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1.1 Issuer background

M. Dias Branco S.A. Indústria e Comércio de Alimentos started its activities in October 1961, but already since the 1940s, the founder of the company, Mr. Manuel Dias Branco, explored in the State of Ceará, activities related to the baking and manufacturing of biscuits and crackers, using artisanal techniques, creating, on May 21, 1951, the company M. Dias Branco & Cia Ltda. to carry out these activities.

From 1953, with the entry of his son, Mr. Francisco Ivens de Sá Dias Branco into the company, until then known as M. Dias Branco & Cia. Ltda., new guidelines were adopted in the business, especially with regard to investments, which began to be concentrated in the industrial production, on a large scale, of the cookies & crackers and pastas then marketed.

At the beginning of the 1960s, the company began to develop its current pulverized distribution model, aimed mainly at serving micro, small and medium-sized retailers, with a door-to-door sales system and at least weekly visits to its customers, which allowed it to verify on the spot what products and prices its customers were buying and selling, thus enabling it to constantly adjust its market positioning, marketing strategy and relationships.

The development of the distribution model, combined with large-scale production, allowed the enormous expansion of the sales of what was then the only industrial unit, first in the state of Ceará and then in neighboring states. This growth motivated the transfer of the industrial and commercial complex, located at that time in Fortaleza, to the municipality of Eusébio, about 25 km from the former headquarters, a process fully completed in 1980. During this period, the Company had already consolidated the Fortaleza brand, created in the 1950s, and was working to introduce and consolidate the Richester brand, created in 1978, in its markets.

With the deregulation of the wheat sector in Brazil in 1990, a new cycle of growth began for the Company. In 1992, its first wheat milling unit was inaugurated in the State of Ceará, starting the process of verticalization of cookies & crackers and pasta production, since the new unit allowed it to produce the main raw material for its products. At the same time, the Company also entered the competitive wheat flour and bran market.

In 2000, continuing the Company's expansion project, the second wheat mill was inaugurated in the State of Rio Grande do Norte, installing, in the same industrial complex and with integrated operations, its second pasta factory. In this complex, the model of eliminating the costs of transporting wheat flour for the manufacture of pasta was initiated.

In mid-2002, seeking greater verticalization of its inputs and entry into new segments, a unit for the production of margarines and vegetable shortening was inaugurated in the State of Ceará. As a result, the Company started to produce internally part of its second main raw material for the manufacture of cookies & crackers – vegetable shortening, in addition to starting its activity in the production and commercialization of margarines and vegetable shortening.

In 2003, the third wheat mill was inaugurated in the state of Bahia, as well as the acquisition of full control of the capital of Adria, a traditional manufacturer of cookies & crackers and pasta, giving the company a greater presence in these regions and achieving leadership in the national pasta and cookies & crackers market, according to Nielsen data. The acquisition of Adria added the Adria, Basilar, Isabela and Zabet brands to the Richester and Fortaleza brands, reaching an even wider range of consumers throughout the country. In addition, its production potential was expanded, considering that Adria had three industrial units in the State of São Paulo and one in Rio Grande do Sul, including three pasta factories and two cookies & crackers factories.

1.1 Issuer background

In 2005, under the model of integrating wheat mills with pasta and cookies & crackers factories in the same production unit, the fourth cookies & crackers factory and the sixth pasta factory were inaugurated in the State of Bahia, both integrated with the Wheat Mill installed in 2003. In this Bahia unit: (i) the model of eliminating the transportation costs of wheat flour for the production of cookies & crackers and pasta was adopted; (ii) not only the most advanced technologies in the world were used in the milling and production of pasta and cookies & crackers, but also technologies that would allow the Company to produce new products; (iii) the creation of production bases for the company's expansion project in the southeast and south of Brazil, considering the strategic location of Bahia for this purpose and the proximity of Adria's factories in the State of São Paulo; and (iv) the integration of this complex with a modern private mixed-use port, through which the company began to import grain wheat at much lower costs compared to public ports.

In the same year, its fourth wheat mill and its seventh pasta factory were inaugurated in the state of Paraíba, following the model of total integration with the mill, in order to eliminate the costs of transporting wheat flour.

In April 2006, the Company started to have the current name and in October 2006 it went public trading its shares in the Novo Mercado segment of BM&FBOVESPA under the ticker "MDIA3".

In April 2008, as part of its strategy of growth through acquisitions, the Group acquired Indústria de Alimentos Bomgosto Ltda, known as Vitarella, a cookies & crackers and pasta company based in the state of Pernambuco with a strong presence in the northeast, particularly in states where the Group did not have a majority interest. The operation contributed to the expansion of the national leadership in the sales of cookies & crackers and pasta, in addition to its consolidation in the Northeast.

In April 2011, continuing its strategy of growth through acquisitions, the Company, through the subsidiary Indústria de Alimentos Bomgosto Ltda. (Vitarella), acquired NPAP Alimentos S.A., a company that manufactures and markets "Pilar" cookies & crackers and pasta, headquartered in the State of Pernambuco.

In December 2011, the Company acquired all of the shares representing the share capital of J. Brandão Comércio e Indústria Ltda. and Pelágio Participações S.A., a company holding all of the shares of Pelágio Oliveira S.A., both located in the State of Ceará. These companies, which until then were controlled by the same economic group, operate under the trade name "Estrela", selling cookies & crackers, pastas, cakes and snacks in the North and Northeast regions of the country, under the brands "Estrela", "Pelaggio" and "Salsito".

At a meeting of the Company's Board of Directors held in January 2012, the first issuance of unsecured, single-series, nonconvertible debentures was approved for public distribution, which was issued in February 2012 and settled on November 22, 2013.

In May 2012, the Company acquired all of the shares representing the share capital of Moinho Santa Lúcia Ltda., a company located in the State of Ceará, engaged in the milling of wheat and the production of its derivatives, as well as the industrialization and commercialization of cookies & crackers and pasta in general, under the brands "Predilieto" and "Bonsabor".

In 2012 and 2013, in order to simplify its corporate structure, the acquired companies were merged into the Company and legally extinguished, becoming M. Dias Branco S.A. Indústria e Comércio de Alimentos to absorb all its rights and obligations.

1.1 Issuer background

2014 was marked by the intensification of investments, both in the expansion of cookies & crackers and pasta production lines and the entry of new product lines (mix for cakes and toast). The construction of a new wheat mill in the State of Ceará was also started to integrate the production process. The Company also acquired a wheat mill in the state of Paraná through a public auction, in order to accelerate the verticalization of its units in the Southeast region.

In 2015, two new wheat mills came into operation: a mill located in the city of Rolândia/PR and another located in the city of Eusébio/CE, the latter being integrated with a plant of pasta, cookies & crackers and toast. This contributed to the increased verticalization of our units, especially those located in the State of São Paulo and in the city of Jaboatão dos Guararapes/PE. The Company also continued with the construction of a new wheat mill in Bento Gonçalves/RS integrated with the pasta and cookies & crackers plant.

The year 2016 was marked by several advances and learnings in the Company, with the constant search for solutions to enable the achievement of the objectives planned for the business. However, no fact in 2016 was more striking than the departure of Mr. Ivens Dias Branco, the founder of this company, who, with a lot of dedication and hard work, turned a bakery into a company that today is one of the major global players in Cookies & Crackers and Pasta, leader in these segments in Brazil in terms of sales. His example made everyone want to honor his legacy and make M. Dias Branco a bigger and better company.

In 2017, in line with its strategy, the Company expanded its investments in marketing, promoted several institutional campaigns to leverage volume and strengthen the positioning of its brands, updated the packaging of some products, in addition to creating incentives for the merchandising team, focused on winning extra points in large customers and expanding the fixed tasters to increase the experimentation of products at retail. Another highlight was the implementation of improvements in the Company's supply chain, which have already resulted in improved sales forecasting, service levels and productivity gains in the segregation and shipping of products.

In 2018, the Company acquired 100% of Indústria de Produtos Alimentícios Piraquê S.A., a leading company in the cookies & crackers market in the state of Rio de Janeiro, with high added value products, in line with the Company's expansion strategy in the Southeast.

In addition, studies were launched to reevaluate our logistics network; the first round of connections with start-ups was carried out (Germinar project); our pricing model was improved, allowing adjustment decisions to be made on the basis of more detailed information; exports were expanded to 37 countries, including specific products for this aspect of the business; and products with high growth potential, such as the Delicitá Cristal cookies & crackers, were launched. We also highlight the completion of our first greenhouse gas emissions inventory, the nutritional mapping of our entire product portfolio, and our ongoing work with social institutions close to our industries.

In 2019, there was a reorganization in the commercial structure. To capitalize on the best growth opportunities, we improved our pricing modeling, implemented a broader go-to-market model and focused on expanding our customer base. The verticalization and presence in the South and Southeast flour market was strengthened with the commissioning of the seventh wheat mill, located at the Bento Gonçalves/RS unit. The new mill reinforces the strategy of reaching 100% verticalization in wheat flours. Also in 2019, the Corporate Governance Committee and the Corporate Governance Secretariat were created, the latter with the objective of supporting the Board of Directors, its Advisory Committees and Statutory Executive Board.

1.1 Issuer background

The year 2020 was marked by the transformations imposed by the pandemic. Amid a scenario full of uncertainties, the Company once again showed its potential, bringing fast and effective solutions in extremely challenging circumstances. The year was also marked by the implementation of the Multiply project, aimed at structural improvements in productivity and efficiency, the introduction of the hedging policy and the realization of the largest investment in marketing in the history of our company, as well as the introduction of the new dividend policy, which increased the share of profit distributed to shareholders and the frequency of payments.

In 2021, the Company acquired 100% of Latinex Importação e Exportação de Alimentos S.A. (Latinex), with 4 brands with more than 120 items and operations in various categories such as cookies & crackers and healthy snacks, spices, sauces and condiments. The FIT FOOD and Frontera brands focus on snacks, with nutritious options, and moments of relaxation, respectively, while Smart offers a variety of seasonings for everyday cooking to more sophisticated preparations. Additionally, Taste&Co offers sauces and condiments with the aim of facilitating the preparation of highly flavored meals.

The acquisition reaffirmed the Company's commitment to creating long-term value for its shareholders and strengthened its presence in the healthy foods and snacks segments, in addition to marking its entry into the spices, sauces and condiments segments, reflecting the commercial strategy of profitable growth and adding high growth potential and value-added products to the portfolio.

Following the growth strategy in new categories, in 2022, the Company acquired 100% of the shares of Nutrition & Sante do Brasil Ltda., owner of the Jasmine brand. Jasmine focuses on healthy foods, with organic products, zero sugar, whole grains, cereals, snacks and gluten-free. It is a leader in the categories of granola and gluten-free breads. In addition to entering new segments, the acquisition reinforces the commercial strategy of profitable growth by adding high growth, high value-added products to the portfolio.

Another major step was the acquisition of Darcel S.A. and Cacama S.A. companies holding the Las Acacias brand. The Company was founded in Montevideo in 1952 and is among the three main pasta brands in Uruguay, also having in its portfolio items in the categories of Wheat Flour, Mix for Cakes, Sauces, among others. The acquisition, the first outside of Brazil, accelerates the internationalization process, which until now has been exclusively exported to more than 40 countries, including Uruguay, with the brands Isabela, Piraquê, Nikito, among others.

Also in 2022, the alliance with Omega Geração S.A. (Omega) was announced, with the objective of generating energy from three wind farms controlled by Omega for consumption by the company in its own production units. The wind complex is located in the city of Paulino Neves, in the state of Maranhão, and has an installed wind capacity of 97.2 MW, of which 18 average MW will be sold to the company under the self-production regime through matching. The partnership is in line with the company's strategy to diversify its energy matrix with renewable sources.

The year 2022 was also marked by the sad scenario of conflicts in Ukraine, in addition to the unfortunate humanitarian tragedy that created uncertainties in the world macroeconomic scenario and significantly increased the price of agricultural commodities, directly affecting the value of the main raw materials used in the production process. However, even in this complex environment with limited predictability, the Company was able to maintain its resilience through efficient management, strict cost and expense discipline, and continuous improvement in service levels.

1.1 Issuer background

In 2023, M. Dias Branco achieved record results, the result of hard and tireless work, as well as consistency and discipline in the execution of initiatives aligned with the Company's growth plan. This has always been supported by a culture that strives for excellence, innovation and continuous employee development.

A significant highlight was the Simplify Program, an essential project that enabled the implementation of SAP as an integrated management system, effective from 2024. Another major achievement was the Great Place to Work certification, which recognizes companies as excellent places to work.

In addition, we made progress on our sustainability agenda, with a focus on inclusion in the CDP Clima (Carbon Disclosure Project) list of A-rated companies. Another major advance was the revision of our Shareholder Remuneration Policy, increasing the *payout* from 60% to 80% and increasing the amount of the quarterly fixed payment from R\$ 0.05 to R\$ 0.06.

M. Dias Branco is a company with national coverage, market leader in the lines of cookies & crackers, pasta, granolas and healthy cookies & crackers, with verticalized production process, strong brands, distribution system with great penetration in micro and small retail, production flexibility, certifications that ensure the quality of processes and products, in addition to a team of experienced executives and aligned with the interests of its shareholders.

1.2 Description of the main activities of the issuer and its subsidiaries

The Company has been present in the Brazilian food market for 70 years and operates in the product lines of: cookies & crackers, pasta, wheat flour and bran, margarines and vegetable shortening, snacks, cakes, cake mixes, toast, healthy foods (healthiness), granolas and gluten-free breads, having as its corporate purpose the following activities:

- the industrialization and trade of cookies & crackers; pasta; cakes; cake mix; snacks; snacks; snacks; toast; wheat flour and other wheat products; powdered soft drinks; industrialized breads; tomato sauce; chocolate powder; mix of nuts and seeds, breakfast cereals and chocolate, cereal bar, potatoes, rice crackers with chocolate, chips, chocolate, sauces, peanut pastes, salt, seasonings, syrups;
- the manufacture of hydrogenated fats, margarines, vegetable oils, their import and export;
- the production, marketing and importation of raw materials and the agricultural promotion of products necessary to achieve its corporate purpose and secondary materials, including the production and trade of packaging, the production, trade and industrial use of raw materials necessary for the manufacture of such packaging;
- the importation of machinery, equipment, spare parts and other goods, intended for own use, as well as for sale, rental or lease;
- interest in the capital of other companies, in the country or abroad, in affiliated, controlled or subsidiary companies;
- operating as a port operator for its units located in organized ports;
- the generation and sale of energy and equipment for the generation of energy, as well as any other ancillary activity to enable the implementation of projects for the generation, use or sale of energy that are directly or indirectly related to the Company's principal activities;
- the collection, transportation, treatment, recycling, reuse, disposal and/or marketing of its own and/or third party scrap and solid waste; the reuse of such waste in its transformation cycle or in other production cycles of third parties, or in any other environmentally appropriate final destination (for reverse logistics), among other related activities directly or indirectly related to the Company's principal activities;
- the provision of consultancy, training, planning, development, management and implementation of projects, support and operational services necessary for the performance of the activities of its customers and suppliers directly or indirectly related to the Company's principal activities.

In relation to subsidiaries:

M. Dias Branco International Trading LLC

It is headquartered in the United States of America, is directly controlled and dormant, and therefore the Company intends to initiate the process to close this subsidiary. The main activity was to broker the purchase of raw materials, mainly wheat for milling and vegetable oil, which the company uses in its production process.

1.2 Description of the main activities of the issuer and its subsidiaries

M. Dias Branco International Trading Uruguay S. A.

Headquartered in Uruguay, it is indirectly controlled and dormant, and the Company is in the process of closing the entity. The main activity was brokering the purchase of raw materials, mainly wheat for milling, which the company uses in its production process.

M. Dias Branco Argentina S. A.

The Company established a corporation with headquarters in Buenos Aires, with the main purpose of acquiring, importing and exporting grain wheat, wheat flour and its derivatives. However, the entity was not operating and the Company decided not to continue the process and initiated procedures for closure.

Jasmine Indústria e Comércio de Alimentos Ltda.

The indirect subsidiary, established in 1990, is located in the city of Campina Grande do Sul, in the state of Paraná, and its main activity is the production, marketing and distribution of healthy foods, including organic, sugar-free, whole grain, snacks, granola and gluten-free bread.

Darcel S.A. e Cacama S.A. ("Las Acacias")

The indirect subsidiaries, founded in 1952, are located in Montevideo, Uruguay, and have as their main activity the production, marketing and distribution of pasta, as well as products in the categories of wheat flour, cake mixes, sauces, among others.

With respect to joint ventures and affiliates:

Terminal de Grãos de Fortaleza Ltda ("Tergran")

The Company has shared control with the Companies Moinho Cearense S.A. and J. Macêdo S.A., which have an equivalent interest of 33.33% of its capital and which appoint, by mutual agreement, the operating officer in charge of the Management of Tergran. The Company considers the investment to be a joint venture and its assets, liabilities, income and expenses are recognized in the consolidated financial statements only in proportion to its interest, as Tergran has its own legal personality and the investment is therefore accounted for using the equity method in the separate financial statements. Tergran is a company whose corporate purpose is to operate as a port operator, providing wheat unloading and storage services in the Port of Fortaleza, with the primary objective of increasing productivity and reducing costs in the unloading of wheat cargo ships for its three partners.

Terminal de Trigo do Rio de Janeiro – Logística S.A.

The Company has a corporate interest in the subsidiary together with Companhia Bunge Alimentos S.A. (Bunge), which have an equivalent interest of 50% of its capital. Terminal de Trigo do Rio de Janeiro – Logística S.A. appears as lessee in the contract signed on September 21, 2017 with the Federal Government, through the Ministry of Transport, Ports and Civil Aviation, for the lease of the area and public infrastructure for the handling and storage of solid bulk cargoes of vegetable origin, especially wheat, located in the Organized Port of Rio de Janeiro/RJ, which will begin operations on January 8, 2020. The Company accounts for its investment using the equity method in proportion to its interest in the operation, both in the separate and consolidated financial statements.

1.2 Description of the main activities of the issuer and its subsidiaries

Affiliate

Serena Geração S.A.

On August 30, 2022, the Company completed the transaction underlying the partnership agreement with Omega Geração S.A., which became known as Serena Geração S.A. ("Serena") as of November 1, 2023. The purpose of this operation is to generate energy for consumption by the company in its production units, as a strategy to diversify its energy matrix from renewable sources, access to inputs that are part of its production process and increase competitiveness by being able to enjoy the benefits of self-production of energy through balancing. The Company has a 24.5% equity interest in the total capital of the investee and enjoys significant influence, without the right to individual or joint control of the business, and which is under the control of Serena. The investment in the Company is accounted for using the equity method in both the Company's and the Group's financial statements in proportion to the Company's interest in the business. The corporate partnership with Serena, in relation to the three wind farms located in the State of Maranhão, aims to generate clean energy for the consumption of M. Dias Branco at a more competitive cost, through the self-production of energy by balancing.

1.3 Information related to operating segments

a. Products and services marketed

The Company operates in the food segment with a wide range of products, including cookies & crackers, pasta, wheat flour and bran, margarines and vegetable shortening, cakes, snacks, cake mix and toast. With the acquisition of Latinex in 2021 and Jasmine in 2022, the Company strengthened its presence in healthy foods and snacks, in addition to entering the sauces, seasonings and condiments segments.

Its production structure is verticalized, allowing part of the production of wheat flour and vegetable shortening to be destined to the production process of its product lines. The Company has industrial units in several Brazilian states and one abroad, the Uruguayan company Las Acacias, acquired in 2022. This structure provides flexibility in the production of its various brands, reducing logistics costs and increasing distribution efficiency.

Product Lines and Brands

The Company offers a wide variety of products, with the following brands: Vitarella, Adria, Finna, Piraquê, Fortaleza, Pilar, Richester, Estrela, Pelaggio, Bonsabor, Zabet, Basilar, Predilieto, Isabela, Puro Sabor, Adorita, Medalha de Ouro, Amorela, Delicitos, Salsitos and the recently acquired Fit Food, Frontera, Smart, Taste&Co, Jasmine and Las Acacias. Due to its reputation and awareness, the company has chosen to maintain several brands for many identical products, with the aim of serving the most diverse consumer profiles, in classes A/B/C/D/E, covering several regions of the Brazilian territory. Information is presented by product line for a better understanding of the area of operation.

The most representative product line, in terms of revenue, is cookies & crackers, followed by pasta. The following table sets forth, in millions of Reais, the Company's net operating revenues from the sale of cookies & crackers, pasta, wheat flour and bran, margarines and vegetable shortening, and other product lines, and the representative percentage of total net revenues for the periods indicated:

Product Lines	2022			2023			Variations		
	Net Revenue*	Weight*	Avg. Price*	Net Revenue*	Weight*	Avg. Price*	Net Revenue*	Weight*	Avg. Price*
Cookies & Crackers	5,137.8	520.5	9.87	5,565.9	514.4	10.82	8.3%	-1.2%	9.6%
Pasta	2,110.6	358.1	5.89	2,264.3	354.6	6.39	7.3%	-1.0%	8.5%
Flour and Bran	1,861.5	737.0	2.53	1,929.6	812.5	2.37	3.7%	10.2%	-6.3%
Margarines and shortening	681.2	80.8	8.43	637.8	79.4	8.03	-6.4%	-1.7%	-4.7%
Other Product Lines**	338.1	21.1	16.02	442.7	26.0	17.03	30.9%	23.2%	6.3%
TOTAL	10,129.2	1,717.5	5.90	10,840.3	1,786.9	6.07	7.0%	4.0%	2.9%

* Net revenue in R\$ million, net weight of returns in thousand tons and average net price in R\$/kg.

** Cakes, snacks, cake mix, soft drinks, toast, healthy products, sauces and seasonings.

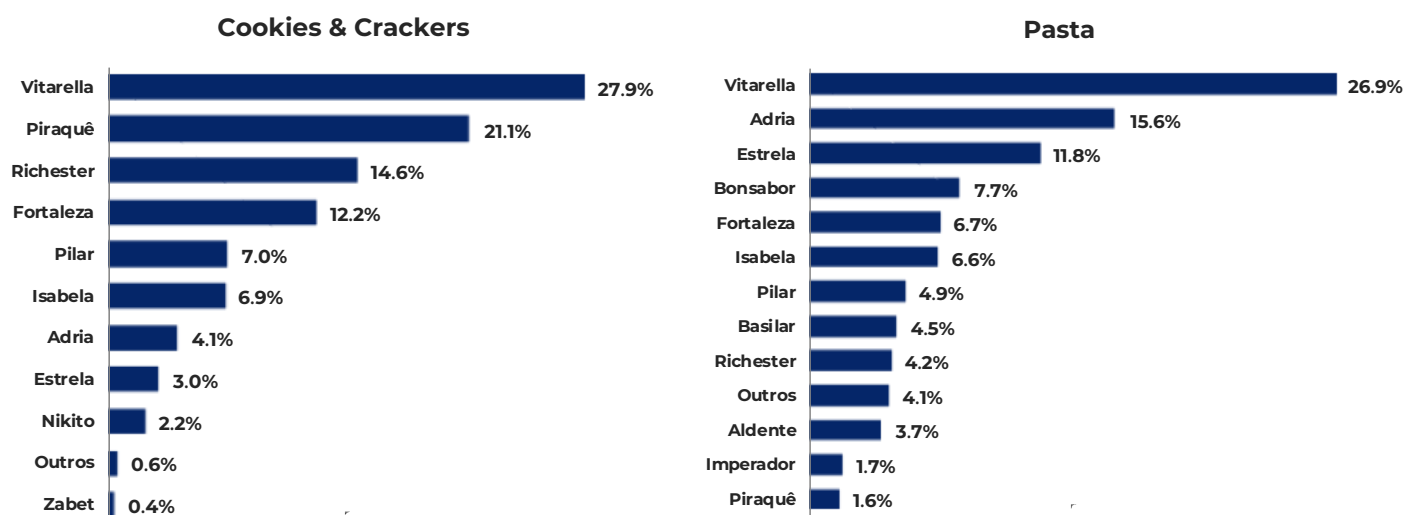
1.3 Information related to operating segments

Operational Context - Cookies & Crackers | Pasta

The cookies & crackers category includes the types: water and salt/cream cracker, butter cookies, covered, sweet, Maria, maisena, mousse, filled, donuts, savory, pies and wafers. With regard to pasta, the Company participates in the families of regular pasta, grano duro, semolina, semolina with eggs, lasagna, and instant noodles.

Our main brands of cookies & crackers and pasta are Vitarella, Piraquê, Fortaleza, Richester, Adria, Isabela, Estrela, Pilar, Bonsabor, Imperador, Zabet and Basilar. National leader in cookies & crackers and pasta product lines. The Company is the national leader with a market share in sales volume of 31.8% and 28.9%, respectively, and in sales value of 28.7% and 28.9%, respectively, according to a Nielsen survey for 2023.

The graphs below demonstrate the representativeness of cookies & crackers and pasta brands on gross revenue from discounts and returns in 2023:



Note: Mix of brands, considering the gross revenue deducted from discounts and returns.

Operational Context - Wheat Flour and Bran | Margarines and shortening

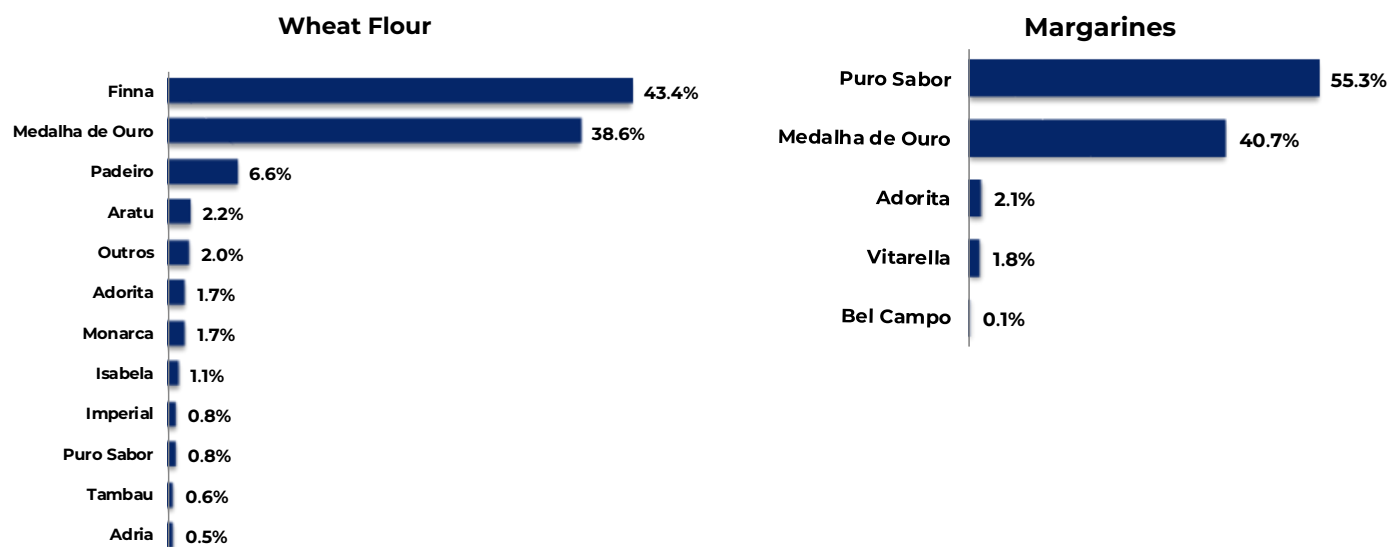
The wheat flour and bran category includes domestic and industrial flour and coarse, fine and milled bran.

Our main brands of wheat flour are Finna, which is aimed at the end consumer, and Medalha de Ouro, which is aimed at the bakery segment.

As for the margarine and shortening segments, the Company's production includes domestic and industrial margarines and shortening for various applications, such as immersion frying, ice cream, topping, filling and spray.

Its main brands are Puro Sabor, Vitarella and Adorita, which serve the markets of classes B/C/D, and Medalha de Ouro, intended for food service.

1.3 Information related to operating segments



Note: Brand mix, considering gross revenue less discounts and returns.

b. Revenue from the segment and its share in the issuer's net revenue

All of the Company's net revenue comes from the food products segment, which in 2023 was R\$ 10,840.3 million (R\$ 10,129.2 million in 2022).

c. Profit or loss resulting from the segment and its share in the issuer's net profit

The Company's total income comes from the food products segment, which in 2023 reached R\$ 888.7 million (R\$ 481.8 million in 2022).

1.4 Production/Marketing/Markets

a. Characteristics of the production process

The Company has a modern industrial park strategically located in the main markets in which it operates, with state-of-the-art equipment that meets the highest quality standards.

The table below lists the Company's industrial plants as of December 31, 2023:

Unit	Location	Land Area (in m ²)	Built-up Area (in m ²)	Plant Ownership
Wheat Mill and Cookies & Crackers, Pasta and Toast Factory	Eusébio - CE	508,042.39	190,225.91	Company
Margarine and Shortening Factory	Fortaleza - CE	53,332.48	24,596.00	Company
Wheat mill	Fortaleza - CE	9,655.00	33,678.35	Company (lessee)
Cookies & Crackers, Pasta, Cakes and Snacks Factory	Maracanaú - CE	148,716.00	51,130.21	Company
Wheat Mill and Pasta Factory	Natal - RN	9,923.57	23,784.56	Company (lessee)
Wheat Mill and Cookies & Crackers Factory, Pasta for cakes	Salvador - BA	243,884.94	123,479.00	Company
Wheat Mill and Pasta Factory	Cabedelo - PB	37,993.00	31,848.26	Company (lessee)
Pasta Factory	São Caetano do Sul - SP	12,941.39	12,941.39	Company
Wheat mill	Rolândia - PR	105,474.32	17,373.11	Company
Cookies & Crackers Factory	Lençóis Paulistas - SP	10,497.55	10,497.55	Company
Wheat Mill and Cookies & Crackers and Pasta Factory	Bento Gonçalves - RS	123,293.00	95,415.44	Company
Cookies & Crackers and Pasta Factory	Jaboatão dos Guararapes - PE	268,673.90	131,269.23	Company
Cookies & Crackers and Pasta Factory	Rio de Janeiro - RJ	30,079.00	37,604.00	Company
Margarine and Shortening Factory	Rio de Janeiro - RJ	6,945.00	18,583.00	Company
Cookies & Crackers Factory	Queimados - RJ	72,509.92	37,672.12	Company
Granola, Cookies & Crackers, Gluten-Free Bakery and Processing of Grains	Campina Grande do Sul - PR	32,328.66	14,849.62	Company
Dried Wheat Noodles and Grano Duro Semolina Factory	Montevideo - UY	5,425.00	3,630.00	Company

The Company's production process is not significantly dependent on any one piece of equipment.

1.4 Production/Marketing/Markets

The table below shows the main holders of the technology used in its industrial process:

Product Line	Main Equipment Supplier
Cookies & Crackers	Pak Mak Industria e Comercio de Máquinas, Wafer Serviços LTDA, Trisolutions Soluções e Engenharia LTDA, JAV Distribuição de Materiais Elétricos e Automação LTDA, STARTEC Industria d Máquinas, Sangati Berga AS, RF&D Soluções Industriais em TI, V R STEEL Montages Industria EIRELLI, Buhler Ind e com de Equipamentos Ind, Ishida do Brasil LTDA, WEF Engenharia Automação LTDA, Italtecnology Group Automação e Serviços, Dover do Brasil LTDA, Victum Serviço de Montagens Elétricas Industrial LTDA.
Pasta	FAVA S.P.A, Gonçalo Gonzaga Fabricação e Montagens Industriais EIRELI, Landucci S.R.L, AET Engenharia e Soluções Tecnológicas Avançadas S.A, Forteserv Peças e Serviços Industriais Ltda – ME, Masipack Ind. e Com. de Máquinas Automáticas S.A, T. Freemantle Limited, Sangati Berga S.A e Robert Bosch, Forteusi Maq Alimenticias Ltda EPP, Weishaupt do Brasil Ind e Com Ltda, Baker Perkins, Bühler, AltoPack S.P.A, Dematic Brasil Ltda, Alfa Laval Ltda, Martini SRL Packaging Machines, Demag Cranes &Componentes Ltda, Pavan S.P.A, Alpina Equipamentos, Sabroe Do Brasil Ltda.
Flour and Bran	Sangati Berga S.A, Bühler, AET Engenharia e Soluções Tecnológicas Avançadas S.A, MRP International Group LLC, Haver & Boecker Latino Americana Máquinas Limitada e Ramontec Ltda – EPP, ABB Ltda, Brabender GMBH & CO KG, Granolab do Brasil SA Tecnologia para a Ind. Alimentícia, Vazflux Sopradores, Vacuo e Dosadoras Ltda, Fawema GMBH, Aerzen do Brasil, Bmont engenharia Eireli.
Margarines and Shortening	FTA Serviços em Máq. Industriais Ltda, Hollbras Filtros e Equip Industriais Ltda, TCA Tubos e Conexões de Aço Ltda, Varpe Brasil Tecnologia em Inspeção e Pesagem, Hiper Centrifugation Ltda, Springer Carrier, JAV Distribuição de Materiais Elétricos e Automação Ltda, Isothermas Ltda – ME, Endress + Hauser Controle e Automação Ltda, VTR Vettor Equip. Industriais Ltda e Mettler – Toledo Safeline, DE Smet do Brasil Comércio e Indústria Ltda, Alfa Laval Ltda, HOLSTEIN KAPPERT S.A, Otis elevadores, Weg S.A, Alpina Equipamentos, Grundfos do Brasil Ltda, Siemens Brasil Ltda.

The maintenance of the equipment used in the production process is carried out in a systematic and preventive manner, according to a schedule drawn up by the Maintenance Engineering Department, taking into account the specifications of each supplier. Maintenance programs are prepared in order to restrict equipment downtime as much as possible.

Throughout its history, the Company has never experienced major interruptions in its production process, either due to equipment problems or the strike of its employees. For more information on the relationship with employee unions, see item 10.4 - Relations between the issuer and unions in this document.

The following table shows the production capacity and effective production in thousand tons, as well as the level of use in each of the Company's industrial units, in the periods indicated:

1.4 Production/Marketing/Markets

Production Capacity/Effective Production	Cookies & Crackers		Pasta		Wheat and Bran Flour		Margarines and Shortening		Other product lines		Total	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Wheat Mill and Cookies & Crackers, Pasta and Mix Factory for cakes (Salvador - BA)	132.1	125.3	63.9	64.0	224.7	224.7	-	-	10.8	10.8	431.5	424.8
Wheat Mill (Fortaleza - CE)	-	-	-	-	389.1	389.5	-	-	-	-	389.1	389.5
Wheat Mill and Pasta Factory (Cabedelo - PB)	-	-	49.1	48.1	451.0	451.3	-	-	-	-	500.1	499.4
Wheat Mill and Cookies & Crackers, Pasta and Toast Factory (Eusébio - CE)	194.5	192.9	70.4	70.4	303.3	303.1	-	-	12.3	13.4	580.5	579.8
Cookies & Crackers and Pasta Factory (Jaboatão dos Guararapes-PE)	272.1	244.4	102.2	91.8	-	-	-	-	-	-	374.3	336.2
Wheat Mill and Pasta Factory (Natal - RN)	-	-	25.4	23.8	547.5	548.3	-	-	-	-	572.9	572.1
Margarine and Shortening Factory (Fortaleza - CE)	-	-	-	-	-	-	360.0	360.0	-	-	360.0	360.0
Wheat Mill and Cookies & Crackers and Pasta Factory (Bento Gonçalves - RS)	73.1	64.6	42.3	41.6	449.4	449.4	-	-	-	-	564.8	555.6
Pasta Factory (São Caetano do Sul - SP)	-	-	86.8	92.1	-	-	-	-	-	-	86.8	92.1
Cookies & Crackers Factory (Lençóis Paulista - SP)	35.9	36.1	-	-	-	-	-	-	-	-	35.9	36.1
Cookies & Crackers Factory, Pasta, Cakes and Snacks (Maracanaú - CE)	121	103.9	33.4	-	-	-	-	-	14.3	14.9	168.7	118.8
Wheat Mill (Rolândia - PR)	-	-	-	-	138.7	138.7	-	-	-	-	138.7	138.7
Cookies & Crackers and Pasta Factory (Rio de Janeiro-RJ)	84.4	84.4	78.2	76.8	-	-	-	-	-	-	162.6	161.2
Margarine and Shortening Factory (Rio de Janeiro - RJ)	-	-	-	-	-	-	-	-	-	-	0.0	0.0
Cookies & Crackers Factory (Queimados - RJ)	30.3	31.3	-	-	-	-	-	-	-	-	30.3	31.3
Cookies & Crackers, Snack and Seasoning Factory (São José dos Pinhais - PR)	-	-	-	-	-	-	-	-	4.2	3.2	4.2	3.2
Factory of Cookies & Crackers, Breads, Cereals and Granolas (Campina Grande do Sul - PR)	-	-	-	-	-	-	-	-	2.6	13.8	2.6	13.8
Pasta Factory (Montevideo - UY)	-	-	3.1	18.3	-	-	-	-	-	-	3.1	18.3
Total Production Capacity	943.4	882.9	554.8	526.9	2,503.7	2,505.0	360.0	360.0	44.1	56.1	4,406.0	4,330.9
Total Production	543.9	519.0	364.7	360.4	1,509.0	1,545.1	175.8	167.6	19.1	20.9	2,612.5	2,613.0
Capacity Utilization Level	57.7%	58.8%	65.7%	68.4%	60.3%	61.7%	48.8%	46.6%	43.3%	37.3%	59.3%	60.3%

1.4 Production/Marketing/Markets

Production Process

The information is detailed by product line for a better understanding of the Company's manufacturing process.

Cookies & Crackers

The main product line in generating revenue for the Company is cookies & crackers, in the subcategories: Cracker, Maria, Maizena, Filled, Dry Sweets, Wafer, Salted, Cookies, Covered, among others.

The cookies & crackers production process varies by subcategory and is divided into: receiving and storage of raw materials, ingredients and packaging materials; sugar milling and sifting; sugar inversion; topping preparation; raw material and ingredient metering; ingredient mixing; fermentation; farofa addition; laminating, stamping, cutting, forming, depositing and wire cutting; delivery; filling addition; sprayed vegetable cream addition; natural cooling; filling addition; forced cooling; stacking; packaging; boxing; palletizing; storage and distribution.

The beginning of the process takes place with the weighing of ingredients and preparation of pasta, according to the formulations and technical specifications for each type of product. In this step, the ingredients used are divided into three categories:

- Micro-ingredients, which are those used in small quantities, up to approximately 3 kg, with the exception of some ingredients that make up the solutions, these can reach up to 8 kg;
- Intermediate ingredients, which are those dosed in medium amounts, over 3 kg and up to 45 kg;
- Macro ingredients, which are the ingredients used in large quantities, controlled and dosed in an automated manner.

After fractionation of the ingredients, they are mixed and homogenized by mixers (mash). The dough from this mixture is packed in stainless steel cars/vats and proceeds to the fermentation or tipping step.

For fermented cookies & crackers, the dough preparation step is divided into two phases: the first phase is called a sponge and the second reinforcement phase.

The fermentation process is biological, carried out by microorganisms, which with the presence of sugars and flour, transform starches and sugars into alcohol and acid in the first phase. In the reinforcement phase, these reactions are structured, having as fundamental points the control of pH with the addition of sodium bicarbonate. Fermentation time is an important factor in determining the taste and aeration of the final product.

After mixing or proofing, the dough is placed in a stainless steel trolley and moved to the tipper, which consists of two forks that lift the trolley and tilt it into a hopper with an outlet for an automatic feeding tarpaulin system, from where it goes to the laminating/stamping stage.

In lamination, the dough is worked by a bank of cylinders that go in tandem and stretch (forming blades) to obtain the desired thickness for forming the part. For each type of product, a layer of farofa can be applied between the layers of dough. For veneers, there is overlap of layers of dough (up to 10 layers) and this step is of paramount importance to check the texture and appearance of veneer (e.g. Crackers)

1.4 Production/Marketing/Markets

Upon reaching the final standard thickness, the pasta passes through a system with cutter rolls and markers corresponding to each product that give the shape of the part. At this point, there is strict process control so that the product has its characteristics defined and standardized. Then proceed to the oven, natural cooling and packaging.

The molding characterizes the shape that is given to the rotating cookies & crackers, such as buttery and filled cookies & crackers. It works through a set of three cylinders: Splined roller (force roller), mold (forming stamp) and extraction (rubber roller) the assembly uses a knife to remove excess pasta in the forming stamp. The pasta is pressed into the mold cavities to form the individual parts. In the case of the wafer cookies & crackers, the dough of very liquid consistency exits the mixer and is pumped and deposited through a punctured tube, directly on the baking plates of the oven.

After the laminating, cutting or forming process, the cookies & crackers, if part of their specification, can receive the application of granulates (salt, sugar, confectionery), then proceed to the supply process, where their baking is carried out according to a standard baking curve, respecting the pre-established quality standards, according to each production line and product. After this step, depending on the type of product, the pieces receive the addition of vegetable cream in spray by spraying or sprinkling on their surface. The already baked cookies & crackers goes through a cooling process.

For the filled product, natural and/or forced cooling can be used. This is necessary because for the filling application process there are temperatures indicated for the part (ideal temperature for the process). The other products have a natural cooling system that is done through heat exchange of the product with the ambient air.

The filled type products receive after supply and cooling an amount of filling between the bases, forming a sandwich type product. The feeding of cream into the fillers is done automatically through metering pumps. After forming the sandwich, the product follows through conveyor tarpaulins by cooling tunnel where the crystallization of the filling occurs.

Chocolate-covered products are fed on blankets receiving a previously heated chocolate coating, passing there through a "chocolate curtain" (fully covered) or a chocolate "surface" (partially covered).

For the wafers, after mixing, the pasta is pumped through pipes until application on the oven plates (deposit). Before deposition, carried out through the applicator nozzle, the dough passes through a buoy that prevents the formation of bubbles. After baking, the plate (shell) equalizes the temperature and humidity in a natural cooling tower to facilitate the application of filling. The block (shells plus layers of filling) are cooled in a cooling tunnel (forced) for crystallization of the filling and sent for cutting, where the piece has its defined shape. Subsequently, it goes to the packaging process.

After cooling, the cookies & crackers (except bulk cookies & crackers) proceed to the stacking process by means of gutters that act as guides, and then be taken to the packaging sector. We emphasize that throughout the production process, the cookies & crackers pass through metal detectors to ensure the safety of the product that reaches the consumer, as well as the use of checkweighers to ensure weight control according to the legislation.

1.4 Production/Marketing/Markets

The cookies & crackers packaging process is all automated. The packers work with adequate speed and temperature to meet all the production generated in the line. The already packaged product goes to the manual or automatic packing/baling process, then it is organized on pallets in defined quantities to be sent to the finished products shipping area for later distribution, respecting the FIFO system (First In, First Off).

The entire production process takes place under controlled conditions and in compliance with good manufacturing practices. There are records of process controls, as well as quality control of inputs and finished products.

Pasta

The Company produces several types of pasta, namely Common Pasta, Semolina Pasta, Semolina Pasta with Egg Powder, Grano Duro Pasta and Instant Pasta (Ramen).

