

**PROTOCOL ON INTERNAL INVESTIGATION AND
OPERATION OF THE ETHICS CHANNEL FROM M.
DIAS BRANCO S/A INDÚSTRIA E COMÉRCIO DE
ALIMENTOS**

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1. DEFINITIONS

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

“ACFE” – *Association of Certified Fraud Examiners*, the largest anti-fraud organization in the world and main provider of education and training about the topic.

“AICPA” – American Institute of Certified Public Accountants, the largest association representing accounting professionals worldwide.

“Harassment” – Refers to a range of behaviors, threats and unacceptable practices, repeated or on a one-case basis, aiming at or resulting in physical, psychological, sexual or financial damage (adapted from the 190-19 Convention, from the International Labor Organization).

“Reputation Checking” – Process of diligence and collection of information from Employees and Third Parties, based on potential risks such as area of operation, level of interaction with public organizations, history of reputation and relationship with the Company, professional capacity and experience, size and nature of the transaction, and payment model and value. It includes checking if irregularities or misconducts were committed or if there are vulnerabilities, with the goal of (i) identifying risks;

(ii) making a conscient decision about establishing or maintaining a professional or commercial relationship; (iii) demonstrating to regulatory organizations and other stakeholders that the Company has adopted the measures that were at its reach before and during hiring Third Parties; and (iv) protecting the Company from harmful acts practiced by Employees and Third Parties, especially against the Public Administration. It is exclusively based on appropriate inquiries, especially to data available in public free or hired sources. It can be conducted before or while hiring, sporadically, continuously or periodically.

“Employees” – All hired employees, Directors (statutory or not), members of the Board of Management, members of committees (statutory or not), members of the Fiscal Council, apprentices and interns in the Company, regardless of the position or role performed in the company.

“Independent Investigation Committee” – Non-statutory advisory committee from the Board of Management, which operates in relevant eventual subjects. It has a limited time validity and is extinguished with the conclusion of the purpose that originated it; or in the time deferred on its constitution. The number and composition of members are defined on a case by case basis, as well as

its powers, governance and scope of operation.

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

“Notification” – Report, information, contact or complaint made through the Ethics Channel or directly to organizations and agents from the Company’s governance structure, usually related to deviations in ethical conduct, issues in the interpersonal relationships within the scope of the work environment, non-compliance with internal regulations, non-compliance with legislation, rules and external regulations. It may also include critics, doubts, suggestions and compliments.

“Conflict of Interests” – Any relationship that is not in the best interest of the Company and damages an individual’s ability to perform their duties and responsibilities with Independence and Objectiveness.

“Fraud” – Any illegal act characterized as malice, occultation, deceit or breach of trust. Acts committed through threat of violence or imposition of physical force are excluded. Frauds are executed by people and organizations to obtain monetary sums, properties or services; or to avoid the payment or loss of services; or to obtain personal or business advantages.

“IIA” – *Institute of Internal Auditors*, an international professional association acknowledged as the main technical, qualifier and educator authority in the internal audit segment worldwide.

“Independence” – The freedom from conditions that threaten an individual’s ability to perform their professional responsibilities in an unbiased way.

“IPPF” – *International Professional Practices Framework*, a conceptual structure that organizes the guidelines established by the IIA.

“Objectiveness” – Mental unbiased attitude that allows executing investigative works without detriments to their quality and in such a way that generates trust in the end product. It requires that professional judgments used in executing the works are not subordinate to interests, but to facts, evidence and conclusions achieved.

“Investigation Coordinator Organization” – It is the organization member of the Company’s corporate structure that will be designated as the key responsible for planning, defining the scope, executing, conducting, monitoring and reporting an investigation. Depending on the Notification classification criteria and the involvement from Employees and Third Parties, the Investigation Coordinator Organization may be the area of Compliance, the Ethics Committee, the Audit Committee, or the Chair of the Board of Management. The Investigation Coordinator Organization has the prerogative to involve in the investigation other governance organizations from the Company, as well as other Employees and Third Parties, provided it considers this legitimately necessary for the good progress of the investigation and that they do not present indications of Conflict of Interests in relation

to the investigation.

