING COMMITTEE

7.1. The Nominating Committee is an advisory body to the Company's Board of Management, established for the purpose of (i) examining nominees for Eligible Positions based on the guidelines and rules established in this Policy; and (ii) formulate recommendations on the compliance of nominees for Eligible Positions with the guidelines and rules established in this Policy, to be approved by a simple majority of votes ("Nominating Committee").

7.2. The Nominating Committee will be comprised of, at least, five (5) members, among whom the CEO, the Vice-President of Management and Development, the Chief Organizational Development Officer, the Chief Legal Officer, and one independent member of the Board of Management.

7.2.1. When electing its members, the Board of Management may define that the Nominating Committee and the Compensation Committee (provided for in the Directors' Compensation Policy) shall be unified.

7.3. The Nominating Committee will meet whenever a meeting is called by any of its members, and all decisions of the Nominating Committee shall be made by the majority of its members.

7.3.1. The calls will be made through electronic communication within a period in advance according to which the meeting subject requires and allows, and the meetings will be held at the Company's headquarters, except when special conditions recommend that it should be held elsewhere. The attendance to meetings can also occur via conference call, videoconference, or via any other remote communication media.

Votes are allowed to be casted through electronic means.

7.3.2. Nominating Committee's decisions will be expressed in the form of an opinion, which must include the vote of each of its members for each nominee evaluated.

8. RESPONSIBILITIES

8.1. The Board of Management is responsible for:

- Approving potential changes and reviews to this Policy.
- Regulating the cases hidden from this Policy.
- Processing the non-compliance with obligations and rules established in this Policy and deliberating on such non-compliance, as applicable.

8.2. Statutory Directorate is responsible for:

- Processing the non-compliance with obligations and rules established in this Policy and deliberating on such non-compliance, as applicable.

8.3. The Nominating Committee is responsible for:

- Examining nominees for Eligible Positions based on the guidelines and rules established in this Policy.
- Formulate recommendations on the compliance of nominees for Eligible Positions with the guidelines and rules established in this Policy.

9. BREACH ON POLICY

9.1. The failure to comply with this Policy will subject the violator to disciplinary sanctions, according to the Company's internal rules (*e.g.* Company's Code of Ethics), without detriment to the applicable administrative, criminal and penal sanctions, enforceable by the relevant authorities, including, but not being limited to, organizations that regulate the capitals market (*e.g.* CVM).

10. VALIDITY AND AMENDMENTS

10.1. This Policy comes into force on the date indicated below, after being approved by the Company's Board of Management. Any change or review shall be submitted to the Board of Management itself.

10.2. Change to this Policy shall be informed to CVM and to Market Entities by the Company in the form required by applicable rules.

11. FINAL PROVISIONS

Effective: from May 2, 2020, except for the performance evaluation rules, which will be effective from May 2021.

1st Draft: November 8, 2019. Responsible for

the document:

<i>Step</i>	<i>Responsible</i>
Development	Legal Directorate Organizational Development Directorate
Review	Corporate Governance Committee
Approval	Board of Management

Record of changes:

<i>Version</i>	<i>Item Item Changed</i>	<i>Reason</i>	<i>Date</i>
01	Original Draft	N/A	[--]

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