The production process is the same, differing only by the added ingredients. It begins with the transport (by pneumatic system) of the wheat flour from the storage silos to the mini silos, which are located between the silos and the bins already in the production area.

In a further step of the process, ingredients such as powdered egg and/or natural colors, wheat flour and micro-ingredients are dosed and mixed in the "pre-mix" mixer or micro-mixers. This mixture, or micro-ingredients, is transported to mini-silos where it remains until it is mixed with wheat flour. The amount of micro-ingredients to be mixed with the flour is controlled by a device called a dispenser or micro dispenser.

Subsequently, a pneumatic system transfers the flour and the micro-ingredient to the dough dispenser. In this dispenser, the flour already mixed with the micro-ingredients and the water are dosed in predetermined and proportional quantities to proceed to the next stage of the process.

In the mash, the ingredients are mixed and homogenized with water. The extruder screw feeds the dough into the mold. The vacuum system allows the removal of air, in order to prevent oxidation, roughness and uncharacteristic coloration of the dough after processing, in addition to interfering with the quality during cooking. In the case of ramen, the dough is homogenized and deposited on a maturation mat.

The mixture and extrusion of the dough occurs, where it is pressed, then proceeding to the "mold", which has a number of tablets that define the shape of the product. Before passing through the trap, the dough passes through the trap and through a screen (filter) so as not to damage the pads and retain possible physical contaminants. In the case of ramen, the dough goes on to lamination and cutting.

Once extruded into the molds, the noodles are received by rods/sticks and cut. Then it goes to the pre-drying stage, the first drying stage of the pasta, where the dough takes its final shape, with strong ventilation accompanied by heat, so that they do not stick to each other, suitable for the final drying, which takes place in the "drying gallery", also with strong ventilation and heat. In the case of ramen, the dough goes to the cut and fold and then to the baking.

The next step is cooling to have its temperature equal to the external one, avoiding thermal shock when coming into contact with the environment. The drying conditions vary for the different types of pasta and according to the speed of the machine.

1.4 Production/Marketing/Markets

After cooling, the long pasta pass through a cutting saw so that it is the ideal size to be packaged. The leftovers that are generated in the dough cutting process are taken to a mill and returned to the production process.

The packaging process is automatic, being carried out in "packers". In this process, the packages, duly weighed and automatically checked, are subjected to metal detectors that detect possible metallic particles in the product and reject it, thus complying with Food Safety standards. The packages then pass through the "balers" where they are grouped into bales and then placed on "pallets" that are sent to the finished products shipping area for later distribution, respecting the FIFO system (first in, first off).

The entire production process takes place under controlled conditions and in compliance with good manufacturing practices and the HACCP system. There are records of process controls, as well as quality control of inputs and finished product.

Wheat Flour

The production process of Wheat Flour is divided into the following phases: Wheat Reception, Wheat Preparation for Grinding, Wheat Grinding and Finished Product.

The wheat is received by sea and is transferred to the storage silos of the mill, this operation being carried out by mechanical unloaders. It is an equipment of modern design, composed of a tower that moves in the longitudinal direction of the quay, operated from a cockpit, also composed of a mobile chain conveyor for movement in the holds of the ship and its own system of suction, filtration and collection of waste, also with an acoustic cabin that houses the compressor and the hydraulic system to minimize noise.

After unloading the ship, the wheat undergoes a pre-cleaning. At this stage, impurities larger and smaller than wheat, ferrous materials, and impurities lighter than grain are removed, consisting mainly of dust and straw, which are added to the bran (wheat by-product). This will then be stored in silos and between concrete silos.

The silos are equipped with conveyors and pneumatic valves that allow transfers between silos, optimizing storage capacity and keeping stored batches aerated for longer.

All wheat handling processes are subjected to suction systems composed of ducts of different diameters, sleeve filters, medium and high pressure fans that collect and filter particles, ensuring the return of clean air to the atmosphere. It is also worth mentioning that the aspirated product is decanted in the filter and dosed by a lock in the waste silo so that it is added to the bran.

Prior to milling, the wheat undergoes a "preparation" process consisting of two cleaning steps, interspersed with a humidification and rest step. The preparation phase will ensure the quality and better use of wheat in the milling process.

Wheat milling is a physical process of gradual and selective reduction whose main objective is to separate the inner part of the wheat grain, called the endosperm, from the hull, reducing the intermediate products until obtaining the flour, which is the product, and the bran, which is a by-product of wheat.

1.4 Production/Marketing/Markets

The above process consists in subjecting the wheat and its intermediates to successive fragmentation steps, interspersed with screening phases and granulometric and densiometric classification, until the semolina is reduced to flour granulometry.

The different screening stages in the milling process produce flours with different qualitative characteristics. Screw conveyors are used to mix these flours, resulting in two types of intermediate flours called "F1" and "F2". The first flour is lighter, with a low content of minerals removed from the innermost part of the grain. The second, darker flour, has a higher mineral content and is made up of flours from the part of the endosperm closest to the hull.

Both are transported to the flour silos by pneumatic conveyance under pressure, where they become raw materials for mixing and producing finished flours. We emphasize that all flour movements are controlled by electronic flow scales, which together with the other wheat and bran scales, are integrated into an online process yield control system.

At a later stage, the "F1" and "F2" flours are mixed in different proportions, together with flour correcting micro-ingredients and vitamin complexes. All the mixtures are controlled and monitored by computers that, together with a modern automation system and electronic scales, guarantee high precision and reliability in the dosage, becoming one of the great differentiators of the flour produced by M. Dias Branco.

From the mixing lines, the flours go to the finished product silos, where they are packaged into different production cuts and then shipped.

The production process of wheat flour generates a by-product, called bran. The bran produced at the mill are: Coarse Bran and Fine Bran. The bran produced has independent conveying lines and can be stored in silos. As in the case of wheat storage, the equipment allows a continuous transfer of the bran, ensuring its continuous movement and preventing it from stagnating in the silo. The bagging of the bran can be done on different lines, in bags of 30 or 40 kg, which can be directly loaded on the trucks or stored in an exclusive area for this purpose.

Margarines and Vegetable Shortening

In the production process of margarines and vegetable shortening, the basic raw material used is vegetable oil. The most commonly used are soybean oil, which is obtained by crushing soybeans; palm oil, which is obtained from palm pulp; and cottonseed oil, which is obtained from palm kernels. We acquire these oils in the national and international market.

The first step in this process is the refining of crude oil, which includes the following operations: neutralization, bleaching, hydrogenation, interesterification and deodorization. Neutralization consists of the removal of free acidity from crude oil by chemical and mechanical centrifugation. Bleaching removes unwanted impurities and pigments to clarify the product.

At a later stage, the oil is subjected to hydrogenation, which consists of injecting hydrogen gas into a reactor under specified conditions and in the presence of a catalyst. Another process used is interesterification. In this process fully or partially hydrogenated fats are mixed with liquid oils and with the addition of a catalyst the reaction is obtained. The final product of this process is known as zero trans-fat. This produces hydrogenated and/or interesterified fats (zero trans), which are the basis for producing vegetable shortening.

1.4 Production/Marketing/Markets

In the deodorization phase, residual fatty acids are removed, responsible for the odor and taste of the oils and/or shortening, through a distillation process with the direct injection of steam. Thus, deodorized vegetable shortening are obtained, which are the basis for the manufacture of vegetable shortening for various industrial uses such as bread making, cookies & crackers, cakes, ice cream, chocolates and for the manufacture of margarines.

Vegetable shortening for industrial use may have different specifications, according to their end use and the specifications of customers who need a differentiated product.

Margarine is a product made from deodorized oils and fats, of vegetable origin, and other ingredients such as: salt, milk, flavors, natural dyes, stabilizers, emulsifiers, vitamins and water. Each ingredient is weighed in weighing tanks and added in the correct amount according to the product formula to obtain the emulsion.

This emulsion is composed of an aqueous phase containing water-soluble ingredients (salt and preservatives) and an oily phase composed of vegetable oil and/or hydrogenated and/or interesterified vegetable shortening (zero trans) containing fat-soluble ingredients (emulsifiers, flavors, etc.). This emulsion is sent to the crystallization and homogenization process, which produces margarine. The margarine is then packaged, which may be in pots or buckets for domestic consumption, or in cartons for industrial or institutional use.

After packaging, the margarine must be stored in cold rooms at a temperature between 8 °C and 16 °C, depending on the product and its destination, for at least 24 hours to ensure proper stabilization.

Characteristics of the distribution process

The Company's sales are primarily generated in Brazil. In 2023, 98.3% of operating revenue came from sales made in the national territory (98.4% in 2022).

The Company has 27 distribution centers, located in Brazil and Uruguay, which are responsible for the marketing and distribution of all products. There is no commercialization of the Company's products by companies owned by the controlling shareholder.

The table below shows the representativeness, in terms of gross revenue deducted from discounts and returns, of the sales channels:

Sales channel	2022	2023
Retail	19.1%	18.0%
Wholesale	18.2%	16.8%
Key Account/Regional	22.5%	21.9%
Cash & Carry	22.9%	24.5%
Distributors	11.3%	12.5%
Industry	3.0%	3.0%
Other	3.0%	3.3%
Total	100.0%	100.0%

Highlight for gaining representativeness in the distributor channel, in line with the Company's strategy of increasing capillarity, especially in the attack region (South, Southeast and Midwest).

1.4 Production/Marketing/Markets

c. Characteristics of the markets in which they operate, in particular:

The Wheat and Wheat Milling Industry in Brazil

Brief background

On November 22, 1990, Law 8.096 came into force, repealing Decree-Law 210/1967. Law 8.096/90 declared the free commercialization and industrialization of wheat of any origin throughout the national territory, thereby freeing the commercialization and industrialization of wheat in Brazil, without economic agents being bound by limits, quotas and government controls, even for the import of the grain. Due to this sensitive change, the sector underwent an intense transformation as a result of the abrupt deregulation and opening to foreign trade, especially to Argentina, whose production costs were lower than those of Brazil and consequently produced wheat at more competitive prices than Brazil.

Latest aspects

The Government adopts interventionist measures aimed at the sector, through Federal Government Loans (EGF), the Minimum Price Guarantee Policy (PGPM), and the Production Flow Premium (PEP). In practice, the PEP represents a subsidy at both ends. In the case of producers, it covers the difference between the minimum price and the market price, and in the case of companies, it subsidizes the transportation of wheat from the production area to the mill.

The productivity of national wheat farming, despite having shown considerable evolution in recent years, is still low in relation to the world's main wheat producers. Disadvantages include unfavorable weather conditions for winter crops in most of the national territory, which, combined with soil characteristics, affects the quality of Brazilian wheat and/or the cost of grain production.

The following table presents the Brazilian wheat production, import and consumption in the last 5 periods:

Wheat Production, Import and Consumption in Brazil						
	Production	Var (%)	Import	Var (%)	Consumptio	Var (%)
2019/20	5,200	-4.20%	7,179	-3.53%	12,100	0.00%
2020/21	6,250	20.19%	6,395	-10.92%	12,050	-0.41%
2021/22	7,700	23.20%	6,700	4.77%	12,500	3.73%
2022/23	10,600	37.66%	4,985	-25.60%	11,950	-4.40%
2023/24	8,100	-23.58%	5,300	6.32%	12,200	2.09%

Source: United States Department of Agriculture – USDA

With domestic production insufficient to meet consumption, Brazil is still dependent on wheat imports, mainly from Argentina and the United States. In 2023/2024, there was a reduction in production in Brazil due to climatic factors, resulting in an increase in imports.

General competition aspects of the Wheat Milling Industry

According to the USDA (United States Department of Agriculture), world wheat production for the 2022/23 crop year is estimated at 787.17 million tons, the same as the previous period. China, the European Union, India, Russia and the United States stand out as major wheat producers.

Brazil is ranked among the top 10 importers in the world. Argentina is typically the top exporter, shipping wheat during the first half of the year, and the United States is also a top exporter to Brazil, shipping most of its wheat between August and November, according to the USDA.

1.4 Production/Marketing/Markets

The tables below show the world's largest wheat producers, consumers and exporters:

World's Largest Wheat Producers

Year	European Union	China	India	Russia	United States	Global Production
<i>(In Thousand Tons)</i>						
2019/20	138,799	133,600	103,600	73,610	52,581	759,327
2020/21	126,684	134,250	107,860	85,352	49,523	772,682
2021/22	138,479	136,946	109,586	75,158	44,804	780,407
2022/23	134,293	137,723	104,000	92,000	44,898	789,194
2023/24	134,150	136,590	110,554	91,500	49,314	787,717

Source: United States Department of Agriculture – USDA (Production, Supply and Distribution – PSD)

World's Largest Wheat Consumers

Year	European Union	China	India	Russia	United States	Global Consumption
<i>(In Thousand Tons)</i>						
2019/20	107,250	126,000	95,403	40,000	30,437	745,715
2020/21	104,750	155,000	102,217	42,500	30,185	786,161
2021/22	108,250	148,000	109,882	41,750	30,411	791,438
2022/23	109,000	148,000	108,676	42,250	30,422	791,943
2023/24	112,000	153,500	112,344	41,000	30,318	800,336

Source: United States Department of Agriculture – USDA (Production, Supply and Distribution – PSD)

World's Largest Wheat Exporters

Year	Russia	European Union	Australia	United States	Canada	Global Exports
<i>(In Thousand Tons)</i>						
2019/20	34,485	39,788	10,118	26,392	22,987	195,097
2020/21	39,100	29,736	19,720	26,636	27,722	199,618
2021/22	33,000	31,927	25,958	21,347	14,990	205,165
2022/23	48,000	35,079	32,329	20,262	25,309	216,579
2023/24	53,500	35,000	24,500	19,500	24,000	219,179

Source: United States Department of Agriculture – USDA (Production, Supply and Distribution – PSD)

According to ABITRIGO data, data updated up to February 2019 (last survey), there were 165 wheat mills in operation in Brazil. Much of it is concentrated in the South and Southeast regions of the country (and, thus, close to the main suppliers of the raw material).

The Pasta Industry in Brazil

Brief description of the Pasta Sector in Brazil

The pasta market is a mature market with a high level of penetration in homes. The mass production process allows the producer of one type of pasta to produce any other type, with only small adaptations in the production process and low investments. The flexibility of the industry in adapting the production process with the need for low investments allows the producer to offer a wide variety of pasta. Thus, the pasta industry presents a low barrier to entry in terms of product diversity. Pasta is a low value-added product, and freight has a significant weight in its final price, thus justifying the establishment of regional production, consumption and distribution centers.

1.4 Production/Marketing/Markets

Recent Performance of the Pasta Sector in Brazil

The table below shows the market share of competitors in the national pasta sector and in the Northeast and Southeast regions of the country for the period indicated:

	Pasta Sector Market share - Volume sold				Pasta Sector Market share - Billing		
	Brazil	Northeast	Southeast		Brazil	Northeast	Southeast
M. Dias Branco	28.9%	53.6%	21.6%	M. Dias Branco	28.4%	55.4%	20.0%
3. Macedo	14.1%	20.0%	16.3%	J. Macedo	12.6%	18.7%	13.9%
Selmi	13.1%	3.7%	16.1%	Selmi	13.7%	4.5%	16.2%
Camil	6.0%	0.4%	12.2%	Camil	6.6%	0.4%	13.7%
Vilma	3.4%	1.2%	6.8%	Barilla	4.5%	0.6%	7.0%
Tondo	3.1%	0.0%	2.7%	Vilma	4.1%	1.6%	7.8%
Other	31.4%	21.1%	24.3%	Other	30.1%	18.8%	21.4%

Source: Nielsen (Retail + Cash & Carry: 2023)

The Cookies & Crackers Industry in Brazil

Brief Description of the Cookies & Crackers Sector in Brazil

Cookies & Crackers, as well as pasta, have a mature market with a high level of penetration in homes. Until the beginning of the Real Plan (implemented in mid-1994), the sector was characterized as being predominantly nationally owned and run by family businesses. The sector went through a sharp growth, leading to the beginning of a process of buying smaller companies by large international brands. In 2003, with Adria's control passing to the Company (which later merged it), the leadership of the Brazilian market once again belonged to a company with national capital.

Recent Performance of the Cookies & Crackers Sector in Brazil

The table below shows the market share of competitors in the national pasta sector and in the Northeast and Southeast regions of the country for the period indicated:

	Cookies & Crackers Sector Market share - Volume sold				Cookies & Crackers Sector Market share - Billing		
	Brazil	Northeast	Southeast		Brazil	Northeast	Southeast
M. Dias Branco	31.8%	52.0%	23.2%	M. Dias Branco	28.7%	48.5%	22.0%
Marilan	8.6%	7.1%	10.3%	Mondelez	8.9%	4.8%	10.5%
Bauducco	6.4%	2.7%	8.7%	Bauducco	8.8%	4.7%	11.1%
Nestle	6.0%	3.2%	7.5%	Marilan	8.1%	7.0%	9.4%
Mondelez	5.4%	2.3%	7.1%	Nestle	7.3%	4.5%	8.4%
Bagley do Brasil	4.9%	0.6%	9.5%	Bagley do Brasil	4.9%	0.7%	9.0%
Other	36.9%	32.1%	33.7%	Other	33.3%	29.8%	29.6%

Source: Nielsen (Retail + Cash & Carry: 2023)

1.4 Production/Marketing/Markets

i. Hare in each of the markets

The table below shows the mix of gross operating revenue deducted from discounts and returns and the Company's sales volume by product line and by region in the periods indicated:

	Gross revenue deducted from discounts and returns (R\$ million)				Sales volume (thousand tons)			
	2022	%	2023	%	2022	%	2023	%
Cookies & Crackers	6,330.3	100.0	6,904.3	100.0	520.5	100.0	514.4	100.0
Northeast	3,243.1	51.2	3,623.7	52.5	270.3	51.9	275.8	53.6
Southeast	2,030.0	32.1	2,221.5	32.2	155.1	29.8	154.0	30.0
South	476.2	7.5	511.3	7.4	36.0	6.9	36.1	7.0
North	293.6	4.6	277.6	4.0	29.6	5.7	24.7	4.8
Midwest	209.2	3.3	187.4	2.7	19.9	3.8	14.9	2.9
Export	78.2	1.3	82.8	1.2	9.6	1.9	8.9	1.7
Pasta	2,258.0	100.0	2,405.8	100.0	358.3	100.0	354.7	100.0
Northeast	1,402.6	62.1	1,507.5	62.7	212.5	59.3	210.9	59.4
Southeast	560.2	24.8	591.4	24.6	96.0	26.8	97.2	27.4
South	159.4	7.1	154.9	6.4	26.3	7.3	24.1	6.8
North	91.0	4.0	60.5	2.5	16.9	4.7	10.6	3.0
Midwest	14.2	0.6	8.8	0.4	1.7	0.5	0.9	0.3
Export	30.6	1.4	82.7	3.4	4.9	1.4	11.0	3.1
Flour and bran	2,102.4	100.0	2,179.2	100.0	736.9	100.0	812.9	100.0
Northeast	1,641.4	78.1	1,725.6	79.2	549.3	74.5	606.2	74.6
Southeast	222.6	10.6	247.2	11.4	80.5	10.9	93.1	11.5
South	126.5	6.0	135.4	6.2	74.4	10.1	91.2	11.2
North	47.7	2.3	35.7	1.6	13.5	1.8	10.9	1.3
Midwest	11.8	0.5	24.2	1.1	4.9	0.7	8.5	1.0
Export	52.4	2.5	11.1	0.5	14.3	2.0	3.0	0.4
Margarines and shortening	773.6	100.0	723.9	100.0	81.0	100.0	79.4	100.0
Northeast	690.0	89.2	632.6	87.4	71.4	88.1	68.7	86.5
Southeast	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North	63.5	8.2	73.0	10.1	6.4	7.9	8.1	10.2
Export	20.1	2.6	18.3	2.5	3.2	4.0	2.6	3.3
Other product lines	428.4	100.0	572.5	100.0	21.0	100.0	26.2	100.0
Northeast	185.0	43.2	222.5	38.9	9.5	45.4	10.2	38.9
Southeast	148.1	34.6	191.4	33.4	6.6	31.6	7.7	29.4
South	58.6	13.7	92.1	16.1	2.6	12.3	3.8	14.5
North	8.7	2.0	12.4	2.2	0.5	2.3	0.6	2.3
Midwest	19.9	4.6	29.5	5.1	1.0	4.7	1.3	5.0
Export	8.1	1.9	24.6	4.3	0.8	3.7	2.6	9.9
Consolidated	11,892.7	100.0	12,785.7	100.0	1,717.7	100.0	1,787.6	100.0
Northeast	7,162.1	60.2	7,711.9	60.3	1,113.0	64.8	1,171.8	65.5
Southeast	2,960.9	24.9	3,251.5	25.4	338.2	19.7	352.0	19.7
South	820.7	6.9	893.7	7.0	139.3	8.1	155.2	8.7
North	504.5	4.2	459.2	3.6	66.9	3.9	54.9	3.1
Midwest	255.1	2.2	249.9	2.0	27.5	1.6	25.6	1.4
Export	189.4	1.6	219.5	1.7	32.8	1.9	28.1	1.6

1.4 Production/Marketing/Markets

ii. Conditions of competition in the markets

Competition

M. Dias Branco operates in very competitive categories and with the presence of other traditional, national and multinational companies such as Nestlé, J. Macedo, Mondelez, Bunge, Bauducco, Arcor, Brasil Foods and Marilan, among others. The Company also faces competition from small local manufacturers that are well established in certain markets in various segments. For a better understanding of M. Dias Branco's market, we present its main competitors in the most important categories:

- Cookies & Crackers: Marilan, Nestlé, Mondelez, Bauducco and Bagley do Brasil;
- Pasta: Selmi, J. Macedo, Camil, Santa Amália, Vilma, Barilla and Tondo;
- Wheat flour: Bunge, J. Macedo, Viterra, Santa Clara, Anaconda and Moinho Cearense;
- Margarines and vegetable shortening: Bunge, BRF, JBS and Unilever;
- Cakes: Bauducco and Bimbo;
- Snacks: Pepsico and São Braz;
- Cake mix: Dona Benta, Fleishmann, Renata, Sarandir and Vitamilho; and
- Toast: Bauducco, Wickbold, Marilan and Visconti.
- Healthy Products: Mãe Terra, Nestlé and Vitao.

d. Possible seasonality

In general, the demand for the Company's products is not subject to seasonality.

e. Main inputs and raw materials, informing:

The main raw materials used in the Company's production process are wheat, wheat flour, vegetable oil, shortening and sugar, which contributed in 2023 with 60.2% of its costs of goods sold. It is also worth mentioning the importance of packaging in the Company's production process, which represented 8.6% of the costs of goods sold in 2023.

i. Description of the relationships maintained with suppliers, including whether they are subject to control or government regulation, indicating the bodies and the respective applicable legislation

The Company does not have exclusive contracts with suppliers of these raw materials. However, many of its suppliers have long-term relationships.

Payment terms for raw materials vary from 59 to 79 days after delivery, except for the purchase of grain wheat, which is paid in cash or by financing with a payment term of up to 360 days; vegetable oils, with terms ranging from an average of 40 to 88 days, and national oil from 120 to 150 days; and sugar, with terms ranging from 48 to 54 days. For packaging, the deadlines are between 110 and 120 days.

Relations between us and our suppliers are not subject to government controls or regulations.

ii. Possible dependence on few suppliers

The Company is not dependent on any specific supplier.

1.4 Production/Marketing/Markets

iii. Possible volatility in their prices

Wheat, vegetable oil and sugar are considered commodities and their value varies according to international market prices, which fluctuate according to supply and demand, weather conditions, etc. Thus, the Company does not control its prices.

The price of packaging is relatively volatile, since it tends to follow the price of oil, which has historically undergone large fluctuations.

The fluctuation in the prices of wheat and vegetable oil (soybean or palm oil), in the domestic and foreign markets, significantly affects the Company's costs of goods sold, since they are the main raw materials used in its business.

Furthermore, among the Company's main raw materials, part of the wheat and vegetable oil are purchased from suppliers abroad, which exposes their prices to exchange variation. In 2023, 62.1% of the wheat and 61.6% of the oil consumed in the Company were acquired through imports.

Relations between us and our suppliers are not subject to government controls or regulations. As a strategy to prevent and reduce the impact of foreign exchange rate fluctuations on results, the Company seeks to avoid or minimize the mismatch between assets and liabilities denominated in foreign currencies by evaluating the use of foreign exchange hedging transactions, most commonly swaps.

In addition, the Company maintains derivative financial instruments from swap transactions to hedge its exposures to the risk of price index and foreign currency variation. It also has currency purchase operations (NDF - Non Deliverable Forward), foreign exchange and commodity options and futures contracts, with the exclusive purpose of hedging the risk of exchange rate variation in the acquisition of inputs.

1.5 Main customers

The table below indicates the representativeness of its customers in relation to gross revenue deducted from discounts and returns:

	Fiscal year ended December 31,	
	2022	2023
Top 1	8.8%	8.3%
Top 10 ⁽¹⁾	24.1%	25.1%
Top 50 ⁽²⁾	39.7%	40.4%
Top 100 ⁽³⁾	47.8%	48.9%
Other	52.2%	51.1%
Total ⁽⁴⁾	100.0%	100.0%

⁽¹⁾ Includes the Top;

⁽²⁾ Includes Top 10;

⁽³⁾ Includes the Top 50;

⁽⁴⁾ Sum of the 100 Top Customers with Others.

The diversification of its customer base has helped to minimize its exposure to the risk of revenue erosion resulting from the potential loss of one or more of its largest customers. In 2023, the Company's 10 largest customers accounted for approximately 25.1% of total gross sales, excluding discounts and returns, and its largest customer accounted for 8.3%.

a. Total amount of revenue from the customer

In 2023, 8.3% of gross revenue deducted from discounts and returns originated from the Company's largest customer, whose total value was R\$ 1,067.3 million.

b. Operating segments affected by customer revenues

The source of revenue for the largest customer was due to the sale of all the Company's product lines.

1.6 Relevant effects of state regulation

a. **Need for government authorizations to carry out activities and history of relationship with the public administration to obtain such authorizations**

The Company's activities are subject to comprehensive Brazilian environmental legislation at the federal, state and municipal levels.

Compliance with this legislation is supervised by government agencies and agencies, which may impose administrative sanctions against the Company for any non-compliance with the legislation.

Violations of the Environmental Crimes Law (Law No. 9.605/98) may also constitute environmental crimes, which may result in the application of criminal sanctions, such as: suspension or prohibition of the activities of the company concerned; loss of benefits, such as suspension of financing and disqualification for certification and competition, and tax incentives.

Officers, managers and other persons acting as agents or representatives of the Company who contribute to the commission of environmental crimes attributable to the Company shall also be subject, to the extent of their culpability, to penalties restricting rights and deprivation of liberty. In addition, the Environmental Crimes Law provides for the possibility of disregarding the legal personality, in relation to the legal entity causing the environmental infraction, whenever this is an obstacle to the compensation of damages caused to the quality of the environment.

It should be noted that administrative and criminal sanctions are applied independently of the obligation to remedy the damage caused to the environment and to third parties, since the three spheres of environmental responsibility - administrative, criminal and civil - are distinct and independent. In the civil sphere, environmental damage may give rise to joint and several, direct and indirect liability. This means that the obligation to remedy the damage caused may affect all parties directly or indirectly involved, regardless of the proof of fault of the agents.

Consequently, hiring a third party to carry out an intervention in the Company's operations, such as the final disposal of waste, does not relieve the Company of its responsibility for any environmental damage caused by the contractor.

Brazilian environmental legislation determines that the regular operation of activities considered effective or potentially polluting, or that, in any way, cause degradation of the environment, is subject to prior environmental licensing. This procedure is necessary both for the initial installation and operation of the enterprise, as well as for the expansions carried out in it, and the licenses issued must be renewed periodically and their conditions fulfilled.

The absence of an environmental license, whether or not the activity causes actual damage to the environment, characterizes the practice of environmental crime, in addition to subjecting the offender to administrative penalties, such as fines that can reach R\$ 10 million at the federal level (double or triple in case of recurrence) and prohibition of activities. In addition, it is important to note that CONAMA Resolution No. 237/97 provides that the request for renewal of a LO must be made no later than 120 (one hundred and twenty) days before the expiration date, so that the validity of the license is automatically extended until the environmental agency issues its opinion on the renewal.

Delays or denials by environmental permitting authorities in the issuance or renewal of such permits, and the eventual inability of the Company to meet the requirements established by such environmental permitting authorities, could adversely affect or prevent the construction and operation of its facilities.

1.6 Relevant effects of state regulation

The Company conducts all its activities in compliance with current environmental legislation, including obtaining environmental licenses and permits required by the competent authorities, and maintains an environmental control system implemented in its Units. All of its operating units have gone through an environmental permitting process and are operating with the appropriate environmental permits in force or in the process of renewal. Deal respectfully and transparently with environmental regulators.

b. main aspects related to compliance with legal and regulatory obligations linked to environmental and social issues by the issuer

In the development and execution of its industrial activities, the Company seeks to adopt the best environmental management practices. Environmental conservation has always been present in his business philosophy, directing many of his actions, especially in an attempt to balance socioeconomic growth, with a view to achieving effective sustainable development. In 2023, the Company invested approximately R\$ 5.0 million in compliance with environmental regulations and in actions aimed at preserving and managing the environment, maintaining a team specialized in this area, among others. It is worth noting that the Company's units located in Eusébio (CE) and Jaboaão dos Guararapes (PE) have an Environmental Management System certified according to NBR ISO 14001:2015. The Company has not signed any agreement to adhere to international environmental protection standards. In its activities, the Company uses water resources from surface, underground, rainwater collection or even public supply by concessionaires. The Company has the right to use water resources, when applicable, for all surface and groundwater abstractions that it carries out in its projects. Some units of the Company have an Effluent Treatment Plant depending on their location and type of effluent generated. Other units located in urban or industrial areas have a public sewage collection network, and discharge their effluents into these. The Company seeks, therefore, to meet the emission standards established in the applicable legislation. The Company's industrial activities generate solid waste that is managed, according to the applicable environmental legislation, from its generation and segregation to its final destination. These wastes include recyclable materials such as paper and cardboard, plastics, ferrous and non-ferrous metals, sludge from wastewater treatment plants, products that do not meet the Company's quality standards or whose shelf life has expired, and empty packaging, among others. Depending on the type and class of waste, the Company sends them to the most appropriate treatment, including co-processing, incineration, reuse, decontamination, return to the supplier, recycling or to properly licensed landfills. The company implemented a waste disposal qualification procedure in order to minimize risks related to this activity. In addition, although remote, the Company does not rule out the possibility of being jointly and severally liable for damages caused by outsourced companies for the management of its solid waste. See section "4.1 "h" Risk factors inherent to the regulation of the sectors in which the issuer operates". In 2022, the Company publicly disclosed its environmental objectives and goals through its ESG Agenda.

Controlled products

In its industrial activities, the Company uses products controlled by the Federal Police, such as sodium hydroxide, among others, which are used in the process of treating its effluents. For the use of such products, the Company maintains the licenses required by applicable law and files monthly the demand used.

1.6 Relevant effects of state regulation

Health Surveillance Regulation

The Company develops activities related to the production, storage, distribution and marketing of food products and is therefore subject to regulation and control by the Government, in particular by MS - ANVISA and MAPA. The Company is also subject to labor, environmental, commercial, tax and other laws in the normal course of its business. In order to provide the necessary elements for the understanding of its activities, we present below the main aspects of the current regulations to which producers and marketers are subject in relation to the following food products (i) wheat flour and bran, (ii) cookies & crackers, (iii) pasta, (iv) margarines and (v) vegetable shortening and oils, (vi) cakes and cake mixes, (vii) snacks (corn snacks, wheat snacks and crisps), (viii) toast, (ix) condiments, (x) breads and wraps, (xi) cereals and grains, (xiii) peanut paste, (xiv) sugar.

Law No. 9.782 of January 26, 1999, which created ANVISA, defines among its competences the regulation, control and inspection of products and services that involve a risk to public health, and among the goods and products subject to sanitary control and inspection we have food, including beverages, their inputs, their packaging, food additives and contaminants. ANVISA Resolution No. 23/00, subsequently supplemented by ANVISA Resolution RDC 27/10 and ANVISA Resolution RDC No. 240/18, lists the food products that must be registered with ANVISA and those that are exempt from registration.

In general, products intended for special segments, such as: foods with functional and/or health claims, enteral foods, infant foods, new foods and new ingredients, new technology packaging (recycled), bioactive substances and isolated probiotics with functional and/or health claims, must be registered with ANVISA to begin production and marketing. Other food products are exempt from sanitary registration and only the declaration of commencement of manufacture is required. Regardless of whether or not the product is required to be registered with ANVISA or MAPA, the companies producing and marketing food products must observe the specific regulations related to the technical requirements for the production and packaging of each product, adopting the practices contained in the Manual of Good Manufacturing Practices and Pre-Requisite Program and Manual of Food Safety Guidelines, as well as the maintenance of updated information regarding the formulas of products exempted from registration, which must be available for analysis by the health authority, whenever requested.

In addition, the companies that produce and market food products must comply with the regulations on product labeling, both from a technical point of view, as defined by the Ministry of Health - Anvisa, MAPA, Inmetro, Ministry of Justice, as established in Legislative Decree No. 986/69 and other regulations on labeling, and from a consumer protection point of view, as established in Law No. 8.078/90, which establishes the Consumer Protection Code. It is also worth mentioning that companies that carry out activities related to the production, industrialization, distribution, storage, transportation and commercialization of food products must, prior to commencing their activities, be duly licensed by the competent State or Municipal Health Authority, in accordance with the provisions of the applicable legislation, which will issue a Sanitary Permit or Operating License, or even registered with the MAPA with the issuance of the Establishment Registration.

The Company's factories and facilities involved in the production, storage, distribution, handling and transportation of food comply with the licensing requirements of the relevant local authorities. Furthermore, in accordance with the sanitary legislation, and without prejudice to the applicable civil or criminal sanctions, the non-compliance with the sanitary legislation, in particular the operation of facilities without the proper sanitary license and the marketing of products without the respective registrations or notifications may be considered punishable infractions, alternatively or cumulatively, with the penalties of warning, fine, product seizure, product destruction, product interdiction, suspension of

1.6 Relevant effects of state regulation

sales and/or product manufacture, cancellation of product registration, partial or total interdiction of the establishment, prohibition of advertising, cancellation of authorization to operate a company, and/or cancellation of the establishment licensing permit, under the terms of Law No. 6.437/77, guaranteeing the constitutional rights of the broad defense and the adversary in regular administrative proceedings to be instituted by the competent authority.

The Company seeks to adopt the best quality and food safety management practices, ensuring compliance with legal requirements, as well as the satisfaction of our customers and consumers. Food quality and safety is a value and has always been present in its business philosophy, directing many of its actions to maintain and improve the quality and safety of our products. It is worth noting that the units located in Eusébio (CE) – Fábrica Fortaleza, Fortaleza (CE) - GME, Jaboatão dos Guararapes (PE) - JGU, Aratu (BA) – GMA, Bento Gonçalves (RS) – BG, Queimados (RJ) - QMD and João Pessoa (PB) - GMT in the categories (ii) biscuits/cookies & crackers; (iii) pasta; (iv) margarines; (v) vegetable shortening and oils and (viii) toast, have a Food Quality and Safety Management System certified according to NBR ISO 9001:2015 and FSSC 22000 v5.1, respectively.

c. Dependence on patents, trademarks, licenses, concessions, franchises, royalty agreements relevant to the development of activities

The Company does not depend on patents, trademarks, licenses, concessions, franchises and royalty agreements relevant to the development of its activities.

In its portfolio, the Company has more than 20 brands, including Adria, Basilar, Bonsabor, Estrela, Isabela, Finna, Fortaleza, Gold Medal, Pelaggio, Pilar, Piraquê, Predilieto, Puro Sabor, Richester, Salsitos, Vitarella, Zabet, among others, and the latest acquisitions Fit Food, Frontera, Smart and Taste&Co, Jasmine and Uruguayan brand Las Acacias.

The Company also has applications for registration of secondary trademarks under analysis before the INPI, which guarantee the Company the launch and dissemination of new products or new brands in the market. The wide range of brands is designed to meet different consumer profiles and complement each other in different markets and product categories.

In addition to seeking trademark protection in Brazil, the Company seeks to protect its main brands in other countries, such as Argentina, Bolivia, Chile, Costa Rica, Ecuador, the United States, Panama, Peru, Uruguay, Australia and others.

d. financial contributions, indicating the respective amounts, made directly or through third parties:

The Company does not make financial contributions for the benefit of incumbents or candidates for political office, political parties or to fund activities to influence public policy decisions in accordance with the Anti-Corruption, Gifts, Entertainment and Donations and Sponsorship Policy, which is available on the Investor Relations website.

Our relationship with government agencies is mainly through the associations to which we are linked, as well as contacts in specific areas due to their activities.

1.7 Relevant revenues in the issuer's home country and abroad

a. Revenue from customers assigned to the issuer's host country and its share of the issuer's total net revenue

	Fiscal years ended on December 31,			
	2022		2023	
	R\$ million	%	R\$ million	%
Net revenue of customers attributed to the host country of the issuer	9,967.1	98.4%	10,656.0	98.3%

b. Revenue from customers assigned to each foreign country and their share in the issuer's total net revenue

In 2022 and 2023, sales in foreign countries represented 1.6% and 1.7%, respectively, of net operating revenue.

Sales in foreign countries do not represent, so far, revenues relevant to the Company's business. In addition to the acquisition of Las Acacias in Uruguay, which reinforces the internationalization strategy, it is worth mentioning the strengthening of the company's presence in the regions where it already operates and the entry into new regions, marketing its own brands or producing brands for customers (private labels).

1.8 Relevant effects of foreign regulation

Not applicable, as the Company does not have relevant revenues from foreign countries, as mentioned in item 1.7.

1.9 Social, environmental and corporate governance (ESG) information

a. **Whether the issuer discloses ESG information in an annual report or other specific document for this purpose**

ESG information has been reported in a unified manner since 2014 in an integrated report. In addition, we disclose the key performance indicators and achievements in ESG aspects in the Earnings Release and on our website in the Sustainability section.

b. **The methodology or standard followed in preparing that report or document**

The preparation of the content is in accordance with the guidelines of the Global Reporting Initiative (GRI) 2021. We maintain the effort to disseminate integrated thinking throughout the Company, meeting all the guidelines of the International Financial Reporting Standards (IFRS). The calculation of financial indicators meets international accounting standards approved by the Brazilian Securities and Exchange Commission (CVM).

c. **Whether that report or document is audited or reviewed by an independent entity, identifying that entity, if applicable**

The information on sustainability in the Integrated Annual Report is ensured according to the Letter of Assurance issued by KPMG Auditores Independentes.

d. **The page on the world wide web where the report or document can be found**

The report can be found in English, Spanish and Portuguese versions on the website <https://mdiasbranco.com.br/relatorio-anual-integrado/>. Compliments, questions, complaints or suggestions can be sent to the email sustentabilidade@mdiasbranco.com.br.

e. **whether the report or document produced considers the disclosure of a matrix of materiality and ESG key performance indicators, and what are the material indicators for the issuer**

The material issues reported have been aligned with the materiality matrix from the Strategic Sustainability Agenda review for the 2022-2030 cycle. In 2022, the ESG Committee and the Board of Directors approved the priority themes, indicators, goals and governance. The identification of impacts - positive and negative, real and potential - was based on interviews with 25 external stakeholders and more than 50 internal stakeholders, market trend research, benchmarking with 23 food companies, analysis of 44,000 news stories, 33 potential risks, and our business strategy. It also included requirements from international initiatives or standards, such as the Corporate Sustainability Index (ISE), the Dow Jones Sustainability Index (DJSI), and the Global Compact. As a result, we structured the materiality matrix by considering the importance of M. Dias Branco's economic, environmental and social impacts versus the influence on stakeholders' evaluations and decisions. Based on the materiality matrix, we prioritized the list of 15 issues, grouped into three pillars representing ESG (environmental, social and governance). In the environmental pillar, the themes are: Water, Energy, Climate Change, Waste, Packaging and sustainable plastic materials and Combating food loss and waste. In the social pillar, the themes are: Relationship with communities, Human capital, Diversity and inclusion, Health and safety, Healthy and nutritious food and Food safety. In the governance pillar, the themes are: Risks and opportunities in sustainability, governance, ethics and integrity and sustainable value chain. The set of key indicators, linked to the priority themes, consist of the 18 public goals to be achieved by 2030, available on our institutional website. The 2023 Integrated Annual Report was reported based on the 15 priority themes of the ESG Strategic Agenda.

1.9 Social, environmental and corporate governance (ESG) information

Public Sustainability Goals

PUBLIC COMMITMENTS 2030 GRI 2-25, 3-3

Theme	Indicator	Carried out 2023 in relation to the baseline	2030 target
Water	Reduction of water consumption (m ³ /t products)	0.46	0.40
	% Water reuse	15.94%	30%
Waste	% Waste sent to landfill in all operations	5.13%	0%
	% Recoverable packaging	34.7%*	38%
Energy	% use of scope 2 renewable energy	65%	90%
Climate Change	% reduction of absolute GHG emissions - Scope 1 and 2	13.8%	20%
	Carbon Neutral Seal Product Brand Adoption	0**	2
Sustainable plastic packaging and materials	% of recyclable and/or compostable and/or biodegradable finished product plastic packaging	96.73%	100%
Combating food loss and waste	% reduction of input losses in the production process	0.74	0.94
	% finished products waste reduction	66.93%	50%
Relationship with Communities	Number of people impacted by the program to promote entrepreneurship and professionalization in the food sector	15,835	150k cumulative 2022-2030
Occupational Health and Safety	Attendance rate (own employees)	0.60	0.50
	Severity rate (own employees)	10.76	8.00
Human Capital	Employee satisfaction index measured in external research	77%	80%
Diversity and Inclusion	% of women in leadership	24.58%	40%
Healthy and Nutritious Foods	Market share leadership in categories with health and nutrition	2	4
	Number of people impacted by the food education program for the general population	100,000	10 million
Sustainable Value Chain	% purchases from local suppliers GRI 204-1	80.69%	80%

*Given until Oct/23. **Throughout 2023, we carried out training and planning actions to define the carbon neutral product. ***It considers the Campina Grande do Sul/PR unit.

Note: The Human, Social and Relationship, Intellectual, Financial, Manufactured and Natural Capitals are related to the priority themes of this table and discussed throughout the content of the 2023 Integrated Annual Report.

Source: Integrated Annual Report 2023 of M. Dias Branco.

The management approach to all material sustainability issues aims to prevent and repair the negative impacts caused by the Company. As an example, we mention the GHG emissions (negative impact) that are mitigated through the goal of reducing these emissions and the Company's decarbonization strategy.

1.9 Social, environmental and corporate governance (ESG) information

The execution and monitoring of the implementation of the sustainability strategy is presented in the chapter on sustainability starting on page 58 of the M. Dias Branco Integrated Annual Report 2023.

f. whether the report or document considers the Sustainable Development Goals (SDGs) established by the United Nations, and which SDGs are material to the issuer's business.

The Sustainable Development Goals (SDGs) and the principles of the United Nations (UN) Global Compact, of which M. Dias Branco is a member, were also important references for the elaboration of the content.