In this sense, it may establish an Independent Investigation Committee.

“Third Parties” – Every individual or legal entity that is not a Company Employee or that is hired to help perform its activities, such as partners, consortium members, representatives, suppliers, service providers in general, consultants, associates, outsourced parties, agents or intermediates that act on behalf of the Company.

2. REFERENCES

2.1. This Protocol was developed based on the following references:

- Law number 12846, from August 1, 2013 (Anti-Corruption Law);
- Decree number 8420, from March 8, 2015;
- Law number 8429, from June 2, 1992 (Law on Administrative Misconduct);
- Decree Law number 2848, from December 7, 1940 (Brazilian Penal Code)
- Law number 9613, from March 3, 1998 (Crimes of Laundering or Occultation of Goods, Rights and Values), amended by Law n. 12683/12;
- Law number 12813, from May 16, 2013 (Law on Conflict of Interests for Public Officers);
- Company’s Policy on Donations and Sponsorships;
- Company’s Policy on Gifts, Souvenirs, Entertainments and Hospitalities;
- Company’s Anti-Corruption Policy;
- Company’s Policy on Risk Management;
- Company’s Policy on Consequences;
- Internal Regiment from the Company’s Ethics Committee;
- Internal Regiment from the Company’s Audit Committee;
- Company’s Code of Ethics;
- *IIA’s International Standards for the Professional Practice of Internal Auditing*;
- *Managing the Business Risk of Fraud: A Practical Guide (IIA, ACFE, AICPA)*;
- *ACFE’s Fraud Examiners Manual, 2019 International Edition*; and
- *ACFE’s Encyclopedia of Fraud, 3rd Edition (Joseph T. Wells, CFE, CPA)*.

3. PURPOSE AND SCOPE

3.1. This Protocol on Internal Investigation and Operation of the Ethics Channel from M. Dias Branco S/A Indústria e Comércio de Alimentos (“Protocol”) has the purpose of establishing rules, guidelines and procedures to be followed by the Company in the (i) conduction of internal investigations on Notifications made within the scope of its operations; and (ii) management and operation of the Company’s Ethics Channel.

3.2. Investigations conducted effectively help protect the Company's interests through prevention response and detection of conducts out of the ethical standard expected, reasonable guarantee that the Company's activities comply with the applicable laws and regulations, and identification of areas for improvement in its governance and control environment.

3.3. The provisions from this Protocol must be interpreted together and complement the guidelines on conduct established in the Code of Ethics, the Anti-Corruption Policy and in other related policies and procedures.

3.4. The rules established in this Protocol apply to the Company and all its Employees and Third Parties, which are inherently responsible for detecting and preventing frauds, deviations from ethical conduct, non-compliance with internal procedures, legislations and rules from external regulators, as well as other irregularities.

3.4.1. In the case of companies where M. DIAS BRANCO invested in, that are not its controlled companies, the Company shall make its best efforts so that such companies adopt practices that are in line with this Protocol.

4. GENERAL GUIDELINES

4.1. The reputation of M. DIAS BRANCO is an essential asset for its business, and each Employee, as well as any other Third Party who works for or on behalf of the Company, must protect it. When registering a Notification on inappropriate conduct, the notifier supports the maintenance and longevity of the Company's business.

4.2. The Company encourages its Employees and Third Parties to inform any deviations or suspected deviations from ethical conduct involving its business. Within the scope of their attributions, all Employees and Third Parties shall immediately notify any (i) actual or potential breach to the Company's Code of Ethics; (ii) actual or potential breach to any policy or internal procedure from the Company, including the Anti-Corruption Policy; (iii) actual or potential breach to any legislation or regulatory rule in force; (iv) deviation or suspected deviation from ethical conduct; (v) situation that may characterize Conflict of Interests; and/or (vi) knowledge of fact that may harm the Company and its business.

