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<b>POLICY FOR APPOINTMENT OF MEMBERS OF THE BOARD OF DIRECTORS, STATUTORY BOARD AND COMMITTEES</b>	

**POLICY FOR APPOINTMENT OF MEMBERS OF THE BOARD OF DIRECTORS, STATUTORY BOARD AND COMMITTEES OF HAPVIDA PARTICIPAÇÕES E INVESTIMENTOS S.A.**

**1. PURPOSE, APPLICATION AND RATIONALE**

- 1.1. This "Policy for the Appointment of Members of the Board of Directors, Statutory Executive Board and Committees", approved at the meeting of the Board of Directors of **HAPVIDA PARTICIPAÇÕES E INVESTIMENTOS S.A.**, held on February 9, 2018, aims to determine the criteria for the composition of the Company's Board of Directors, Committees and Executive Board, valuing the best corporate governance practices, with due transparency.
- 1.2. This Policy is based on: (i) the corporate governance guidelines in the Bylaws; (ii) the Brazilian Corporation Law; (iii) the IBGC Code of Best Corporate Governance Practices, the Brazilian Corporate Governance Code; and (iv) the Novo Mercado Regulation.

**2. DEFINITIONS**

- 2.1 The terms and expressions listed below, when used in this Policy, shall have the following meanings:
- 2.1.2. "**B3**": means B3 S.A. – Brasil, Bolsa, Balcão.
- 2.1.3. "**Committees**": means the advisory committees to the Company's Board of Directors, namely the Audit Committee, the Governance and People Committee and the Innovation Committee.
- 2.1.4. "**Audit Committee**": means the Company's internal audit and risk committee.
- 2.1.5. "**Company**": means Hapvida Participações e Investimentos S.A.
- 2.1.6. "**Board of Director**": means the board of directors of the Company.
- 2.1.7. "**CVM**": means the Securities and Exchange Commission.



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- 2.1.8. **"Executive Board"**: means the Company's statutory executive board.
- 2.1.9. **"Bylaws"**: means the Company's bylaws, as amended.
- 2.1.10. **"CVM Instruction 367"**: means CVM Instruction 367 of May 29, 2002, as amended.
- 2.1.11. **"Brazilian Corporate Law"**: Law No. 6,404 of December 15, 1976, as amended.
- 2.1.12. **"Policy"**: means this "Policy on the Appointment of Members of the Board of Directors, Statutory Executive Board and Committees"
- 2.1.13. **"Novo Mercado Regulation"**: means B3's Novo Mercado Listing Regulation, in force as of January 2, 2018.

**3. BOARD OF DIRECTORS**

**3.1. Criteria for appointing members of the Board of Directors**

- 3.1.1. The Board of Directors is a collegiate body, whose performance depends on respect for and understanding of the characteristics of each of its members, without this implying a lack of debate of ideas. It must be composed taking into account the diversity of knowledge, experiences, behaviors, cultural aspects, age range and gender to allow the Company to benefit from the plurality of arguments and a decision-making process with greater quality and security.
- 3.1.2. The Board of Directors is composed of 7 effective members, all elected and removable by the general assembly, with a unified term of 2 years, with re-election permitted.
- 3.1.3. Of the members of the Board of Directors, at least 2 or 20%, whichever is greater, must be independent directors, as defined in the Novo Mercado Regulation, and the characterization of those appointed to the Board of Directors as independent directors must be deliberated at the meeting. general body that elects them, with the advisor(s) elected by means of the faculty provided for in article 141, paragraphs 4 and 5 of the Corporations Law also being considered independent.



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3.1.4. The appointment of members of the Board of Directors, including independent members, must comply with the following criteria, in addition to the legal and regulatory requirements, and those expressed in the Bylaws, the Novo Mercado Regulation and other corporate agreements that may exist that have the Company as their purpose:

- (i) be aligned and committed to the Company's values and culture and its internal policies;
- (ii) have an unblemished reputation, as established by article 147, paragraph 3, of the Corporations Law;
- (iii) be a qualified professional, of indisputable reputation and character;
- (iv) not having been subject to an irrevocable decision that suspended or disqualified him, by the CVM, which made him ineligible to hold positions as director of a publicly-held company;
- (v) has not been prevented by special law, or convicted of a bankruptcy crime, malfeasance, active or passive corruption, extortion, embezzlement, crimes against the popular economy, public faith, property or the national financial system, or a criminal penalty that prevents access to public office.
- (vi) has an academic background compatible with the position of director or minimum professional experience, having performed duties similar to those to be performed in the term of office of director;
- (vii) has professional experience in a variety of subjects;
- (viii) has no conflict of interest with the Company; and
- (ix) has the time available to carry out his duties as a member of the Board of Directors and dedicates himself adequately to the role and responsibility assumed.

3.1.5. The positions of chairman of the Board of Directors and chief executive officer of the



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Company may not be accumulated by the same person, subject, however, to the provisions of the Bylaws, the Novo Mercado Regulations and the legislation in force in the event of a vacancy.