When reviewing our Strategic Sustainability Agenda, we considered the Sustainable Development Goals (SDGs) in setting the goals by 2030. Our practices have synergies with the 17 SDGs and, in some of them, we have goals that are equivalent to those of the SDGs Brazil, referenced throughout this Report. For example, for SDG 12, we have a target at the same level of ambition as SDG Brazil 12.3, to reduce food waste by 50%. On pages 70 and 71 of the Integrated Annual Report 2023 of M. Dias Branco, it is possible to verify the connections of our sustainability goals in each SDG.

g. whether the report or document considers the recommendations of the Task Force for Financial Disclosures Related to Climate Change (TCFD) or the financial disclosure recommendations of other recognized bodies that relate to climate issues.

Yes

h. whether the issuer maintains inventories of greenhouse gas emissions and, if so, the scope of the emissions inventoried and the website where additional information can be found.

Yes We disclose the result of our emissions inventory, in scopes 1, 2 and 3, on pages 83 to 87, within the Integrated Annual Report 2023, which can be found in English, Spanish and Portuguese versions on the website www.mdiasbranco.com.br, in the area of Sustainability or Investor Relations.

i. explanation of the issuer on the following conducts, if applicable:

Not applicable.

1.10 Mixed-capital company information

Does not apply to the Company.

1.11 Acquisition or disposal of relevant asset

The Company did not acquire or dispose of any material asset that does not fit as normal operation in its business in the last fiscal year.

1.12 Corporate operations/Capital increase or reduction

As of December 31, 2023, the Company's share capital was R\$ 2,597.7 million, represented by 339,000,000 common shares. In 2023, there was no merger, spin-off, incorporation, incorporation of shares, capital increase or reduction.

1.13 Shareholders' agreements

The Company does not have shareholders' agreements.

1.14 Significant changes in the conduct of business

There were no significant changes in the formation of conducting the Company's business in the last fiscal year.

1.15 Relevant contracts entered into by the issuer and its subsidiaries

There are no material contracts entered into between the Company and its subsidiaries with third parties that are not related to its operating activities in the last fiscal year.

1.16 Other relevant information

Strengths and Competitive Advantages

The Company's main strengths and competitive advantages include:

Leadership in the cookies & crackers and pasta markets in Brazil and relevant position in the national wheat flour market.

Since 2003, the Company has been a leader in the cookies & crackers and pasta markets in Brazil, both in volume (measured in tons) and in sales value, based on market share research carried out by Nielsen. The company has consistently grown this leadership in Brazil in terms of market share by volume, from 13.5% to 31.8% in cookies & crackers and from 17.8% to 28.9% in pasta, according to data published by Nielsen for 2003 and 2023, respectively. It is important to note that until 2016, Nielsen's market share data included retail stores, and from 2017, it included retail stores plus cash & carry. The Company believes that this leadership and relevant position in the product lines in which it operates is mainly related to: (i) the strength of its brand portfolio, which is recognized by its consumer base, with emphasis on Adria, Piraquê, Vitarella, Fortaleza, Isabela, Richester and Finna; (ii) the high quality of its products, together with its ability to serve the most diverse markets (from popular to premium); (iii) its distribution model - which allows for a wide coverage, especially in small and medium retail outlets; and (iv) its national production logistics.

High level of integration of the production process.

The Company produces most of two of its main raw materials: wheat flour and vegetable shortening. In 2023, 99.8% of all wheat flour and 100% of all vegetable shortening used in the production process were manufactured in-house. The Company believes that such level of verticalization is unparalleled among any of its competitors in Brazil. In addition, some of its plants have a mill in the same complex, eliminating transportation costs for wheat flour used in production. Its integrated production chain also provides conditions for better planning of its production, higher quality of its products (including healthiness), use of its main inputs, practice of more competitive prices for its products and better management of its production costs.

Portfolio of strong brands with national coverage and pulverized distribution.

Through its main brands, which are highly recognized by consumers, the company operates throughout the country, both with national brands (such as Vitarella, Adria and Piraquê) and with regional brands (such as Fortaleza, Richester, Isabela, Pilar and Estrela), which have a leading position in the market. Its distribution allows a high penetration in the small retail sector, either through its direct distribution system or through distributors and wholesalers, which contributes significantly to the low dependency on large supermarket chains.

The Company believes that this allows it to reach consumers with different profiles, even in the most remote areas of Brazil, and to provide the same service differentiation to its customers in locations where it does not have industrial plants.

Modern production park, with strategically located plants.

The Company currently has 18 industrial units, equipped with the most modern technology in the production of food products in the world. All plants are strategically located and close to their main markets (eight in the Northeast, five in the Southeast, four in the South and one in Uruguay). Such a production structure allows for great flexibility in selecting the best production facility for each market we serve, and also helps to: (i) lower transportation costs for our customers; (ii) greater flexibility in delivery; (iii) greater knowledge of and regular supply to local markets; and (iv) greater breadth of product portfolio. The Company has strategically expanded over the years through the planned construction of new industrial and commercial units throughout the country. In 2023, investments totaled R\$ 366.7 million, with emphasis on investments with the implementation of the SAP system (Simplify project).

1.16 Other relevant information

Financial strength and strong cash generation to support growth strategy.

The Company's EBITDA reached R\$ 1.4 billion in 2023, 3.3% of CAGR when compared to 2013. At the end of 2023, the Company had a net cash/EBITDA ratio equal to 0.1x. The Company believes that the organic expansion and acquisitions will enable it to continue with its growth strategy and qualifies it as an important candidate for the consolidation of the national cookies & crackers and pasta market. The Company believes that its various competitive differentiators have allowed it to manage its sales strategy and pricing policy to adjust for cyclical fluctuations in its production costs, thereby maintaining its history of profitability in the current scenario of sharp increases in the cost of agricultural commodities.

Production lines predominantly located in tax incentive regions.

The industrial units located in the Northeast of Brazil benefit from state and federal tax incentives, since these units have been built and implemented within the framework of investment projects of new economic entities, presented and approved by the respective states or, in the federal case, by the Northeast Development Superintendence (SUDENE), within the framework of state or federal public policies to promote development. Such incentives, granted as investment grants, guarantee us capital resources for investment in the expansion and modernization of the business. The tax incentives and benefits granted provided the Company with additional cash generation in the approximate amount of R\$ 628.3 million in 2023 (R\$ 689.8 million in 2022).

Experienced management team and qualified staff.

The Company's management team has extensive and consolidated experience in the industries in which it operates, which the Company believes has contributed to the consistent growth of its market leadership, revenues and results despite unstable and at times adverse economic conditions. The Company believes that the historical growth of its revenues and the successful expansion of the business is a direct result of strategies executed by its experienced team of managers. In addition, the Company has more than 16,000 employees as of December 2023, who are trained, motivated and involved in a profit-sharing plan as they achieve specific goals in line with its strategic and budgetary plan.

Strategy

The Company's main strategies are:

Expansion of the current business.

The Company is committed to expanding and strengthening its leadership position in the markets where it operates and to increasing its profitability and profitability. To this end, it intends to: (i) increase its presence in regions where it has low representation (Attack region: South, Southeast and Midwest, and strengthen and preserve the presence in regions where it already has a relevant presence (Defense region: North and Northeast). (ii) increase and diversify its customer base through new channels such as e-commerce and the use of distribution and food service channels (restaurants, hotels, bars, hospitals, clubs, confectioners and bakeries); (iii) continue the process of strengthening its brands through investments in media marketing and institutional efforts at points of sale; (iv) strengthen its sales structure to small businesses, aiming at the growth of the customer base and the sale of new products through the identification with its market-leading products; and (v) launch of new products and products complementary to existing lines that have high added value.

1.16 Other relevant information

Expansion of exports.

The Company is committed to expanding exports by (i) introducing products and packaging that are specific to the needs of consumers in foreign markets, combining quality and characteristics that are valued regionally, as well as the regulatory adequacy of packaging; (ii) strengthening its presence in regions where it already operates and entering new regions, marketing its own brands or producing customers' brands (*private label*).

Entry into new categories.

The strategy of entering new categories allows the company to diversify its current portfolio by offering products with higher added value and less dependence on wheat. Entry into new categories can be organic, with the creation and internal production of new categories through the R&D process, or through new acquisitions. With respect to acquisitions, the Company continues to be on the lookout for opportunities, whether in current or related product lines, which have the following characteristics: strong brands in the regions in which the Company operates and/or presence in regions in which the Company does not operate; and the ability to take advantage of operating and distribution synergies.

Improved operational efficiency and cost control.

The Company is committed to improving the efficiency of its process in order to add greater margins. To this end, it intends to increase its productivity by: (i) optimizing the use of its infrastructure; (ii) optimizing the flexibility of its production chain; (iii) maintaining a modern industrial park with technologies; and (iv) increasing the efficiency of its distribution network. Furthermore, the Company will continue to implement increasingly stringent and advanced cost controls to improve profitability, including strengthening programs to optimize energy consumption and input inventory through even more intensive use of purchasing and production planning tools.

Federal Tax Incentives

The Company is the beneficiary of investment grants equal to 75.0% of the income tax on the operating profits derived from its main activities (operating profit) in the subsidized industrial units, as detailed in the following table:

Industrial units	IRPJ reduction rate (%)	Validity period
Wheat mill, cookies & crackers and pasta factory (Eusébio - CE)	75	Jan 2023 to Dec 2032
Toast factory (Eusébio - CE)	75	Jan 2023 to Dec 2032
Wheat mill (Fortaleza - CE)	75	Jan 2023 to Dec 2032
Special shortening and margarines factory (Fortaleza - CE)	75	Jan 2023 to Dec 2032
Wheat mill (Natal - RN)	75	Jan 2023 to Dec 2032
Pasta factory (Natal - RN)	75	Jan 2023 to Dec 2032
Wheat Mill and Pasta Factory (Cabedelo - PB)	75	Jan 2023 to Dec 2032
Pasta and cookies & crackers factory (Salvador - BA)	75	Jan 2023 to Dec 2032
Wheat mill and ready-made cake mix (Salvador - BA)	75	Jan 2023 to Dec 2032
Manufacture of pasta and cookies & crackers (Jaboatão dos Guararapes - PE)	75	Jan 2023 to Dec 2032
Manufacture of cookies & crackers, cakes and snacks (Maracanaú - CE)	75	Jan 2023 to Dec 2032

1.16 Other relevant information

State Tax Incentives

The state investment subsidies that the Company enjoys can be described according to the following table:

State tax incentives/Incentive unit	Percentage of reduction of ICMS	Valid until
DESENVOLVE - Bahia: discount on the payment of part of the ICMS due on the acquisition of grain wheat for the wheat mill.		
Wheat mill and pasta and cookies & crackers factory (Salvador-BA)	81%	Jun/2025
PROVIN – Ceará: deferral of the payment of part of the ICMS due on the acquisition of grain wheat for wheat mills and on the ICMS due for operations with margarines and special shortening, paid with funds from the FDI – Industrial Development Fund for both units		
Wheat mill (Fortaleza-CE)	74.25%	Dec/2032
Wheat mill integrated into the cookies & crackers and pasta factory (Eusébio-CE)	74.25%	Dec/2032
Special shortening and margarines factory (Fortaleza-CE)	56.25%	Dec/2032
PROEDI – Rio Grande do Norte: presumed credit on the outstanding balance of monthly ICMS	From 75% to 79%	Jun/2032
Wheat mill and pasta factory (Natal-RN)		
FAIN – Paraíba: discount of part of the ICMS on purchases of wheat grain for the wheat mill		
Wheat mill and pasta factory (Cabedelo-PB)	81%	Dec/2032
PRODEPE – Pernambuco: application of 75% of the ICMS levied on grain wheat consumed by the industry in wheat flour equivalent, in addition to 5% of the freight levied on sales outside the Northeast region, provided that the total value of the subsidy does not exceed 85% of the ICMS on grain wheat contained in the wheat flour consumed.		
Cookies & Crackers and pasta factory (Jaboatão dos Guararapes-PE)	75% or 85%	Dec/2032
Special Tax Treatment - Rio de Janeiro (Piraquê Unit) - Reduction of the tax so that the tax burden results in a percentage equal to 3% of the value of own production output in internal and interstate operations, through sales and transfers.		
Cookies & Crackers and pasta factory (Queimados-RJ)	75% or 85%	Dec/2032
Special Tax Regime - Paraíba (Bayuex Unit) - Reduction of the tax so that the tax burden for products subject to ICMS substitution results in a percentage equal to 5% and for other products, the normal ICMS results in a percentage equal to 4% on the exit operation.		
Operation with wheat flour derivatives (Bayuex-PB)	38% to 62%	Dec/2032
Special Tax Treatment – Bento Gonçalves (Isabella Mill Unit) – ICMS deduction due to its industrial operation, paid with funds from FUNDOPEM - Fundo Operação Empresa do Estado do Rio Grande do Sul.		
Wheat Mill and Cookies & Crackers and Pasta Factory (Isabela-RS Mill)	32.10% to 39.60%	Jul/2027

In the case of the State of Rio de Janeiro (Piraquê Unit), which has a term of enjoyment until September 2038, considering ICMS Agreement No. 190, dated December 15, 2017, which establishes the term of enjoyment of the tax incentives limited to December 2032, the benefit will be valid only until that date.

For the states of Pernambuco (Jaboatão dos Guararapes-PE unit) and Paraíba (Bayeux unit), the tax benefits were extended from March 2024 to December 2032.

The Company's Management fulfills all the requirements for obtaining these subsidies, especially those related to the proof of investments, creation of jobs, production volume, as well as not distributing the resulting amounts in the form of dividends.

To date, it is understood that no condition has been breached, the noncompliance with which would prevent the continuation of the right to enjoy the benefits of the government subsidies granted.

2.1 Financial and equity conditions

a. General financial and equity conditions

2023 was a challenging year with a lot of learning that required adjustments on our part. Changes in the price of raw materials caused by conflicts abroad, changes in consumer behavior, and new demands on purchasing channels required weekly movements to support day-to-day operations.

Thanks to the team's effort, even in adverse macroeconomic conditions, the Company managed to achieve an EBITDA margin of 13.2% and nominal EBITDA of R\$ 1.4 billion, in addition to recording some records, such as annual net profit of R\$ 889 million, 84.5% higher than that of 2022; net revenue of R\$ 10.8 billion, 7% above last year; operating cash generation of R\$ 2.1 billion; in addition to liquidity with daily negotiations averaging R\$ 47.5 million. The Company believes it has made steady progress, not only in its financial performance, but also in what it has built for the future growth of the business.

Net revenue reached an all-time high of R\$ 10.8 billion, an increase of 7% over the previous year, with Brazil as the main market, accounting for 98.3% of gross revenue after discounts and returns during the year. In addition, 29.3% of sales were destined to wholesalers and distributors and 21.9% to large networks and regional networks, while 18.0% went to retail. The Company's largest customer represented 8.3% of gross revenue deducted from discounts and returns, while the fifty largest represented 40.3%.

In line with its capital allocation strategy, the Company ended the year with 76% long-term debt, a AAA rating with a stable outlook, and leverage of 0.1x, within a range that allows it to continue its investment plan to enable growth and expansion.

M. Dias Branco maintained its leading position in the cookies & crackers and pasta markets in Brazil, whose market share by volume in 2023 was 31.8% in cookies & crackers (32.0% in 2022) and 28.9% in pasta (31.0% in 2022), according to data published by Nielsen for the cumulative periods. It is worth noting that with the acquisition of Jasmine, the company has also begun to take a leading position in the national market for healthy cereals and cookies.

An important general characteristic of the company, which has a significant impact on its financial and capital position, is its verticalization, i.e. it produces most of the two main raw materials used in the production of cookies & crackers and pasta: wheat flour and vegetable shortening. In 2023, 99.8% of all wheat flour and 100% of all vegetable shortening used in the production process were manufactured in-house (99.6% and 100.0% in 2022, respectively).

For the operation of its business, development and launch of new products, as well as the expansion of its activities, the main sources of financial resources used by the Company are the volume of resources arising from the commercialization of its products - with the characteristic of strong cash generation and low default, in addition to the amounts received as subsidies for state and federal investments (related to the implementation/expansion of industrial units). In addition, there is investment income from cash equivalents.

The Company's main financial needs arise from investments in the expansion and modernization of its production and logistics structure, the acquisition of other companies and the repayment of its debts, the payment of taxes, the distribution of dividends and other operating expenses.

Management believes that the Company remains in a strong financial and capital position to execute its business plan and meet its short, medium and long-term obligations. In order to reflect such financial conditions, the Company highlights certain indicators based on liquidity ratios, which show satisfactory ability to pay its obligations.

2.1 Financial and equity conditions

Fiscal year ended December 31,		
Liquidity ratios	2022	2023
Overall Liquidity	1.15	1.32
Current liquidity	1.98	2.35
Quick ratio	1.12	1.80
Cash ratio	0.26	0.93

b. Capital structure

On December 31, 2023, the Company's equity amounted to R\$ 7,604.7 million, compared to R\$ 6,708.7 million on December 31, 2022, an increase of 13.4%, resulting from the profit for the year and the distribution of interest on equity (JCP). On the same date, the Company had cash and cash equivalents in the amount of R\$ 2.3 billion and short-term and long-term investments totaling R\$ 17.3 million. At the end of the period, net cash was R\$ 73.6 million compared to net debt of R\$ 1,580.4 million on December 31, 2022, the reduction was mainly due to the increase in cash generated by operating activities.

c. Ability to pay in relation to financial commitments made

EBITDA on December 31, 2023 was R\$ 1,433.6 million, 59.2% higher than EBITDA on December 31, 2022. In 2023, interest and exchange variations paid were R\$ 128.9 million, while the payment of funds for settlement of derivative transactions was R\$ 205.4 million. Thus, EBITDA presented a coverage ratio of 4.29 times of interest, exchange variations and derivatives paid in the year ended December 31, 2023. The table below shows the Company's net debt and its relationship with EBITDA.

Fiscal year ended December 31,			
Debt (R\$ million)	2022	2023	Variation
Total debt ⁽¹⁾	(2,226.5)	(2,171.1)	-2.5%
Cash ⁽²⁾	735.7	2287.9	n/a
Financial instruments ⁽³⁾	(89.6)	(43.2)	-51.8%
Net Cash (Net Debt)	(1,580.4)	73.6	n/a
EBITDA	900.4	1,433.6	59.2%
Net Cash (Debt)/ EBITDA of the last 12 months ⁽⁴⁾	(1.8)	0.1	n/a

Note: The information presented refers to the Company's consolidated financial statements.

(1) Includes financing and loans with financial institutions, tax financing, direct financing and debentures.

(2) Includes cash and cash equivalents, linked deposits and short-term and long-term financial investments.

(3) Includes the financial instruments of current and non-current assets.

(4) According to CVM Instruction No. 527/12, EBITDA is composed of the net profit for the period plus income taxes, financial expenses net of financial income, and depreciation and amortization. Art. 4 of CVM Instruction no. 527/12 also provides that the company may choose to disclose the values of EBITDA and EBIT excluding the net results related to discontinued operations and adjusted for other items that contribute to the information on the potential for gross cash generation.

In light of the Company's debt profile based on the net debt/EBITDA ratio, the significant cash flow generated from operations and the current and overall liquidity position, management believes that the Company has sufficient liquidity and capital resources to meet its capital expenditures, expenses, indebtedness and other obligations for the next several years, although there can be no assurance that this situation will continue.

2.1 Financial and equity conditions

d. Sources of financing for working capital and investments in non-current assets used

As a rule, the Company does not need additional working capital, but in view of market opportunities, the Company raised some funds in 2023 to finance exports and innovation and technology projects. Thus, management understands that the Company has solid financial and equity conditions, sufficient to implement its business plan and fulfill its short, medium and long-term obligations.

e. Sources of financing for working capital and investments in non-current assets that it intends to use to cover liquidity deficiencies

The Company has approved limits in first-rate banks and development institutions. However, these approved limits are intended to cover investments and not to cover the Company's liquidity deficiency, since it does not have this indication. If the Company has, it may use financing for working capital and CAPEX Financing, through Public and Private Institutions, such as loans in national and foreign currencies (Law No. 4,131, of September 3, 1962), Working Capital, Finimp (Import Financing), funding through bond issues or others, presented by them.

Issuance of Debentures to back CRA

In January 2021, the Board of Directors authorized the third issuance of the Company's unsecured, nonconvertible perpetual debentures in two series, maturing on March 13, 2028 and March 13, 2031, respectively.

The debentures were issued on March 15, 2021 and served as backing for the issuance of CRAs (Agribusiness Receivables Certificates), in the total amount of R\$ 811,644. In a bookbuilding procedure carried out on March 3, 2021, the interest rates for each series of issuance were fixed. The first and second series bonds are entitled to a semi-annual payment of remuneration interest of 3.7992% p.a. and 4.1369% p.a., respectively, based on 252 business days, in addition to the IPCA adjustment (adjustment only in conjunction with redemption).

The purpose of this funding is to promote and encourage the sustainable agriculture of the Company's suppliers, ensuring the continuous improvement of the food and nutritional security of the products offered to consumers. This initiative is part of a strategy to promote the long-term supply of raw materials, committing suppliers and the company to the United Nations (UN) Sustainable Development Goals, and reinforcing the company's position as a reference in sustainability in Brazil.

As of December 31, 2023, the value of the debentures was represented by a gross amount of R\$ 987.48 million. Due to the classification of the debentures to be hedged at fair value, their book balance was R\$ 935.45 million, of which R\$ 904.28 million, already net of the balance to be amortized of transaction costs in the amount of R\$ 31.18 million.

f. Levels of debt and the characteristics of such debts

The table below shows the composition of the Company's debt in the fiscal years ended December 31, 2022 and 2023:

2.1 Financial and equity conditions

Debt (in R\$ million)	Indexer	2022		2023	
		R\$	Interest (p.a.)	R\$	
National currency					
BNDES-FINAME	TJLP	6.2	2.17%	2.1	
BNDES-PSI	R\$	13.3	3.50%	0.3	
BNDES-FINEM	IPCA	20.8	8.57%	10.9	
FINEP	TR	-	3.30%	25.8	
Financing of State Taxes (PROVIN)	TJLP	20.5	-	34.1	
Financing of State Taxes (Fundopem)	IPCA/IBGE	6.2	-	13.1	
Working Capital	100% CDI	104.6	0.76%	-	
Working Capital	IPCA	123.6	6.93%	128.5	
Instrument of Assignment of Pilar Shares	100% CDI	4.7	-	4.8	
Instrument of Assignment of Estrela Shares	100% CDI	11.9	-	7.5	
Instrument of Assignment of Moinho Santa Lúcia Shares	100% CDI	0.7	-	-	
Instrument of Assignment of Piraquê Shares	100% CDI	170.1	-	139.8	
Instrument of Assignment of Latinex Shares	100% CDI	90.0	-	88.4	
Instrument of Assignment of Jasmine Shares	100% CDI	23.6	-	-	
Instrument of Assignment of Las Acacias Shares	100% CDI	25.9	-	21.5	
Debtentures	IPCA	<u>848.3</u>	3.80% and 4.14%	<u>904.3</u>	
		1,470.4		1,381.1	
Foreign currency					
Working capital (Law No. 4,131) and export	USD	736.2	3.21%	784.8	
Working Capital	UYU	<u>19.9</u>	10.10%	52	
		756.1		790.0	
		2,226.5		2,171.1	
Portion to be amortized classified in current liabilities		(561.9)		(52251)	
Non-current liabilities		1,664.6		1,648.6	

As of December 31, 2023, the Company's debt totaled R\$ 2,171.1 million (24.1% short-term and 75.9% long-term), 3.8% lower than the balance recorded as of December 31, 2022, mainly due to the settlements of financings carried out during the period.

The following table sets forth the payment schedule for long-term obligations contracted in the fiscal years ended December 31, 2022 and 2023:

Fiscal year ended December 31,			
	2022	2023 I	
Due date	(In millions of Reais)		
2024	201.0	-	
2025	614.3	613.0	
2026	93.2	104.6	
2027 to 2031	756.1	931.0	
Total	1,664.6	1,648.6	

i. Relevant loan and financing agreements

1. With financial institutions

As of December 31, 2023, the Company had financial contracts in national and foreign currency, totaling R\$ 949.14 million. Of these, 11 contracts are considered relevant in terms of amount, representing a total of R\$ 935.23 million. These contracts were signed with several financial institutions, such as Banco Nacional de Desenvolvimento Econômico e Social (BNDES), Itaú BBA, The Bank of Nova Scotia, Banco Santander do Brasil and FINEP. In some contracts, Ms. Maria Consuelo Saraiva Leão Dias Branco, Chairperson of the Board of Directors, is a guarantor together with some of the statutory officers.

2.1 Financial and equity conditions

The table below provides details of the 11 financial contracts that we can highlight with the highest outstanding balances as of December 31, 2023:

Contract	Financial Institution	Contracting Amount (in R\$ million)	Interest	Contract Date	Due date	Balance Due on 12/31/2023 (in R\$ million)
Export - Working Capital 07/01/2024	Banco Santander Brasil S.A.	49.0	6.13% p.a.	06/28/2023	07/01/2024	49.9
Export - Working Capital 09/03/2024	Banco Santander Brasil S.A.	99.0	6.40% p.a.	09/05/2023	09/03/2024	98.8
Export - Working Capital 02/09/2024	Banco Santander Brasil S.A.	156.0	5.14% p.a.	02/09/2023	02/09/2024	151.9
60333832-01	Banco Santander Brasil S.A.	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.7
60333852-01	Banco Santander Brasil S.A.	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.7
60333853-01	Banco Santander Brasil S.A.	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.7
60333854-01	Banco Santander Brasil S.A.	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.7
60333855-01	Banco Santander Brasil S.A.	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.7
60333992-01	Banco Santander Brasil S.A.	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.7
02.23.0535.00	FINEP - Financiadora de Estudos e Projetos	26.0	4% p.a.	12/01/2023	11/15/2033	26.1
4131 - Working Capital	Scotiabank	510.0	1.6554% p.a.	12/15/2020	12/22/2025	484.4

The contracts entered into by the Company with its main creditors are described below.

The Bank of Nova Scotia

As of December 31, 2023, the Company had 1 current and relevant contract with this institution with a balance of R\$ 484.4 million, acquired for Working Capital maturing until December 2025 and a rate of 1.6654% p.a. plus exchange variation.

Banco Santander Brasil

As of December 31, 2023, the Company had 9 contracts in force, of which 9 were material contracts with this institution, for a total amount of R\$ 424.8 million, with maturities until September 2024, six of which were financings acquired through BNDES, in the FINAME-TLP modality, with an average rate of 6.9278% p.a. plus IPCA variation, and three export financings, with an average rate of 5.72% plus exchange variation.

Banco Nacional de Desenvolvimento Econômico e Social

As of December 31, 2023, the Company had 2 contracts in force with BNDES, totaling R\$ 13 million, with maturities until August 2024. These financings are made through BNDES transfer lines, in FINEM modality, with an IPCA index, with an average rate of 8.57% p.a. and a TJLP index, with an average rate of 2.17% p.a. These financings were contracted by the company Piraquê S.A. for the implementation of an industrial unit and working capital. With regard to the provision of guarantees, there is a mortgage on the assets described in the respective contracts.

Banco Itaú BBA

As of December 31, 2023, 10 contracts were in force with Banco Itaú BBA, totaling R\$ 0.3 million, with maturities until January 2024. These financing were acquired through BNDES transfer lines, in the FINAME-PSI modality with an average rate of 3.5% per year, being contracted for innovation and expansion of industrial parks.

2. Other relevant debt

Direct financing - Acquisition of Quotas/Shares in the capital of the subsidiaries NPAP Alimentos, Pelágio Oliveira, J. Brandão, Moinho Santa Lúcia and Industria de Produtos Alimentícios Piraquê S.A., Latinex, Jasmine and Las Acacias.

2.1 Financial and equity conditions

As of December 31, 2023, the Company has the amount of R\$ 262.0 million related to direct financing. In the year, we highlight the settlement of the remaining acquisition debts of Jasmine (R\$ 23.6 million) and Moinho Santa Lúcia (R\$ 0.7 million).

The amount of R\$ 139.8 million related to the acquisition of Piraquê is composed of the retained portion of the price, which will be paid in January 2024, less the contingencies paid and the amount still under discussion of the seller's liability, which amounts to R\$ 102.3 million.

The amount of R\$ 88.4 million related to the acquisition of Latinex is composed of a retained portion of the price of R\$ 10.7 million to be amortized in five annual installments, discounted from the contingencies paid for the sellers' liabilities, R\$ 32.5 million to be paid upon completion of the trademark ownership registration process, in addition to R\$ 36.2 million resulting from the contingent portion of the acquisition price, plus CDI in the amount of R\$ 12.4 million. In 2023, the Company settled the amount of R\$ 2.4 million of the retained portion of the price (R\$ 1.1 million in 2022).

The amount of R\$ 21.5 million related to the acquisition of Las Acacias is composed of the retained portion of the price of R\$ 8.8 million to be amortized in five annual installments, discounted by the contingencies paid for the sellers' liabilities of R\$ 12.6 million, in addition to an update of the order of R\$ 0.1 million.

ii. *Other long-term relationships with financial institutions*

Long-term relationships with financial institutions have already been discussed in other sections of the document.

iii. *Degree of subordination between debts*

Our financing agreements, when guaranteed, use some instruments such as fiduciary sale, promissory notes, Standby Letter of Credit, mortgage guarantee and guarantee provided by the chairperson of the Board of Directors, Ms. Maria Consuelo Saraiva Leão Dias Branco.

Considering the total of the Company's current and non-current liabilities, the composition by degree of subordination as of the indicated dates was as follows, based on our consolidated financial statements:

	Fiscal year ended December 31,	
	2022	2023
	<i>(In millions of Reais)</i>	
Unsecured bonds	4,343.3	4,452.7
Secured bonds	333.4	283.6
Total current and non-current liabilities	4,676.7	4,736.3

i.v. *Any restrictions imposed on the issuer, particularly with respect to debt limits and incurring new debt, paying dividends, disposing of assets, issuing new securities and disposing of control of the company.*

External financing agreements, financing through BNDES and FINEP credit lines contain restrictive clauses, as is customary for this type of operation, which, if not complied with, may cause some of these operations to be prematurely terminated.

These contractual clauses limit, among other things, the Company's autonomy in the event of a change in its corporate structure, since they expressly prohibit any change or modification of the composition of its share capital, any incorporation, spin-off or merger, any transfer or assignment, direct or indirect, of its corporate control without the prior and express consent of the respective creditor financial institutions; and require the Company not to have any (ii) pending or proposed actions, claims or proceedings which, if decided to the Company's detriment, would have an adverse effect on its

2.1 Financial and equity conditions

financial position or impair its ability to perform its contractual obligations; and require that the transfer or assignment of rights and obligations under the contracts be approved by the respective creditor financial institutions and Finame. In the more specific case of the contracts signed by the merged company Piraquê, in addition to the aforementioned clauses, (i) certain percentages of the indexes must be maintained during the term of the contract: Net Debt/EBITDA and Net Equity/Total Liabilities and (ii) maintenance of the staff presented in the financing release project.

Currently, the Company is not incurring any of the hypotheses of restriction provided for in its contracts.

In conclusion, the Company, even if it uses third-party resources, does not depend on financial contracts relevant to the performance of its operating activities.

g. Limits on the use of financing already contracted

On December 31, 2023, the Company had a contract signed with FINEP, in the total amount of R\$ 78.1 million and, until that date, had released only the first installment, in the amount of R\$ 26.0 million. For the other contracts, all installments had already been released.

h. Significant changes in items of the income statement and cash flow statement

The summaries of the Company's financial statements for the fiscal years ended December 31, 2022 and 2023, which will be presented below, were extracted from the consolidated financial statements. These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Brazilian Accounting Principles (BR GAAP), which comply with Brazilian corporate law, the pronouncements, guidelines and interpretations issued by the Accounting Principles Committee (CPC), approved by the regulatory authorities and audited by the independent auditors, in accordance with international auditing standards and auditing standards applicable in Brazil, and fairly present the results of operations and the financial position of the Company for the respective years.

The following tables summarize the consolidated balance sheets, consolidated statements of operations, consolidated statements of cash flows and other financial information for the periods indicated, including the percentage changes between the periods for each line item in the respective statements and the representativeness of each line item as a percentage of total assets in the balance sheet and as a percentage of net sales in the income statement:

2.1 Financial and equity conditions

Analysis of the income statement, balance sheet and cash flow for the years ended December 31, 2023 and 2022

Income statement (in R\$ million)	2022	VA%	2023	VA%	2023/ 2022 (%)
Net operating revenue	10,129.2	100.0	10,840.3	100.0	7.0
Costs of goods sold	(7,816.6)	(77.2)	(7,747.7)	(71.5)	(0.9)
Grants for state investments	574.5	5.7	502.8	4.6	(12.5)
Gross profit	2,887.1	28.5	3,595.4	33.2	24.5
Operating revenues (expenses)	(2,304.2)	(22.7)	(2,526.5)	(23.3)	9.6
Selling expenses	(1,827.7)	(18.0)	(1,991.8)	(18.4)	9.0
Administrative expenses	(358.5)	(3.5)	(414.4)	(3.8)	15.6
Other net operating revenues (expenses)	(118.0)	(1.2)	(120.3)	(1.1)	1.9
Income before net financial revenues (expenses), equity accounting and taxes	582.9	5.8	1,068.9	9.9	83.4
Financial revenues	332.0	3.3	417.0	3.8	25.6
Financial expenses	(563.5)	(5.6)	(549.6)	(5.1)	(2.5)
Operating income - after financial income	351.4	3.5	936.3	8.6	n/a
Equity method result	0.3	-	(0.2)	-	n/a
Income before income tax and social contribution	351.7	3.5	936.1	8.6	n/a
Income tax and social contribution	130.1	1.3	(47.4)	(0.4)	n/a
Net profit for the year	481.8	4.8	888.7	8.2	84.5
Reconciliation for EBITDA and Adjusted EBITDA					
Net profit for the year	481.8	4.8	888.7	8.2	84.5
Income tax and social contribution	(130.1)	(1.3)	47.4	0.4	(136.4)
Financial revenues	(332.0)	(3.3)	(417.0)	(3.8)	25.6
Financial expenses	563.5	5.6	549.6	5.1	(2.5)
Depreciation and amortization included in CPV	183.6	1.8	212.0	2.0	15.5
Depreciation and amortization included in administrative and business expenses	133.6	1.3	152.9	1.4	14.4
EBITDA ⁽¹⁾	900.4	8.9	1,433.6	13.2	59.2

Note: Vertical analysis (VA%) is the representation of each item on net revenue.

⁽¹⁾ According to CVM Instruction No. 527/12, EBITDA consists of the net income for the period, plus taxes on profit, net financial expenses, financial income and depreciation, amortization and depletion. Art. 4 of CVM Instruction No. 527/12 also provides that the company may choose to disclose the amounts of EBITDA and EBIT excluding net results linked to discontinued operations and adjusted for other items that contribute to the information on the potential for gross cash generation.

2.1 Financial and equity conditions

Balance sheet (in R\$ million)	2022	VA%	2023	VA%	HA (%)
Current assets	4,877.0	42.6	5,700.1	46.2	16.9
Cash and cash equivalents	648.0	5.7	2,267.8	18.4	n/a
Linked deposits	69.6	0.6	2.8	-	(96.0)
Trade accounts receivable	1,690.9	14.8	1,839.7	14.9	8.8
Inventories	2,111.5	18.5	1,338.4	10.8	(36.6)
Recoverable taxes	234.6	2.1	129.5	1.0	(44.8)
Income tax and social contribution	28.5	0.2	27.4	0.2	(3.9)
Financial investments	16.6	0.1	15.2	0.1	(8.4)
Derivative financial instruments	15.6	0.1	10.4	0.1	(33.3)
Prepaid expenses	14.3	0.1	22.1	0.2	54.5
Other current assets	47.4	0.4	46.8	0.4	(1.3)
Non-current assets	6,562.5	57.4	6,640.9	53.8	1.2
Long-term receivables	539.9	4.7	550.8	4.5	2.0
Financial investments	1.5	-	2.1	-	40.0
Judicial deposits	263.7	2.3	258.5	2.1	(2.0)
Trade accounts receivable	2.9	-	5.1	-	75.9
Recoverable taxes	149.6	1.3	90.0	0.7	(39.8)
Income tax and social contribution	41.9	0.4	45.9	0.4	9.5
Derivative financial instruments	-	-	48.0	0.4	n/a
Indemnity assets	75.3	0.7	92.2	0.7	22.4
Other non-current assets	5.0	-	9.0	0.1	80.0
Investments	62.5	0.5	62.2	0.5	(0.5)
Investment property	55.6	0.5	56.4	0.5	1.4
Property, plant and equipment	3,547.8	31.0	3,578.8	29.0	0.9
Intangible Assets	2,356.7	20.6	2,392.7	19.4	1.5
Total Assets	11,439.5	100.0	12,341.0	100.0	7.9
Current liabilities	2,467.4	21.6	2,425.8	19.7	(1.7)
Suppliers	1,234.6	10.8	1,237.1	10.0	0.2
Financing with financial institutions	363.9	3.2	4,44.4	3.6	22.1
Tax Financing	4.9	0.0	7.9	0.1	61.2
Direct Financing	182.4	1.6	59.3	0.5	(67.5)
Debentures	10.7	0.1	10.9	0.1	1.9
Leases	66.6	0.6	86.8	0.7	30.3
Social and labor liabilities	252.4	2.2	248.4	2.0	(1.6)
Tax liabilities	125.0	1.1	117.7	1.0	(5.8)
Income tax and social contribution	1.8	0.0	1.8	-	-
Government grants	25.0	0.2	5.8	-	(76.8)
Derivative financial instruments	54.5	0.5	34.6	0.3	(36.5)
Other current liabilities	145.6	1.3	171.1	1.4	17.5
Non-current liabilities	2,263.4	19.8	2,310.5	18.7	2.1
Financing with financial institutions	660.7	5.8	513.2	4.2	(22.3)
Tax Financing	21.8	0.2	39.3	0.3	80.3
Direct Financing	144.5	1.3	202.7	1.6	40.3
Debentures	837.6	7.3	893.4	7.2	6.7
Leases	265.3	2.3	271.3	2.2	2.3
Tax liabilities	0.5	-	-	-	(100.0)
Deferred income tax and social contribution	37.4	0.3	118.4	1.0	n/a
Derivative financial instruments	50.7	0.4	67.0	0.5	32.1
Provisions for civil, labor and tax risks	225.3	2.0	195.8	1.6	(13.1)
Other non-current liabilities	19.6	0.2	9.4	0.1	(52.0)
Shareholders' equity	6,708.7	58.6	7,604.7	61.6	13.4
Share capital	2,597.7	22.7	2,597.7	21.0	n/a
Capital reserves	39.7	0.3	47.4	0.4	19.4
Accumulated conversion adjustments	0.2	-	(0.2)	-	n/a
Equity valuation adjustments	(81.5)	(0.7)	(15.3)	(0.1)	(81.2)
Profit reserves	4,233.7	37.0	4,910.7	39.8	16.0
(-) Treasury shares	(81.1)	(0.7)	(77.0)	(0.6)	(5.1)
Proposed additional dividends	-	-	141.4	1.1	n/a
Total liabilities and shareholders' equity	11,439.5	100.0	12,341.0	100.0	7.9

Note: Vertical analysis (VA%) is the representation of each item on total assets.

2.1 Financial and equity conditions

Cash flow statement – Indirect Method	2022	2023	Var. (%)
Cash flow from operating activities			
Net profit before income tax and social contribution	351.7	936.0	n/a
Adjustments to reconcile income to cash provided by operating activities:			
Depreciation and amortization	317.3	365.0	15.0
Cost of sale of property, plant and equipment and intangible assets	1.3	11.7	n/a
Equity method	(0.3)	0.2	n/a
Adjustment of financing, debentures, exchange rate assets and liabilities	93.8	103.7	10.6
Update of long-term financial investments	(0.3)	(0.2)	(33.3)
Tax credits and updates	(62.5)	(78.0)	24.8
Update of escrow deposits	(14.4)	(15.2)	5.6
Appropriated interest on leases	27.2	36.2	33.1
Provision and restatement for civil, labor and tax/other risks	40.0	46.5	16.3
Provision (reversal) of indemnity expenses/assets	(11.4)	(16.1)	41.2
Granted shares recognized	11.0	13.8	25.5
Provision (reversal) for estimated customer losses	24.3	16.6	(31.7)
Estimated losses due to reduction in the recoverable value of taxes	-	0.2	n/a
Income Tax provision on financing	1.8	1.9	5.6
Provision for the recoverable value of inventories	16.7	15.5	(7.2)
Losses from derivative transactions contracts	229.1	196.8	(14.1)
Provision (reversal) for impairment of assets	-	5.7	n/a
Gain on acquisition of equity interest	(16.8)	-	(100.0)
Changes in assets and liabilities			
(Increase) Decrease in linked deposits	(69.6)	66.7	n/a
(Increase) in trade accounts receivable	(243.7)	(160.0)	(34.3)
(Increase) Decrease in inventories	(949.5)	816.5	n/a
(Increase) in financial investments	-	1.4	n/a
Reduction in recoverable taxes	407.0	319.9	(21.4)
(Increase) in escrow deposits, net of provisions for risks	(51.9)	(55.8)	7.5
(Increase) in prepaid expenses	(6.3)	(7.8)	23.8
(Increase) decrease in indemnity assets	(0.7)	1.2	n/a
(Increase) in other assets	(27.4)	(3.3)	(88.0)
Increase (Decrease) in suppliers	416.6	(85.0)	n/a
(Reduction) in taxes and contributions	(116.4)	(57.0)	(51.0)
Increase (Decrease) in social and labor obligations	68.1	(4.0)	n/a
Increase (Decrease) in government grants	14.2	(19.2)	n/a
Increase (Decrease) in other liabilities	(0.2)	11.0	n/a
Interest paid	(80.2)	(117.8)	46.9
Exchange rate variations paid	-	(11.1)	n/a
Income tax and social contribution paid	-	(4.8)	n/a
Payments of proceeds from settlement of derivative transactions	(261.9)	(205.4)	(21.6)
Net cash and cash equivalents generated by operating activities	106.6	2,125.8	n/a
Cash flows from investment activities			
Acquisition of property, plant and equipment and intangible assets	(177.1)	(262.2)	48.1
Amortization of debt from the acquisition of companies	(7.0)	(81.3)	n/a
Acquisition of equity interest, net of cash acquired	(415.1)	-	(100.0)
Long-term financial investment	(1.5)	(2.0)	33.3
Long-term financial investment redemption	2.2	1.7	(22.7)
Advance for capital subscription	(2.6)	-	(100.0)
Net cash and cash equivalents (applied) in investment activities	(601.1)	(343.8)	(42.8)
Cash flows from financing activities			
Interest on equity paid	(655.5)	(69.8)	(89.4)
Financing taken	430.1	331.7	(22.9)
Financing payments	(85.3)	(344.1)	n/a
Acquisition of shares issued by the company itself	(36.6)	-	(100.0)
Lease payments	(66.2)	(79.5)	20.1
Net cash and cash equivalents generated (applied) in financing activities	(413.5)	(161.7)	(60.9)
Effects of exchange rate fluctuations on cash and cash equivalents	0.1	(0.5)	n/a
Statement of increase (decrease) in cash and cash equivalents	(907.9)	1,619.8	n/a
At the beginning of the period	1,555.9	648.0	(58.4)
At the end of the period	648.0	2,267.8	n/a

2.1 Financial and equity conditions

Cash flow statement – Indirect Method	2022	2023	Var. (%)
Increase (decrease) in cash and cash equivalents	(907.9)	1,619.8	n/a

Note: The information presented refers to the Company's consolidated financial statements.