4.3. The investigations within the scope of the Company's operations must have skepticism, professionalism, discretion, impeccability, integrity, respect, accuracy and impartiality, so that there is no prior judgment on guilt or innocence. The loyalty from all people involved in the investigation is owed and expected, being required that the Company's interests always juxtapose to the particular interests from the decision makers.

4.3.1. In situations when a person involved in the process has a potential Conflict of Interests with the recommendation or decision to be made, such person shall declare themselves blocked, explaining their involvement and, if requested, providing details on the parties involved. The impediment must be included in the investigation records, and the aforementioned person shall be removed from discussions and deliberations. If any person in potential situation of Conflict of Interests does not manifest so, any other Employee or Third Party that has knowledge on the situation can do this.

4.4. The Investigation Coordinator Organization must always act with Objectiveness and Independence, ensuring sufficient technical competence and knowledge on the operations in question. They must have access to each and every type of information that is relevant to their responsibilities, such as records of meetings, reports, systems, contracts and documents in general, among others, as well as access to any Employee or Third Party related to the investigation.

4.4.1. In case of insufficient technical competence or knowledge on the operations in question by the Company's governance organizations, these shall assess hiring legal counseling or external experts to support the investigation.

4.4.2. In this sense, the involvement from relevant authorities must be considered in the cases when it is required legally, or in the cases when the possibility to the health, safety and physical integrity of Employees, Third Parties or any other party involved in the investigation.

5. ORIGIN OF INVESTIGATIONS

5.1. Notifications on breaches to ethical conduct may become known by the Company in several ways, including complaints from Employees and commercial partners, conduction of internal and external audits, reviews of controls and internal procedures, legal contingencies, inquiries by regulatory organizations, inspections, among others. The Company's governance organizations may receive Notifications directly via personal, telephone or electronic contacts, and must forward them to the most adequate Investigation Coordinator Organization considering the classification criteria established in this Protocol and eventual Conflicts of Interests. Notwithstanding, the Company must ensure the existence of processes and tools to channel immediately and fully the flow of information potentially related to frauds and improper conducts.

Ethics Channel

5.2. The Company will make available to its Employees, Third Parties and any other interested

parties the Ethics Channel, an electronic, free of charge and confidential platform to receive Notifications, accessible via telephone, e-mail, intranet and internet. The platform must offer the user the possibility of having direct contact with the adequate governance organizations for investigating their Notification. This service must be preferably provided by an external company with sufficient technical specialization, reputation, structure and experience proportional to the size of the Company's operations.

5.3. The Compliance area will be responsible for managing the Ethics Channel, so that all Notifications received are duly registered and investigated with impartiality, methodology and legal support, ensuring confidentiality, anonymity and prohibition of retaliation to the notifier, maintaining the restrictions from the definition of Investigation Coordinator Organization.

Confidentiality

5.4. The Ethics Channel must allow receiving both anonymous and identified Notifications, at volunteer discretion of the notifier. The Board of Management, assisted by the Audit Committee, must ensure the confidentiality and the anonymity of notifiers, and care so that there is no type of threat, intimidation or retaliation, as much as permitted by the applicable legislation, against any person who presents a Notification in good faith.

5.4.1. The original data on voice, telephone numbers, e-mail addresses and IPs of machines related to the Notification must be maintained under absolute secrecy by the service provider who, by force of contract, shall be forbidden to disclose to any person who may request them, even being the Investigation Coordinator Organization, the contract managers or the Ethics Channel; as much as permitted by the applicable legislation.

5.4.2. The existence, the progress and the results from the investigation of any Notification will not be disclosed and/or discussed with people who have no legitimate need to access the information, to prevent damages to the reputation of reported or reporting people.