**3.2. Procedimento para indicação dos membros do Conselho de Administração**

- 3.2.1. The appointment of members of the Board of Directors may be made by the management or by any shareholder of the Company, in accordance with the Corporations Law.
- 3.2.2. Shareholders who wish to nominate candidates for the Board of Directors may notify the Company in writing, stating the full name and qualifications of the candidates, up to 30 days before the general meeting that will elect the new Board of Directors.
- 3.2.3. Under the terms of article 3 of CVM Instruction 367, the shareholder who submits the nomination of a member of the Board of Directors must present, in the same act:
- (i) copy of the instrument declaring clearance, pursuant to CVM Instruction 367, or declare that he/she has obtained information from the person indicated that he/she is in a position to sign such instrument, indicating any reservations; and
  - (ii) the resume of the nominated candidate, containing, at least, his/her qualifications, professional experience, education, main professional activity currently performed and indication of which positions he/she holds on boards of directors, supervisory boards or advisory boards in other companies and compliance with the requirements of the item.
- 3.2.4. The proposal for the re-election of directors must be based on their annual individual assessments.
- 3.2.5. Compliance with the requirements set out in items 3.1.3. and 3.2.3. of this Policy shall be verified by the shareholders and, if complied with, the candidate's name shall be put to the vote at the Company's general meeting.
- 3.2.6. Other rules on nominations, elections, vacancies, meetings, etc, related to the members



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of the Board of Directors shall comply with the provisions of the Bylaws and applicable legislation.

**4. EXECUTIVE BOARD**

**4.1. Criteria for appointing board members**

4.1.1. The Board of Directors shall appoint professionals to the Executive Board who are able to harmoniously combine the interests of the Company, shareholders, managers and associates, as well as the Company's social and environmental responsibility, guided by legality and ethics. The appointment should also aim to form a group aligned with the Company's principles and values, taking into account diversity, including gender diversity, with the aim of being filled by people with complementary skills and abilities to implement the strategies, face the challenges and achieve the Company's objectives.

4.1.2. The Executive Board, whose members shall be elected and removed at any time by the Board of Directors, shall be composed of 5 (five) effective members, whose respective title and function shall be assigned by the Board of Directors at the time of election. The position of investor relations officer may be held cumulatively by any officer position, and the Board of Directors may also determine the cumulation of any officer position in one or more officers.

4.1.3. The appointment of Executive Officers shall comply with the following criteria, in accordance with their function, in addition to the legal and regulatory requirements, and those expressed in the Bylaws, the Novo Mercado Regulations and any other corporate pacts that may exist that have the Company as their object:

- (i) be aligned with and committed to the values and culture of the Company and its internal policies;
- (ii) have an unblemished reputation, as established by article 147, paragraph 3 of the Brazilian Corporation Law;



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- (iii) be a qualified professional of unquestionable reputation and character;
- (iv) has not been the subject of an unappealable decision by the CVM suspending or disqualifying him or her from holding office as a director of a publicly traded company;
- (v) has not been barred by special law, or convicted of bankruptcy, malfeasance, active or passive corruption, concussion, embezzlement, crimes against the popular economy, public faith, property or the national financial system, or criminal penalties that bar access to public office;
- (vi) has an academic background compatible with the position of director to which he or she has been appointed, having performed duties similar to those to be performed in the director's term of office;
- (vii) has knowledge and professional experience compatible with the position for which he/she has been appointed;
- (viii) has the skills to implement the strategies, face the challenges and achieve the Company's objectives; and
- (ix) has no conflict of interest with the Company.

**4.2. Procedure for appointing Board members**

4.2.1. The appointment of 4 of the members of the Executive Board, including the Chief Executive Officer, shall be made by the members of the Board of Directors. The 5th Director will be appointed by the Chief Executive Officer and must be approved by the Board of Directors. All nominations must comply with the criteria set out in item 4.1.3. The elected Directors will be evaluated annually by the Board of Directors for reappointment.

4.2.2. Other rules relating to the Executive Board shall comply with the provisions of the Bylaws and applicable legislation.

**5. COMMITTEES**

**5.1. Requirements for appointing committee members**



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- 5.1.1. The Company may, at the discretion of the Board of Directors, install or discontinue Committees and, therefore, they shall comply with the appointment criteria established in this Policy, as well as the guidelines and attributions approved by the Board of Directors when they are installed.
- 5.1.2. The Committees will be made up of at least 1 member of the Board of Directors, and may include external specialists, not directors, all appointed and dismissed by the Board of Directors.
- 5.1.3. As defined in the Novo Mercado Regulations, in the case of the Audit Committee, its composition shall be a minimum of 3 members:
- (i) at least 1 must be an independent director, as defined in the Novo Mercado Regulations;
  - (ii) at least 1 of them must have recognized experience in corporate accounting matters, under the terms of the regulations issued by the CVM which provide for the registration and exercise of independent auditing activities in the securities sphere and define the duties and responsibilities of audited entities in their relationship with independent auditors; and
  - (iii) the same member of the Audit Committee may accumulate the two characteristics set out in (i) and (ii) above.
- 5.1.4. The members of the Committees, whether board members or not, must meet the criteria stipulated in Clauses 3.1.4 and 4.1.3 above, subject to the particularities of each Committee.



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**5.2. Procedure for appointment of committee members**

- 5.2.1. The appointment of members of the Committees may be made by any member of the Board of Directors and the Executive Board up to 30 working days prior to the meeting of the Board of Directors that will appoint the composition of a new Committee.
- 5.2.2. The proposal for the re-election of Committee members must be based on their annual individual assessments.
- 5.2.3. Compliance with the requirements set out in items 5.1.3. and 5.1.4. of this Policy will be verified by the Board of Directors, in consultation with the coordinator of the Committee in office and if the Committee is already in place. If the requirements are met, the candidate's name will be put to the vote at a meeting of the Board of Directors and their appointment will be made by majority vote.
- 5.2.4. The other rules relating to the Committees shall comply with the provisions of the Bylaws, applicable legislation and the respective internal regulations of each Committee.

**6. GENERAL PROVISIONS**

- 6.1. This Policy shall come into force on the date of its approval and may only be amended by resolution of the Company's Board of Directors and may be consulted on the Company's Investor Relations website ([www.hapvida.com.br](http://www.hapvida.com.br) - Investors Menu and then select "Policy for the Appointment of Members of the Board of Directors, Statutory Executive Board and Committees").

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