Main items of income earned in the fiscal year ended December 31, 2023 compared to the fiscal year ended December 31, 2022

M. Dias Branco reached net revenue of R\$ 10.8 billion, 7.0% higher than the previous year, as a result of the increase in average price and volumes by 2.9% and 4.0%, respectively.

Throughout the year, the Company focused its efforts on initiatives and actions aimed at increasing profitability, including investments in marketing to accelerate sales and strengthen brands, developing service levels, accelerating the growth of strategic items (such as cookies and wafers), developing the revenue management process and reintroducing low-cost exclusive brands for some customers in the Cash & Carry channel.

Regarding costs, the reduction in wheat and oil prices positively impacted the result during the year. Selling and administrative expenses, on the other hand, remain controlled, representing 20.5% of net revenue in 2023, which reinforces the productivity and efficiency gains captured in recent years. As a result, the Company recorded EBITDA of R\$ 1.4 billion (+59.2% vs. 2022), with 13.2% EBITDA margin (8.9% in 2022) and net profit of R\$ 888.7 million (+84.5% vs. 2022).

The main consolidated result indicators for 2023 compared to 2022 are presented below.

Net revenue

In the comparison of 2023 vs. 2022, net revenue grew 7.0%, with an expansion in volumes sold (+4.0%) and average price (+2.9%). Highlight for revenue growth in other product lines at 30.9%, in line with the Company's strategy of investing in high value-added products.

Revenues from cookies & crackers, pasta, flour and bran, margarines and vegetable shortening, and other product lines accounted for 51.3%, 20.9%, 17.8%, 5.9%, and 4.1%, respectively, of net operating revenues in 2023, compared to 50.7%, 20.8%, 18.4%, 6.7%, and 3.4%, respectively, of net operating revenues in 2022.

The contribution of each of the product lines: (i) cookies & crackers; (ii) pasta; (iii) flour and bran; (iv) margarines and vegetable shortening; and (v) other product lines to the origination and growth of net operating revenues was as shown in the following table and commentary.

Product Lines	2022			2023			Variations		
	Net Revenue*	Weight*	Avg. Price*	Net Revenue*	Weight*	Avg. Price*	Net Revenue*	Weight*	Avg. Price*
Cookies & Crackers	5,137.8	520.5	9.87	5,565.9	514.4	10.82	8.3%	-1.2%	9.6%
Pasta	2,110.6	358.1	5.89	2,264.3	354.6	6.39	7.3%	-1.0%	8.5%
Flour and Bran	1,861.5	737.0	2.53	1,929.6	812.5	2.37	3.7%	10.2%	-6.3%
Margarines and shortening	681.2	80.8	8.43	637.8	79.4	8.03	-6.4%	-1.7%	-4.7%
Other Product Lines**	338.1	21.1	16.02	442.7	26.0	17.03	30.9%	23.2%	6.3%
TOTAL	10,129.2	1,717.5	5.90	10,840.3	1,786.9	6.07	7.0%	4.0%	2.9%

* Net revenue in R\$ million, net weight of returns in thousand tons and average net price in R\$/kg.

** Cakes, snacks, cake mix, soft drinks, toast, healthy products, sauces and seasonings.

2.1 Financial and equity conditions

Cookies & Crackers

Net cookies & crackers revenue grew 8.3% in 2023 vs. 2022, with the average price increasing by 9.6% and a 1.2% retraction in volumes sold. The decrease in volumes occurred mainly in the Midwest and North regions, in the subcategory of water and salt cream cracker. Highlight the performance of strategic items, applied within the concept of Perfect Store, such as cookies and wafer, in addition to the growth of the core business, mainly Maria/maisena and filled cookies.

Pasta

In the Pasta sector, net revenue grew 7.3% in 2023 vs. 2022, with the average price increasing by 8.5%, which offset the decrease in volumes by 1.0%. Revenue growth was especially in the common pasta and egg pasta subcategories. We can highlight the improvement in competitiveness based on the adequacy of the packaging size. The retraction of volumes occurred mainly in the North region and in the semolina pasta subcategory.

Flour and bran

In 2023, net revenue from flour and bran grew 3.7% compared to 2022, with volumes sold expanding by 10.2% and an average price reduction by 6.3%, mainly influenced by the transfer to prices of the reduction in the average cost of wheat.

Cost of goods sold

Costs of Goods Sold (R\$ million)	2022	VA%	2023	VA%	Variation HA%
Raw material	5,582.1	55.1%	5,321.8	49.1%	-4.7%
Wheat	3,568.3	35.2%	3,282.4	30.3%	-8.0%
Oil	1,196.8	11.8%	1,079.4	10.0%	-9.8%
Sugar	278.2	2.7%	299.3	2.8%	7.6%
Third-party flour	8.0	0.1%	9.8	0.1%	22.5%
Third-party shortening	0.2	-	0.2	-	-
Other inputs	530.6	5.2%	650.7	6.0%	22.6%
Packaging	649.7	6.4%	663.1	6.1%	2.1%
Labor	723.7	7.1%	855.4	7.9%	18.2%
General manufacturing expenses	617.7	6.1%	662.8	6.1%	7.3%
Depreciation and amortization	183.6	1.8%	212.0	2.0%	15.5%
Cost of goods sold	59.8	0.6%	32.6	0.3%	-45.5%
Total	7,816.6	77.2%	7,747.7	71.5%	-0.9%

Note: Vertical analysis (VA%) is the representation of the costs of goods sold over net revenue.

In 2023, the cost of goods sold decreased by 0.9% compared to the previous year, representing 71.5% of net sales for the period (77.2% in 2022), mainly reflecting the decrease in the average cost of the main commodities: a decrease in the average cost of wheat and oil of 16.0% and 14.6%, respectively, contrasting with the 6.1% increase in sugar.

2.1 Financial and equity conditions

Gross operating profit

In 2023 vs. 2022, gross profit in nominal values increased 24.5% and gross margin rose 4.7 p.p., from 28.5% in 2022 to 33.2% in 2023. The growth reflects the correct pricing strategy, combined with the growth in volumes, as well as the reduction in costs due to the fall in commodity prices.

Operating expenses

Operating expenses (R\$ million)	2022	VA%	2023	VA%	Variation HA%
Sales	1,749.9	17.3%	1,900.6	17.5%	8.6%
Administrative and general	287.7	2.8%	322.3	3.0%	12.0%
SG&A	2,037.6	20.1%	2,222.9	20.5%	9.1%
Donations	19.8	0.2%	35.3	0.3%	78.3%
Tax	32.8	0.3%	38.6	0.4%	17.7%
Depreciation and amortization	133.6	1.3%	152.9	1.4%	14.4%
Other operating expenses (revenue)	80.4	0.8%	76.8	0.7%	-4.5%
Total	2,304.2	22.7%	2,526.5	23.3%	9.6%

Selling and administrative expenses

On December 31, 2023, selling and administrative expenses grew 8.6% and 12.0% in absolute values and increased 0.2 p.p. in representativeness over net revenue, both, following subsidiaries. The growth in absolute values reflects the increase in volumes sold (4.0%), in addition to greater investments in marketing.

Other net operating expenses (revenues)

In relation to other expenses, higher levels of donations in the year stand out.

State grants for investments

Subsidies for state investments are carried forward by the result in compliance with CPC 07 and IAS 20 – Government Subsidies. For the most part, they are calculated based on the ICMS value computed in the cost of production, and allocated in the Income Statement, below the cost of goods sold. In 2023, the amount recognized by the Company was R\$ 502.8 million (R\$ 574.5 million in 2022).

The Company was additionally entitled to R\$ 120.7 million (R\$ 111.5 million in 2022) as presumed credit and, in other operating revenues, recognized R\$ 4.7 million (R\$ 3.8 million in 2022) related to FUNDOPEM (Fundo Operação Empresa do Estado do Rio Grande do Sul), detailed in Note 22 of the financial statements for the year 2023.

Financial income

Financial income (R\$ million)	2022	VA%	2023	VA%	Variation HA%
Financial Revenues	332.0	3.3%	417.0	3.8%	25.6%
Financial Expenses	(563.5)	-5.6%	(549.6)	-5.1%	-2.5%
Total	(231.5)	-2.3%	(132.6)	-1.2%	-42.7%

Note: The vertical analysis (VA%) is the representation of financial income and expenses and the result of exchange variation on net revenue.

2.1 Financial and equity conditions

In 2023, the Company recorded financial income of R\$ 132.6 million vs. R\$ 231.5 million in 2022, an evolution mainly due to the higher level of revenue from financial investments, given the growth in cash and cash equivalents from R\$ 0.6 billion in 2022 to R\$ 2.3 billion in 2023.

Taxes on income

Income Tax and Social Contribution (R\$ million)	2022	VA%	2023	VA%	Variation HA%
Income tax and social contribution	(130.6)	-1.3%	47.4	0.4%	n/a
Federal tax incentive	0.5	0.0%	-	0.0%	-100.0%
Total	(130.1)	-1.3%	47.4	0.4%	n/a

Note: Vertical analysis (VA%) is the representation of taxes and tax incentives on net revenue.

In 2023, a provision of R\$ 47.4 million in income tax and social contribution was recognized in view of the reversal of R\$ 130.1 million in 2022. The provisioning is mainly a reflection of the generation of taxable income, with the increase in income before IR and CSLL, and lower state subsidies due to the fall in the cost of wheat.

EBITDA and Net Profit

The Company ended 2023 with EBITDA of R\$ 1,433.6 million (growth of 59.2% vs. 2022), with an EBITDA margin of 13.2% (8.9% in 2022) and net profit of R\$ 888.7 million (increase of 84.5% vs. 2022), in a scenario of falling commodity costs, recovery of volumes sold and control of expenses. Net profit increased due to the expansion of EBITDA and the improvement of the financial income.

Analysis of the main changes in the balance sheet accounts as of December 31, 2023 compared to December 31, 2022

Assets

Current

Cash and cash equivalents

The balance of cash and cash equivalents amounted to R\$ 648.0 million on December 31, 2022, and increased to R\$ 2,267.8 million on December 31, 2023, an increase of 250.0% explained by the higher flow of operating activities and the positive effect of working capital, as opposed to investments in financing activities and investments in capex. As of December 31, 2022 and 2023, the balance of cash and cash equivalents represented 5.7% and 18.4% of total assets, respectively, having increased by 12.7 percentage points in the period.

Trade accounts receivable

On December 31, 2022, trade accounts receivable totaled R\$ 1,690.9 million, and on December 31, 2023, increased to R\$ 1,839.7 million, growing by 8.8%. Increase influenced by higher revenue in December 2023 compared to the same period of the previous year. As of December 31, 2022 and 2023, trade accounts receivable represented 14.8% and 14.9% of total assets, respectively.

2.1 Financial and equity conditions

Inventories

The inventory balance went from R\$ 2,111.5 million on December 31, 2022 to R\$ 1,338.4 million on December 31, 2023, a reduction of 36.6% influenced by the lower levels of inventories of raw materials and finished products, in addition to the drop in the price of commodities. As of December 31, 2022 and 2023, the inventory balance represented 18.5% and 10.8% of total assets, respectively.

Recoverable taxes

The taxes to be recovered totaled R\$ 234.6 million at December 31, 2022, and increased to R\$ 129.5 million at December 31, 2023, a reduction of 44.8% influenced by the greater volume of ICMS exclusion credits offset in the Pis/Cofins calculation base. As of December 31, 2022 and 2023, recoverable taxes represented 2.1% and 1.0% of total assets, respectively.

Non-current

Derivative financial instruments

As of December 31, 2023, the Company presented the amount of R\$ 48.0 million related to derivative financial instruments receivable in non-current assets (as of December 31, 2022, there was none as the derivative financial instruments payable were higher). This is mainly due to the swap operation on debentures. As of December 31, 2023, derivative instruments receivable represented 0.4% of total assets.

Liabilities

Current

Direct financing

The balance of direct financing amounted to R\$ 182.4 million on December 31, 2022, and increased to R\$ 59.3 million on December 31, 2023, a reduction of R\$ 123.1 million resulting from the reclassification of the amount under discussion of the liability of the sellers of Piraquê for long-term liabilities, in the amount of R\$ 102.3 million, in addition to the settlement of the remaining debt of Jasmine, in the amount of R\$ 23.6 million. As of December 31, 2022, direct financing represented 1.6% of total assets and, as of December 31, 2023, represented 0.5% of total assets.

Non-current

Financing with financial institutions

The balance of financing with financial institutions totaled R\$ 660.7 million on December 31, 2022 and increased to R\$ 513.2 million on December 31, 2023, a reduction of R\$ 147.5 million mainly due to the reclassification of Santander's working capital due in February 2024 to current assets. As of December 31, 2022, financing with financial institutions represented 5.8% of total assets and, as of December 31, 2023, represented 4.2% of total assets.

Shareholders' Equity

Shareholders' equity increased from R\$ 6,708.7 million at December 31, 2022 to R\$ 7,604.7 million at December 31, 2023, an increase of 13.4%, due to the allocation of profits to the creation of a reserve for tax incentives for 2023, of R\$ 628.3 million, and for previous years, of R\$ 240.9 million, in contrast to the distribution of interest on equity (JSCP) in the total gross amount of R\$ 212.0 million, of which R\$ 193.5

2.1 Financial and equity conditions

million as JSCP to the reserve account for investment plans. As of December 31, 2022, shareholders' equity represented 58.6% of total assets and, as of December 31, 2023, represented 61.6% of total assets.

Analysis of changes in cash flows as of December 31, 2023 compared to December 31, 2022

The Company's cash flows are primarily generated from operating activities, as a result of revenues from the sale of products, and from financing activities, as a result of the Company's borrowings.

The Company's cash flow is mainly used for investing activities, resulting from the acquisition of other companies engaged in the same business, expansion and modernization of production lines, and financing activities, when debt is repaid and shareholders are remunerated through the payment of dividends.

The table below shows the net cash generated by the Company in the fiscal years 2023 and 2022.

R\$ million	2022	2023	Variation
Net cash generated by operating activities	106.6	2125.80	n/a
Net cash (invested) in investment activities	-601.1	-343.80	-42.8%
Net cash (invested) in financing activities	-413.5	-161.70	-60.9%
Effects of exchange rate fluctuations on cash and cash equivalents	0.1	-0.50	n/a
Increase (decrease) in cash and cash equivalents	-907.9	1,619.80	n/a

Operating activities

Net cash and cash equivalents generated by operating activities increased from R\$ 106.6 million on December 31, 2022 to R\$ 2,125.8 million on December 31, 2023. This increase was mainly due to the growth of EBITDA and better strategic management of working capital.

Investment activities

Net cash used in investing activities increased from R\$ 601.1 million at December 31, 2022 to R\$ 343.8 million at December 31, 2023, a decrease of 42.8% due to the acquisitions of equity interests that occurred in 2022.

Financing activities

Net cash and cash equivalents invested in financing activities increased from R\$ 413.5 million on December 31, 2022 to R\$ 161.7 million on December 31, 2023. The reduction of 60.9% was mainly influenced by the reduction in the payment of interest on equity between the periods (R\$ 69.8 million in 2023 versus R\$ 655.5 million in 2022).

2.2 Operating and financial income

a. Results of issuer's operations

i. Description of any important revenue components

Revenues are derived from the production and marketing of the following product lines: (i) cookies & crackers; (ii) pasta; (iii) wheat flour and bran; (iv) margarines and vegetable shortening; and (v) other product lines, with a broad national presence and high proximity to the consumer market.

Net revenue by Product Lines In R\$ million	2022	2023	Variation
Cookies & Crackers	5,137.8	5,565.9	8.3%
Pasta	2,110.6	2,264.3	7.3%
Flour and Bran	1,861.5	1,929.6	3.7%
Margarines and shortening	681.2	637.8	-6.4%
Other Product Lines*	338.1	442.7	30.9%
TOTAL	10,129.2	10,840.3	7.0%

* Cakes, snacks, cake mix, soft drinks, toast, healthy products, sauces and seasonings.

The main reasons for variations in revenues in 2022 and 2023 are described and commented in section 2.1 item h.

ii. Factors that materially affected operating results

2023 was marked by major challenges that required actions and adjustments. The variation in the price of commodities, caused by conflicts abroad, coupled with the constant changes in consumer behavior and the new demands of purchase channels, required agility and adaptation. However, even with a scenario of adverse macroeconomic conditions, we were able to conclude the year with an EBITDA margin of 13.2% and nominal EBITDA of R\$ 1.4 billion, in addition to having recorded some records, such as annual net profit of R\$ 889 million, 84.5% higher than that of 2022; net revenue in the order of R\$ 10.8 billion, 7% above last year; operating cash generation of R\$ 2.1 billion; in addition to liquidity with daily trading at B3 average of R\$ 47.5 million. We are convinced that we have moved forward consistently.

b. Significant changes in revenues due to the introduction of new products and services, volume and price changes, foreign exchange rates and inflation.

In 2023, there was an increase in the representativeness of the portfolio with the highest added value (4.1% of total net revenue in 2023 vs. 3.4% in 2022), as a result of efforts to strengthen the process of integrating the management of companies acquired in 2021 and 2022 into the corporate model, which reinforced the *snack* and healthy portfolio, with average price items 2.8 times above the average of M. Dias Branco.

Throughout the year, the company also focused on initiatives and actions to grow volumes and increase average price sequentially, including investments in marketing to accelerate sales and strengthen brands, development of the revenue management process, new product launches, and accelerated growth of strategic items such as Piraquê.

Other fluctuations in the Company's revenues that may be attributable to changes in prices, foreign exchange rates, inflation, changes in volumes and the introduction of new products are discussed in item 2.1.h for each product line marketed by the Company and in item 2.10.c about the new products and services.

2.2 Operating and financial income

c. Relevant effects of inflation, changes in prices of major inputs and products, exchange rates and interest rates on the issuer's operating and financial income

The Company is exposed to market risk primarily from fluctuations in the prices of its major raw materials and from fluctuations in foreign currency exchange rates and interest rates as a result of its borrowing and financing obligations.

Input prices

Cost of goods sold and gross profit are directly affected by the price of the Company's main raw materials, which include commodities such as wheat, vegetable oil and sugar, which accounted for 42.4%, 13.9% and 3.9% of total cost of goods sold in 2023, respectively (45.7%, 15.3% and 3.6% in 2022, respectively).

In 2023, the average cost of wheat decreased by 16.0%, the average cost of vegetable oil decreased by 14.6% and the average cost of sugar grew by 6.1% compared to 2022.

Foreign exchange variation

The Company's operating income and financial situation have been and will continue to be affected by the depreciation or appreciation of the Real against the Dollar, as a significant portion of the Company's costs - such as wheat, soybean or palm oil and sugar - are directly or indirectly linked to the Dollar.

Furthermore, the Company may have foreign currency denominated liabilities, primarily in dollars, arising from the importation of its principal raw materials, wheat and soybeans, and palm oil. However, as a strategy to prevent and reduce the impact of exchange rate fluctuations on results, the Company has sought to avoid or minimize the mismatch between assets and liabilities indexed in foreign currencies by evaluating the use of foreign exchange hedging operations, more commonly swap operations, which consist of exchanging foreign exchange risk for CDI variation.

Thus, at December 31, 2023, the Company had four current swap agreements to hedge working capital financing in foreign currencies with maturities between February 2024 and December 2025, in which it receives on the active side an average of dollars plus interest at a rate of 3.38% p.a. and pays on the passive side an average of CDIs plus interest at a rate of 0.82% p.a., with a notional principal amount in Reais of R\$ 813.3 million and a fair value payable of R\$ 91.4 million.

Swap contract	Reference value		Curve value		Fair value	
	2023	2022	2023	2022	2023	2022
Active position						
Foreign currency (USD)	813,303	716,970	784,951	734,003	760,555	698,700
Passive position						
CDI	813,303	716,970	837,959	728,670	851,931	749,211
Swap result	-	-	(53,008)	5,333	(91,376)	(50,511)

2.2 Operating and financial income

As a result, at December 31, 2023, the Company did not have any material mismatch in the position of assets and liabilities sensitive to exchange rate fluctuations, as shown below:

Description	Parent Company		Consolidated	
	2023	2022	2023	2022
Loans/financing in foreign currency (a)	784,910	734,003	784,910	734,003
Swap contracts (b)	(784,951)	(734,003)	(784,951)	(734,003)
Foreign currency assets (b) ⁽¹⁾	(89,046)	(154,499)	(91,528)	(155,432)
(Surplus) and deficit calculated (a-b)	(89,087)	(154,499)	(91,569)	(155,432)

⁽¹⁾ Refers to cash and cash equivalents, linked deposits of derivative transactions and receivables in foreign currency.

In addition, as a strategy to prevent and reduce the impact of foreign exchange rate fluctuations on results, the Company began to enter into Non Deliverable Forward (NDF) contracts based on future cash flow projections based on budget and interim forecasts.

As of December 31, 2023, the Company had 58 futures contracts expiring in April 2024, with notional principal amounts and fair values as follows:

Description	Protected object	Reference currency (notional)	Reference value (notional)	Fair value receivable (payable)
Forward contract	Currency	Dollar	73,166	(4,616)

Inflation risk

Due to the issuance of debentures in March 2021 with remuneration charges based on the Broad Consumer Price Index (IPCA) and maturing in the long term (7 years and 10 years), the Company's results are more susceptible to significant variations in inflation.

Extreme events such as pandemics, wars, natural disasters and others that occur in different parts of the world can disrupt economic activity and cause shocks in global markets, affecting supply chains, commodity prices, exchange rate fluctuations and the value of the Company's shares.

Thus, at December 31, 2023, the Company had 43 negotiated swap contracts to hedge the issuance of bonds maturing on March 17, 2031 and working capital financing maturing in February 2024, in which it receives on the active side an average IPCA plus an interest rate of 4.35% per annum and pays on the passive side an average CDI plus an interest rate of 0.29% per annum. The notional amount of the contracts already in force is R\$ 931.6 million and the gross fair value of these derivative instruments at December 31, 2023 is R\$ 66.9 million.

Swap contracts	Reference value		Curve value		Fair value	
	2023	2022	2023	2022	2023	2022
Active position						
IPCA	931,644	931,644	1,089,764	1,044,135	1,042,013	987,195
Passive position						
CDI	931,644	931,644	964,849	965,821	975,134	976,008
Swap result	-	-	124,915	78,314	66,879	11,187

2.2 Operating and financial income

These financial instruments have been designated as fair value hedges, the effects of which are recorded in the statement of financial income (see Explanatory Note No. 19).

Interest rate

The Company is mainly exposed to changes in CDI interest rates in financial investments and loans and financing.

Description	Parent Company		Consolidated	
	2023	2022	2023	2022
Financial assets				
Financial investments indexed to the CDI	2,223,898	559,491	2,224,477	566,774
Financial liabilities				
Transactions in foreign currency with derivatives linked to the CDI	(837,959)	(728,670)	(837,959)	(728,670)
Debenture operations with derivatives and working capital linked to CDI	(964,849)	(965,821)	(964,849)	(965,821)
Financing indexed to CDI	(240,482)	(382,026)	(261,977)	(431,559)
Assets (Liabilities)	180,608	(1,517,026)	159,692	(1,559,276)

Sensitivity analysis to the variation of the ICD

The table below shows the projection of the gain or loss that would be recognized over the next 12 months if the position of assets indexed to the CDI, net of liabilities linked to the CDI, were maintained at R\$ 159.7 million.

Description	Exposure	Risk	Likely scenario	Possible scenario	Remote scenario
Net assets	159,692	CDI decrease	(2,555)	(4,012)	(8,025)

The likely scenario considered the future quotation of the DI for 360 days, according to information obtained at B3 on December 28, 2023, at the level of 10.05% p.a. The other scenarios, possible and remote, considered a reduction in this quotation by 25% (7.54% p.a.) and 50% (5.03% p.a.), respectively.

Even in view of the projection of a decrease in the CDI for the year 2024, the Company's Management, due to its current economic and financial situation, sees no risk to this indicator.

Financial expenses

Financial expenses increased from R\$ 563.5 million in the fiscal year ended December 31, 2022 to R\$ 549.6 million in the fiscal year ended December 31, 2023. The 2.5% reduction was influenced by the lower impact of the cost of contracting NDFs for hedging operations, in contrast to the increase in the cost of debt.

2.3 Changes in accounting practices/Modified opinions and emphases

a. Changes in accounting practices that have resulted in significant effects on the information provided in fields 2.1 and 2.2

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the IASB, as well as in accordance with accounting principles generally accepted in Brazil.

In 2023, there was no significant change in the accounting practices adopted by the Company that resulted in significant effects.

b. Modified opinions and emphases present in the auditor's report

The financial statements for the year 2023 were audited by KPMG Auditores Independentes Ltda and the independent auditors' reports do not contain modified opinions or emphases.

2.4 Relevant effects on the financial statements

a. Introduction or disposal of operating product line

The Company does not currently intend to make any material changes (divestiture or introduction) to the operating product lines.

b. Constitution, acquisition or disposal of equity interest

On August 31, 2022, Latinex acquired 100% of the shares representing the share capital of Jasmine Indústria e Comércio de Alimentos Ltda. The operation was inserted into the Company's strategy of profitable growth, adding high added value products and additional categories to its current portfolio.

On October 31, 2022, the Company acquired 100% of the shares representing the share capital of Darcel S.A. and Cacama S.A., owner of the Las Acacias brand. Founded in Montevideo in 1952, Las Acacias, Darcel's main brand, is among the three main pasta brands in Uruguay, also having in its portfolio items in the categories of wheat flour, cake mix, sauces, among others.

On August 1, 2023, Jasmine merged Latinex, a reverse transaction, where the subsidiary merges its parent company. In this way, the acquiring company (Jasmine) became a direct subsidiary of the Company.

The Corporate Reorganization is intended to simplify the corporate structure of the Company, as well as to reduce administrative activities and annual ancillary obligations, in the best interest of the Parties, as it will reduce costs, expenses and the fulfillment of ancillary obligations, seeking to maximize benefits of an equitable, legal and financial nature.

As a wholly-owned subsidiary, the merger did not result in any changes to the consolidated equity, results of operations or composition of the Company.

c. Unusual events or operations

Not applicable.

2.5 Non-accounting measurements

a. Value of non-accounting measurements

i. EBITDA

EBITDA (in R\$ million)	2022	2023
EBITDA	900.4	1,433.6

The Company also monitors its performance based on EBITDA, which, under the terms of CVM Instruction No. 527/12, consists of the net income for the period, plus taxes on profit, financial expenses net of financial revenues and depreciation, amortization and depletion. Art. 4 of CVM Instruction no. 527/12 also provides that the company may choose to disclose the EBITDA values excluding the net results related to discontinued operations and adjusted for other items that contribute to the information on the potential for gross cash generation.

ii. Net Debt

Net Debt (in R\$ million)	2022	2023
Net Cash (Net Debt) ⁰¹	(1,580.4)	73.6

The Company calculates net debt based on the sum of loans and financing with financial institutions, tax financing, direct financing and debentures, less the amounts of cash and cash equivalents, short-term and long-term investments and financial instruments.

b. Reconciliations between the amounts disclosed and the amounts in the audited financial statements

i. EBITDA

Reconciliation of EBITDA (in R\$ million)	2022	2023
Net Profit	481.8	888.7
Income Tax and Social Contribution ⁰¹	(130.1)	47.4
Financial Revenues	(332)	(417.0)
Financial Expenses	63.5	549.6
Depreciation and Amortization on CPV	83.6	212
Depreciation and Amortization on Expenses	33.6	152.9
EBITDA	900.4	1,433.6

(1) Includes income tax and social contribution and, when used, the IRPI incentive

ii. Cash (Net Debt)

Debt (in R\$ million)	2022	2023
Box ⁰¹	735.7	2287.9
Total debt, ²⁾	(2,226.5)	(2,171.1)
Financial Instruments Receivable (Payable)	(89.6)	(43.2)
Net Cash (Net Debt)	(1,580.4)	73.6

(1) Includes cash, cash equivalents, linked deposits and short-term and long-term financial investments. (2) It includes financing and loans with financial institutions, tax financing, short-term and long-term direct financing and debentures.

2.5 Non-accounting measurements

c. Reason why the Company believes that such measurement is more appropriate for a correct understanding of its financial position and results of operations

Because EBITDA is a financial measure used to evaluate a company's performance without the impact of its capital structure, tax effects and other accounting effects that do not directly affect cash flow, such as depreciation and amortization, the Company believes that EBITDA is an important measure of its financial strength and cash generating capacity and is useful in understanding its operating performance. This is additional information to their financial statements and is commonly used by investors and market analysts.

2.6 Events subsequent to the financial statements

Not applicable.

2.7 Allocation of results

a. Profit retention rules

The Company's Bylaws provide that the General Meeting of Shareholders, upon proposal of the management bodies, may allocate to the tax reserve that portion of the net income resulting from donations or government grants for investments which may be excluded from the basis of calculation of the mandatory dividend. After the creation of the tax reserve, the legal reserve and the declaration of dividends, the remaining part of the profit will be used to create a legal reserve called the "Investment Plan Reserve", unless the General Meeting decides otherwise. The Investment Plan Reserve will observe the limit of 95% of the share capital and may, by resolution of the Board of Directors, be capitalized, used in the absorption of losses or in the distribution of dividends to shareholders. The balance of profit reserves, except for contingencies, tax incentives and unrealized profits, may not exceed the share capital. Upon reaching this limit, the General Meeting shall resolve on the application of the excess in the payment or increase of the share capital or in the distribution of dividends.

b. Rules on dividend distribution

According to the Company's Bylaws, the balance of net profit was adjusted pursuant to article 202 of Law No. 6.404/76, and twenty-five percent (25%) of the adjusted balance discounted from the amounts allocated to the Tax Incentive Reserve was attributed to the payment of the mandatory dividend.

c. Frequency of dividend distributions

Quarterly and residual value after approval by the General Meeting that decides on the financial statements for the year in question.

d. eventual restrictions on the distribution of dividends imposed by legislation or special regulations applicable to the issuer, as well as contracts, judicial, administrative or arbitration decisions

Except as provided in the Brazilian Corporation Law, there are no restrictions on the distribution of dividends.

e. if the issuer has a formally approved profit allocation policy, inform the body responsible for approval, date of approval and, if the issuer discloses the policy, locations on the world wide web where the document can be consulted

The Company has a shareholder remuneration policy, approved by the Board of Directors on 12/18/2020 and updated on 11/10/2023, available on the Investor Relations website: <https://ri.mdiasbranco.com.br/governanca-corporativa/outras-politicas>.

2.8 Relevant items not supported by the financial statements

a. Assets and liabilities held by the issuer, directly or indirectly, that do not appear in the balance sheet (off-balance sheet items)

The Company has no assets and liabilities that are not reflected in the financial statements and its explanatory notes.

b. Other items not shown in the financial statements

Not applicable.

2.9 Comments on unsupported items

a. How such items change or may change revenues, expenses, operating income, financial expenses, or other items in the issuer's financial statements

As mentioned in topic 2.8, there are no items that are not evidenced in the financial statements.

b. Nature and purpose of the operation

As mentioned in topic 2.8, there are no items that are not evidenced in the financial statements.

c. Nature and amount of the obligations assumed and the rights generated in favor of the issuer as a result of the operation

As mentioned in topic 2.8, there are no items that are not evidenced in the financial statements.

2.10 Business plans

a. **Investments, including: (i) a quantitative and qualitative description of current and planned investments; (ii) sources of financing for investments; (iii) relevant current and planned divestments**

The Company maintained its budget for investment projects aimed at diversifying and maintaining production capacity and increasing efficiency. These investments are mainly aimed at new product development, efficiency and quality improvement, ERP modernization projects, investments in the digitalization of industrial equipment, productivity and compliance with legal requirements in the production units.

Among the items that make up the expenses with investments throughout 2023, we highlight the investments with the implementation of the SAP system (ERP modernization).

The Executive Board estimates that approximately R\$ 338.0 million will be invested in 2024. The estimated investments are divided into categories and include all expansion and modernization of industrial facilities:

Investments (in R\$ million)	2024
Machinery and equipment	159.2
Software use licenses	65.8
Buildings	51.6
Facilities	30.2
Others*	31.2
Total	338.0

*Other property, plant and equipment, tools, trademarks and patents.

The investments listed above are projections of the Company and are based on our estimates. The Company is under no obligation to invest the amounts listed above, and the actual amounts invested may vary significantly due to various factors, including market and inflation rates, licensing, etc.

The Company will obtain the necessary funds to make the investments through its cash generation (own funds) and loans to be obtained from development banks. No such divestment is in progress or planned.

These capital expenditure projections do not include any amounts to be used for future acquisitions.

b. **if already disclosed, the acquisition of plant, equipment, patents or other assets that must materially affect the issuer's productive capacity.**

Not applicable, as the majority of the investments are intended to increase productive efficiency, maintain capacity, innovate products and drive digital transformation.

c. **new products and services**

Throughout the year, 55 new products were launched, 31 for the domestic market and 24 for export, which, added to the launches of the last 24 months, totaled R\$ 443.8 million in the Company's revenue.

Among the launches, we can highlight the following: i) wheat snacks in beef tenderloin flavors, onion and pepperoni rings, from the Piraquê brand; ii) black malted cookies, in the covered and malted and

2.10 Business plans

vanilla-filled black versions, from the Piraquê brand; iii) tapioca gluten-free bites in the tomato & basil and olive oil & herbs flavors from the Jasmine brand; iv) tortillas chips in the salt, spicy and cheese flavors, from the Frontera brand.

In the fiscal year ended December 31, 2023, we invested R\$ 17.4 million in product research and development (R\$ 15.9 million in 2022). For 2024, the Company will work with a portfolio of 62 projects, in line with the innovation strategy established by the company. Ongoing surveys represent confidential information not disclosed prior to the actual launch of the product.

d. opportunities included in the issuer's business plan related to ESG issues

Socio-environmental progress is integrated into the decision-making process, internal and external evaluation mechanisms, and value creation for the company, which aims to continuously improve its environmental, social and governance (ESG) performance.

As a result of adopting sustainability as part of the business, in 2023 M. Dias Branco remained in the Sustainability Index (ISE) and the Teva Women in Leadership Index and joined the iDiversa, iCO2 and iGPTW portfolios, all from B3. Highlight for the Double AA rating from Morgan Stanley Capital International (MSCI) and inclusion in the list of companies with an A rating from CDP Clima (Disclosure Insight Action). Furthermore, the Company was among the three best positioned companies in the Best ESG 2023 EXAME Guide, in the Agribusiness, Food and Beverage category; and received the 30% Club Brazil Award.

In 2023, several actions focused on ESG issues were carried out, including: i) the donation of 3,363 tons of food, benefiting more than 120 institutions and contributing to the fight against hunger in Brazil; ii) events aimed at raising internal and external public awareness on ESG issues; iii) the launch of the Decarbonization Program, which implements the strategy to achieve the company's greenhouse gas (GHG) reduction target.

Furthermore, the results of the main ESG indicators monitored throughout the year are listed below.

- **Water consumption:** 2.3% increase in 2023, influenced by non-routine maintenance shutdowns, such as reservoir renovations.
- **Waste sent to landfills in all operations:** The Company continued to make progress in reducing waste sent to landfills. In 2023, five units did not send any waste to landfill, with better disposal (recycling, composting, co-processing, reverse logistics, among others).
- **Losses of inputs in the production process:** in 2023, there was a reduction of 0.3 p.p. in the percentage of losses of inputs vs. 2022, the advance of the indicator reflects the modernization and automation actions in industrial plants.
- **Reduction of waste of finished products:** currently, the percentage of reduction in food waste is 66.8%, with no significant variation in the indicator.
- **Women in leadership:** the Company continues to implement affirmative actions to increase the number of women in leadership positions, including unconscious bias training, recruitment and selection, and mentoring to accelerate the development of female leaders and help achieve the goal of 40% women in leadership positions by 2030.
- **Frequency and severity of occupational accidents:** the 2.6% reduction in the frequency of accidents in 2023 vs. 2022 is a reflection of several initiatives to raise awareness and improve safety conditions.
- **Purchases from local suppliers:** In 2023, an increase in the indicator with an increase of 2.9 p.p. in the percentage of purchases from local suppliers, strengthening the economy and national partners.

2.11 Other factors that significantly influenced operating performance

All factors that materially influenced operating performance were disclosed in the items above.

3.1 Projections disclosed and assumptions

The Company does not have the practice of disclosing operational and financial projections.

3.2 Monitoring of projections

Not applicable, as mentioned in topic 3.1, the Company does not have a practice of disclosing operational and financial forecasts.

4.1 Description of risk factors

The risks described below are those that the Company currently believes could adversely affect the Company and/or its subsidiaries. Additional risks that are unknown or that the Company currently deems less important may also have a material adverse effect on its business and/or the trading price of the shares it issues.

For purposes of this section and section 4.3 - Main Market Risks, unless otherwise expressly stated or the context otherwise requires, a reference to a risk, uncertainty or issue having or may have an "adverse effect on the Company" means that the risk, uncertainty or issue may have or may have an adverse effect on the current and future business, financial condition, liquidity, results of operations and/or the value of the ordinary shares issued by the Company, including its subsidiaries. Similar expressions in this section should be read as having the same meaning.

a. Issuer-related risks

Strategic risk factor

The suspension, revocation or failure to obtain new federal and state tax incentives held by the Company could adversely affect its results.

Since the end of the 1980s, the Company has held state tax incentives, having as of December 31, 2023, (nine) of its units with incentives granted by the States of Ceará (3 manufacturing units), Pernambuco, Bahia, Paraíba, Rio Grande do Norte, Rio de Janeiro and Rio Grande do Sul. Since the 1990s, the Company has received federal tax incentives and today has nine (9) industrial units, most of which are located in the Northeast of Brazil, with incentives granted by the Northeast Development Superintendence (SUDENE). Such incentives consist of the transfer of resources by governments in return for the Company's investment in the construction, installation and modernization of new industrial units in the region. Incentives, especially federal ones, are granted only after the company has demonstrated that it will carry out the investments provided for in the projects approved under the legislation.

Even in the case of tax incentives granted subject to the fulfillment of certain conditions and for a certain period of time - which, under Brazilian law, cannot be unilaterally revoked by the granting governments before the expiration of the concession period - the Company may suffer the suspension of the right to receive the incentives, or until their cancellation, if it fails to comply with certain requirements to be met during the fruition period, such as: (i) the non-distribution to its shareholders of the amount of the tax incentives received; (ii) the maintenance of its operations within the fiscal regularity, in particular the prompt payment of taxes; and (iii) the annual submission to the competent authorities of certain documents and reports certifying the investments made and the compliance with the other conditions. Failure to comply with such obligations, or misinterpretation of the application of tax regulations, may result in the suspension or cancellation of such tax benefits, and may even require the Company to repay the value of the benefits received, plus fees, which could have a negative impact on the Organization.

Given the current scenario of bills aimed at a comprehensive tax reform in the country, the Company cannot guarantee that it will continue to receive new investment incentives after the expiration of the terms of the current ones and, if successful, cannot guarantee that such incentives will be granted on the same terms as those it currently holds. If the tax incentives are changed or expire and cannot be renewed, or if new tax incentives are not created after the expiration of the current ones, their cash generation could be adversely affected.

4.1 Description of risk factors

Strategic risk factor

The growth strategy through acquisitions may have an adverse effect on the Company.

Part of the Company's future growth strategy may involve the acquisition of companies or other assets if opportunities arise in the markets in which the Organization operates or in new markets. Any acquisition of other companies or assets may involve risks such as:

- Operational difficulties in integrating new employees, information systems, products and the customer database into the business. As a result of any acquisition, additional demands may arise from its senior managers, its information systems and other areas of the Company;
- Acquired companies may present unidentified obligations and contingencies in the audit or due diligence process carried out upon its acquisition, or for which the Company may not obtain contractual indemnity from the seller;
- Any delay in the onboarding process can cause an unexpected increase in its operating expenses;
- The cultural difference between companies can lead to mass layoffs or dissatisfaction of remaining employees, impacting the schedule or cost of integration;
- The issuance of shares or debt securities as a source of fundraising for new acquisitions may dilute the interest of its shareholders in its share capital or subject the Company to restrictions or obligations that may impact its ability to put into practice other elements of its strategy;
- The acquisition process may be competitive and may raise the value of the intended transaction or make the consummation of the potential acquisition unfeasible;
- The result of the acquisition of other businesses may also adversely affect the ability of the Company to pay dividends to its shareholders;
- Due to market conditions, we may not be able to divestments in businesses that no longer add value to the organization's strategic agenda; and
- Complexities in determining the purchase price or difficulties in obtaining timely antitrust approvals may cause the Company to withdraw from an acquisition or to acquire less attractive businesses.

Strategic risk factor

Inadequate pricing of products could adversely affect the Company's results and market share.

The Company's growth in market share and financial income may be adversely affected as prices are adjusted due to the increase in the cost of commodities and inputs. The Company adjusts the prices of its products based on a number of variables, including demand, the competitive environment, changes in the cost of key raw materials, changes in foreign exchange rates and other factors.

The Company's investments totaled R\$ 366.7 million in 2023, an increase of 30.9% vs. 2022, distributed between expansion and maintenance. Highlight for investments in software, with the implementation of the SAP system (Simplify project).

In 2023, M. Dias Branco reached net revenue of R\$ 10.8 billion, a historical record, 7.0% higher than the previous year, as a result of the expansion of volumes (+4.0%) and the average price (+2.9%). Throughout the year, the Company also focused its efforts on initiatives aimed at profitable growth throughout the year, including

4.1 Description of risk factors

investments in marketing to accelerate sales and strengthen brands; evolution of the service level; accelerated growth of strategic items (such as cookies and wafers); evolution of the revenue management process; and reintroduction of low-cost exclusive brands for some customers of the Cash & Carry channel.

Cyber risk factor

Violations, interruptions or failures of information technology systems may harm the Company's operations.

The Company's information systems may be vulnerable to disruptions in their operation due to internal events such as: hardware and software obsolescence, inconsistency or ineffectiveness of the disaster recovery plan, or deficiencies in segregation of duties and access profile controls. In addition, events external to the Company's environment, such as natural disasters, telecommunications network failures, computer viruses, hacking attacks, or other operational and security issues, may cause interruptions in the operation of the Company's computerized systems.

The Company's entire infrastructure is supported by good cybersecurity practices, defined by a renowned consultancy and implemented by a new team established for this purpose in 2022. In 2023, there were investments in the implementation of cybersecurity of more than R\$ 2 million.

Data protection risk factor

The Company is subject to administrative sanctions due to non-compliance with the General Personal Data Protection Law (LGPD) and may be negatively affected by the imposition of fines and other forms of sanctions.