5.5. The Ethics Channel platform must provide means so that the user, anonymous or identified, can follow the dealings addressed by the Company. All Notifications received must necessarily be submitted to the adequate dealing, considering the Objectiveness and the Independence of the responsible governance organizations.

6. INVESTIGATION PROCEDURES

6.1. An investigation is an exercise of searching for facts for collecting every relevant piece of information about the topic in question. Investigations duly conducted allow the full consideration

on the topic by the Company and a decision-making process fully supported by information. In the beginning of the investigative process, the Investigation Coordinator Organization must establish scenarios, identify areas of concern and uncertainty, define the nature, methodology, objective, scope, the need for application of forensic techniques, and for legal support.

“Fraud examination is a methodology for resolving fraud allegations from inception to disposition, (...) [which] involves obtaining evidence and taking statements, writing reports, testifying to findings, and assisting in the detection and prevention of fraud.” (ACFE Encyclopedia of Fraud, 3rd Edition)

6.2. Once the Notification is received, the investigation process will be conducted by the Investigation Coordinator Organization based on main steps, but not restrictive or mandatory, since each investigation is an unique process and may require different approaches.

Analysis and categorization of the notification

6.3. All Notifications must be registered in the platform of the Ethics Channel and will be analyzed beforehand and categorized by the platform provider, according to criteria defined by the Ethics Committee and approved by the Audit Committee, which shall consider, as a minimum, (i) nature; (ii) severity; (iii) urgency; (iv) potential impacts; (v) channel used; and (vi) hierarchy and seniority of the people involved. If a complainant makes a Notification about more than one topic, the category to be considered shall be the one from the most relevant or critical topic for the Company.

6.4. The time estimated for concluding the prior analysis and categorizing the Notification, and consequently making it available to the Investigation Coordinator Organization, shall be included in contract as determined by the Ethics Committee and approved by the Audit Committee.

Definition of the governance organization responsible for coordinating the investigation

6.5. As soon as the prior analysis and categorization are concluded, the Ethics Channel provider must send the Notification for inspection by the proper Investigation Coordinator Organization, maintaining the concepts of confidentiality, Objectiveness, Independence and Conflict of Interests established in this Protocol, as shown below:

Object of Notification	Investigation Coordinator
Board of Management	Audit Committee
Audit Committee	Board of Management
Statutory Directorate	Audit Committee
Non-Statutory Directorate	Audit Committee
Ethics Committee	Audit Committee
Compliance	Audit Committee
Other objects and natures	Compliance

6.6. Notwithstanding the pre-defined levels, the Ethics Channel platform must make available to the complainant, at its discretion, direct and confidential access to the Audit Committee.

Confirmation of validity and classification of the notification

6.7. The Investigation Coordinator Organization will validate the prior classification of the Ethics Channel provider, as well as the reasonability of the Notification, so that the investigation starts right away. In this sense, it may understand that it is necessary to conduct a review on the level or classifications previously determined by the platform provider. In this case, it must request the review of the classification or the forwarding to a more adequate level; or also, along with the Board of Management, start an Independent Investigation Committee.

Conduction of investigation and verification of facts

6.8. The nature, the scope and the planning of the investigation can be defined by different inter-related attributes, including, not necessarily or restrictively, for example:

- The objectives of the investigation (e.g. prevention of additional incidents, dismissal of an Employee, collection of evidence for criminal lawsuit, recovery of assets, etc.);
- The need for field operations and adequate tooling for diligences, observations hidden, vigilance, situation drills and Reputation Checks.
- The assessment concerning the involvement from other governance organizations from the Company, Employees and Third Parties;
- The adequate point for involving public security officers or regulatory organizations, in cases when it is necessary or mandatory;
- The timeline of facts (chronology of the current case and eventual prior history);
- The schedule, pace and format desired for investigation and reporting;
- The identification of people involved and possible witnesses;
- Definition of procedures (e.g.: inspection, interviews, circularization, reconciliation, etc.);
- Mapping of risks related to the investigation (e.g.: destruction of evidence, retaliations, collusion, non-cooperation, among others);
- Formulation of hypotheses and anticipation of probable characteristics of the object investigated;
- Identification of laws, policies, procedures and other rules potentially violated.