If we do not comply with the provisions of the General Personal Data Protection Law, companies belonging to the same economic group may be subject to the sanctions provided for in article 52 of the LGPD, namely:

- a warning, indicating a deadline for the adoption of corrective measures;
- a simple fine of up to 2% (two percent) of the turnover of the Company, group or conglomerate in Brazil in its last fiscal year, excluding taxes, limited, in total, to R\$ 50,000,000.00 (fifty million Reais) per infraction;
- a daily fine, limited to the amount described above;
- publication of the infraction after its occurrence has been duly ascertained and confirmed;
- blocking the personal data to which the infraction refers until its regularization;
- deletion of the personal data to which the infringement refers;
- partial suspension of the operation of the database to which the infraction refers for the period a maximum of six (6) months, extendable for an equal period, until the treatment activity is regularized;
- suspension of the exercise of the activity of processing personal data to which the infringement refers
 - for a maximum period of six (6) months, extendable for an equal period;
 - partial or total prohibition of the exercise of activities related to data processing.

In addition, in the event of non-compliance with the LGPD, the Company may be liable for pecuniary, moral, individual or collective damages, and may also be jointly and severally liable with other Data Processors, as a result of damages caused to Personal Data Subjects.

4.1 Description of risk factors

Therefore, failure to protect personal data processed by the Company or its subsidiaries, as well as the lack of compliance with applicable law, may result in adverse effects for the Organization.

Thus, in the event of a security incident involving personal information that causes significant harm to affected individuals, the Company and its subsidiaries may be required to report the event to the national data protection authority and to the affected individuals, such as by disclosing the event to the press, which could negatively expose the business group and adversely affect the Company's reputation, business, results of operations and financial condition.

Operational risk factor

Unfavorable decisions in judicial or administrative proceedings may cause adverse effects for the Company.

The Company is a party to judicial and administrative proceedings, and may obtain unfavorable results. Its provisions for such contingencies may not be sufficient to satisfy the total amount that the Company may be required to pay, since estimated amounts related to lawsuits with probable loss are provisioned. Unfavorable decisions regarding the set of judicial or administrative proceedings may have an adverse effect on the Company.

For more information on these proceedings, the amounts involved, as well as the amounts provisioned, see in this Reference Form items 4.3 - Non-confidential and relevant judicial, administrative or arbitration proceedings to 4.7 – Other relevant contingencies.

Operational risk factor

Losses not covered by the insurance policies contracted or that exceed the limits of indemnities contracted may cause adverse effects on the Company's business.

The Company contracts several insurance policies with large leading insurers in its markets with coverage for part of its equity against potential existing risks. As such, the Organization has insurance policies contracted with coverage for damages involving industrial plants and other establishments occupied by it, international transport of inputs, among others.

It cannot be guaranteed that the coverage contracted by it is sufficient to guarantee all possible losses and damages arising from claims that may occur in the development of its daily activities. As a result, in the event of non-compliance with insurance conditions or the occurrence of events not covered by insurance and in excess of the limits of indemnity provided for in the insurance policies, the Company may incur significant additional unanticipated costs to restore or rebuild its assets, which could adversely affect its operating results. In addition, the Company cannot guarantee that it will be able to maintain insurance policies at reasonable commercial rates or on acceptable terms in the future, which may have negative impacts on its results. Furthermore, the Company may be liable in court for the payment of indemnity to third parties for claims that have occurred that are not covered by the insurance policies contracted.

4.1 Description of risk factors

Strategic risk factor

The Company may raise funds in the future through the issuance of shares, bonds or securities convertible into shares, which may result in a dilution of the investor's interest in shares issued by it.

The Company may require additional funds and may choose to raise them through public or private placements of debt securities, equity securities or other securities convertible into equity securities, particularly if public or private financing is not available. If the shareholders decide, the additional resources to be obtained through an increase in the share capital may result in the dilution of the investor's interest in the Company's shares.

Strategic risk factor

The Company may not pay dividends to the holders of shares issued by it.

According to its Bylaws, the Company must pay its shareholders at least 25.0% of its adjusted annual net profit, under the terms of the Brazilian Corporation Law, in the form of a mandatory dividend. However, net profit may be capitalized, used to offset losses or retained, as provided for in the Brazilian Corporate Law, and may not be made available for payment of dividends. Thus, the Company may not pay dividends to its shareholders in any fiscal year if its directors determine that such payment is not advisable in light of its financial condition and such determination is approved by the shareholders' meeting. The Company may also change its dividend distribution policy at any time, subject to legal limits. Should any of these events occur, the owners of their shares may not receive dividends.

b. Risks related to its shareholders, in particular controlling shareholders

Management does not see any material risk that may arise from its shareholders, who are able to materially influence the investment decision.

c. Risks related to its subsidiaries and affiliates

The risks related to subsidiaries and affiliates are the same as those related to the Company. It is not possible to ensure that the Company will be successful in implementing its strategy and obtaining synergy with the integrations of its subsidiaries and affiliates, which may have an adverse effect on the Organization's results.

d. Risks related to its managers

Management, under the influence of the Company's controlling shareholder, may make certain business decisions that may conflict with the interests of the Company's minority shareholders and potential investors.

The controlling shareholder may take actions contrary to the interests of the Company's investors, including corporate reorganizations and dividend policy. The decision of its controlling shareholder as to its direction may differ from the decision expected by the Company's minority shareholders.

Information on other risks related to the Company, which were communicated in a timely manner to keep the market informed of the situation, were disclosed in the relevant facts published and filed with the CVM. In addition,

4.1 Description of risk factors

we detail some of these risks in sessions 4.3 *Description of the main market risks* and 4.7 *Other relevant contingencies*, of this form.

e. Risks related to suppliers

Operational risk factor

The prices of raw materials and packaging used by the Company are volatile, and sudden or unexpected fluctuations in these prices could adversely affect the Company's business.

The main raw materials used in the Company's production process are wheat, wheat flour, vegetable oil, shortening and sugar, which accounted for 49.1% of the cost of products sold in the fiscal year ended December 31, 2023. Compared to 2022, the decrease is mainly due to a 16.0% decrease in the average cost of wheat, a 14.6% decrease in the average cost of oil and a 6.1% increase in the average cost of sugar. These raw materials and/or their components are commodities and, as such, their prices are fixed in dollars or defined in Reais according to international dollar prices. The prices of these inputs fluctuate according to their quotation in the international commodity market, which is affected by the variation in world supply and demand. Historically, the price of such commodities in the international market has fluctuated due to a number of factors.

Packaging is also an important component of its production process, having represented, in the fiscal year ended December 31, 2023, approximately 6.1% of its costs of products sold. The price of packaging is influenced, directly or indirectly, by several factors, including international oil prices, which are established based on the Dollar. Historically, the price of packaging has fluctuated due to a number of factors.

A sudden or unexpected change in the prices of these raw materials and packaging, due to changes resulting from fluctuations in the exchange rate between the Real and the Dollar, and/or changes in the supply and demand dynamics of these products, due to concentration in a few suppliers or the absence of substitute inputs, among other factors, may directly affect the price of their raw materials and packaging. In the event of an increase in the price of these inputs, it may not be possible to fully transfer, immediately, the adjustment in the prices of the Company's products, which may decrease its margins and adversely affect the Organization.

f. Risks related to customers

Strategic risk factor

Changes in consumer preferences may affect the demand for our products.

If the Company is unable to successfully anticipate, identify or respond to changes in consumer trends, needs and preferences, demand for and prices of its products may decline, which could adversely affect its results of operations and the market price of its shares.

M. Dias Branco continues to focus on the research of new ingredients and the optimization of formulations, mainly with projects aimed at reducing sodium, sugar and saturated fats, maintaining product quality and production process performance.

4.1 Description of risk factors

With the acquisitions of Frontera, Fit Food, Smart and Jasmine, the Company reinforced its presence in healthy foods and snacks, in addition to entering the sauces, seasonings and condiments segments.

Operational risk factor

The Company is subject to customer and consumer complaints and product recall, which may negatively affect its image, as well as have a material adverse impact on its costs, business and results.

If the Company is involved in civil liability litigation or product recalls related to its products, its profitability could be adversely affected for a period of time, depending on: (i) the volume of the product in the market; (ii) the response of competitors; and (iii) the response of consumers, including recall costs, media and attorney fees, and potential indemnity payments. Even if we are not found liable in a lawsuit, negative publicity regarding the quality of our products could harm our reputation, corporate image and trademarks, which would adversely affect our business and results of operations.

g. Risks related to the sectors of the economy in which the issuer operates

Market risk factor

The volatility of the Real against the Dollar may have an adverse effect on the Company and the shares issued by it.

Brazil's currency has depreciated against the dollar several times in recent decades. During this period, the Federal Government implemented several economic plans and used several foreign exchange policies, including sudden or periodic devaluations (during which the frequency of adjustments varied from daily to monthly), exchange controls, parallel exchange markets and the floating exchange market system. From time to time, there has been significant volatility in the value of the Real against the Dollar and other currencies.

These devaluations of the Real against the Dollar can create inflationary pressures in Brazil, through the increase in the prices of imported products or whose price is linked to the Dollar, including wheat, vegetable oils, sugar and packaging, which are the Company's main raw materials and inputs, and may lead to the adoption of recessionary policies by the Federal Government. On the other hand, the appreciation of the Real against the Dollar could lead to a deterioration of the country's current account and balance of payments, as well as a slowdown in export-led growth, which could adversely affect the Company's business.

As a strategy to prevent and reduce the impact of foreign exchange rate fluctuations on results, the Company has sought to avoid or minimize the mismatch between assets and liabilities denominated in foreign currencies by evaluating the use of foreign exchange hedging transactions, most commonly swaps.

Thus, at December 31, 2023, the Company had four current swap agreements to hedge working capital financing in foreign currencies with maturities between February 2024 and December 2025, in which the active side receives on average dollars plus interest at a rate of 3.38% p.a. and the passive side pays on average CDIs plus interest at a rate of 0.82% p.a., with a reference value (notional) in reais of R\$ 813,303 and a fair value payable of R\$ 91,376.

4.1 Description of risk factors

In addition, as a strategy to prevent and reduce the impact of foreign exchange rate fluctuations on results, the Company began to enter into Non Deliverable Forward (NDF) contracts based on future cash flow projections based on budget and interim forecasts.

As of December 31, 2023, the Company had 58 forward transactions contracts with maturities until April 2024, with reference value (notional) and fair value with reference value (notional) and fair value. These financial instruments have been designated as cash flow hedges.

On the same date, the Company had signed contracts for the purchase of wheat and oil for payment and future delivery, in the amount of 230,620 tons (120,154 tons on December 31, 2022), where 11,620 tons of oil had prices to be fixed. Thus, considering the market value for these cases and the price signed for the fixed contracts, they represented an amount equivalent to US\$ 50,700 of wheat and US\$ 18,824 of oil (US\$ 11,100 of wheat and US\$ 96,711 of oil as of December 31, 2022).

Strategic risk factor

The Company operates in a highly competitive segment, with competitors ranging from small companies to large multinationals, including manufacturers of substitute products for its own, which may have an adverse effect on its business.

The market segment in which we operate is highly competitive and has for many years faced competition from other solid companies with a presence in both regional and national markets as well as international markets, which facilitates access to capital for some of these companies. The Organization also faces competition from small local producers that have good acceptance in certain markets, as well as new companies that may also enter these markets. In addition, due to the Company's large number of brands, it must pay attention to the individual and joint market positioning of products, as there may be cannibalization between the Organization's brands. The Company cannot guarantee that this competitive dynamic will not result in a decrease in the volume of its sales or in a reduction in its prices and margins.

The Company is also subject to competition from other product lines in the food sector, by manufacturers of products that may be substitutes for some of its products, as well as, generating an expansion of its competitive environment.

At various levels, the Company's current and future competitors may be successful in certain product lines or geographies and may have greater financial resources and marketing campaigns, and competition with such competitors may cause the Company to reduce prices, increase its marketing expenses, lose market share or fail to launch new products, any of which could have an adverse effect on the Company's business.

Strategic risk factor

An increase in the concentration of the retail market may force a reduction in the margins practiced by companies in the sector, which may have an adverse effect on the Company.

A representative portion of the production of food companies is distributed through the retail market. The possibility of concentrating the retail market in a few large companies increases the bargaining power of these organizations, which can use their of prices charged by companies in the sector. This

4.1 Description of risk factors

price reduction may have an adverse effect on the Company. In addition, the phenomenon of concentration in the retail sector may also lead to a reduction in the Company's customer base, increasing its dependence on large retail groups above historical levels, which may have an adverse effect.

Market risk factor

The Federal Government has exercised and continues to exercise significant influence over the Brazilian economy. This influence, as well as the economic and political situation in Brazil, may have an adverse effect on the Company and the market value of the shares issued by it.

The Federal Government frequently intervenes in the country's economy and occasionally makes significant changes in its policies, monetary, fiscal, credit, tariff and regulations. Measures taken by the Federal Government to control inflation, in addition to other policies, rules and regulations, often include, but are not limited to, reductions in interest rates, changes in fiscal policy, exchange rate valuations, capital controls and restrictions on imports. We have no control over what measures or policies the Federal Government may adopt in the future, and we cannot foresee them. The business, financial condition and results of operations, as well as the market price of the shares issued may be adversely affected by changes in policies or standards that involve or affect certain factors, such as:

- Monetary, exchange and interest rates policy;
- Exchange control policies and restrictions on remittances abroad;
- Inflation;
- Liquidity of financial and domestic capital markets;
- Tax policy and changes in tax legislation;
- Expropriation of private property;
- Laws and regulations applicable to the sector, including environmental and sanitary;
- Interpretation of labor and social security laws;
- Rationing of electricity and water;
- Public policies to combat the crisis (emergency aid); and
- Other political, diplomatic, social and economic factors that may occur in Brazil or that affect it.

Uncertainty regarding the implementation of changes by the Federal Government in policies or standards that may affect these or other factors in the future may contribute to economic uncertainty in Brazil and increase the volatility of the Brazilian securities market and securities issued abroad by Brazilian companies. Therefore, such uncertainties and other future events in the Brazilian economy may affect the Company's activities and its results of operations, and may even adversely affect the trading of shares issued by it.

Market risk factor

Events and risk perceptions in other countries, particularly in emerging markets, the United States, the Eurozone and China, may affect the market price of Brazilian securities, including the trading of the Company's shares, and may adversely affect the Company's results of operations and financial condition.

The market value of securities issued by Brazilian companies is influenced, to different degrees, by the economic and market conditions of other countries. The reaction of investors to events in these other countries may have an adverse effect on the market value of securities of Brazilian companies, including shares of the Company.

4.1 Description of risk factors

Crises in other emerging economy countries may reduce investors' interest in the securities of Brazilian companies, including the securities issued by them.

In the past, the development of unfavorable economic conditions in other emerging markets has generally led to an outflow of investment and, consequently, a reduction in external resources invested in Brazil, which has had a negative impact on the price of assets traded in the country. The recent financial crises have led to a recessionary scenario on a global scale, with several effects that have had a direct or indirect negative impact on the Brazilian financial and capital markets and the Brazilian economy, such as: fluctuations in the financial and capital markets, with fluctuations in asset prices, unavailability of credit, reduction in spending, economic slowdown, exchange rate instability and inflationary pressures. Furthermore, financial institutions may not be willing to renew, extend or grant new credit lines on economically favorable terms, or even be unable or unwilling to honor their commitments. Any of the aforementioned events may impair the trading of the Company's shares, in addition to hindering its access to the capital market and the financing of its operations in the future, in acceptable or absolute terms.

Strategic risk factor

The Company's competitors may misuse the trademarks, patents and industrial designs owned by them, or the Company may be prevented from using its best-known trademarks in domestic and international markets, which could have an adverse effect.

The trademarks, design and technology used in the manufacture of the Company's products are constantly subject to misuse and/or infringement by third parties of their intellectual property rights, both domestically and internationally. The counterfeiting of products and the misuse of intellectual property rights owned by the Company may not only cause adverse effects on sales, but also compromise the Company's results.

h. Risks related to the regulation of the sectors in which the issuer operates

Regulatory Compliance Risk Factor

The Company is subject to strict control and extensive environmental and health legislation, which may imply an increase in its costs, causing a material adverse effect on its activities.

The Company is subject to the regulations of international, federal, state and local health authorities regarding the manufacturing process of its products, as well as their hygiene, preservation, packaging, storage, distribution and transportation. In addition, the Company's activities are also subject to extensive legislation aimed at environmental preservation.

Failure to comply with the laws and regulations of the health and environmental authorities, without prejudice to the obligation to repair any damage, may result in the application of criminal and administrative sanctions, such as fines, partial or total suspension of activities, loss or limitation of tax benefits and cancellation or suspension of credit lines with official credit institutions, as well as prohibition from contracting with the government, and any of these sanctions may have an adverse effect on its operation.

Changes or alterations in current environmental and health regulations may entail the need to make substantial investments to adapt its activities to the new legislation, which may have an adverse effect

4.1 Description of risk factors

on the Company. Furthermore, any delays or denials by environmental agencies in the issuance or renewal of environmental permits, as well as any inability to meet the requirements established by such agencies in the course of the environmental permitting process, could adversely affect, or even prevent, the construction and operation of their businesses. In addition, the imposition of any financial or other sanctions as a result of non-compliance with environmental and health regulations may also have a material adverse effect on its activities.

i. **Risks related to foreign countries where the issuer operates**

Risks of extreme events in the world may adversely affect the Company's results.

Extreme events such as pandemics, wars, natural disasters and others, occurring in different parts of the world, can disrupt economic activity and cause shocks in global markets, affecting supply chains, commodity prices, exchange rate fluctuations and the value of the Company's shares.

These events can cause measures such as population confinement, trade restrictions, border closures, distribution disruptions, among others, causing local or global recessions. These measures can reduce consumption and industrial production, generating shortages and an increase in the price of inputs.

Political risk, trade sanctions and military interventions in the world may have an adverse effect on the Company, causing a negative impact on its operating results.

Regional political instability, decisions to impose trade sanctions and military interventions in various parts of the world can lead to commodity price instability and exchange rate volatility, which can affect the price of raw materials used by the Company in its production process and, consequently, put pressure on its production costs. From 2012 to 2014, for example, the Argentine Government limited the export of wheat, limiting the supply of the grain in countries in South America. Since the second half of 2013, Ukraine, an important wheat-producing country in the world, has been experiencing a political crisis that may affect its production and, consequently, generate volatility in the price of the commodity. In 2014, tensions between Ukraine and Russia caused the international community to impose sanctions on Russia as a form of retaliation, generating uncertainties about the supply of wheat from this country. In 2017, the process of the United Kingdom's exit from the European Union, known as Brexit, began and will be completed in 2020, creating political instability and doubts about the future of the European Union and its member countries, with negative effects on the global and Brazilian capital markets.

During 2022, the conflict between Russia and Ukraine has led to a sharp rise in international wheat prices due to the risk of a reduction in grain supply, as the two countries together account for a significant proportion of the world's exports of the commodity. The conflict has been described as the worst global security crisis since World War II, so the likely economic sanctions and direct impact on commodity price volatility could have a negative impact on the Company's business.

In 2023, the war between Israel and Hamas in the Middle East may have consequences for Brazilian agriculture. Although the initial impact is not so direct, the effects of the conflict on the price of oil tend to affect the cost of production of fertilizers, diesel and freight

4.1 Description of risk factors

j. Risks related to social issues

Social risks may impair the Company's activities and have a negative impact on its results of operations.

A lower index of diversity and inclusion in the Company may affect the plurality of employees, making it difficult to promote a diverse work environment, as well as the lack of exchange of experiences between different professional profiles, may prevent access to different points of view and perceptions, affecting the development of new solutions to achieve the organization's strategic results. In addition, the absence of a good relationship with the surrounding community can negatively impact the Company's image.

In terms of professional diversity, M. Dias Branco is among the 20 companies that value diversity the most, according to IDIVERSA B3, a pioneering index in Latin America, created by B3 itself, which calculates how close companies are to the diversity of the Brazilian population.

The Company has set a public goal of reaching 40% of women in leadership by 2030. In 2023, the Company reached 24.6%. Initiatives to strengthen the theme include training with leaders, open lectures for all employees, training for the recruitment and selection team, mentoring to develop average female leaders who can be future managers, among others.

Regarding female representation, with its Board of Directors formed by more than 40% of board members, M. Dias Branco received the 30% Club Brazil Award, an initiative aimed at the G20 countries (the 20 largest economies in the world).

k. Risks related to environmental issues

Environmental risks may impair the Company's activities and have a negative impact on its results of operations.

The scarcity of water resources can affect not only the supply of water to the population and industry, but also the generation of energy through hydroelectric power plants and the lack of other renewable energy sources, which can affect business in the event of a shortage. The scarcity of water can lead to rationing of water resources and electricity, which affects the cost of acquiring these resources, the company has migrated the contracting of energy from the regulated market to the free market.

In addition, the lack of mechanisms for reusing water in the production process can have a negative impact on the company and the environment.

The Company takes measures to ensure that activities are carried out to minimize the degree of vulnerability of the water sources used, such as reducing consumption, reusing water and treating wastewater. There are two public targets on water consumption by 2030: Reduction of water consumption to 0.40 m³/ton of products and achievement of 30% water reuse.

In addition to the environmental pillar, the generation of waste in the production process without the correct disposal can generate adverse effects for the company and for society as a whole.

4.1 Description of risk factors

The Zero Landfill program has advanced year after year. In 2023, the Company sent only 5.13% of the waste generated to landfill. In all, five units do not send any waste to landfill, with more noble destinations, such as recycling, composting, among others.

In addition, the waste recycling index is one of the performance and bonus indicators of the environment team and the Corporate Environment Management. In 2023, 34,796.09 tons of waste were generated (44,770.79 tons in 2022).

i. Risks related to climate issues, including physical and transition risks

Climate risks may impair the Company's activities and have a negative impact on its results of operations.

Environmental and climatic problems in regions that produce the raw materials used in the production process can generate price volatility in order to impact the Company's production costs. Furthermore, increasing obligations and regulations on carbon emissions and pricing may generate additional costs for the business.

Climate change is a material theme that is part of the Strategic Sustainability Agenda. As such, the Company assumed the goal of reducing absolute greenhouse gas emissions of scopes 1 and 2 by 20% by 2030. The inventory of greenhouse gas emissions has not yet been completed and certified until the release of the Management Report.

Progress was made in 2023 on the project to launch a product with a carbon neutral seal, defining the item and completing the carbon footprint studies. By 2030, the Company will have 2 product lines with this characteristic.

In addition, the Decarbonize Program - Towards a low carbon future was launched, the company's decarbonization program that implements the strategy to achieve the greenhouse gas (GHG) reduction target. The program aims to concentrate all the projects and actions necessary to build a low-carbon future.

As a result of the significant progress made, the company received an "A" grade in the CDP Clima (Disclosure Insight Action) A List ranking, which means that the company has provided comprehensive and transparent disclosure on its management.

The occurrence of intense precipitation and/or flooding may also compromise operations in the industry. The units of Maracanaú/CE, Jaboatão dos Guararapes/PE, Lençóis Paulista/SP, São Caetano do Sul/SP and Queimados/RJ are located in stretches with floodable watercourses. There are records of flooding near the units. The São Caetano do Sul unit has a history of interruption of operations due to flooding.

The municipalities where these units are located are monitored by the National Center for Monitoring and Warning of Natural Disasters (CEMADEM) and the Pernambuco Water and Climate Agency (Apac) due to the occurrence of extreme weather events, such as floods and inundations.

m. other issues not covered in the previous items

Not applicable.

4.2 Indication of the five (5) main risk factors

Indicate the five (5) main risk factors, among those listed in field 4.1, regardless of the category in which they are inserted.

Market risk factor

The volatility of the Real against the Dollar may have an adverse effect on the Company and the shares issued by it.

Brazil's currency has depreciated against the dollar several times in recent decades. During this period, the Federal Government implemented several economic plans and used several foreign exchange policies, including sudden or periodic devaluations (during which the frequency of adjustments varied from daily to monthly), exchange controls, parallel exchange markets and the floating exchange market system. From time to time, there has been significant volatility in the value of the Real against the Dollar and other currencies.

These devaluations of the Real against the Dollar can create inflationary pressures in Brazil, through the increase in the prices of imported products or whose price is linked to the Dollar, including wheat, vegetable oils, sugar and packaging, which are the Company's main raw materials and inputs, and may lead to the adoption of recessionary policies by the Federal Government. On the other hand, the appreciation of the Real against the Dollar could lead to a deterioration of the country's current account and balance of payments, as well as a slowdown in export-led growth, which could adversely affect the Company's business.

As a strategy to prevent and reduce the impact of foreign exchange rate fluctuations on results, the Company has sought to avoid or minimize the mismatch between assets and liabilities denominated in foreign currencies by evaluating the use of foreign exchange hedging transactions, most commonly swaps.

Thus, at December 31, 2023, the Company had four current swap agreements to hedge working capital financing in foreign currencies with maturities between February 2024 and December 2025, in which the active side receives on average dollars plus interest at a rate of 3.38% p.a. and the passive side pays on average CDIs plus interest at a rate of 0.82% p.a., with a reference value (notional) in Reais of R\$ 813,303 and a fair value payable of R\$ 91,376.

In addition, as a strategy to prevent and reduce the impact of foreign exchange rate fluctuations on results, the Company began to enter into Non Deliverable Forward (NDF) contracts based on future cash flow projections based on budget and interim forecasts.

As of December 31, 2023, the Company had 58 forward transactions contracts with maturities until April 2024, with reference value (notional) and fair value with reference value (notional) and fair value. These financial instruments have been designated as cash flow hedges.

On the same date, the Company had signed contracts for the purchase of wheat and oil for payment and future delivery, in the amount of 230,620 tons (120,154 tons on December 31, 2022), where 11,620 tons of oil were priced. Thus, considering the market value for these cases and the price signed for the fixed contracts, they represented an amount equivalent to US\$ 50,700 of wheat and US\$ 18,824 of oil (US\$ 11,100 of wheat and US\$ 96,711 of oil as of December 31, 2022)

4.2 Indication of the five (5) main risk factors

The prices of raw materials and packaging used by the Company are volatile, and sudden or unexpected fluctuations in these prices could adversely affect the Company's business.

The main raw materials used in the Company's production process are wheat, wheat flour, vegetable oil, shortening and sugar, which accounted for 49.1% of the cost of products sold in the fiscal year ended December 31, 2023. Compared to 2022, the decrease is mainly due to a 16.0% decrease in the average cost of wheat, a 14.6% decrease in the average cost of oil and a 6.1% increase in the average cost of sugar. These raw materials and/or their components are commodities and, as such, their prices are fixed in dollars or defined in Reais according to international dollar prices. The prices of these inputs fluctuate according to their quotation in the international commodity market, which is affected by the variation in world supply and demand. Historically, the price of such commodities in the international market has fluctuated due to a number of factors.

Packaging is also an important component of its production process, having represented, in the fiscal year ended December 31, 2023, approximately 6.1% of its costs of products sold. The price of packaging is influenced, directly or indirectly, by several factors, including international oil prices, which are established based on the Dollar. Historically, the price of packaging has fluctuated due to a number of factors.

A sudden or unexpected change in the prices of these raw materials and packaging, due to changes resulting from fluctuations in the exchange rate between the Real and the Dollar, and/or changes in the supply and demand dynamics of these products, due to concentration in a few suppliers or the absence of substitute inputs, among other factors, may directly affect the price of their raw materials and packaging. In the event of an increase in the price of these inputs, it may not be possible to fully transfer, immediately, the adjustment in the prices of the Company's products, which may decrease its margins and adversely affect the Organization.

The suspension, revocation or failure to obtain new federal and state tax incentives held by the Company could adversely affect its results.

Since the end of the 1980s, the Company has held state tax incentives, having as of December 31, 2023, (nine) of its units with incentives granted by the States of Ceará (3 manufacturing units), Pernambuco, Bahia, Paraíba, Rio Grande do Norte, Rio de Janeiro and Rio Grande do Sul. Since the 1990s, the Company has received federal tax incentives and today has nine (9) industrial units, most of which are located in the Northeast of Brazil, with incentives granted by the Northeast Development Superintendence (SUDENE). Such incentives consist of the transfer of resources by governments in return for the Company's investment in the construction, installation and modernization of new industrial units in the region. Incentives, especially federal ones, are granted only after the company has demonstrated that it will carry out the investments provided for in the projects approved under the legislation.

Even in the case of tax incentives granted subject to the fulfillment of certain conditions and for a certain period of time - which, under Brazilian law, cannot be unilaterally revoked by the granting governments before the expiration of the concession period - the Company may suffer the suspension of the right to receive the incentives, or until their cancellation, if it fails to comply with certain requirements to be met during the fruition period, such as: (i) the non-distribution to its shareholders of the amount of the tax incentives received; (ii) the maintenance of its operations within the fiscal regularity, in particular the prompt payment of taxes; and (iii) the annual submission to the competent authorities of certain documents and reports certifying the investments made and the compliance

4.2 Indication of the five (5) main risk factors

with the other conditions. Failure to comply with such obligations or misinterpretation of the application of tax rules, may result in the suspension or cancellation of such tax incentives, and may even oblige the Company to return the value of the incentives received, plus charges, which may have an adverse effect on the Organization.

Given the current scenario of bills aimed at a comprehensive tax reform in the country, the Company cannot guarantee that it will continue to receive new investment incentives after the expiration of the terms of the current ones and, if successful, cannot guarantee that such incentives will be granted on the same terms as those it currently holds. If the tax incentives are changed or expire and cannot be renewed, or if new tax incentives are not created after the expiration of the current ones, their cash generation could be adversely affected.

Cyber risk factor

Violations, interruptions or failures of information technology systems may harm the Company's operations.

The Company's information systems may be vulnerable to disruptions in their operation due to internal events such as: hardware and software obsolescence, inconsistency or ineffectiveness of the disaster recovery plan, or deficiencies in segregation of duties and access profile controls. In addition, events external to the Company's environment, such as natural disasters, telecommunications network failures, computer viruses, hacking attacks, or other operational and security issues, may cause interruptions in the operation of the Company's computerized systems.

The Company's entire infrastructure is supported by good cybersecurity practices, defined by a renowned consultancy and implemented by a new team established for this purpose in 2022. In 2023, there were investments in the implementation of cybersecurity of more than R\$ 2 million.

Strategic risk factor

Inadequate pricing of products could adversely affect the Company's results and market share.

The Company's growth in market share and financial income may be adversely affected as prices are adjusted due to the increase in the cost of commodities and inputs. The Company adjusts the prices of its products based on a number of variables, including demand, the competitive environment, changes in the cost of key raw materials, changes in foreign exchange rates and other factors.

The Company's investments totaled R\$ 366.7 million in 2023, an increase of 30.9% vs. 2022, distributed between expansion and maintenance. Highlight for investments in software, with the implementation of the SAP system (Simplify project).

In 2023, M. Dias Branco reached net revenue of R\$ 10.8 billion, a historical record, 7.0% higher than the previous year, as a result of the expansion of volumes (+4.0%) and the average price (+2.9%). In addition, the Company focused its efforts throughout the year on initiatives to drive profitable growth throughout the year, including: investments in marketing to accelerate sales and strengthen brands; service level development; accelerated growth of strategic items (such as cookies and wafers); development of the revenue management process; and the reintroduction of low-priced exclusive brands for some customers in the Cash & Carry channel.

4.3 Description of the main market risks

For purposes of this Item and Item 5 - Risk Management and Internal Controls, unless otherwise expressly stated or the context otherwise requires, a reference to a risk, uncertainty or issue having or may have an "adverse effect on the Company" means that the risk, uncertainty or issue may have or may have an adverse effect on the current and future business, financial condition, liquidity, results of operations and/or value of the common shares issued by the Company, including its subsidiaries. Similar expressions in this section should be read as having the same meaning.

The following are the market risks that, currently, the Company believes may adversely affect it. Additional market risks unknown to the Company or that seem less relevant at this time may also have an adverse effect on its business and/or on the trading price of the shares issued by it.

Market risk factor

Risk of national economic recession.

The Company's business may be adversely affected by changes in Brazilian political and economic conditions, which may result in greater volatility in the markets and contribute net losses to the Company's results.

National political instability as well as the global economic slowdown and volatility of the financial system may detract from the country's economic growth. This eventual economic recession reduces the availability of credit and, consequently, investments to expand the Company's operations.

Uncertainty regarding the Brazilian government's implementation of significant changes in public policy, particularly tax and administrative reforms, may contribute to economic uncertainty in Brazil and increase volatility in Brazilian securities markets and securities issued by Brazilian companies. As a result, there may be high volatility in the financial markets in the short term, and the economic recovery in the long term may be undermined. Consequently, improvements in the labor market and income growth may be limited, which could have an adverse effect on the Company's operations and financial income.

Market risk factor

Fluctuations in the prices of certain inputs and/or raw materials used in the production process may adversely affect the Company's results.

The prices of raw materials and inputs used in the production process are volatile. In the event of a material variation in the prices of inputs and raw materials, the Company may not be able to pass on such increases to the prices of its products at the same speed as cost increases, which may impact the profit margin.

At December 31, 2023, the Company had contracts for the purchase of wheat and oil for payment and future delivery of 230,620 tons (120,154 tons at December 31, 2022), of which 11,620 tons of oil were priced. Thus, considering the market value for these cases and the price signed for the contracts set, they represented an amount equivalent to US\$ 50,700 of wheat and US\$ 18,824 of oil (US\$ 11,100 of wheat and US\$ 96,711 of oil as of December 31, 2022).

4.3 Description of the main market risks

In view of the risk of variation in the price of commodities, the Company prepared a sensitivity analysis for the amount of oil (11,620 tons), the price of which was not fixed. The analysis took into account the possibility of three scenarios of variation in the price of the commodity, with respective future results that would be generated. The likely scenario considered oil prices at US\$ 928.24, with a projection of the future exchange rate of R\$ 4.8953, both for 90 days, according to the quotation obtained on the Rotterdam, Chicago (CBOT) and B3 exchanges on December 28, 2023. The other scenarios, possible and remote, considered an increase in the price of commodities by 25% and 50%, respectively.

Description	Exposure (tons)	Risk	Likely scenario	Possible scenario (R\$)	Remote scenario (R\$)
Oil procurement contracts (price to be fixed)	11,620	Commodity price rise	(1,159)	(13,200)	(26,401)

Market risk factor

Exchange variations may adversely affect the value of the Company's financial assets and liabilities or its future cash flow and revenue.

The Company's results of operations are subject to significant fluctuations due to the impact of foreign exchange rate fluctuations, particularly on the Company's dollar-denominated liabilities resulting from the importation of its main raw materials, wheat and soybeans, and vegetable palm oil, in addition to working capital.

As mentioned in "Market Risk: Commodity Prices", the Company has entered into contracts for the purchase of wheat and oil for payment and future delivery for an estimated total amount of US\$ 50,700 for wheat and US\$ 18,824 for oil, which are subject to foreign exchange risk (US\$ 11,100 for wheat and US\$ 96,711 for oil at December 31, 2022).

The sensitivity analysis took into account the possibility of three scenarios of dollar variation and the respective future wheat and oil results that would be generated. The likely scenario considered the dollar quotation of R\$ 4.8953, projection of the future exchange rate for 90 days, according to the quotation obtained at B3 on December 28, 2023. The other scenarios, possible and remote, considered an increase in the dollar price by 25% (R\$ 6.1191) and 50% (R\$ 7.3430), respectively.

Contract description	Exposure (USD)	Risk	Scenarios		
			Likely	Possible	Remote
Procurement of wheat	50,700	Dollar Rise	(2,738)	(62,048)	(124,096)
Oil Procurement	18,824	Dollar Rise	(1,017)	(23,037)	(46,075)

Market risk factor

As a result of the significant progress made, the company received an "A" grade in the CDP Clima (Disclosure Insight Action) A List ranking, which means that the company has provided comprehensive and transparent disclosure on its management.

In the past, Brazil has recorded extremely high inflation rates. Inflation and some of the measures taken by the federal government to control it, combined with speculation about possible government measures to be adopted, have had a negative impact on the Brazilian economy, as well as increased volatility in the Brazilian securities market due to economic uncertainty in Brazil and abroad.

4.3 Description of the main market risks

The Federal Government's measures to control inflation have often included maintaining a monetary policy of high interest rates, thereby reducing the availability of credit and limiting economic growth in order to control inflation. As a result, interest rates have risen significantly, but Brazil could still see a significant increase in inflation in the future.

Inflationary pressures may lead to government intervention in the economy, including the implementation of government policies that could have an adverse effect on the Company. In addition, if Brazil experiences inflation rates that significantly reduce consumer purchasing power, the Company may not be able to readjust the prices of its products sufficiently to offset the effects of inflation on its cost structure, which may have an adverse effect on the Organization's results.

Due to the issuance of bonds in March 2021 with a remuneration based on the broad consumer price index (IPCA) and a long-term maturity (7 and 10 years), the company's results are more susceptible to significant fluctuations in the IPCA.

Market risk factor

Changes in interest rates may adversely affect the value of the Company's financial assets and liabilities or future cash flow and revenue.

The Company is mainly exposed to changes in CDI interest rates in financial investments and loans and financing.

Description	Parent Company		Consolidated	
	2023	2022	2023	2022
Financial assets				
Financial investments indexed to the CDI	2,223,898	559,491	566,774	566,774
Financial liabilities				
Transactions in foreign currency with derivatives linked to CDI ⁽¹⁾	(837,959)	(728,670)	(728,670)	(728,670)
Debenture operations with derivatives and working capital linked to CDI ⁽¹⁾	(964,849)	(965,821)	(965,821)	(965,821)
Financing indexed to CDI	(240,482)	(382,026)	(431,559)	(431,559)
Assets (Liabilities)	180,608	(1,517,026)	(1,559,276)	(1,559,276)

The table below shows the projection of gain or loss that would be recognized in the next 12 months if the position of assets indexed to the CDI net of liabilities linked to the CDI were maintained at R\$ 159,692.

Description	Exposure	Risk	Likely scenario	Possible scenario	Remote scenario
Net assets	159,692	CDI decrease	(2,555)	(4,012)	(8,025)

The likely scenario considered the future quotation of the DI for 360 days, according to information obtained at B3 on December 28, 2023, at the level of 10.05% p.a. The other scenarios, possible and remote, considered a reduction in this quotation by 25% (7.54% p.a.) and 50% (5.03% p.a.), respectively.

4.3 Description of the main market risks

Credit risk factor

Risk of not receiving the amounts arising from sales or credit operations with institutions.

This risk arises from the possibility that the Company may not receive amounts due from sales or credits with institutions, such as deposits and financial investments, which could have a material adverse effect on its business and/or the trading price of the shares it issues.

On December 31, 2022, the Company recorded a provision for expected credit losses of R\$ 6,711 for receivables due from the customer Americanas S.A. On December 31, 2023, the amount of R\$ 1,604 was reversed due to the progress of the judicial reorganization process.

Liquidity risk factor

Inability to honor obligations or raise funds in the market.

In scenarios where access to resources becomes scarce and/or very costly and access to the capital market is not possible or limited, the Company may find itself in a situation where it must reduce the financial margin of its products in order to attract more customers and/or liquidate uncommitted and/or potentially devalued assets in order to be able to meet its obligations. If market liquidity is reduced, demand pressure may have a negative impact on prices, as natural buyers may not be available immediately. In this case, the Organization may record a significant discount on the assets, which will impact the Company's results and financial situation.

The main sources of financial resources used by the Company are the volume of resources arising from the commercialization of its products - with the characteristic of strong cash generation and low default, in addition to the amounts received as subsidies for state and federal investments (in connection with the implementation/expansion of industrial units). In addition, there is investment income from cash equivalents.

The Company's main financial needs arise from investments in the expansion and modernization of its production and logistics structure, the acquisition of other companies and the repayment of its debts, the payment of taxes, the distribution of dividends and other operating expenses.

In 2023, the Company's evaluation process was conducted with the credit risk rating agency Fitch Ratings and, for the sixth consecutive year, the Company obtained the classification of National Long-Term Rating AAA (bra) with a stable outlook.

Liquidity risk factor

Ineffectiveness in the management of the Company's capital, being unable to offer return to shareholders and benefits to other stakeholders, as well as maintaining an ideal capital structure to reduce costs.

The Company may not provide a return to shareholders commensurate with the market and its segment and may have a very costly capital structure; therefore, its level of debt and its ability to pay could have a material adverse effect on its business and/or the trading price of the shares it issues.

4.3 Description of the main market risks

In this sense, in November 2023, the Company amended its Shareholder Remuneration Policy, increasing the target percentage of distribution of adjusted net profit from 60% to 80% and the quarterly fixed payment from R\$ 0.05 (five cents in Real) to R\$ 0.06 (six cents in Real) per share, and that in the event that the ratio of the Company's net debt to its EBITDA (leverage) reaches the level of 1.5x or more at the end of the reference year, the target percentage will be 60%.

4.4 Relevant non-confidential processes

In the ordinary course of business, the Company is an active or passive party in litigation and administrative proceedings involving tax, employment, civil and other matters before courts and governmental agencies.

As of December 31, 2023, of the total labor and civil lawsuits, 2.20% are being discussed at the administrative level and 97.80% are being discussed at the judicial level, in lower and higher instances, according to each case. Regarding tax lawsuits, 44.79% are being discussed at the administrative level and 55.21% are being discussed in court.

Management assesses contingent risks, based on legal, economic and tax grounds, in order to classify them according to their chances of loss into probable, possible or remote. The analysis is carried out in conjunction with the law firms that sponsor the Company's causes.

These lawsuits are only provisioned for those in which the Company is a passive party and whose chances of loss are probable. The amounts are sufficient to guarantee the estimated losses. Thus, the provisions for recorded contingencies represent Management's best estimate of the risks involved.

Below are highlighted the processes in which the Company is a party and which are individually relevant.

Labor

As of December 31, 2023, the Company was a defendant in 2,910 lawsuits and administrative proceedings of a labor nature, totaling approximately R\$ 528 million. These actions basically deal with overtime and its reflexes, recognition of employment relationship, compensation for occupational accident and disease, subsidiary liability, compensation for moral and material damages, salary equalization, deviation or accumulation of functions, among other matters.

The Company is not a party to a labor lawsuit that, individually, may have a material impact on it.

Tax

On December 31, 2023, M. Dias Branco litigated in 576 tax lawsuits. We highlight, below, the non-sensitive processes considered as relevant.

ICMS Credit Granted

The Company is a party to five infraction notices issued to demand ICMS, on the grounds that the company used credit granted by the State cumulatively with other credits upon entry of the products. The tax authority adds that the company improperly credited itself to the ICMS as "presumed credit of pasta and cookies & crackers", when it should have already recorded the credits for the entries of both the products for resale and the inputs used to manufacture the products, i.e. it should have been credited twice.

The infraction notices No. 4.045.881-7 and No. 4.116.234-1, in the amount of R\$ 35,926 and R\$ 125,545, respectively, were judged unfavorable in the first administrative instance. The Company filed an Ordinary Appeal to the Tax Court (TIT). In the second instance, the judgments were unfavorable to the Company, and Special Appeals were filed.

4.3 Relevant non-confidential processes

The infraction notices No. 4.148.700-0 and No. 4.144.845-5, in the amounts of R\$ 44,983 and R\$ 130,185 were also judged unfavorable and for both, and the Company filed a Voluntary Appeal, currently awaiting judgment.