6.9. When conducting the investigation, it is necessary to observe:

- The collection, preservation of integrity and review of information such as accounting data, messages, e-mails, apps, records of access to systems, HDs, closed circuit TV images, recordings, contracts, etc.; and external and public sources (e.g. credit services, government and regulatory organizations, notary offices, social networks, etc.);

- Clear communication for preservation of evidence, including electronic data;
- The selection of Employees and Third Parties for interviews and collection of statements.

Closure and conclusion of investigation

- 6.10. At the end of investigation procedures, the Investigation Coordinator Organization must conclude about the merit of the Notification, based on the totality of the investigation. The Investigation Coordinator Organization must appreciate the details of the evidence obtained, facts investigated, statements given, and determine if the statements from witnesses are consistent in relation to eventual Conflicts of Interests. Any written report must be carefully developed to include concise statements on the facts and conclusions with Objectiveness and Independence.
- 6.11. Considerations must be made on the magnitude, severity, potential reach, seniority and power of influence from eventual parties involved, and the level of comfort with the answers to questions made during the investigation process. When assessing the need for additional investigations, the Company must understand if the situation could materially impact the results disclosed, operations, Internal Controls and its reputation. Other factors include legal and business consequences, the inference of an illegal act, as well as whether the act was conducted on behalf of the Company by Employees or Third Parties.
- 6.12. The final investigation report may also include (i) summary of the event; (ii) reference to policies, procedures and related controls; (iii) list of parties involved; (iv) history of parties involved; (v) methodology of investigation used; (vi) details on the investigation in relation to interviews made and documentation analyzed; (vii) result from the investigation; (viii) recommendations from the Investigation Coordinator Organization; and (ix) action plan agreed upon with the areas involved.
- 6.13. The result from the investigation must be classified as explained next:
 - Admissible: When evidence is identified proving the main allegations;
 - Partially Admissible: When evidence is identified proving only part(s) of the allegations;
 - Inadmissible: When evidence clearly denying such allegations is identified;
 - Inconclusive: When there are limitations in the analyses and these do not produce objective evidence that may prove or deny the allegations; or when the notifier does not provide sufficient information for beginning the investigations and there is no return on the attempts of interaction made by the investigation team.
- 6.14. The entire process of investigation and conclusion of the Notifications must be duly documented and preserved for at least five (5) years, except when specifically determined by

legislations or specific regulations designating a different time period. Every piece of information collected along the investigation and that, at the end of the process, is considered not related to the topic must be immediately discarded.

7. *Final Reporting and Internal Notification of Investigation*

7.1. After the conclusion of the inspections, the Investigation Coordinator Organization shall be accountable and submit the final investigation report to the most adequate addressee (organization or individual member of the Company’s governance structure), maintaining the concepts of confidentiality, Objectiveness, Independence and Conflict of Interests established in this Protocol, as explained:

Investigation Coordinator	Object of Notification	Addressee of Report
Audit Committee	Member of the Board of Management	All members of the Board of Management
Audit Committee	Chairman of the Board of Management	All members of the Board of Management
Audit Committee	Statutory Directorate	All members of the Board of Management
Audit Committee	Non-Statutory Directorate	Statutory director of the respective area
Audit Committee	Ethics Committee	All members of the Board of Management
Audit Committee	Compliance	Company CEO
Board of Management	Audit Committee	All members of the Board of Management
Compliance	Other objects and natures	Ethics Committee (for all Notifications); and Audit Committee (for cases considered more relevant)

7.2. When receiving the investigation report, the individual or governance organization responsible must assess the involvement from the Legal and Human Resources areas, in order to obtain a technical analysis in relation to the proportionality and legality of the measures proposed. The assessment of the inspection process and the investigation report shall take into account discussions about similar cases previously verified.