We emphasize that infraction notice No. 4.047.698-4 closed, at the administrative level, unfavorable to the Company. The discussion was taken to court, through the Precautionary Action aimed at suspending the enforceability of the debt with the presentation of the guarantee insurance, which was upheld. In addition, the state of São Paulo filed Tax Enforcement under No. 1504121-82.2022.8.26.0565, to which the Company presented a defense through Motions for Tax Enforcement under No. 1003788-90.2022.8.26.0565. There was judicial expertise and manifestation of the parties on the result of the report. A decision of the lower court is awaited.

In the opinion of our lawyers, the risk of loss of these proceedings is considered possible in the administrative and judicial spheres. As of December 31, 2023, the total amount involved was R\$ 358.7 million.

The details of the respective processes are as follows:

PROCESS NO. 4.045.881-7	
Court	Sefaz/SP
Instance	Tax Court
Filing date	09/10/2014
Parties to the proceedings	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 35,926,439.66
Key facts	Infraction Notice issued on the grounds that the Company: 1- ICMS was improperly credited as "Presumed Credit of Pasta and Cookies & Crackers", as it also recorded the credits for the entries, both of the goods for resale and of the inputs used for the manufacture of products. The credits granted are illegitimate. For the period from April to December 2012. Administrative defense filed. In the 1st Instance, the Judgment Office upheld the assessment, maintaining the fine and the tax. Filed Ordinary Appeal by the Company. The judgment was converted into a diligence to determine the reversals, that is, proof that there was no double use of credits. A lower court decision was issued dismissing the Company's Ordinary Appeal. From this decision, a Special Appeal was filed, which was partially upheld only to limit default interest to the level of the SELIC Rate. Regarding the main matter, the Company submitted a Request for Rectification of the Judgment, which is awaiting analysis.
The chance of loss is:	Possible
Impact analysis of the proceedings	in case of loss of the Exclusively the payment of the amount discussed, with a relevant impact on the financial and equity situation of the Company.

4.4 Relevant non-confidential processes

PROCESS No. 4.116.234-1	
Court	Sefaz/SP
Instance	Regional Tax Office of São Bernardo do Campo
Filing date	03/18/2019
Parties to the proceedings	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 125,545,509.23

Key facts	<p>The Infraction Notice was issued on the grounds that the company: (i) improperly credited itself to ICMS as "presumed credit of pasta and cookies & crackers" since it also recorded the credits for the entries, both of goods for resale and of inputs used to manufacture products; (ii) failed to pay ICMS for the difference found between the quantity of goods sent to storage in a general warehouse and the quantity of goods returned when compared to the inventories reported in the inventory records; and (iii) failed to record electronic invoices in the Digital Tax Bookkeeping Entry Record - EFD. For the period from January to December 2015 to 2016. An administrative challenge was presented on the subject of credit granted and omission of outflows. Payment was made for the infraction lack of bookkeeping. The challenge was dismissed. Accordingly, the Company filed an Ordinary Appeal, which was dismissed. From this denial, we present a Request for Rectification and Special Appeal. Awaiting judgment on both appeals.</p>
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The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Only the payment of the amount discussed with a material impact on the Company's financial and equity position.

PROCESS No. 4.148.700-0	
Court	Sefaz/SP
Instance	Regional Tax Office of São Bernardo do Campo
Filing date	06/03/2023
Parties to the proceedings	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 52,699,812.85

Key facts	<p>Infraction Notice issued on the grounds that the Company: 1) used other credits and credit granted in article 22 of Annex III of the RICMS/SP improperly; 2) did not record NFe'S and CTe 'S and 3) used undue credit highlighted in CTE's. Objection judged partially valid in the matter of the undue credit of CTE's. An ordinary appeal was filed by M DIAS and an official appeal by Fazenda SP. Judgments of the aforementioned appeals are awaited.</p>
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The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Only the payment of the amount discussed with a material impact on the Company's financial and equity position.

4.4 Relevant non-confidential processes

PROCESS No. 4.144.845-5	
Court	Sefaz/SP
Instance	Regional Tax Office of São Bernardo do Campo
Filing date	06/30/2023
Parties to the proceedings	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 132,457,410.03

Key facts

Infraction Notice issued on the grounds that the Company: 1) did not record invoices related to non-taxed transactions; 2) absence of bookkeeping of invoices in taxed transactions and 3) improperly granted credit of article 22 of Annex III of RICMS/SP. Objection partially upheld in the matter of lack of bookkeeping of invoices in taxed operations. An ordinary appeal was filed by M DIAS and an official appeal by Fazenda SP. Judgments of the aforementioned appeals are awaited.

The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Only the payment of the amount discussed with a material impact on the Company's financial and equity position.

TAX ENFORCEMENT NO. 1504121-82.2022.8.26.0565 AIIM No. 4.047.698-4	
Court	Sefaz/SP
Instance	Regional Tax Office of São Bernardo do Campo
Filing date	11/07/2014
Parties to the proceedings	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 12,067,453.75

Key facts

Infraction Notice issued on the grounds that the Company: I- ICMS was unduly credited as "Presumed Credit of Pasta and Cookies & Crackers", as it also recorded the credits for the entries, both of the goods for resale and of the inputs used for the manufacture of products. The credits granted are illegitimate. For the period from January to March 2012. Objection filed. In the 1st instance, the Judgment Office converted the judgment into diligence. Then, the case was upheld. Filed Ordinary Appeal which was dismissed. The Company filed a Special Appeal that was dismissed. The Company filed a request for rectification of the judgment against this decision, which was denied, resulting in the closure of the discussion at the administrative level. The Company filed a Precautionary Action registered under No. 1000725-41.2022.8.26.0053, aiming at suspending the enforceability of the debt with the presentation of the guarantee insurance, which was upheld. In addition, the state of São Paulo filed Tax Enforcement under No. 1504121- 82.2022.8.26.0565. The Company presented a defense through Motions for Tax

The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Only the payment of the amount discussed with a material impact on the Company's financial and equity position.

4.4 Relevant non-confidential processes

ICMS - Earned Value Margin - ICMS Protocol 46

The State of Piauí filed a tax enforcement for the requirement of tax credit related to ICMS, launched through AI's n. 45601, 45602, 45603, 45604 and 45605 for alleged underpayment of this tax in the period from 05 to 12 of 2001 and years 2002, 2003, 2004 and 2005, due to non-compliance with the Value Added Margin.

The infraction notices were issued on the grounds that the company "failed to collect a portion of the ICMS related to the acquisition of goods subject to the tax substitution regime, since, according to the inspection, the taxpayer incorrectly calculated the tax due, applying an aggregation percentage of 15% (fifteen percent) uniformly on the value of the invoice, whereas Decree no. 10.500/01 establishes the application of aggregation percentages of 20% (twenty percent) for pasta and 30% (thirty percent) for cookies & crackers and cakes, also without respecting the minimum values established in the normative acts issued by the Treasury Department". However, the inspection did not consider that, in the operations carried out by the company since 2001, the incidence of the ICMS must comply with the rules provided for in the ICMS Protocol 46/2000, which deals with the system of taxation in the sector, in particular through the establishment of the progressive tax substitution regime.

As a result of this regulation, the moment of collection of the tax was dissociated from the moment of the actual occurrence of the taxable event, so that the ICMS due for future and presumed operations with wheat flour and derivatives began to be collected in advance on the occasion of the importation of wheat. Subsequent operations, including those carried out by branch establishments, are exempt from a new payment of ICMS, since the tax has already been fully paid in advance.

After guaranteeing the judgment by means of a letter of guarantee, the company filed a motion to stay the tax execution pending judgment in the first instance.

In the opinion of our lawyers, the lawsuit presents a risk of possible loss. As of December 31, 2023, the total amount involved was R\$ 58.1 million.

The details of the respective process are as follows:

PROCESS NO. 129482010	
Court	Court of Justice of the State of Piauí
Instance	4th Public Treasury Court of the Judicial District of Teresina
Filing date	09/03/2010
Parties to the proceedings	Plaintiff: State of Piauí Defendant: M. Dias Branco SA. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 58,058,923.79
Key facts	Tax enforcement filed by the State of Piauí to demand the tax credits entered in AI's n. 45601, 45602, 45603, 45604 and 45605, for alleged underpayment of ICMS for the period from 05 to 12 of 2001 and years 2002, 2003, 2004 and 2005, due to non-compliance with the added value margin. The Company filed an Motion to Stay Execution after accepting the letter of guarantee No. 2.046.674-P in the amount of R\$ 23,650,000.00. Subsequently, the company requested the replacement of the guarantee presented in the records (bank guarantee) by guarantee insurance. Subpoenaed, the State of Piauí stated that it does not oppose the replacement. Process concluded on 11/12/2019. Tax Enforcement suspended pending the judgment of the Motion for Tax Enforcement filed by the Company, under No. 0010840-16.2010.8.18.0140.

4.4 Relevant non-confidential processes

PROCESS No. 129482010	
The chance of loss is:	Possible
Analysis of the impact in case of loss of and equity situation process	Exclusively the payment of the amount discussed, with a relevant impact on the Company's financial

IPI – Zero Rate

The Federal Government, through the Office of the Attorney General of the National Treasury, filed four tax foreclosures against the Company for the collection of IRPJ, CSLL, PIS and COFINS, which were offset against the IPI credit recognized in Case 1999.16984-0 and confirmed after the filing of a rescission action by the National Treasury.

In 1999, the company filed a writ of mandamus for the use of the credit balance of the Tax on Industrialized Products - IPI, prior to January 1999, resulting from the acquisition of inputs (raw material, intermediate product and packaging material), applied in the industrialization of products exempt or taxed at zero rate, with the IPI due on the exit of other products, under the provisions of Law no. 9.779/99, without the limitations of IN/SRF No. 33/99, as this effect of the constitutional principle of non-cumulation, ordinary national legislation (Laws Nos. 8.383/91, 9.430/96 and 9.779/99). After the granting of security, by legal permission, the Company calculated the amounts overpaid and offset the taxes due from IRPJ, CSLL and COFINS. However, although the judgment became final and unappealable in favor of the Company, with confirmation in a termination action (AR/5059), the Federal Government executed the offset credits because it understood that, although the right to credit was recognized, the company would not have recorded the credits in the IPI Calculation Record Book.

The tax enforcement 0816616-29.2016.4.05.8100 arising from Active Debt Certificates No. 30.6.10.00244650; 30.6.10.002458-93; 30.6.10.002459-74; 30.6.10.002545-31; and 30.7.10.000523-08 is being processed in the 20th Federal Court of the Judicial Section of Ceará and the tax enforcement 0000833-37.2015.4.05.8109 arising from Active Debt Certificates No. 30.2.10.000756-89, No. 30.6.10.002413-91, No. 30.6.10.002454-60 and No. 30.6.10.002546-12 is being processed in the 34th Federal Court of the Judicial Section of Ceará. Both executions were filed against M Dias Branco S/A Indústria e Comércio de Alimentos.

Tax enforcement No. 0816408-45.2016.4.05.8100 arising from Active Debt Certificates No. 30.2.16.001655-57 and No. 30.6.16.005596-00 is being processed in the 33rd Federal Court of the Judicial Section of Ceará and enforcement No. 0000162-48.2014.4.05.8109 arising from Debt Certificate No. 30.7.13.000097-00 is being processed in the 34th Federal Court of the Judicial Section of Ceará. The executions were filed against Pelágio Oliveira S/A, a company incorporated by the Company.

In the opinion of our attorneys, executions present a risk of possible loss. As of December 31, 2023, the total amount involved was R\$ 152 million.

The details of the respective processes are as follows:

4.4 Relevant non-confidential processes

PROCESS No. 0816616-29.2016.4.05.8100	
Court	Federal Court of Ceará -JF/CE
Instance	20th Court of the Judicial Section of Ceará
Filing date	12/27/2016
Parties to the proceedings	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 113,973,476.45
Key facts	Tax Enforcement Action filed by the Federal Government against the Company for the recovery of a tax credit in the amount of R\$ 97,533,355.66, resulting from active Debt Certificates Nos. 30.6.10.002446-50; 30.6.10.002458-93; 30.6.10.002459-74; 30.6.10.002545-31; and 30.7.10.000523-08, which, in turn, deal with indemnifications made and not approved by the Federal Revenue Service of Brazil, with a tax credit resulting from a final and non-appealable court decision in Enforcement Action No. 0016984-67.1999.4.05.8100. Petition filed offering good in guarantee of the required amount, which is awaiting consideration. The present case is pending in view of the receipt of the REsp by the TRF of the 5th Region with suspensive effect (4058100.2456032) with case no. 0014027-41.2002.4.05.0000 (AC 591100-CE), referring to the original case 0016984-67.1999.4058100 of the 8th Court, as well as in view of the suspensive effect by the STJ in the internal appeal to REsp 1670405-CE (4058100.18076807).
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Exclusively the payment of the amount discussed, with a relevant impact on the Company's financial and equity situation
PROCESS No. 0000833-37.2015.4.05.8109	
Court	Federal Court of Ceará -JF/CE
Instance	34th Court of the Judicial Section of Ceará
Filing date	03/17/2015
Parties to the proceedings	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Value: R\$ 17,203,829.87
Key facts	Tax Enforcement filed from Active Debt Certificates No. 30.2.10.000756-89, No. 30.6.10.002413-91, No. 30.6.10.002454-60 and No. 30.6.10.00254612, with the objective of collecting the amount of R\$ 14,356,783.08, referring to the offsetting of IRPJ debts made with credits arising from the final and unappealable court decision in lawsuit No. 0016984-67.1999.4.05.8100 (IPI). Pledge was made to the accounts of the Company – BACENJUD in the amount executed. The Company requested the replacement of the blocked values by real estate, but the request was rejected. Interlocutory Appeal filed under No. 2017.8423.002544-5. On 08/30/2017, an order was issued in the execution determining the suspension of the case until the judgment of the interlocutory appeal. On 07/18/2019 there was a decision that kept the records suspended until a further final decision was rendered in the special appeal No. resp 1.670.405/CE, or, the revocation of the suspensive effect. On 11/08/2023, a decision was rendered in the records of the Motions for Tax Enforcement under No. 0800280-83.2017.4.05.8109, determining the suspension of the case until the final judgment of REsp 1.670.405/CE.
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Exclusively the payment of the amount discussed, with a relevant impact on the Company's financial and equity situation

4.4 Relevant non-confidential processes

PROCESS No. 0816408-45.2016.4.05.8100	
Court	Federal Court of Ceará -JF/CE
Instance	33rd Court of the Judicial Section of Ceará
Filing date	12/21/2016
Parties to the proceedings	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 18,751,233.52
Key facts	Tax Enforcement Action filed by the Federal Government against the Company for the recovery of tax credits in the amount of R\$ 15,075,504.93, resulting from active Debt Certificates Nos. 30.2.16.001655-57 and 36.6.16.005596-00, which, in turn, relate to indemnifications made and not approved by the Federal Tax Service of Brazil, with tax credits resulting from a final and non-appealable court decision in Enforcement Action No. 0016984-67.1999.4.05.8100. Suspended enforcement awaiting the final decision of the annulment action of tax debt No. 0803683-74.2016.4.05.0000 filed by the Company on 06/05/2016. Offered property as collateral for the debt. The action for annulment was dismissed and an appeal was filed, which is awaiting judgment. The Company was summoned to present a new insurance policy in August 2019. Performance bond was offered in October 2019. The National Treasury agreed to the insurance. A motion to stay the tax execution has been filed, which is suspended pending judgment of the action to annul tax debt No. 0803683-74.2016.4.05.0000.
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Exclusively the payment of the amount discussed, with a relevant impact on the Company's financial and equity situation
PROCESS No. 0000162-48.2014.4.05.8109	
Court	Federal Court of Ceará -JF/CE
Instance	34th Court of the Judicial Section of Ceará
Filing date	10/21/2014
Parties to the proceedings	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 2,114,796.44
Key facts	Tax Enforcement Action filed by the Federal Government against the Company for the recovery of a tax credit in the amount of R\$ 1,583,479.83, arising from Certificates of Active Debt No. 30.7.13.000097-00, which, in turn, relate to indemnifications made and not approved by the Federal Tax Service of Brazil, with tax credit resulting from a final and non-appealable court decision in Enforcement Action No. 0016984-67.1999.4.05.8100. Pledge was made to the accounts of the Company – BACENJUD in the amount executed. The Company requested the replacement of the blocked values by real estate, but the request was rejected. Interlocutory Appeal filed under No. 2017.8423.002541-0. On 10/03/2017, an order was issued in the execution determining the suspension of the case until the judgment of the interlocutory appeal. On 11/25/2019 there was an order, informing the entire content of the judgment rendered in the aforementioned interlocutory appeal. The execution was suspended until the Special Appeal No. 1.670.405 by the Superior Court of Justice. After the judgment of the Special Appeal, the execution will be reactivated and there will be an analysis of the merits.
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Exclusively the payment of the amount discussed, with a relevant impact on the Company's financial and equity situation

4.4 Relevant non-confidential processes

PIS/COFINS Import

This is a request for credit qualification/compensation under number 10380.722578/2017-01, resulting from a final and non-appealable court decision, issued in the record of judicial proceeding no. 0008803-28.2009.4.05. 8100, recognizing as undue the payments made by the taxpayer as PIS/COFINS import, considering that, instead of calculating the tax credit due on the basis of the customs value (calculation basis), the company calculated the amount to be paid on the basis of the customs value plus ICMS and contributions (PIS/COFINS import) levied on import operations.

The court decision recognized the overpayment of the PIS/COFINS import, in exact proportion to the undue increase in the basis of calculation of the levies, and guaranteed the Company's right to offset the corresponding amount, duly updated by SELIC, with any taxes administered by the Federal Revenue Service.

The Federal Revenue Service issued a decision not to approve the compensations, claiming that the Company had used the PIS/COFINS import payments to discount the corresponding contributions due in the domestic market, without having a credit right related to such payments that could be used for tax compensation, under penalty of bis in idem characterization (double use of undue tax payment, through discount and compensation), and maintained that the Company could not have used its decision to recognize the credit of the acquired company, which was not a party to the litigation, under penalty of legally expanding the subjective limit of res judicata.

In addition, the Federal Revenue Service issued infraction notice No. 10320.724574/2021-41 referring to the Fine of 50% on the amount of the credit whose offset was not approved, linked to the credit process 10380.722578/2017-01.

In the opinion of our attorneys, the risk of losing these proceedings at the administrative level is considered possible. As of December 31, 2023, the total amount involved was R\$ 289.2 million.

The details of the respective processes are as follows:

PROCESS No. 10380.722578/2017-01	
Court	Federal Revenue of Brazil
Instance	Tax Appeals Board of Directors
Filing date	03/11/2021
Parties to the proceedings	Plaintiff: Federal Revenue of Brazil Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 211,683,592.84
Key facts	A final and non-appealable court decision, which recognized the company's right to collect the PIS/Cofins import only on the basis of the calculation established by the Constitution, that is, the customs value, understood as the value of the import operation, excluding from its scope the value of the ICMS and the contributions levied on the operation. In the 1st Instance, the Judgment Office dismissed the Manifestation of Nonconformity presented by the Company. Voluntary Appeal filed by the Company, which was dismissed. Opposing motion for clarification. Awaiting judgment of said appeal.
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Exclusively the payment of the amount discussed, with a relevant impact on the Company's financial and equity situation

4.4 Relevant non-confidential processes

PROCESS NO. 10320.724574/2021-41	
Court	Federal Revenue of Brazil
Instance	Tax Appeals Board of Directors
Filing date	04/26/2021
Parties to the proceedings	Plaintiff: Federal Revenue of Brazil Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 77,498,388.07
Key facts	A fine of 50% on the value of the credit whose offset was not approved linked to the credit process 10380.722578/2017-01. In the 1st Instance, the Judgment Office dismissed the Objection presented by the Company. Voluntary Appeal filed by the Company, which is awaiting judgment by CARF.
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Only the payment of the amount discussed with a material impact on the Company's financial and equity position.

PIS/COFINS credits

This is an administrative proceeding under No. 11234-721381/2023-31 arising from infraction notices drawn up for the collection of the contribution to the Social Integration Program ("contribution to PIS") and the Contribution to Social Security Financing ("COFINS"), calculated under the non-cumulative regime, referring to the calendar years 2019 and 2020.

The Federal Revenue Service analyzed the calculation of said contributions and concluded that the Company would have appropriated credits on various items, allegedly in disagreement with the rules contained in Laws n. 10637 of 11.30.2002 and n. 10833 of 12.29.2003. Thus, it proceeded to disallow the amounts that it considered to have been improperly appropriated.

In the opinion of our lawyers, the risk of loss of this process is considered possible at the administrative level. As of December 31, 2023, the total amount involved was R\$ 233.7 million.

The details of the respective process are as follows:

PROCESS No. 11234-721381/2023-31	
Court	Federal Revenue of Brazil
Instance	Federal Revenue Office
Filing date	05/18/2023
Parties to the proceedings	Plaintiff: Federal Revenue of Brazil Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Updated Amount R\$ 233,728,240.54
Key facts	This is an Infraction Notice drawn up for the collection of the contribution to the Social Integration Program ("contribution to PIS") and the Contribution to Social Security Financing ("COFINS"), calculated according to the non-cumulative regime, in respect of the calendar years 2019 and 2020, for the use by the Company of credits for various items, allegedly in violation of the provisions of Law no. 10637 of 11.30.2002 and Law no. 10833 of 12.29.2003. The Company filed a tax challenge, which is awaiting judgment.
The chance of loss is:	Possible
Analysis of the impact in case of loss of process	Only the payment of the amount discussed with a material impact on the financial and equity situation of the Company.

4.4 Relevant non-confidential processes

Exclusion of ICMS in the PIS/COFINS Calculation Base

Regarding the tax credit for the exclusion of ICMS in the PIS and Cofins calculation base, the Company concludes the calculation with an additional credit of R\$ 24,483 to be recognized in 2023. For the periods not recognized due to lack of documentation, the Company indicates that it has exhausted its assessment procedures and therefore no further impact on its results is expected.

Civil

Administrative Proceeding No. 08012.009957/2008-50	
Court	General Superintendence of the CADE
Instance	1st administrative
Filing date	October/2008
Parties to the proceedings	Plaintiff: Administrative Council for Economic Defense – CADE Defense: M. Dias Branco S.A. Ind. and Com. and others
Amounts, assets or rights involved	Administrative proceeding filed by the CADE General Superintendence to determine an alleged cartel in the "wheat flour market in the North and Northeast regions of Brazil.
Key facts	On November 12, 2008, the Secretariat of Economic Law initiated a Preliminary Investigation, after receiving a complaint made to the Federal Public Prosecutor's Office. On April 9, 2013, CADE proposed a search and seizure against M. DIAS BRANCO, and other milling companies. On January 7, 2014, the Superintendence suspended the progress of the preliminary investigation, due to an injunction obtained by M Dias Branco preventing CADE's access to the seized documents. On December 4, 2015, the investigation resumed. On January 22, 2016, the Superintendence initiated the administrative proceeding. Between December 2016 and January 2017, the Respondents presented their defense. On February 10, 2017, a Technical Sanitation Note was issued, which rejected the preliminary issues. On February 24, 2017, requests for reconsideration were filed by the respondents. In December 2019, an opinion was issued by the MPF, opining for the company's conviction. Currently, the process is suspended by virtue of a decision of the Superior Court of Justice until a new trial by the competent court occurs.
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Notwithstanding the initiation of administrative proceedings by the General Superintendence of the Administrative Council for Economic Defense, (a) the application of any sanction is still subject to investigation and proof of the violation, and (b) the application of any sanction may be challenged in court.
Infraction Notice No. 9078653 (Administrative Proceeding)	
Court	Director of environmental protection of IBAMA in Fortaleza/CE.
Instance	1st administrative
Filing date	04/24/2015
Parties to the proceedings	Plaintiff: Brazilian Institute of Environment and Renewable Natural Resources - IBAMA Defendant: M. Dias Branco S.A. Ind. e Com. – GME
Amounts, assets or rights involved	Application of a fine in the amount of R\$ 1,005,000.00 (one million and five thousand
Key facts	The Company was sued by IBAMA for an incident that occurred on April 7, 2015, in the vegetable shortening transfer pipeline, when this product was discharged into the sea and reached the beach and beach rock area closest to the accident site (Mucuripe area, Fortaleza/CE). The agency based the application of the fine on a technical opinion, in which it states that it is possible that the spillage of vegetable shortening has interfered with the biota of the site, as well as caused socioeconomic losses in the region. The company presented a defense, in a timely manner, stating that the product was not capable of causing damage to the biota, as well as demonstrating that there was no socioeconomic impact in the region. We also questioned the composition of the fine, which disregarded legal aspects. Currently, we are awaiting the decision of the first administrative instance.
The chance of loss is:	Possible
Analysis of the impact in case of loss of the proceedings	Based on the elements resulting from the probationary delay, the risk of maintaining the fine imposed is considered possible.

4.4 Relevant non-confidential processes

Labor

The main issues discussed in the lawsuits filed are: overtime and accruals, occupational accidents and diseases, subsidiary liability, premium for unhealthy or dangerous work, recognition of the employment relationship, sales commissions, salary equalization, deviation or accumulation of functions, compensation for material damage, among others.

a. amounts involved

Provision for Labor Lawsuits Divided for Similar Causes	
Overtime and accruals	42,461,329.23
Premium for unhealthy or hazardous work	5,515,594.32
Subsidiary liability	4,869,478.31
Accident at work and occupational disease	3,327,976.10
Commissions on sales	2,310,141.71
Recognition of employment relationship	1,127,941.01
Salary equalization, deviation or accumulation of function	662,358.81
Other matters not specified	21,837,554.66

The company provides all the amounts discussed in these lawsuits.

b. issuer's or its affiliate's practice causing the contingency

Overtime and accruals

The Company is a defendant in several lawsuits relating to claims for overtime allegedly improperly paid by the Company, particularly by former employees who performed services outside the Company's facilities, such as sales representatives and outside sales promoters. It is common in the labor justice system for former employees, with the testimony of other former employees, to make multiple allegations against companies without necessarily being true. The Company's practice is to pay overtime within the legal requirements, including the use of electronic time tracking for employees who perform activities in-house, and there are no specific practices of the Company that are the cause of these contingencies. For this type of matter, the Company provides the amount of approximately R\$ 42.4 million.

Premium for unhealthy or hazardous work

The Company appears as a defendant in several lawsuits having as object the claim for premium for unhealthy or dangerous work, which would be due to the performance of allegedly unhealthy or dangerous activities, respectively. For the purposes of labor legislation, unhealthy activities or operations are those which, by their nature, conditions or working methods, expose workers to agents harmful to health beyond the tolerance limits established by the nature and intensity of the agent and the duration of exposure to its effects. Hazardous activities or operations, in accordance with the regulations approved by the Ministry of Labor, are those that, by their nature or work methods, imply permanent contact with flammables or explosives under conditions of increased risk. It is the Company's practice to take all measures to ensure occupational safety and a healthy working environment, and no specific policy or conduct of the Company's management has been identified as a cause of these contingencies. For this type of matter in the labor sphere, the Company provides the amount of approximately R\$ 5.5 million.

Subsidiary liability

The Company appears as a defendant in several lawsuits that deal with matters of subsidiary liability of the Company. The subsidiary labor liability represents the establishment of liability of the service taker

4.4 Relevant non-confidential processes

in relation to the employee of the service provider company, the actual employer. For the subsidiary labor responsibility, the service taker is assigned the condition of guarantor of the performance of labor credits owed by the service provider to the employee, when the latter does not honor them. Such contingencies arose from the fact that the internal controls adopted by the Company in the past were not fully sufficient to carefully monitor the documentation provided by the contractors to substantiate their payments to their employees. For this type of matter, the Company provides the amount of approximately R\$ 4.8 million.

Recognition of employment relationship

The Company is a defendant in several lawsuits with the purpose of recognizing the employment relationship of employees of companies contracted by the Company, especially commercial representatives, as well as self-employed workers. Such processes have arisen from the fact that in the past the Company did not take the necessary precautions for the non-configuration of the employment relationship of these third parties and self-employed with it (first of all, the clearest characterization of the direct subordination of the employee to the contracted company and not to the Company in the case of outsourced companies). For this type of matter, the Company provides the amount of approximately R\$ 1.1 million.

Commissions on sales

The Company is a defendant in some labor lawsuits in which former employees, especially those who worked as salespeople, claim to be entitled to differences in commissions on sales made and allegedly not paid by the Company. For this type of matter, the Company provides the amount of approximately R\$ 2.3 million

Salary equalization, deviation or accumulation of function

The Company is a defendant in lawsuits that deal with salary equalization, accumulation or deviation of function. Salary equalization is required if the claimant and the employee whose salary is considered as the paradigm for equalization perform the same functions with the same productivity and technical perfection, and the difference in the time of exercising the function is less than two years. The accumulation of functions occurs when the employee, in addition to the usual activities of his position, begins to assume partial or full responsibilities of another position existing in the company's staff. In the case of accumulation, the employee already performs a function with specific tasks, and from a certain moment, or even due to the occurrence of a certain event, such as staff reduction, he begins to receive additional responsibilities from another specific position. In turn, the deviation of function is characterized when the employee performs activities that correspond to another position, different from what was contractually agreed, and in a habitual way, that is, it occurs when he is hired to perform a certain function and ends up performing activities of another. The Company's practice is to comply strictly with labor laws, and no policy or conduct of the Company's management has been identified as a cause of these contingencies. For this type of matter, the Company provides the amount of approximately R\$ 662 thousand.

Other matters not specified

The Company stands as a defendant in labor lawsuits which, in addition to the above-mentioned causes, include several others, such as non-payment of per diems for business trips (payment of lodging and meals during business trips), double Sundays and holidays (alleged non-payment by the Company of the weekly paid rest period provided for by labor law, which would trigger the employer's obligation to pay the corresponding amount in double), salary differences, attorney's fees, one-third of vacation days, among others. The Company has the practice of strictly observing labor legislation, and no procedure or practice of the Company's management has been identified that can be associated as the cause of these contingencies. For this type of matter, the Company provides the amount of approximately R\$ 22.8 million.

4.4 Relevant non-confidential processes

Tax

As of December 31, 2023, the Company is not party to any tax-related legal, administrative or arbitration proceedings that are repetitive or related, have similar facts and legal grounds, are not subject to confidentiality, and are material in the aggregate, other than the aforementioned legal or administrative proceedings.

Civil

The main issues in the civil proceedings are: allegations of breach of contract, allegations of improperly made charges and registrations of defaulters, compensation for damages resulting from traffic accidents, allegations of the presence of foreign bodies/defects in products, among others.

a. amounts involved

Provision for Civil Proceedings Divided by Similar Causes	
Breach of contract / indemnity for termination of representation or distribution agreements	1,610,221.33
Foreign body/products defect	459,342.35
Undue charge/undue protest	118,779.31
Traffic accidents	38,449.50
Other matters	13,570,322.63

The company provides all the amounts discussed in these lawsuits.

b. issuer's or its affiliate's practice causing the contingency

Breach of Contract / Indemnity for Termination of Representation or Distribution Agreements

The Company is a defendant in a number of lawsuits relating to alleged breaches of contract by the Company with respect to contractual obligations, in particular in service and agency agreements or commercial distribution agreements, such as non-compliance with exclusivity rules in the area of operation, direct sales by the Company, among others. For this type of matter, the Company provides the amount of approximately R\$ 1.6 million.

Traffic Accidents

The Company is a defendant in some civil lawsuits seeking compensation for moral, aesthetic and material damages resulting from traffic accidents caused by the Company's agents. For this type of matter, the Company provides the approximate amount of R\$ 38 thousand

Foreign body in products

The Company is a defendant in civil lawsuits in which consumers claim to have found foreign bodies, particularly insects and metallic objects, in products manufactured and marketed by the Company, causing them moral and material damages. For this type of matter, the Company provides the amount of approximately R\$ 459 thousand.

Undue Charge/Undue Protest

The Company appears as a defendant in civil proceedings that discuss damages arising from charges and protests allegedly unduly made by the Company. Most of these complaints originated when the

4.4 Relevant non-confidential processes

operating system was changed by the Company. For this type of matter, the Company provides the amount of approximately R\$ 118 thousand.

Other matters not specified

The Company has been named as a defendant in civil litigation involving, in addition to the matters discussed above, other specific matters such as trademark and patent disputes, claims for alleged unpaid amounts, consumer information, and others. It is the Company's practice to comply strictly with local laws and regulations, and no policy or practice of the Company's management has been identified as a cause of these contingencies. For this type of matter, the Company provides the amount of approximately R\$ 12.5 million.

In relation to the above lawsuits, the total amount provisioned was R\$ 83.1 million of labor lawsuits and R\$ 14.7 million related to civil lawsuits.

4.5 Total amount provisioned of relevant non-confidential processes

As of December 31, 2023, the Company maintained a provision for probable losses in legal and administrative proceedings of a labor and civil nature in the approximate amount of R\$ 97.9 million. With respect to tax proceedings, the Company maintained a provision for probable losses of R\$ 75.5 million plus R\$ 21.3 million related to successful attorney's fees.

4.6 Relevant confidential proceedings

As of December 31, 2023, the Company was not a party to any confidential proceedings. All relevant processes have been described in section 4.4 above.

4.7 Other relevant contingencies

All relevant contingencies, referring to the fiscal year 2023, to which the Company is a party, were described in items 4.4 to 4.6 above.

5.1 Description of market risk and risk management

a. whether the issuer has a formalized risk management policy, highlighting, if so, the body that approved it and the date of its approval and, if not, the reasons why the issuer has not adopted a policy.

The Company has a formalized risk management policy, which was updated, reviewed by the Audit Committee and approved by the Board of Directors on 10/06/2023.

In addition to the Risk Management Policy, the Company has a formalized Hedge Policy, which was updated and revised by the Audit Committee and approved by the Board of Directors on 10/08/2021. This document establishes the main guidelines for monitoring market risk in view of the variation in the exchange rate and price of commodities.

As part of the formalization and implementation of risk monitoring and management, the Business Continuity Policy was reviewed by the Audit Committee and approved by the Board of Directors on 05/09/2022, formalizing the guidelines, roles and responsibilities in the event of continuity risks or crises.

b. the objectives and strategies of the risk management policy, if any, including:

The purpose of the Risk Management Policy is to establish definitions, guidelines, evaluation criteria, risk appetite and responsibilities for the enterprise risk management process to ensure that

- The risks inherent in the Company's activities are identified, evaluated and minimized to an acceptable level with respect to their persistence;
- The internal control structure is continuously reviewed, considering the identified risks, minimizing the costs associated with uncontrolled risks and/or unnecessary control activities;
- Operations with potential conflicts of interest are identified and the associated risks are minimized by implementing segregation of duties and/or monitoring of activities;
- All employees clearly understand the objectives of risk management and the roles, functions and responsibilities assigned at different levels of the organization;
- The Company meets the regulatory criteria in force; and
- The Company's strategic objectives are fully met.

The strategy of the risk management policy is basically focused on reducing uncertainties that could affect the return to shareholders and the economic value of the company in the long term.

i. the risks for which protection is sought

The Company has an internal control structure that is continuously reviewed and a system that assists in this management. As such, based on the quantitative and qualitative assessment of risk measurement, protection is sought for those that have the greatest potential to adversely affect business results. The assessment and response to all risks must be made by the Vice President, Legal, Governance, Risks and Compliance, under the supervision of the Audit Committee, for discussion with the hierarchical levels as defined in the Risk Management Policy. The eventual acceptance of risks must also respect the same governance. Extreme risks must be reported by the Audit Committee to the Board of Directors in a timely manner, as identified. Such risks shall also be included in the annual report of the Audit Committee.

5.1 Description of market risk and risk management

The risk management policy classifies key risks into strategic, operational, reporting, compliance, cyber, data protection, market and socio-environmental risks.

With regard to market risks, the Company seeks protection against the risk of fluctuations in the Broad Consumer Price Index (IPCA), resulting from the issuance of bonds, the exchange rate of liabilities denominated in foreign currencies, mainly the dollar, as well as protection against the risk of fluctuations in the prices of raw materials and inputs used in the production process, both largely resulting from the import of grain wheat and vegetable palm oil, in addition to sugar.

ii. the instruments used for protection

The instruments adopted by the Company consist of the continuous improvement of the internal control environment properly monitored, tested and updated, aiming to address each identified risk with at least one internal control capable of mitigating it.

Other instruments consider the transfer of risks through the contracting of insurance. The coverage takes into account the impact calculation, internal controls and existing coverages for the reported risks.

The Company uses GRC (Governance, Risk and Compliance) software for electronic management of risk matrices and internal controls, internal audit test routines and monitoring of corrective action plans.

The Company enters into swap derivative financial instruments to hedge its exposure to fluctuations in foreign currency exchange rates, interest rates on financing and working capital contracts, and inflation (IPCA). In addition, the Company has entered into foreign currency forward contracts, forward contracts, futures contracts and commodity options solely for the purpose of hedging its exposure to foreign currency fluctuations in the purchase of raw materials.

Hedging against exchange rate fluctuations is carried out through traditional index swap operations to finance the import of inputs and working capital, as well as through non-deliverable forward (NDF) operations to hedge exchange rate fluctuations in the purchase of inputs.

The hedge of protection against changes in the price of commodities is made in commodity options and futures contracts.

The hedge of protection for the variation of the inflation rate (IPCA) is made in operations of exchange of indexes (swap operations) of IPCA for CDI.

iii. the organizational structure of risk management

The Company has a Vice President of Legal, Governance, Risks and Compliance, who is responsible for risk, legal and compliance management and reports directly to the Chairperson's Office, and an Internal Audit function, which reports to the Audit Committee and administratively to the Vice President of Legal, Governance, Risks and Compliance. The Audit Committee, in turn, is a non-statutory advisory body to the Board of Directors (Board) of M. Dias Branco S.A. (Company) composed in the period by four independent members, one of them also being an independent member of the Board. The Committee's responsibility is in line with CVM instructions 509 and 552, covering activities to support the Board on topics such as:

5.1 Description of market risk and risk management

- the quality and integrity of financial information reported to the Board, shareholders, market and stakeholders;
- efficiency and effectiveness of the risk management process and internal control systems;
- hiring, directing, reviewing and evaluating the activities of the Legal Vice Presidency, of Governance, Risks and Compliance, and Independent Audit;
- adherence to legal financial, tax and accounting reporting requirements;
- evaluation and monitoring of compliance by the Company's Management (Management) of the recommendations made in Audit Reports and by regulatory bodies;
- monitoring potential conflicts of interest and compliance with the code of ethics of the Company;
- encouragement, development and sustainability of good corporate governance practices.

To this end, the Committee holds regular meetings at which it issues opinions and recommendations to management and the Board of Directors, with formalized minutes.

The Company has a Hedge Policy, defining the roles and responsibilities for market risk management, as well as highlighting the agents involved. Below is a summary of the main attributions contained in the Policy:

- Hedge Committee:
 - Propose and review the Hedge Policy;
 - Approve the Strategic Pricing Plans;
 - Propose and review the Risk Appetite in relation to foreign exchange, commodity and debt exposures;
 - Define and monitor performance indicators for market risk management; and
 - Sponsor and disseminate the culture of market risk management in the Company.
- Supply Management:
 - Through the Supply Policy, determine which categories of inputs will be subject to analysis by the Hedge Committee;
 - Develop and recommend the Strategic Commodity Pricing Plan for each category of input subject to analysis by the Committee;
 - Suggest the Risk Appetite in relation to commodity operations;
 - Document the operational process of trading Commodities operations;
 - Elaborate, execute and formalize Internal Controls of PEPs, negotiations with suppliers and total exposure of the Company in Commodities; and
 - Execute (contract) Commodity operations directly with a supplier, in Reais or foreign currency, following the guidelines approved by the Hedging Committee.
- Investment Management:
 - Execute (contract) Hedge operations (Foreign Currency and Commodities), following the guidelines approved by the Hedge Committee;
 - Support in the elaboration of the Strategic Planning of pricing of foreign currencies and debts;
 - Suggest the Risk Appetite in relation to foreign exchange and debt operations; and
 - Prepare, execute, and formalize Internal Controls in Foreign Exchange, derivatives and total exposure of the Company.

5.1 Description of risk management and market risks

- Risk Management:
 - Supervise the Market Risk management process, reporting to the Hedge Committee the any deviations and exceptions to the Hedge Policy;
 - Advising the Hedge Committee, exercising the secretariat and being responsible for the records of the meetings, formalizing decisions and monitoring their proper compliance; and
 - Support the Company in the dissemination of the market risk management culture.

In addition, the Company has a continuity policy that defines the roles and responsibilities for managing continuity and crisis risks and identifies the actors involved. Below is a summary of the main attributions contained in the Policy:

- ESG Committee
 - Ensure and disseminate the Company's commitment to management guided by the pillars of corporate governance, environmental preservation, sustainability and business ethics, including but not limited to corporate risk management and business continuity.
 - Promote, monitor and ensure the adoption of best corporate governance practices, environmental preservation and sustainability, as well as coordinating the process of implementing and maintaining such practices in the Company, including in business continuity processes, proposing changes, updates and improvements when necessary
- Risk Management
 - Establish the Company's business continuity management structure, as well as coordinating, assisting and monitoring its implementation.
 - Establish the Business Continuity Management Process, as well as coordinating, assisting and monitoring its implementation.
- People, Management and Sustainability Board
 - Develop and implement the periodic communication plan.
 - Develop and implement the periodic training plan.
- Business Continuity Committee
 - The Business Continuity Committee is responsible for leading the response measures and decision-making related to the Business Continuity Plan (BCP) and the Operational Continuity Plans (OPCs) during an interruption period, as well as the operational and financial feasibility analysis. Its duties and its members will be defined in the Internal Regulations of the Committee, to be approved by the Statutory Board.
- Image Management Committee
 - The Image Management Committee is responsible for leading the response measures and decision-making during a crisis. Their responsibilities and membership are detailed in the Committee's Bylaws.

5.1 Description of market risk and risk management

- Disaster Recovery Team
 - The Emergency Response Team is responsible for directing and executing systems and equipment response and recovery activities in the event of unavailability of critical systems and equipment. Its responsibilities and members are defined in the Disaster Recovery Plan (DRP).

c. the adequacy of the operational structure and internal controls to verify the effectiveness of the adopted policy

In the search for continuous improvement of its governance, risk and control structure, the Company adopts as a reference the guidelines of the main organizations in these areas, such as COSO (Committee of Sponsoring Organizations of the Treadway Commission), IIA (Institute of Internal Audit) and IBGC (Brazilian Institute of Corporate Governance), as well as the rules issued by CVM and B3.

In parallel with the management of the Company, the Audit Committee annually assesses the adequacy of the operational governance structure, approves budgetary resources deemed sufficient for the proper functioning of the Committee itself and of Internal Audit, and reviews and monitors the functioning and resources required for the Legal, Governance, Risks, Compliance Vice Presidency.

It is part of the Audit Committee's responsibility to oversee due discipline in the execution and implementation of corrective action plans resulting from the work of the Company's governance areas, including those of the independent auditor and other service providers related to improvements in the internal control environment. The position of these action plans is also monitored monthly by the Statutory Board and Executive Committee.

5.2 Description of internal controls

a. the main internal control practices and the degree of effectiveness of these controls, indicating any shortcomings and the measures taken to remedy them

In the same way as for risk management, also with regard to the internal control system, the Company, in its search for continuous improvement of its governance, risk and control structure, adopts as reference the guidelines of the main organizations in these areas, such as COSO (Committee of Sponsoring Organizations of the Treadway Commission), IIA (Institute of Internal Auditors) and IBGC (Brazilian Institute of Corporate Governance).

The Company uses GRC (Governance, Risk and Compliance) software for electronic management of risk matrices and internal controls, internal audit testing routines, management of communications received through the Ethics Channel and monitoring of corrective action plans. In this management tool, the controls are specified according to criteria previously defined by the Company. Such criteria take into account the type of control, the form of execution, its relevance in the organizational context, the frequency of execution, whether the control has an impact on the financial statements and to which class the control belongs.

According to the annual planning of the Vice President of Legal, Governance, Risk and Compliance and Internal Audit, the control environment is evaluated from two perspectives: whether the design of internal control meets the Company's expectations; and whether the controls are operating according to pre-defined criteria and are mitigating the related risks.

With regard to controls to ensure the reliable preparation of the financial statements, in addition to the aspects already mentioned, the activities carried out by employees are guided by operational procedures, macro flows and other normative documents approved and published in channels accessible to employees. The internal control environment respects the principles of segregation of duties and the granting of access to users of the integrated information system (ERP) is subject to an evaluation and approval process. In addition, the Company has defined workflows that respect the jurisdictional boundaries necessary to record information, review and approve the activities of the users involved in the preparation of the financial statements. Lastly, reconciliation routines were defined to ensure the integrity and accurate recording of financial information in the Company's system. Thus, the Company believes that the degree of efficiency of the internal controls adopted to ensure the preparation of the financial statements is satisfactory, even considering possible limitations of such controls to prevent or detect errors.

b. the organizational structures involved

Each area of the Company is responsible for the design and operation of procedures and controls for its activities, but Internal Audit is responsible for evaluating the Company's internal control environment.

As far as the preparation of the financial statements is concerned, the Corporate Controllship Management is the department responsible for their preparation, with the involvement of the Tax, Legal and Financial Planning and Litigation departments, from the provision of information through the HFM - Hyperion Financial Management and CDM - Cognos Disclosure Management systems, tools that allow greater monitoring and control of the disclosure process.

5.2 Description of internal controls

c. whether and how the effectiveness of internal controls is monitored by the management of the issuer, indicating the position of the persons responsible for said monitoring

It is the responsibility of each manager and officer of the Company to establish the internal controls of their department, but it is the responsibility of Risk Management to evaluate and update the internal controls in the Company's GRC tool against the processes defined in the annual planning of the Vice President, Legal, Governance, Risk and Compliance and Internal Audit. Periodically, the Internal Audit performs evaluations of the Company's internal controls independently. The results of these evaluations are presented to the managers and officers of each area who are responsible for addressing deficiencies, and are reported to senior management and the Audit Committee for oversight.

d. deficiencies and recommendations on internal controls in the detailed report prepared by the independent auditor and sent to the issuer, in accordance with the regulations issued by the CVM on the registration and exercise of independent auditing activities.

One of the procedures performed by the independent auditor in its audit of the financial statements is to obtain an understanding of the Company's internal control environment in order to assess the risks of material misstatement of the financial statements, whether due to fraud or error. In making this assessment, the auditor considers internal controls relevant to the preparation and presentation of the financial statements and classifies them as "significant deficiencies" or "other deficiencies" in order to design audit procedures that are appropriate in the circumstances. In 2023, the Independent Auditor did not report any significant deficiencies.

e. management comments on the deficiencies pointed out in the detailed report prepared by the independent auditor and on the corrective measures taken

Not applicable.

5.3 Integrity program

a. whether the issuer has rules, policies, procedures, or practices designed to prevent, detect, and remedy acts of noncompliance, fraud, irregularities, and unlawful acts against the public administration, and, if so, their identification:

i. the principal integrity mechanisms and procedures in place and their appropriateness to the issuer's profile and risks, including the frequency with which risks are reassessed and policies, procedures and practices adjusted.

M. Dias Branco seeks to contribute to a significant reduction of corruption and bribery in all its forms, promoting a more participatory, sustainable and inclusive market. Aware of the efforts to strengthen the culture of corporate integrity, we have signed the UN Global Compact and the Ethos Institute's Business Pact for Integrity and Against Corruption, and are taking the necessary steps to comply with the guidelines of the commitments made.

We adopt a Code of Ethics and Policies that are guided by the highest standards of ethics and integrity, applicable to all M. Dias Branco employees and its business partners. We have adopted the following policies, among others, as part of our internal integrity policy: Anti-Bribery and Anti-Corruption Policy; Gifts, Entertainment and Hospitality Policy; Policy on Related Party Transactions and Other Situations Involving Conflicts of Interest; Donations and Sponsorship Policy; Internal Investigation Protocol and Ethics Channel Operation; Consequences Policy; Risk Management Policy, to be reviewed and approved by the Board in 2023; and Purchasing and Supply Policy; Fair Competition Policy; Supplier Code of Conduct Policy; Sustainability Policy; Human Rights Policy; and Business Continuity Policy. These policies are available for consultation on the internal communication platform and on the Investor Relations website.

We have adopted a risk management policy designed to assist the Company in achieving its strategic objectives and to establish definitions, guidelines and evaluation criteria to ensure that major business risks are identified, evaluated and minimized. We therefore help reduce operational losses, increase efficiency, and manage and maintain business continuity in adverse scenarios. We also have an internal control structure, which is continuously reviewed, and a system that assists in this management. Annually, the risk matrices, as well as the Company's proposed risk appetite and tolerance are reviewed by the Audit Committee.

This policy classifies key risks into strategic, operational, reporting, compliance, cyber, privacy, market, and socio-environmental. As such, based on the quantitative and qualitative assessment of risk measurement, protection is sought for those that represent the potential to adversely affect business results.

We monitor all areas of the business, particularly those processes more exposed to the risks of corruption and money laundering, and conduct reputational checks on business partners, including suppliers, customers, and beneficiaries of donations and sponsorships, based on public data sources.

We also monitor situations involving conflicts of interest by evaluating related party transactions and consulting with senior management to identify and manage potential conflicts, which, when identified, are disclosed to the market (available to stakeholders) in accordance with our Policy on Related Party Transactions and Other Situations Involving Conflicts of Interest and specific regulations.

5.3 Integrity Program

ii. the organizational structures involved in monitoring the functioning and effectiveness of the internal integrity mechanisms and procedures, indicating their responsibilities, whether their establishment has been formally approved, the bodies of the issuer to which they report and the mechanisms, if any, to ensure the independence of their managers.

The Legal, Governance, Risks and Internal Controls and Compliance functions report to the Legal, Governance, Risks and Compliance Vice Presidency, which reports to the Chairperson's Office, reinforcing Mr. Dias Branco's commitment to the highest level of corporate governance.

The Company has an Internal Audit department, which reports functionally to the Audit Committee and consequently to the Board of Directors, and administratively to the Chairperson's Office, whose purpose is to provide objective evaluation and consulting services to add value and improve the Company's operations. The mission of Internal Audit is to enhance and protect the value of the organization by providing risk-based assessments, advice and knowledge.

The Company also has an Ethics Committee, composed of the Vice President of Legal, Governance, Risk and Compliance, the Executive Officer of People, Management and Sustainability, and the Audit Manager, whose purpose is to advise the Statutory Executive Board in overseeing the application of the Code of Ethics and to monitor incidents reported through the Ethics Channel.

In 2019, the Corporate Governance Secretariat was formally created to act as an interface between the Executive Board (statutory and executive), the Board of Directors and its advisory committees. In addition to coordinating meetings of senior management bodies, it monitors compliance with corporate and regulatory legislation (CVM/B3) and ensures adherence to best corporate governance practices. It also recommends to the appropriate bodies and their advisory committees any adjustments or updates to policies, procedures and governance structures.

In 2018, the creation of the ESG Committee was formally approved, with the objective of assisting the Board of Directors in improving the internal controls and mechanisms of its environmental, social and governance agenda, including the sustainable development of the Company, ensuring compliance with applicable legislation and best market practices. This committee include the participation of an independent member of the Board of Directors in its formation.

In 2007, the Audit Committee was formally established as an advisory body to the Board of Directors with the objective of continuously evaluating the work of internal and external auditors, risk identification systems and internal controls of the Company. This committee is composed of three independent members, one of whom is a member of the Board of Directors.

iii. whether the issuer has a formally approved code of ethics or conduct, indicating:

• whether it applies to all officers, members of the fiscal board, directors and employees and whether it extends to third parties, such as suppliers, service providers, intermediary agents and associates

Our Code of Ethics disseminates the principles and values of the Company, its subsidiaries and affiliates, guides the conduct of all employees, officers, legal representatives and third parties, and explains the standard of conduct expected in relationships with stakeholders.

All employees, Officers (statutory or not), members of the Board of Directors, members of committees (statutory or not), members of the Fiscal Council, apprentices and interns of the Company, regardless

5.3 Integrity Program

Of their position or function. A third party is any individual or legal person who is not an employee of the Company or who is engaged to assist in the performance of its activities, such as partners, consortium members, representatives, suppliers, service providers in general, consultants, outsourcers, agents or intermediaries acting on behalf of the Company.

- ***the sanctions applicable in the event of violation of the code or other rules related to the subject, with an indication of the document in which these sanctions are specified***

As provided in the Code of Ethics and the Company's Consequences Policy, in the event of a violation of the Code of Ethics, the Integrity Program and/or other internal policies or procedures and applicable laws, those responsible will be subject to the following disciplinary measures: (i) verbal warning; (ii) written warning; (iii) suspension; (iv) unjustified dismissal; (v) justified dismissal; (vi) application of a contractual penalty and/or termination of contract (in the case of a contracted third party), subject to the protections provided by applicable labor laws and the proportionality between the severity of the conduct and the level of sanction.

In addition to the measures described above, employees (and/or third parties, as the case may be) may be subject to personal liability, including possible compensation for damages caused by their conduct.

If these violations reveal evidence of a civil, administrative or criminal offense, they may be brought to the attention of the regulatory bodies and the competent governmental authorities so that the appropriate measures may be taken, without prejudice to the application of sanctions by the Company under the terms set forth herein.

- ***body that approved the code, the date of approval and, if the issuer makes the code publicly available, the locations on the world wide web where the document can be accessed***

In 2019, the Board of Directors approved the revised Code of Ethics in accordance with the other policies of the Integrity Program. In 2021, a revision of the aforementioned Code was approved by the same body, reinforcing the Company's commitment to compliance with the General Data Protection Law (Law No. 13.709/18). The Code of Ethics and other policies are available for consultation on the internal communication platform and on the website (<https://mdiasbranco.com.br>).

- b. *whether the issuer has a reporting channel, indicating, if so:***
 - i. *whether the reporting channel is internal or in charge of third parties***
 - ii. *whether the channel is open to receiving complaints from third parties or if it only receives reports from employees***
 - iii. *whether there are mechanisms for anonymity and protection of those making reports in good faith***

For complaints about conduct that violates the Code of Ethics and other company policies, we provide the Ethical Channel, a reporting communication platform available to the community and managed by an independent company, ICTS. The channel is free and accessible through the website, email and phone, 24 hours a day, 7 days a week, in Portuguese and English. The service guarantees anonymity and protection to the person making the report in good faith, as provided for in the Code of Ethics and the Consequences Policy. This channel is widely disseminated in the Company's media.

In 2023, 1,444 communications were received through the Ethical Channel, representing an increase of 34.45% when compared to the previous year. Of the total, 84% were received through a website, 74% created by employees and 70% carried out anonymously. They are distributed in the categories "interpersonal relationship" (48%), "non-compliance with internal regulations" (14%), "doubts, criticisms

5.3 Integrity Program

and suggestions" (13%), "moral and sexual harassment" (9%), "non-compliance with labor and social security legislation" (4%), "dissatisfaction with human resources policies " (2%), "fraud" (2%), "non-compliance with other laws" (1%), and "other natures" (3%). A total of 1,328 reports (92%) were found, of which 27% were considered valid or partially valid. In 45% of the cases investigated, administrative actions were taken, in 12% disciplinary measures were applied and in 43% no measures were necessary.

iv. *issuer's body responsible for investigating complaints*

The purpose of the Internal Investigations and Ethics Channel Protocol is to establish the rules, policies and procedures to be followed by the Company in (i) conducting internal investigations of communications made in the course of its business; and (ii) managing and operating the Company's Ethics Channel.

The determination of the governing body responsible for coordinating the investigation shall be based on the identification of the subject of the complaint, as provided in the Investigation Procedures section of this Protocol. The coordinating body of the investigation shall always act with objectivity and independence, ensuring sufficient technical competence and knowledge of the operations in question. Upon completion of the investigation, the investigation coordinating body must report and submit the final investigation report to the most appropriate recipient (a body or entity that is part of the company's governance structure). It is worth noting that in 2023, most of the announcements (99%) were determined by the Compliance area and submitted to the Company's Ethics Committee.

c. *number of confirmed cases of anomalies, fraud, irregularities and unlawful acts against the public administration in the last 3 (three) fiscal years, and corrective measures taken.*

There have been no reports of corruption involving public officials and government agencies, and no confirmed cases of corruption in the last 03 years. In addition, we are not subject to administrative or judicial sanctions for acts committed against the national or foreign public administration under the terms of the Anti-Corruption Law.

d. *if the issuer does not have rules, policies, procedures or practices in place to prevent, detect and remedy fraud and illegal acts against the public administration, state the reasons why the issuer has not adopted controls in this regard"*

Not applicable.

5.4 Significant changes

Reassessment of the Company's Relevant Risks

In 2023, we reassessed the most relevant risks for the Company. In order to ensure transparency and to address the concerns of the business units, in addition to validating the evidence of improvements (controls, indicators and processes), the process of reviewing the risk plots also captured the awareness of the experts in each area (managers, officers), the Statutory Executive Board, the Audit Committee and the Board of Directors.

It was noted that, in addition to improving controls, the business units implemented new controls to improve process reliability and thereby reduce the risks to which the Company could be exposed. As a result of this work, in addition to adjusting the taxonomy and the appropriateness of the risk language in terms of business areas, with revisions in criticalities, processes and controls, a matrix was obtained that was more appropriate to the complexity and reality of M. Dias Branco's operations, addressing the main risks mapped.

Risk Management in SAP Implementation

Through the Simplify Project, we completed the implementation of SAP as the Company's new ERP. During this process, the Risk Area mapped the main risks and deficiencies of the Company to be mitigated with SAP.

From 2024, the department will follow up on the controls mapped and, through the GRC ARA module, analyze the risks of the access profiles to the new ERP, classifying them by criticality, identifying potential threats to the business and recommending mitigation measures.

5.5 Other relevant information

Business Continuity

In 2023, we continued the business continuity project started in 2021 with the preparation of the business impact analysis. We continued the implementation of the Business Continuity System to cover the subsidiary Jasmine. The criticalities of the main processes were identified, including those related to the incorporation of Latinex, with a review of the Business Impact Analysis (BIA).

In order to reinforce the corporate culture on this issue, new training sessions on Business Continuity Management were held with several areas of the Company, during which, among other things, we reviewed the incident reporting procedure and prepared for the testing phase.

Also in 2023, we conducted a first round of business continuity tests in 6 different units of the company, with a satisfactory result. In the next steps, training and tests will be carried out with senior management.

The Company has a business continuity plan that formalizes the internal documents and policies for dealing with continuity issues and crises. In addition, crisis and continuity committees were created and approved, formed by officers and leaders from various areas of the Company, which aim to act quickly and effectively to control and mitigate the effects of the crisis scenario or continuity risks, as the case may be.

Corporate Governance Index (iMDB)

An important indicator is the iMDB (M. Dias Branco Corporate Governance Index), created in 2017. The iMDB is composed of the main benchmarks in the market, such as: Brazilian Institute of Corporate Governance (IBGC), Dow Jones Sustainability Index (IDJS) and Corporate Sustainability Index (ISE) and Carbon Disclosure Project (CDP). The Risk function is responsible for consolidating this indicator, which helps the company focus its efforts to reduce its exposure to ESG risks. We continue to evolve with the indicators and targets related to the index, focusing on the evolution from B to A in our CDP Climate note.

This work was used as an input for the evolution of the company's score in the CDP (Carbon Disclosure Project or Climate Resilience Index) and ISE (Corporate Sustainability Index) indices, in addition to confirming the achievement of the goals of the Strategic Agenda signed until 2030.

Update of the Corporate Risk Policy

In order to maintain its commitment to ongoing corporate governance best practices, the Board, after review by the Audit and ESG Committees, approved an update to the Company's Risk Management Policy. The main modifications were: (a) addition of new risk classifications, such as ESG, Cybersecurity and LGPD; (b) review of risk approval levels and, (c) review of mention of positions and competencies.

6.1/2 Equity position

PARENT / INVESTOR						
SHAREHOLDER						
CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified		
Shareholder Resident Abroad	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ		
Details of share Unit						
Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %	
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition	
AVEIRO FUNDO DE INVESTIMENTOS EM AÇÕES						
12.877.241/0001-00	Brazil	No	Yes	04/20/2023		
No						
13.190.941	3.891	0	0.000	13,190,941	3.891	
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital		
TOTAL	0	0.000				
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.						
07.973.152/0001-10	Brazil	No	Yes	03/17/2011		
No						
214.650.000	63.319	0	0.000	214,650,000	63.319	
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital		
TOTAL	0	0,000				
TREASURY SHARES						
2,675,111	0.789	0	0.000	2,675,111	0.789	
OTHER						
108,483,948	32.001	0	0.000	108,483,948	32.001	
TOTAL						

6.1/2 Equity position**PARENT / INVESTOR****SHAREHOLDER**

CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified
Shareholder Resident Abroad	Name of Legal or Mandatory Representative	Type of person	CPF/CNPJ	

Details of share Unit

Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition

339,000,000

100.00

0

0.000

339,000,000

100.00

6.1/2 Equity position

PARENT / INVESTOR					
SHAREHOLDER					
CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified	
Shareholder Resident Abroad	Name of Legal or Mandatory Representative	Type of person	CPF/CNPJ		
Details of share Unit					
Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition
AVEIRO FUNDO DE INVESTIMENTOS EM AÇÕES			12.877.241/0001-00		
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO					
262.329.013-04	Brazil	No	No	04/29/2022	
No					
146.861.219	10.058	0	0.000	146.861.219	10.058
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0.000			
Francisco Ivens de Sá Dias Branco Júnior					
155.400.143-91	Brazil	No	No	04/29/2022	
No					
147.102.162	10.075	0	0.000	147.102.162	10.075
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0.000			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO					
220.794.163-91	Brazil	No	No	04/29/2022	
No					
146.861.362	10.058	0	0.000	146.861.362	10.058
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0.000			

6.1/2 Equity position

PARENT / INVESTOR					
SHAREHOLDER					
CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified	
Shareholder Resident Abroad	Name of Legal or Mandatory Representative	Type of person	CPF/CNPJ		
Details of share Unit					
Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition
AVEIRO FUNDO DE INVESTIMENTOS EM AÇÕES				12.877.241/0001-00	
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO					
272.898.853-68	Brazil	No	No	04/29/2022	
No					
725.571.244	49.693	0	0.000	725.571.244	49,693
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0.000			
Maria das Graças Dias Branco da Escóssia					
273.184.433-72	Brazil	No	No	04/29/2022	
No					
146.861.296	10.058	0	0.000	146.861.296	10,058
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0.000			
Maria Regina Saraiva Leão Dias Branco					
235.899.653-04	Brazil	No	No	04/29/2022	
No					
146.861.263	10.058	0	0.000	146.861.263	10,058
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0.000			
TREASURY SHARES					

6.1/2 Equity position

PARENT / INVESTOR						
SHAREHOLDER						
CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified		
Shareholder Resident Abroad	Name of Legal or Mandatory Representative	Type of person	CPF/CNPJ			
Details of share Unit						
Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %	
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition	
AVEIRO FUNDO DE INVESTIMENTOS EM AÇÕES				12.877.241/0001-00		
0	0.000	0	0.000	0	0,000	
OTHER						
0	0.000	0	0.000	0	0,000	
TOTAL						
1.460.118.546	100.000	0	0.000	1.460.118.546	100,000	

6.1/2 Equity position

PARENT / INVESTOR					
SHAREHOLDER					
CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified	
Shareholder Resident Abroad	Name of Legal or Mandatory Representative	Type of person	CPF/CNPJ		
Details of share Unit					
Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.				07.973.152/0001-10	
FRANCISCO CLAUDIO SARAIVA LEO DIAS BRANCO					
262.329.013-04	Brazil	No	No	03/19/2018	
No					
54	9.982	0	0.000	54	9.982
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0,000			
Francisco Ivens de Sá Dias Branco Júnior					
155.400.143-91	Brazil	No	No	03/19/2018	
No					
54	9.982	0	0.000	54	9.982
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0,000			
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO					
220.794.163-91	Brazil	No	No	03/19/2018	
No					
54	9.982	0	0.000	54	9.982
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0,000			

6.1/2 Equity position

PARENT / INVESTOR					
SHAREHOLDER					
CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified	
Shareholder Resident Abroad	Name of Legal or Mandatory Representative	Type of person	CPF/CNPJ		
Details of share Unit					
Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.				07.973.152/0001-10	
MARIA CONSUELO SARAIVA LEO DIAS BRANCO					
272.898.853-68	Brazil	No	No	03/19/2018	
No					
271	50.092	0	0.000	271	50.092
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0,000			
María das Graças Dias Branco da Escóssia					
273.184.433-72	Brazil	No	No	03/19/2018	
No					
54	9.982	0	0.000	54	9.982
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0,000			
Maria Regina Saraiva Leão Dias Branco					
235.899.653-04	Brazil	No	No	03/19/2018	
No					
54	9.982	0	0.000	54	9.982
Share Class	Qty. of shares Unit	Shares %	Shares (%) of type	Shares (%) in the share capital	
TOTAL	0	0,000			
AÇÕES EM TESOURARIA					

6.1/2 Equity position

PARENT / INVESTOR						
SHAREHOLDER						
CPF/CNPJ shareholder	Nationality - State	Participates in shareholders' agreement	Controlling shareholder	Last modified		
Shareholder Resident Abroad	Name of Legal or Mandatory Representative	Type of person	CPF/CNPJ			
Details of share Unit						
Qty. of common shares Unit	Common shares %	Qty. of preferred shares Unit	Preferred shares %	Total number of shares Unit	Total shares %	
PARENT / INVESTOR				CPF/CNPJ shareholder	Share capital composition	
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.				07.973.152/0001-10		
0	0.000	0	0.000	0	0.000	
OTHER						
0	0.000	0	0.000	0	0.000	
TOTAL						
541	100.000	0	0.000	541	100,000	

6.3 Capital distribution

Date of last meeting / Date of last change	03/28/2024
Number of individual shareholders	49,581
Number of legal entity shareholders	114
Number of institutional investors	531

Shares outstanding

Shares outstanding corresponding to all shares of the issuer with the exception of those held by the controller, persons related to him, the issuer's managers and shares held in treasury

Number of common shares	6,638,5773	19.583%
Number of preferred shares	0	0.000%
Total	6,638,5773	19.583%

Share Class

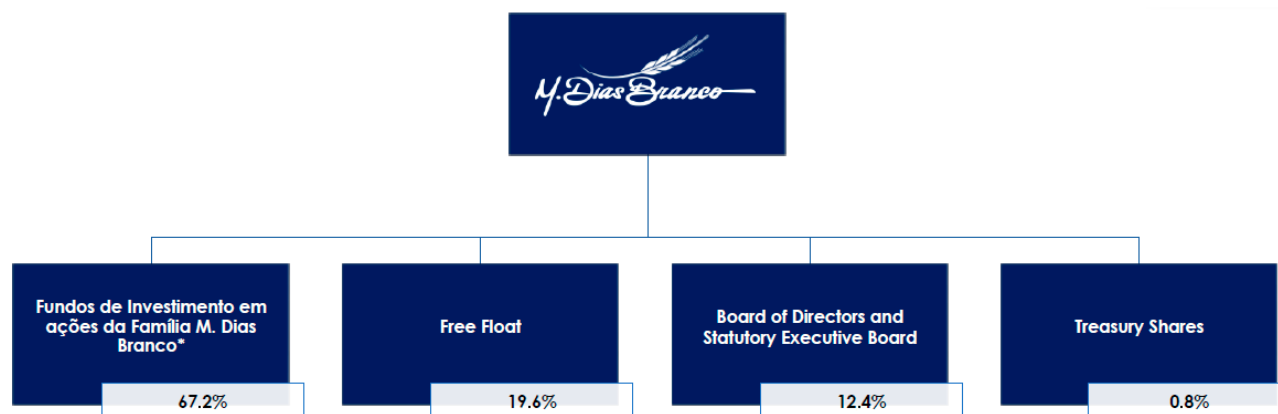
Class A Preferred	0	0.000000%
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6.4 Interest in companies

Corporate name	CNPJ	Issuer's interest (%)
CACAMA S.A. (INDIRECT INTEREST)	00.000.000/0000-00	100
DARCEL S.A. (INDIRECT INTEREST)	00.000.000/0000-00	100
DELTA 7 E 8 HOLDING HOLDING ENERGIA S.A. (DIRECT INTEREST)	09.149.503/0001-06	24.5
JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA. (INDIRECT INTEREST)	81.727.414/0001-19	100
M. DIAS BRANCO INTERNATIONAL TRADING URUGUAY S.A (INDIRECT INTEREST)	00.000.000/0000-00	100
M.DIAS BRANCO ARGENTINA S.A (DIRECT INTEREST)	00.000.000/0000-00	100
M.DIAS BRANCO INTERNATIONAL TRADING LLC (DIRECT INTEREST)	00.000.000/0000-00	100
Tergran - Terminal de Grãos de Fortaleza Ltda.	01.591.524/0001-67	33.33
Terminal de Trigo do Rio de Janeiro - Logística S. A	18.245.532/0001-54	50

6.5 Organization chart of shareholders and economic group

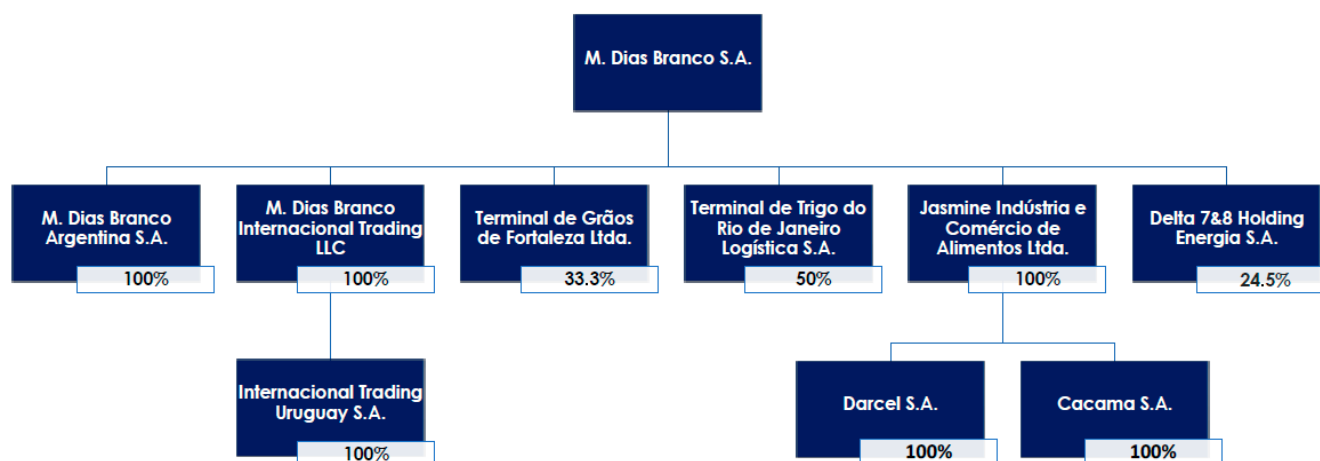
- a. all direct and indirect controllers and, if the issuer wishes, shareholders with an interest of 5% or more in a class or kind of shares



*Equity position of Dibra Fundo de Investimentos em Ações and Aveiro Fundo de Investimentos em Ações: Ms. Maria Consuelo Saraiva Leão Dias Branco; Maria das Graças Dias Branco da Escóssia; Maria Regina Saraiva Leão Dias Branco; Francisco Cláudio Saraiva Leão Dias Branco; Francisco Ivens de Sá Dias Branco Júnior and Francisco Marcos Saraiva Leão Dias Branco.

The details of the equity position of the funds are listed in the topic 6.1/6.2 Equity Position.

- b. main subsidiaries and affiliates of the issuer



The Company's main subsidiaries, affiliates and jointly controlled operations are described in the organization chart above, considering the equity interests held by the Company on December 31, 2023.

The Company's equity interests are presented in note 5 to the financial statements as of December 31, 2023.

6.5 Organization chart of shareholders and economic group

c. issuer's interests in group companies

The main equity interests held by the Company as of December 31, 2023 are described above.

d. interests of group companies in the issuer

The main equity interests held by the Company as of December 31, 2023 are described above.

e. main companies under common control

The main equity interests held by the Company as of December 31, 2023 are described above.

6.6 Other relevant information

There are no other considerations or material facts to be informed.

7.1 Main characteristics of the management bodies and the fiscal council

a. main features of the nomination and compensation policy, if any, and, if disclosed by the issuer, the location on the world wide web where the document can be consulted

The purpose of the M. Dias Branco S/A Indústria e Comércio de Alimentos S.A. Policy for the Nomination of Members of the Board of Directors, its Committees and the Statutory Executive Board (the "Policy") is to establish the rules, guidelines and methods to be followed for the appointment of members of the Board of Directors, its Committees and the Statutory Executive Board of the Company, with an emphasis on best practices in corporate governance, transparency and diversity.

The Policy provides the procedure for indicating the positions, described below:

- Board of Directors:

The composition of the Board should be evaluated to ensure the complementarity of its members' competencies. The election of the members of the Board of Directors is carried out by the General Meeting in accordance with the Company's Bylaws and applicable laws. The Board of Directors shall be composed of at least two (2) independent directors or twenty percent (20%), whichever is greater, as defined in the Novo Mercado Regulation of B3.

Nomination Process: The appointment of the members of the Board of Directors may be made by the managers or by any of the shareholders of the Company, in accordance with the provisions of the Brazilian Corporation Law, CVM Resolution No. 81 and applicable laws.

- Advisory Committees:

The composition of the Committees should be evaluated to ensure the complementarity of the competences of its members. The Board of Directors appoints qualified professional committees according to their respective areas of expertise, with the potential to serve the best interests of the Company and its shareholders, guided by ethics and best governance practices.

Nomination Process: The nomination and election of the members of the Committees shall be made by the Board of Directors of the Company in accordance with the respective bylaws, the Brazilian Corporation Law, the Company's Bylaws and applicable laws. Compliance with the principles and requirements set forth in the Nomination Policy is reviewed by the Human Resources and Management Committee, which submits an opinion to the Board of Directors with recommendations on the classification of candidates for election or re-election.

- Statutory Executive Board:

The Board of Directors must propose for the composition of the Statutory Executive Board professionals who are able to harmoniously combine the interests of the Company, shareholders, managers and employees, and who are committed to the sustainability of the business, with social and environmental responsibility, in line with the strategic needs of the Company, guided by legality and ethics.

Nomination Process: The nomination and election of the members of the Statutory Executive Board will be carried out by the Company's Board of Directors, under the terms of the Brazilian Corporation Law, the Company's Bylaws and the applicable legislation. Compliance with the principles and requirements set forth in the Nomination Policy is reviewed by the Human Resources and Management Committee, which submits an opinion to the Board of Directors with recommendations on the classification of candidates for election or re-election.

7.1 Main characteristics of the management bodies and the fiscal council

The full text of the nomination policy for members of the Board of Directors, its Committees and Executive Board is available on the IR website under Corporate Governance\ Other Policies\ Nomination Policy for Members of the Board of Directors, its Committees and the Board of Directors.

b. performance evaluation mechanisms

The performance evaluation model for the members of the Board of Directors, the Advisory Committees of the Board of Directors and the Statutory Board of Directors was approved by the Board of Directors on March 26, 2021 and became effective in April 2021. These members evaluate themselves and evaluate themselves as a collegial body in each of the bodies/committees annually.

There are different evaluation criteria for each forum, considering that they play different roles in the leadership of M. Dias Branco. The evaluation criteria were proposed by an independent consultant, based on the recommendations of the IBGC (Brazilian Institute of Corporate Governance) and the responsibilities of each forum, as defined in the bylaws and/or internal regulations of M. Dias Branco. These tasks have been converted to affirmative questions that require the member to answer one of the following choices: 1 - There is a significant need for improvement; 2 - Sometimes there is room for improvement; 3 - Most of the time it is adequate; 4 - It is always adequate; N/A - Doesn't know or doesn't apply.

c. rules for identifying and managing conflicts of interest

In accordance with the Brazilian Corporation Law, any member of the Board of Directors is prohibited from voting at any meeting or session of the Board, or from participating in any operation or business in which he has interests that conflict with those of the Company.

The Company has a Policy on Transactions with Related Parties and Other Situations Involving Conflict of Interest, available on the Investor Relations website: <https://ri.mdiasbranco.com.br/governanca-corporativa/outras-politicas/>

e. the issuer's specific objectives, if any, with respect to gender, color or race or other characteristics of the members of its management bodies and fiscal council

M. Dias Branco has a Policy for the Appointment of Members of the Board of Directors, its Committees and the Statutory Executive Board, the purpose of which is to establish the rules, guidelines and methods to be followed for the appointment of members of the Board of Directors, its Committees and the Statutory Executive Board of the Company, valuing the best practices of corporate governance, transparency and diversity. To the extent possible, nominations for eligible positions should also consider diversity of gender, age, academic background and professional experience, as well as complementarity of skills and availability of time to serve.

f. role of management bodies in assessing, managing and monitoring climate-related risks and opportunities

One of the company's priorities is climate change management, which is addressed in the Sustainability Policy, specifically in the Caring for the Planet pillar, the Caring for the Planet (Environmental) pillar, and the Energy Efficiency Policy. To manage the climate strategy and monitor global and national climate agendas, the company has a dedicated business unit called Environmental Sustainability.

7.1 Main characteristics of the management bodies and the fiscal council

The company reports on the results achieved in relation to the targets and on the development of actions related to each material topic, including climate change. The results of the goals and actions set out in the Sustainability Agenda are continuously monitored. Additionally, in May 2022, the Energy Efficiency Policy was approved by the Board of Directors.

M. Dias Branco also has a multidisciplinary working group ("WG") that meets monthly to discuss a climate change action plan. This group is responsible for defining emissions management policies and mitigation strategies related to sustainable development, as well as mapping and monitoring climate risks and opportunities.

Climate change issues are included in the environmental indexes of the main business units and in corporate indexes such as iMDB, which are monitored and analyzed monthly. The Sustainability Committee is responsible for evaluating the results of actions and progress against targets on a quarterly basis, and climate issues are discussed in working groups and committees.

To achieve significant results in the fight against climate change, the adoption of a clean and sustainable energy matrix is essential. Thus, M. Dias Branco made diagnoses about the energy matrix of the company and the use of clean energy, defining priority indicators for the company. In addition, the implementation of the Emissions Management System (GHG) of M. Dias Branco had been completed. The Company intends to advance in relation to the definition of science-based targets (Science Based Targets Initiative).

At M. Dias Branco, climate issues cut across several business areas and are addressed by the Sustainability Committee, the ESG Committee and the Board of Directors. The Vice President of Administration, Development and Sustainability is responsible for committees with responsibilities related to climate strategy in management, logistics and supply chain processes.

7.1 Description of the main characteristics of the management bodies and the fiscal council

Number of members by declared gender

	Female	Male	Non-binary	Other	Prefer not to answer
Executive Board	1	5	0	0	0
Board of Directors - Effective members	3	4	0	0	0
Board of Directors - Alternates	1	1	0	0	0
Fiscal Council - Effective members	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fiscal Council - Alternates	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
TOTAL = 15	5	10	0	0	0

Number of members per declaration of color and race

	Yellow	White	Black	Brown	Indigenous	Other	Prefer not to answer
Executive Board	0	6	0	0	0	0	0
Board of Directors - Effective members	0	7	0	0	0	0	0
Board of Directors - Alternates	0	2	0	0	0	0	0
Fiscal Council - Effective members	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fiscal Council - Alternates	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
TOTAL = 15	0	15	0	0	0	0	0

7.2 Information related to the board of directors

a. standing bodies and committees reporting to the board of directors

Board of Directors

The Board of Directors is a collegial deliberative body responsible for the overall direction of the Company's business, including its long-term strategy. It is also responsible for, among other things, the election of its officers and the oversight of its management. Resolutions of the Board of Directors are adopted by the affirmative vote of a majority of the members present at a meeting, and in the event of a tie, the vote of the Chairperson or their designee shall be cast in accordance with the Bylaws of the Board of Directors.

In addition to the duties required by law, the Board of Directors has the following duties under the Company's Bylaws:

- Establish the general orientation of the Company's business;
- Supervise the management of the Executive Board and examine, at any time, the books and documents of the Company;
- Convene General Meetings;
- Express its opinion in advance on the Management Report, the accounts of the Executive Board, the Financial Statements for the year and examine the monthly balance sheets;
- Distribute the remuneration fixed by the General Meeting among the Company's managers;
- Elect and dismiss the officers, as well as establish their duties and remuneration;
- Establish criteria by which the disposal of assets can only be practiced after prior approval of the Board of Directors itself or the Collegial Executive Board, as well as authorizing the provision of guarantees of any nature to obligations of third parties;
- Choose and dismiss the Company's independent auditors;
- Authorize the acquisition by the Company of its own shares for the purpose of cancellation or to be held in treasury and the subsequent disposal thereof.
- Express an opinion in favor of or against any tender offer for the acquisition of shares that has as its object the shares issued by the Company, by means of a prior reasoned opinion that shall be published within 15 (fifteen) days from the publication of the notice of the public offer for the acquisition of shares and that shall address, at least, the following issues (ii) the impact of the public offer to purchase shares on the interests of the Company; (iii) the strategic plans disclosed by the offeror with respect to the Company; (iv) any other points that the Board of Directors may deem relevant, as well as the information required by the applicable regulations established by the CVM;
- Define a triple list of companies specialized in economic evaluation of companies for the preparation of an appraisal report of the Company's shares, in the case of an OPA for cancellation of registration as a publicly-held company or for delisting from the Novo Mercado;
- Approve the Company's strategic plan, as well as the respective plan for its execution;
- Approve the Company's annual and multi-annual budget;
- Approve programs or plans for the manager and employees profit sharing;
- Establish criteria of value, duration, extent of effects, nature of the operation and others, by which certain acts, including the acquisition of assets and rights and the contracting of active or passive loans or financing, can only be performed after prior approval by the Board of Directors or the Collegial Executive Board, as established by the Board of Directors itself;
- Establish criteria of value, duration, extent of effects, nature of the operation and others, by which the practice of acts that imply in disposing, even fiduciary, or encumbering social assets of the permanent asset, including mortgaging, pledging, hypothecation, antichresis, giving endorsement or guarantee, confessing, waiving the right, compromising or agreeing, can be practiced only after prior

7.2 Information related to the board of directors

authorization of the Board of Directors itself or the Collegial Executive Board, as established by the Board of Directors itself;

- Establish maximum limits for the making of contributions or the performance of any act of charity, including those related to tax benefits or deductions, and authorize the performance of such acts when the established limits are exceeded;
- Authorize the acquisition of companies, participation in other companies, as well as the formation of consortia, joint ventures and/or strategic alliances, respecting the competence of the General Meeting;
- Establish guidelines, positions and votes to be observed and exercised by the Company's representatives in any meetings of the controlling group and/or shareholders/quota holders or General Meetings of affiliated or controlled companies, or others involving consortia, joint ventures or strategic alliances in which the Company participates; and
- Resolve to establish special committees, with or without the participation of directors, officers, employees of the Company or contracted third parties, to oversee and/or direct certain processes or operations of the Company.

For more information on the Company's Board of Directors, see item 7 – General meeting and management.

Statutory Executive Board

The officers of the Company are its legal representatives and are primarily responsible for the day-to-day management of the Company and for implementing the general policies and guidelines established by the Shareholders' Meeting and the Board of Directors.

According to the Brazilian Corporate Law, - LSA each member of its Executive Board may or may not be resident and domiciled in the country, and may or may not be a shareholder. The investiture of an Officer resident or domiciled abroad is subject to the constitution of a representative in the country, according to §2 of art. 146 of the LSA. In addition, no more than one-third of the members of the Board of Directors may be elected to the Company's Executive Board.

The officers are elected by the Company's Board of Directors, for a three-year term, reelection being permitted, and may, at any time, be removed by it. Pursuant to its Bylaws, the Executive Board is composed of at least seven and a maximum of eleven members, namely, a chief executive officer, an industrial vice-president – mills, a commercial vice-president, an administration and development vice-president, a financial vice-president, an investment and controllership vice-president, a legal, governance, risk and compliance vice-president and a supply chain vice-president, with accumulation of functions being permitted.

The Novo Mercado Regulation also provides that all officers must sign a term of consent of the officers, conditioning the investiture in their respective positions to the signature of such document. By signing this agreement, its officers expressly assume personal responsibility for compliance with the rules contained in the Novo Mercado Participation Agreement, the Novo Mercado Regulation and the Regulation of the Market Arbitration Chamber.

Pursuant to the Company's Bylaws, the Executive Board shall be responsible for exercising the powers conferred upon it by law, by the General Meeting, by the Board of Directors and by these Articles of Incorporation, for the performance of the acts necessary for the proper operation of the Company, for the management of the Company and for the performance of all acts that are not the exclusive

7.2 Information related to the board of directors

responsibility of the General Meeting, pursuant to article 122 of the Brazilian Corporation Law. According to article 17 of its Bylaws, the Company's Executive Board is also responsible for the following:

- Ensuring compliance with the law and these bylaws;
- Administration, management and supervision of corporate affairs;
- Preparing the report and financial statements for each year; and
- Performing the acts within its competence, as established in these bylaws and in the Internal Regulations of the Executive Board.

Fiscal Council

The Company's Bylaws provide for the possibility, by decision of the Shareholders' Meeting, of installing a non-permanent Fiscal Council, and its members may be elected by the General Meeting at any time, provided that their installation is required in accordance with the applicable legislation. Its Fiscal Council, when installed, will be composed of three to five **effective** members and an equal number of alternates, shareholders or not. Only persons residing in Brazil, graduates in a university course, or who have held, for a minimum period of three years, the position of company manager or member of the fiscal council may be elected to the Fiscal Council. In accordance with the rules of the Novo Mercado, the members of the Fiscal Council must sign, prior to their investiture in office, a term of consent of the members of the Fiscal Council provided for in the Novo Mercado Regulation.

Persons ineligible for the position of manager may not be elected to the Company's Fiscal Council, nor may those who are part of the Board of Directors, the Executive Board or the staff of employees of the Company, a subsidiary or a company in the same group, nor a spouse or relative, up to the third degree, of the Company's manager.