7.3. The Investigation Coordinator Organization will send its conclusions and recommendations to the directors of the area involved for development of corrective action plans and eventual enforcement of the Company’s Policy on Consequences. The result from the investigation,

along with the standard report, must be made available for consultation by the notifier in the Ethics Channel platform.

8. *Reporting to Authorities, Regulatory Organizations, External Auditors and Stakeholders*

8.1. When contingencies or significant crises are faced by the Company, it is important to carefully manage the communication with all parties involved (e.g.: shareholders, financial market, Employees, Third Parties, external auditors, regulatory organizations and general authorities, etc.). The nature and distribution of the final investigation report may affect goals for protection of legal rights and avoid defamatory statements.

8.2. If the occurrence of criminal, civil or administrative illicit act that may jeopardize the Company's reputation and its business is still configured at the end of the investigation on the Notification, the Board of Management shall assess the necessity or convenience of informing any authorities or Third Parties about the irregularities identified.

8.2.1. Each and every decision to cooperate with authorities and regulatory organizations shall be approved in advance by the Company's Board of Management, which will determine the procedure to be adopted and the parties responsible for conducting the subject.

9. *Monitoring and Follow-Up*

9.1. After the investigation is concluded, if relevant, the Company shall establish remediation actions to (i) improve processes, controls and the governance environment; (ii) enforce the Policy on Consequences, including disciplinary measures; and (iii) prevent the occurrence of similar situations in the future.

9.1.1. All actions established, under appropriate circumstances, must be applied consistently to all hierarchy levels. The Compliance area shall conduct continuous monitoring on the discipline and the adoption of remediation actions established.

9.1.2. The Policy on Risk Management from M. DIAS BRANCO applies to the results, conclusions and remedies from the final investigation report, at discretion of the Company's governance organizations, maintaining the concepts of Objectiveness, Independence and Conflict of Interests established in this Protocol, as well as analysis of technical, economic feasibility and opportunity to implement corrective measures.

9.1.3. Once the investigation confirms the occurrence of harmful act involving the company,

arrangements shall be made to ensure the immediate interruption of irregularities, look for solutions and repair the effects caused.

9.2. The Ethics Committee, respecting the prerogatives and responsibilities listed on its internal regiment, shall supervise the activities related to the Ethics Channel, especially concerning the follow-up on Notifications received and operation of the platform, observing the restrictions on definition of the Investigation Coordinator Organization.

9.3. The Audit Committee shall receive periodically a summary of statistics, relevant Notifications and main discussions. In cases considered severe, at its discretion and respecting the prerogatives and responsibilities listed in its internal regiment, the Audit Committee shall immediately report to the Board of Management. For the other cases, the reporting to the Board of Management will be conducted through its annual activities report.

10. BREACH ON PROTOCOL

10.1. The failure to comply with this Protocol will subject the violator to disciplinary sanctions, according to the Company's internal rules (e.g. Company's Code of Ethics), without prejudice to the applicable administrative, criminal and penal penalties, enforceable by relevant authorities.

11. VALIDITY AND AMENDMENTS

11.1. This Protocol comes into force in the date indicated below, after being approved by the Company's Board of Management, and any change or review shall be submitted to the Board of Management itself.

12. FINAL PROVISIONS

12.1. *Validity: as of January 2, 2020.*

12.2. *1st Draft: November 8, 2019.*

12.3. *Responsible for the document:*

<i>Step</i>	<i>Responsible</i>
Development	Audit, Risks and Compliance Directorate Legal Directorate

Review	Audit Committee Ethics Committee Statutory Directorate Non-Statutory Directorate
Approval	Board of Management

12.4. Record of changes:

<i>Version</i>	<i>Item Changed</i>	<i>Reason</i>	<i>Date</i>
01	Original Draft	N/A	11/08/2019