Committees

The Company's corporate governance structure consists of a Board of Directors elected by the Annual General Meeting, which currently has three advisory committees (ESG Committee, People and Management Committee and Audit Committee).

Audit Committee

The Audit Committee was created on March 16, 2007 and is an advisory body to the Company's Board of Directors. To this end, the Committee shall evaluate on an ongoing basis the work of the internal and external auditors, the risk identification systems and the internal controls of the Company and its subsidiaries, as well as the risk management control conditions to which the Company and its subsidiaries are subject, and assess the quality and effectiveness of the decisions taken to mitigate such risks.

Currently, the body is composed of three (3) members elected by the Board of Directors on April 5, 2024, with a term of office of one (1) year, all of whom are **effective** and independent members.

ESG Committee

The ESG Committee is a permanent advisory body to the Board of Directors, governed by the applicable legislation and regulations, by the provisions of the Bylaws of M. Dias Branco S/A Indústria e Comércio de Alimentos and by its Internal Regulations. Its purpose is to advise the Board of Directors on the continuous improvement of the internal controls and mechanisms of its environmental, social and governance (ESG)

7.2 Information related to the board of directors

agenda, including the Company's sustainable development, keeping them in line with applicable legislation and best market practices.

The Committee reports directly to the Board of Directors, acting independently of the Company's Executive Board. The Committee's decisions and proposed guidelines, policies and actions consist of recommendations to the Board of Directors. The Committee is not a deliberative body of the Company, and its recommendations are not binding on the Board or the Company.

The Committee is currently composed of six (6) members to be elected by the Board of Directors on April 5, 2024 for a term of one (01) year, one of whom will be elected from among the independent members of the Board of Directors of the Company.

For more information on committee members, see topic 7.4 Composition of Committees of this Form.

People and Management Committee

The People and Management Committee is a permanent advisory body to the Board of Directors, governed by the applicable legislation and regulations, by the provisions of the Bylaws of M. Dias Branco S/A Indústria e Comércio de Alimentos, by all the policies of M. Dias Branco, including, but not limited to, the Policy for the Appointment of Members of the Board of Directors, its advisory committees and the Statutory Board, by its Management Remuneration Policy and by its Internal Regulations. The Committee aims to advise the Board of Directors on matters related to people and management, including, but not limited to: a) people management; b) appointment and succession of the members of the Board of Directors, its Committees and the Company's Statutory Executive Board; c) remuneration of the members of the Board of Directors and the Company's Statutory Executive Board; valuing the creation of sustainable and long-term value, as well as the best market and corporate governance practices, transparency and diversity; d) benefits, goals, development and retention of talents; and, e) management practices that favor meritocracy and the execution of the Company's strategy.

The Committee reports directly to the Board of Directors, acting independently of the Company's Executive Board. The Committee's decisions and proposed guidelines, policies and actions consist of recommendations to the Board of Directors. The Committee is not a deliberative body of the Company, and its recommendations are not binding on the Board or the Company.

The Committee is currently composed of five (5) members who will be elected by the Board of Directors on April 5, 2024 for a term of one (1) year, one of whom will be elected from among the independent members of the Company's Board of Directors.

For more information on committee members, see topic 7.4 Composition of Committees of this Form.

b. how the board of directors evaluates the work of the independent auditor, including whether the issuer has a policy for engaging the independent auditor for non-audit services and, if the issuer discloses the policy, the location on the world wide web where the document can be accessed.

The Board evaluates the work of the independent auditors based on an analysis of their reports and the recommendations of the Audit Committee. And, whenever deemed necessary, as per the powers

7.2 Information related to the board of directors

conferred in the Law, Bylaws and its Internal Regulations, the Board of Directors may call the independent auditors to provide the clarifications it deems necessary.

The Company has a Policy for Contracting Extra-Audit Services that aims to establish rules and guidelines for the contracting of this type of service by the Company and/or its subsidiaries, in compliance with the applicable legislation in force, in order to ensure that services that may compromise the independence of the Company's Independent Audit are not contracted. All contracts involving the Independent Audit must be submitted to the Company's Audit Committee for analysis and recommendation regarding the contract. The opinion of the Audit Committee is forwarded to the Board of Directors for its consideration together with the hiring proposal.

The full text of the Extra Audit Services Contracting Policy is available on the IR website under Corporate Governance\ Other Policies\ Extra Audit Services Contracting Policy.

c. channels, if any, established for bringing critical issues related to ESG issues and compliance practices to the attention of the board of directors

The Company considers critical issues received through the Company's Ethics Channel and related to the priority issues of the Strategic Sustainability Agenda to have been analyzed for their actual and potential impacts. The Company has an Ethics Channel available to all stakeholders, managed by a specialized independent company, accessible through widely available means, guaranteeing anonymity, confidentiality and protection to the communicator in good faith. Complaints received through the Ethics Channel are analyzed in a periodic report to the Audit Committee, which reports at least annually to the Board of Directors, as described in the Protocol of Internal Investigation and Operation of the Ethics Channel, which is available on the Company's website.

7.3 Composition and professional experiences of the management and the fiscal council

Functioning of the Fiscal Council: Non-permanent and not installed

Name: Daniel Mota Gutierrez **CPF:** 468.231.903-53 **Passport:** **Nationality:** Brazil **Profession:** Lawyer **Date of Birth:** 04/07/1973

Professional Experience: Mr. Daniel Gutiérrez, born on 04/07/1973, is Vice President of Legal, Governance, Risks and Compliance. He joined M. Dias Branco in July 2006, in the position of Corporate Legal Counsel. He is an Officer in the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and is an Officer in the affiliate of M. Dias Branco Terminal de Trigo do Rio de Janeiro - Logística S.A. He is a Lawyer registered in the Brazilian Bar Association, Ceará-OAB/CE Section, since 1995 and in the São Paulo-OAB/SP Section, since 2004. He is a specialist in Civil Procedural Law from the University of Fortaleza-UNIFOR. He also holds a Master's and Doctorate in Civil Procedural Law from the Pontifical Catholic University of São Paulo - PUC/SP. Former Manager of the Corporate Legal Department of Cia. de Seguros Aliança do Brasil, having worked in São Paulo. Former Professor of the Master of Laws degree at Unichristus - Centro Universitário Christus. Former Professor of Graduate Studies in Law at the University of Fortaleza. Former scholarship holder of the Coordination for the Improvement of Higher Education Personnel-CAPEs. He was Vice-President of the Social Security Commission of OAB/CE. Acting as a Lawyer-Partner of a law firm, he has provided services to several companies and regional and national entities in the field of Business Law, notably in the civil, consumer, administrative and labor areas.

Management Bodies:

Management Body	Date of Election	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by the controller	Start date of the first term
Executive Board and Board of Directors	03/28/2024	1 year	Director (Alternate) and Vice Pres.		04/05/2024	Yes	05/12/2011

Name: Daniel Percim Funis **CPF:** 252.096.468-58 **Passport:** **Nationality:** Brazil **Profession:** Engineer **Date of Birth:** 03/26/1976

Professional Experience: Mr. Daniel Funis, born on 03/26/1976, holds a degree in mechatronics engineering from Escola Politécnica- USP, a master's degree in business administration from the University of Cambridge, England. With extensive experience in retail, consumer goods and ecommerce, he was part of the team that introduced Groupon in Brazil, leading the marketing area. He was responsible for 10 years for Farfetch's operations in Latin America and in the last 2 years he has worked on mergers and acquisitions projects within the group. Before this experience, he held different positions in the areas of engineering, production, sales and marketing in companies such as Fiat and Unilever, performing these functions in Argentina, Brazil, France, England and Italy.

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by controller	Start date of the first term
Board of Directors	03/28/2024	1 year	BoD Independent (Effective member)		04/05/2024	Yes	05/12/2019

Name: FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO
CPF: 262.329.013-04
Passport:
Nationality: Brazil
Profession: Businessman
Date of Birth: 01/14/1967

Professional Experience: Mr. Cláudio, born on 01/14/1967, is the Company's Industrial Vice-President - Mills and began his professional career in the Company itself, assuming the role of Industrial Director of Moinho Dias Branco, the Company's first wheat milling unit, in 1992. In 2003, he assumed the role of Corporate Industrial Director - Mills Division, and in 2013, he became a member of the Company's Audit Committee. Leading the implementation of all the Company's milling units, Mr. Cláudio graduated in Mechanical Professioning from the University of Fortaleza in 1990 and began a long career specializing in wheat milling, attending numerous courses in different countries, including the Course in Milling Technology sponsored by the Swiss Milling School, St. Gallen, in 1991. In 1992, Mr. Cláudio obtained a certificate in wheat milling technology from the Buhler Training Center in Uzwil, Switzerland. Mr. Cláudio is a director of the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. He is also the chairman of the subsidiary M. Dias Branco: Terminal Portuário Cotegipe S.A. and member of the Board of Directors of M. Dias Branco's subsidiary: Terminal de Trigo do Rio de Janeiro - Logística S.A. He has interests in the following companies: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A e Cacama S.A e também é Presidente na coligada da M. Dias Branco: Terminal Portuário Cotegipe S.A e membro do Council of Directors da coligada da M. Dias Branco: Terminal de Trigo do Rio de Janeiro – Logística S.A. Possui participação societária nas seguintes empresas: 1. Idira Participações S.A.; 2. Terminal Portuário Cotegipe S.A; 3. Praia Centro Hotéis, Viagens e Turismo Ltda.; 4. Apodi Transportes e Locação Ltda.; 5. Águas Claras Participações Ltda.; 6. Praia do Futuro Empreendimentos Imobiliários Ltda.; 7. Equatorial Participação e Negócios S/A; 8. Dias Branco Incorporadora Spe 001 Ltda.; 9. Dias Branco Incorporadora Spe 002 Ltda.; 10. Dias Branco Incorporadora Spe 003 Ltda.; 11. Dias Branco Incorporadora Spe 004 Ltda.; 12. Dias Branco Incorporadora Spe 005 Ltda.; 13. Dias Branco Incorporadora Spe 006 Ltda.; 14. Dias Branco Incorporadora Spe 007 Ltda.; 15. Dias Branco Incorporadora Spe 008 Ltda.; 16. Ponta da Praia Empreendimentos Imobiliários Spe 001 Ltda.; 17. Hotel Praia Mar Ltda.; 18. Idb Condominium Incorporações Spe Ltda.; 19. Cdb Participações Ltda.; 20. Aet Engenharia e Soluções Tecnológicas Avançadas Ltda.; 21. Bühler amp; scherler S.A.; 22 Wef Engenharia e Automação Ltda.; 23. Afbr Investimentos e Participações S.A.; 24. Fertsan Soluções Inteligentes em Agronegócio S.A.; 25. Aveiro Multimercado Fundo de Investimento Credito Privado Investimento no Exterior; 26. Dibra Fundo de investimento em Ações.

Management Bodies:

Management Body	Date of election	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by the controller	Start date of first term
Executive Board and Board of Directors	03/28/2024	1 year	Vice President BoD and Vice President		04/05/2024	Yes	05/12/2014

Name: Francisco Ivens de Sá Dias Branco Júnior **CPF:** 155.400.143-91 **Passaport:** **Nationality:** Brazil **Profession:** Businessman **Date of Birth:** 09/08/1960

Professional Experience: Mr. Ivens Jr., born on 09/08/1960, is currently Chief Executive Officer of the Company. He began his professional activities in the Company itself, in 1976, going through several their sectors. In 1981, for standing out in the industrial area, he became a shareholder of the Company and took over its Industrial Board. In 2002, he contributed fundamentally to the implementation of G.M.E. (CE), an industrial unit that produces margarines and vegetable shortening of the Company. In 2003, Mr. Ivens Jr. became Superintendent Officer of the Company, a position he held until his appointment to his current position. Throughout his career, Mr. Ivens Jr. was awarded several awards and titles, including the Edson Queiroz Medal, conferred in 2005 by the Legislative Assembly of Ceará. From 2006 to 2021, he held the Industrial Vice Presidency of the Company. Mr. Ivens Jr. is Chief Executive Officer in the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. He is also an Officer in the affiliate of M. Dias Branco: Terminal Portuário Cotegipe S.A. and member of the Board of Directors of the affiliate of M. Dias Branco: Terminal de Trigo do Rio de Janeiro - Logística S.A and has equity interest in the following companies: 1. 3I Administração e Participações Ltda.; 2. Águas Claras Participações Ltda.; 3. Apodi Transportes e Locação Ltda.; 4. Dias Branco Administração e Participações Ltda.; 5. Dias Branco Incorporadora Spe 001 Ltda.; 6. Dias Branco Incorporadora Spe 002 Ltda.; 7. Dias Branco Incorporadora Spe 003 Ltda.; 8. Dias Branco Incorporadora Spe 004 Ltda.; 9. Dias Branco Incorporadora Spe 005 Ltda.; 10. Dias Branco Incorporadora Spe 006 Ltda.; 11. Dias Branco Incorporadora Spe 007 Ltda.; 12. Dias Branco Incorporadora Spe 008 Ltda.; 13. Equatorial Participação e Negócios S/A.; 14. Ldb Condominium Incorporações Spe Ltda.; 15. Idibra participações S.A.; 16. Ldb Logística e Transportes Ltda.; 17. Ldb Transporte de Cargas Ltda.; 18. Ponta da Praia Empreendimentos Imobiliários Spe 001 Ltda.; 19. Praia Centro Hotéis, Viagens e Turismo Ltda.; 20. Praia do Futuro Empreendimentos Imobiliários Ltda.; 21. Terminal Portuário Cotegipe S.A.

Management Bodies:

Management Body	Date of election	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by the controller	Start date of first term
Executive Board and Board of Directors	03/28/2024	1 year	Director (Alternate) and Dir. President		04/05/2024	Yes	05/12/2011

Name: FRANCISCO
MARCOS SARAIVA
LEAO DIAS BRANCO

CPF: 220.794.163-91

Passport:

Nationality: Brazil

Profession: Businessman

Date of Birth: 06/23/1964

Professional Experience: Mr. Marcos, born on 06/23/1964, began his business career at the Company in 1980. Standing out in the Company's commercial area, Mr. Marcos was appointed Commercial Director in 1989, and was later sworn in as Corporate Commercial Director in 2003. His first term in the Company began in April 2006. In 2006, he was elected Commercial Vice President of the Company, a position he held until February 25, 2019. Mr. Marcos has not worked in other publicly-held companies, however, he has equity interest in the following companies: 1. Idibra Participações S.A.; 2. Terminal Portuário Cotegipe S.A.; 3. Praia Centro Hotéis, Viagens e Turismo Ltda.; 4. Apodi Transportes e Locação Ltda.; 5. Águas Claras Participações Ltda.; 6. Praia do Futuro Empreendimentos Imobiliários Ltda.; 7. Equatorial Participação e Negócios S/A.; 8. Dias Branco Incorporadora Spe 001 Ltda.; 9. Dias Branco Incorporadora Spe 002 Ltda.; 10. Dias Branco Incorporadora Spe 003 Ltda.; 11. Dias Branco Incorporadora Spe 004 Ltda.; 12. Dias Branco Incorporadora Spe 005 Ltda.; 13. Dias Branco Incorporadora Spe 006 Ltda.; 14. Dias Branco Incorporadora Spe 007 Ltda.; 15. Dias Branco Incorporadora Spe 008 Ltda.; 16. Ponta da Praia Empreendimentos Imobiliários Spe 001 Ltda.; 17. Hotel Praia Mar Ltda.; 18. Idb Condominium Incorporações Spe Ltda.; 19. Aveiro Multimercado Fundo de Investimento Credito Privado Investimento no Exterior; 20. Dibra Fundo de Investimento em Ações.

Management Bodies:

Management Body	Date of election	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by the controller	Start date of first term
Board of Directors	03/28/2024	1 year	Board of Directors (Alternate)		04/05/2024	Yes	04/11/2011

Name: Guilherme Affonso Ferreira

CPF: 762.604.298-00

Passport:

Nationality: Brazil

Profession: Engineer

Date of Birth: 05/09/1951

Professional Experience: Mr. Guilherme, born on 05/09/1951, holds a degree in production engineering from the Polytechnic School of the University of São Paulo - USP. He also studied economics at Macalester College in St. Paul, Minnesota. Since 2020, he has been a partner and Senior Advisor at MOS Capital. From 2007 to 2020, he was a partner and chairperson of Teorema Capital. In addition, he is a Board Member of Arezzo, B3, M. Dias Branco, Mitre, 3R and Petroleum, all listed on B3. He was CEO of Bahema during the period in which the company was a relevant shareholder of Unibanco (1986 to 2008) - and obtained a return of about 50% per year, in dollars, with the investment. He was also a Board Member of Petrobras from 2015 to 2018, participating in the company's restructuring program.

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by the controller	Start date of the first term
Council of Directors	03/28/2024	1 year	BoD Independent (Effective member)		04/05/2024	Yes	05/12/2019

Name: Gustavo Lopes Theodozio **CPF:** 620.569.564-20 **Passport:** **Nationality:** Brazil **Profession:** Business administrator **Date of Birth:** 04/07/1975

Professional Experience: Mr. Gustavo Theodozio, born on 07/04/1975, holds a degree in Business Administration, an MBA in Business Management and a Postgraduate Degree in Accounting and Controllership. In a career spanning more than 25 years, he has held senior finance and investor relations positions in companies such as Biosev (Louis Dreyfus Company), Unipar Carbocloro (Solvay Indupa), JBS (JBS Couros, Vigor and Itambé) and Grupo JCPM (Bompreço Supermercados do NE and Sistema Jornal do Comércio de Comunicação). He also held the position of Director at Solvay Indupa, Solalban Energy and Tecsis. He is an Officer in the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A.

Management Bodies:

Management Body	Date of Election	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by controller	Start date of the first term
Executive Board and Board of Directors	03/28/2024	1 year	Director (Alternate) and Vice Pres.		04/05/2024	Yes	05/12/2022

Name: Luciane Nunes de Carvalho Sallas **CPF:** 995.411.224-34 **Passport:** **Nationality:** Brazil **Profession:** Business Administrator **Date of Birth:** 01/19/1975

Professional Experience: Ms. Luciane, born on 01/19/1975, holds a degree in Business Administration from the University of Pernambuco, a postgraduate degree in Capital Markets from IBMEC and MBA in Finance and Risk from USP. Experience in finance, purchasing, IT, human resources and administrative management. She started her career at Grupo Pilar in Recife, and then worked for 10 years at AmBev/Ab-Inbev at the headquarters in SP and Belgium, where she led a global productivity project focused mainly on Europe and Asia. She returned to Recife as CFO of Areva-Koblitz, a company operating in Latin America in the renewable energy segment. She then worked for 5 years at the Jornal do Comercio de Comunicação System, of the João Carlos Paes Mendonça Group, managing the entire administrative-financial and technological operation, also managing the digital business, as Executive of Portal NE10. She has also worked on the Financial Planning Board of Solar Coca-Cola. Currently, she is the Company's Executive Officer of Investments and Financial Planning.

Management Bodies:

Management Body	Date of Election	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by controller	Start date of the first term
Board of Directors	03/28/2024	1 year	Board of Directors (Alternate)		04/05/2024	Yes	05/12/2021

Name: Luiza Andréa Farias Nogueira **CPF:** 231.470.753-20 **Passport:** **Nationality:** Brazil **Profession:** Business administrator **Date of Birth:** 11/30/1964

Professional Experience: Born on November 30, 1964, Ms. Andréa holds a master's degree in business administration and a bachelor's degree in business administration, with additional training in leadership and management. She has extensive experience as an executive and consultant to companies in the areas of human resources, strategic management and process management. In 2006, she assumed the position of Organizational Development Officer for M Dias Branco, a position she still holds today, with responsibility for Management and People, Human Resources, Communications, Occupational Health and Sustainability.

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by controller	Start date of the first term
Board of Directors	03/28/2024	1 year	Board of Directors (Effective member)		04/05/2024	Yes	05/12/2017

Name: MARIA CONSUELO SARAIVA LEAO DIAS BRANCO **CPF:** 272.898.853-68 **Passport:** **Nationality:** Brazil **Profession:** Businesswoman **Date of Birth:** 10/23/1934

Professional Experience: Ms. Consuelo, born on 10/23/1934, is the Chairperson of the Company's Board of Directors. She conceived the M. Dias Branco Historic Center and coordinates actions related to social issues in communities affected by the Company's area of influence. Her first term in the Company began in April 2006. Ms. Consuelo has not worked in other publicly-held companies, however, she holds equity interest in the following companies: 1. Aveiro Multimercado Fundo de Investimento Credito Privado Investimento no Exterior; 2. Equatorial Participacao e Negocios S.A.; 3. Apodi Transporte e Locacao Ltda.

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by controller	Start date of the first term
Board of Directors	03/28/2024	1 year	Chairperson of the Board of Directors		04/05/2024	Yes	05/12/2006

Name: Maria das Graças Dias Branco **CPF:** 273.184.433-72 **Passport:** **Nationality:** Brazil **Profession:** Businesswoman **Date Birth:** 07/17/1959
da Escóssia

Professional Experience: Ms. Graça, born on 17/07/1959, began her activities in the business world in 1985, managing a company in the hotel industry, of which she became Vice President years later, in 1987. In 2001, Ms. Graça took over the Institutional Relations Department of the Company, and in 2003, she was appointed Corporate Director of Institutional Relations, a position she held until April 2006, when she was appointed to her current position as Financial Vice-President of the Company. Ms. Graça graduated in Law from the Federal University of Ceará in 1985 and received an MBA in Business Administration in 2008. She was a member of the Company's Audit Committee from May 2010 to May 2013. Ms. Graça has not served in any other public companies, but she is a director in the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda, Darcel S.A. and Cacama S.A. and has interests in the following companies: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A e Cacama S.A. e possui participação societária nas seguintes empresas: 1. Idibra Participações S.A.; 2. Terminal Portuário Cotegipe S.A; 3. Praia Centro Hotéis, Viagens e Turismo Ltda.; 4. Apodi Transportes e Locação Ltda.; 5. Águas Claras Participações Ltda.; 6. Praia do Futuro Empreendimentos Imobiliários Ltda.; 7. Equatorial Participação e Negócios S/A.; 8. Dias Branco Incorporadora Spe 001 Ltda.; 9. Dias Branco Incorporadora Spe 002 Ltda.; 10. Dias Branco Incorporadora Spe 003 Ltda.; 11. Dias Branco Incorporadora Spe 004 Ltda.; 12. Dias Branco Incorporadora Spe 005 Ltda.; 13. Dias Branco Incorporadora Spe 006 Ltda.; 14. Dias Branco Incorporadora Spe 007 Ltda.; 15. Dias Branco Incorporadora Spe 008 Ltda.; 16. Ponta da Praia Empreendimentos Imobiliários Spe 001 Ltda.; 17. Hotel Praia Mar Ltda.; 18. Idb Condominium Incorporações Spe Ltda.; 19 Apodi Concretos Ltda.; 20. Apodi Distribuição e Logística Ltda.; 21. Aveiro Multimercado Fundo de Investimento Credito Privado Investimento no Exterior; 22. Dibra Fundo de Investimento em Ações.

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by controller	Start date of the first term
Executive Board and Board of Directors	03/28/2024	1 year	Board member (Effective) and Dir. Vice Pres.		04/05/2024	Yes	05/12/2006

Name: Maria Regina Saraiva Leão Dias Branco **CPF:** 235.899.653-04 **Passaporte:** **Nationality:** Brazil **Profession:** Businesswoman **Date of Birth:** /12/15/1961

Professional Experience: Ms. Regina, born on 12/15/1961, is currently Vice President of Administration and Development of the Company. She started his business activities in the Company itself, in 1980. In 1989, she took over the Company's Administrative Board, where she remained until 2003, the year in which she was appointed Corporate Administrative Officer. She graduated in Business Administration in 1987, from the University of Fortaleza - Unifor. In 2008, she completed an MBA in Business Management from Fundação Getúlio Vargas. She participates annually in an event aimed at leaders of large organizations on leadership, strategy and management. She is also the Chief Executive Officer of Idibra Participações S.A., active in the real estate development and civil construction market. Her first term in the Company began in April 2006. Ms. Regina has not worked in other publicly-held companies, however, she is an Officer in the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and has equity interest in the following companies: 1. Idibra Participações S.A.; 2. Terminal Portuário Cotegipe S.A; 3. Praia Centro Hotéis, Viagens e Turismo Ltda.; 4. Apodi Transportes e Locação Ltda.; 5. Águas Claras Participações Ltda.; 6. Praia do Futuro Empreendimentos Imobiliários Ltda.; 7. Equatorial Participação e Negócios S/A.; 8. Dias Branco Incorporadora Spe 001 Ltda.; 9. Dias Branco Incorporadora Spe 002 Ltda.; 10. Dias Branco Incorporadora Spe 003 Ltda.; 11. Dias Branco Incorporadora Spe 004 Ltda.; 12. Dias Branco Incorporadora Spe 005 Ltda.; 13. Dias Branco Incorporadora Spe 006 Ltda.; 14. Dias Branco Incorporadora Spe 007 Ltda.; 15. Dias Branco Incorporadora Spe 008 Ltda.; 16. Ponta da Praia Empreendimentos Imobiliários Spe 001 Ltda.; 17. Hotel Praia Mar Ltda.; 18. Idb Condominium Incorporações Spe Ltda.; 19. Universo Pet li Scp.; 20. Lavanda Brasil Indústria e Comércio de Cosméticos Ltda.; 21. Aveiro Multimercado Fundo de Investimento Credito Privado Investimento no Exterior.; 22. Dibra Fundo de Investimento em Ações.

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by controller	Start date of the first term
Executive Board and Board of Directors	03/28/2024	1 year	Director (Alternate) and Dir. Vice Pres.		04/05/2024	Yes	05/12/2014

Name: Ricardo Luiz de Souza Ramos **CPF:** 804.112.237-04 **Passport:** **Nationality:** Brazil **Profession:** Engineer **Date of Birth:** 07/12/1964

Professional Experience: Mr. Ricardo, born on 12/07/1964, holds a degree in mechanical engineering from Universidade Gama Filho. He also holds a master's degree in administration from COPPEAD, Federal University of Rio de Janeiro, and an International master's degree in management from Lancaster University. From April 2021 to June 2022, he was Managing Partner at BF Capital Assessoria Financeira, in charge of M&A and long-term financing fundraising. From 1997 to 2016, he held various management positions at the National Bank for Economic and Social Development (BNDES), and was a statutory officer of the same institution from 2016 to 2019. In addition, he was a member of the Board of Directors of ENEVA S.A. from 2012 to 2014, SEBRAE - Brazilian Micro and Small Business Support Service (2016 to 2019), ABDE - Brazilian Association of Development Financial Institutions (2016 to 2017) and FAPES - BNDES Social Security and Assistance Foundation (2013 to 2016 / 2016 to 2017), having returned to the latter institution as a member of the Board of Directors since June 2023..

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by the controller	Start date of the first term
Council of Directors	03/28/2024	1 year	BoD Independent (Effective member)		04/05/2024	Yes	05/12/2022

Name: Rômulo Ruberti Calmon Dantas **CPF:** 742.287.497-04 **Passaport:** **Nationality:** Brazil **Profession:** Administrator **Date of Birth:** 07/21/1963

Professional Experience: Mr. Rômulo, born on 21.07.1963, is a business economist with a degree in Marketing from ESPM and an MBA in Administration from FGV, certified in Management Program for Business Managers at Insead (France), the Institute for the Certification of Social Security Professionals and the Brazilian Institute of Corporate Governance as a Board Member. Rômulo has extensive experience as an executive in large companies such as Kibon, Souza Cruz, PepsiCo Alimentos, Hypermarcas and Ontex Brasil. He served as Commercial Vice President of PepsiCo Alimentos and Commercial and Logistics Vice President of Ontex Brasil. He is an Officer in the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A.

Management Bodies:

Management Body	Date of Electio	Term of office	Elective position held	Description of other position/role	Date of investiture	Was elected by the controller	Start date of the first term
Executive Board and Board of Directors	03/28/2024	1 year	Director (Alternate) and Dir. Vice Pres.		04/05/2024	Yes	05/12/2022

7.4 Composition of committees

Name: Adil Dallago Filho **CPF:** 368.449.503-49 **Passport:** **Nationality:** Brazil **Profession:** Engineer **Date of Birth:** 18/02/1970

Professional Experience:

Mr. Adil Filho holds a degree in Profession:ing from the Federal University of Ceará - UFC and an MBA in Business Administration from the Federal University of Rio Grande do Sul. He has been Supply Manager at Souza Cruz, Allied Domecq, Del Monte Fresh Produce and Nufarm. He was Supply Point Director at Danone and Supply Chain Executive Director at Solar Coca-Cola. He has expertise in manufacturing, supply chain, purchasing, logistics and international trade, including integration of companies through M&A, strategic review (greenfield assessment), international sourcing and regional sourcing for other Latin American countries. In the last 5 years, no criminal conviction in a CVM administrative proceeding, final, judicial or administrative, which has suspended or disqualified the exercise of professional or commercial activity of this member of the Company's management. Is not a politically exposed person. Is not an independent member.

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/13/2023

Name: Adrian Lima da Hora **CPF:** 372.365.394-49 **Passport:** **Nationality:** Brazil **Profession:** Business Administrator **Date of Birth:** 02/02/1964

Professional Experience:

Mr. Adrian, born on 02/02/1964, holds a degree in Business Administration and Accounting from the Catholic University of Pernambuco, an Intensive MBA from Ahold Retail Academy, Cornell, Provar - USP and StarSe/Nova SBE. Strong experience in the animal protein industry, with a relevant background in retail and external audit (Ernst amp; Young). He has worked as CFO, CAO and Controller in large multi-site organizations and as a board member of companies in Italy and Monaco. He was CFO of Seara (2015 to 2016) and CAO of Rodopa (2011 to 2015). He is currently an active member of the Fiscal Council of JBS, Eldorado Brasil Celulose S.A. and Excelsior Alimentos S.A., of the Audit Committee of M Dias Branco and of the Board of Directors of International School, Serviços de Ensino, Treinamento, Editoração Franqueadora S.A..

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Audit Committee	Non-statutory Audit Committee	Committee Member (Effective member)	04/05/2024	1 year			04/05/2024	Yes	06/23/2021

Name: Daniel Mota Gutierrez **CPF:** 468.231.903-53 **Passport:** **Nationality:** Brazil **Profession:** Lawyer **Date of Birth:** 07/04/1973

Professional Experience:

Mr. Daniel Gutiérrez, born on April 7, 1973, is Vice President of Legal, Governance, Risk and Compliance. He joined M. Dias Branco in July 2006 as Corporate Legal Advisor. He is a director of the following M. Dias Branco subsidiaries Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and is a director of M. Dias Branco's subsidiary Terminal de Trigo do Rio de Janeiro - Logística S.A. He has been a member of the Brazilian Bar Association (Ceará Section - OAB/CE) since 1995 and of the São Paulo Bar Association (São Paulo Section - OAB/SP) since 2004. He specialized in Civil Procedural Law at the University of Fortaleza - UNIFOR. He also holds a Master's Degree and a Doctorate in Civil Procedural Law from the Pontifical Catholic University of São Paulo (PUC/SP). Former Manager of the Corporate Legal Department of Cia. de Seguros Aliança do Brasil, where he worked in São Paulo. Former Professor of the Master's Degree in Law at Unichristus - Christ University Center. Former Professor of Postgraduate Studies in Law at the University of Fortaleza. Former Scholar of the Coordination for the Improvement of Higher Education Personnel (CAPES). Former Vice-President of the OAB/CE Social Security Commission. As a partner in a law firm, he has provided services to various companies and regional and national entities in the field of business law, particularly in the areas of civil, consumer, administrative and labor law..

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2019

Other Committees	Committee Member (Member)	04/05/2024	1 year	People and Management Committee	04/05/2024	Yes	06/23/2019
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Name:	Daniel Perecim Funis	CPF:	252.096.468-58	Passport:		Nationality:	Brazil	Profession:	Engineer	Date of Birth:	03/26/1976
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Professional Experience: Mr. Daniel Funis, born on 03/26/1976, holds a degree in Mechatronics Engineering from the Escola Politécnica- USP and a master's degree in business administration from the University of Cambridge, England. With extensive experience in retail, consumer goods and ecommerce, he was part of the team that introduced Groupon in Brazil, leading the marketing area. He was responsible for 10 years for Farfetch's operations in Latin America and in the last 2 years he has worked on mergers and acquisitions projects within the group. Prior to this experience, he held a variety of engineering, production, sales and marketing positions with companies such as Fiat and Unilever in Argentina, Brazil, France, England and Italy.

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Audit Committee	Non-statutory Audit Committee	Committee Member (Effective member)	04/05/2024	1 year			04/05/2024	Yes	06/23/2019

Name: Elionor Jreige Weffort **CPF:** 147.735.128-06 **Passport:** **Nationality:** Brazil **Profession:** Lawyer and Accountant **Date of Birth:** 07/30/1969

Professional Experience:

Ms. Elionor, born on 30.07.1969, holds a degree in Accounting from the Fundação Escola de Comércio Álvares Penteado - FECAP and in Law from the University of São Paulo and a Ph.D. in Controllership and Accounting from the School of Economics, Administration and Accounting of the University of São Paulo. She has served as an independent member of the Audit Committee of Vibra Energia, a public company listed on B3, as a consultant to the United Nations (UN/UNCTAD/ISAR), focusing on the project "Capacity-building framework for high quality corporate reporting", and as a consultant to companies, mainly in the areas of contracts and prevention, compliance and corporate governance. She is currently an independent member of the Board of Directors and Coordinator of the Statutory Audit Committee of CPTM Companhia Paulista de Trens Metropolitanos and an independent member and Coordinator of the Audit Committee of M. Dias Branco S.A Indústria e Comércio de Alimentos, as well as a lecturer and researcher in the Master's Program in Accounting and undergraduate studies at FECAP..

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Audit Committee	Non-statutory Audit Committee	Outros	04/05/2024	1 year		Coordinator and accounting Specialist Corporate	04/05/2024	Yes	06/23/2018

Name: Francisco Ivens de Sá Dias Branco Júnior **CPF:** 155.400.143-91 **Passport:** **Nationality:** Brazil **Profession:** Businessman **Date of Birth:** 08/09/1960

Professional Experience:

Mr. Ivens Jr., born on 09/08/1960, is currently the Chief Executive Officer of the Company. He began his professional career in 1976 in the company itself, working in various areas. In 1981, due to his excellence in the industrial field, he became a shareholder in the company and took over the position of Industrial Director. In 2002, he was instrumental in the creation of G.M.E. (CE), the company's margarine and vegetable fat production unit. In 2003, Mr. Ivens Jr. was appointed Managing Director of the company, a position he held until his appointment to his current position. Throughout his career, Mr. Ivens Jr. has received several awards and titles, including the Edson Queiroz Medal, awarded by the Legislative Assembly of Ceará in 2005. From 2006 to 2021, he held the position of Industrial Vice President of the Company. Mr. Ivens Jr. is CEO of the following M. Dias Branco subsidiaries: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A e Cacama S.A. Também é Diretor na coligada da M. Dias Branco: Terminal Portuário Cotegipe S.A e membro do Council of Directors da coligada da M. Dias Branco: Terminal de Trigo do Rio de Janeiro - Logística S.A e possui participação societária nas seguintes empresas: 1. 3l Administração e Participações Ltda.; 2. Águas Claras Participações Ltda.; 3. Apodi Transportes e Locação Ltda.; 4. Dias Branco Administração e Participações Ltda.; 5. Dias Branco Incorporadora Spe 001 Ltda.; 6. Dias Branco Incorporadora Spe 002 Ltda.; 7. Dias Branco Incorporadora Spe 003 Ltda.; 8. Dias Branco Incorporadora Spe 004 Ltda.; 9. Dias Branco Incorporadora Spe 005 Ltda.; 10. Dias Branco Incorporadora Spe 006 Ltda.; 11. Dias Branco Incorporadora Spe 007 Ltda.; 12. Dias Branco Incorporadora Spe 008 Ltda.; 13. Equatorial Participação e Negócios S/A.; 14. Idb Condominium Incorporações Spe Ltda.; 15. Idibra participações S.A.; 16. Ldb Logística e Transportes Ltda.; 17. Ldb Transporte de Cargas Ltda.; 18. Ponta da Praia Empreendimentos Imobiliários Spe 001 Ltda.; 19. Praia Centro Hotéis, Viagens e Turismo Ltda.; 20. Praia do Futuro Empreendimentos Imobiliários Ltda.; 21. Terminal Portuário Cotegipe S.A.

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of another	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2022
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	People and Management		04/05/2024	Yes	06/23/2019

Name: Guilherme Affonso Ferreira **CPF:** 762.604.298-00 **Passport:** **Nationality:** Brazil **Profession:** Engineer **Date of Birth:** 09/05/1951

Professional Experience:

Mr. Guilherme, born on 05/09/1951, holds a degree in production engineering from the Polytechnic School of the University of São Paulo - USP. Cursou, também, economia no Macalester College, em St. Paul, Minnesota. Since 2020, he has been a partner and Senior Advisor at MOS Capital. De 2007 a 2020, foi sócio e chairperson da Teorema Capital. In addition, he is a Board Member of Arezzo, B3, M. Dias Branco, Mitre, 3R and Petroleum, all listed on B3. Foi CEO da Bahema no período em que a companhia foi acionista relevante do Unibanco (1986 a 2008) - e obteve um retorno de cerca de 50% ao ano, em dólares, com o investimento. Também foi Conselheiro da Petrobras de 2015 a 2018, participando do programa de reestruturação da companhia.

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2019

Name: Luiza Andréa Farias Nogueira **CPF:** 231.470.753-20 **Passport:** **Nationality:** Brazil **Profession:** Lawyer and Accountant **Date of Birth:** 11/30/1964

Professional Experience:

Born on November 30, 1964, Ms. Andréa holds a master's degree in business administration and a bachelor's degree in business administration, with additional training in leadership and management. She has extensive experience as an executive and consultant to companies in the areas of human resources, strategic management and process management. In 2006, she assumed the position of Organizational Development Officer for M Dias Branco, a position she still holds today, with responsibility for Management and People, Human Resources, Communications, Occupational Health and Sustainability..

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2020
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	People and Management Committee		04/05/2024	Yes	06/23/2019

Name: Maria Regina Saraiva Leão **CPF:** 235.899.653-04 **Passport:** **Nationality:** Brazil **Profession:** Businesswoman **Date of Birth:** 15/12/1961
Dias Branco

Professional Experience:

Ms. Regina, born on 12/15/1961, is currently the Company's Vice President of Administration and Development. She started working for the Company in 1980. In 1989, she assumed the position of Administrative Director of the Company, where she remained until 2003, when she was appointed Corporate Administrative Director. She graduated in Business Administration from the University of Fortaleza - UNIFOR in 1987. In 2008, she completed an MBA in Business Management at the Getúlio Vargas Foundation. Every year, she participates in an event for executives of large organizations on leadership, strategy and management. She is also the CEO of Idibra Participações S.A., which operates in the real estate development and construction market. Her first term in office began in April 2006. Ms. Regina has not worked in other public companies, but she is a director in the following subsidiaries of M. Dias Branco: Jasmine Indústria e Comércio de Alimentos Ltda, Darcel S.A. and Cacama S.A., and holds shares in the following companies: Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A e Cacama S.A e possui participação societária nas seguintes empresas: 1. Idibra Participações S.A.; 2. Terminal Portuário Cotegipe S.A; 3. Praia Centro Hotéis, Viagens e Turismo Ltda.; 4. Apodi Transportes e Locação Ltda.; 5. Águas Claras Participações Ltda.; 6. Praia do Futuro Empreendimentos Imobiliários Ltda.; 7. Equatorial Participação e Negócios S/A.; 8. Dias Branco Incorporadora Spe 001 Ltda.; 9. Dias Branco Incorporadora Spe 002 Ltda.; 10. Dias Branco Incorporadora Spe 003 Ltda.; 11. Dias Branco Incorporadora Spe 004 Ltda.; 12. Dias Branco Incorporadora Spe 005 Ltda.; 13. Dias Branco Incorporadora Spe 006 Ltda.; 14. Dias Branco Incorporadora Spe 007 Ltda.; 15. Dias Branco Incorporadora Spe 008 Ltda.; 16. Ponta da Praia Empreendimentos Imobiliários Spe 001 Ltda.; 17. Hotel Praia Mar Ltda.; 18. Idb Condominium Incorporações Spe Ltda.; 19. Universo Pet Ii Scp.; 20. Lavanda Brazil Indústria e Comércio de Cosméticos Ltda.; 21. Aveiro Multimercado Fundo de Investimento Credito Privado Investimento no Exterior.; 22. Dibra Fundo de Investimento em Ações.

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2020
Other Committees		Committee Member (Effective member)	04/05/2024	1 year	People and Management		04/05/2024	Yes	06/23/2019

Name: Ricardo Luiz de Souza Ramos **CPF:** 804.112.237-04 **Passport:** **Nationality:** Brazil **Profession:** Engineer **Date of Birth:** 07/12/1964

Professional Experience:

Mr. Ricardo, born on 12/07/1964, holds a degree in Mechanical Engineering from Gama Filho University. He also holds a Master in Business Administration from COPPEAD, Federal University of Rio de Janeiro, and an International Master in Management from Lancaster University. From April 2021 to June 2022, he was Managing Partner at BF Capital Assessoria Financeira, in charge of M&A and long-term financing. From 1997 to 2016, he held various management positions at the National Bank for Economic and Social Development (BNDES) and was a statutory director of the same institution from 2016 to 2019. He was also a member of the Board of Directors of ENEVA S.A. from 2012 to 2014, SEBRAE - Brazilian Micro and Small Business Support Service (2016 to 2019), ABDE - Brazilian Association of Development Finance Institutions (2016 to 2017) and FAPES - BNDES Assistance and Social Security Foundation (2013 to 2016 / 2016 to 2017), and has been a member of the Board of Directors of the latter institution since June 2023..

Committees:

Committee type	Audit type	Position held	Date of investiture	Term of office	Description of other committees	Description of other position/role	Date of election	Was elected by the controller	Start date of the first term
Other Committees		Committee Member (Effective)	04/05/2024	1 year	People and Management		04/05/2024	Yes	06/23/2022

7.5 Family relationships

Name:	CPF	Name: Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the administrator of the issuer or subsidiary
Title	Passport		Nationality	
<u>Administrator of the issuer or subsidiary</u>				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				
Maria das Graças Dias Branco da Escóssia	273.184.433-72	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	Son or Daughter (1st degree by consanguinity)
Vice President of Finance and Effective Member of the Board of Directors	N/A		Brazilian	
<u>Note</u>				
Messrs. Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco, are the children of Ms. Maria Consuelo Saraiva Leão Dias Branco.				

<u>Administrator of the issuer or subsidiary</u>				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	Son or Daughter (1st degree by consanguinity)
Alternate member of the Board of Directors	N/A		Brazilian	
<u>Note</u>				
Messrs. Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco, are the children of Ms. Maria Consuelo Saraiva Leão Dias Branco.				

<u>Administrator of the issuer or subsidiary</u>				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				

7.5 Family relationships

Name:	CPF	Name: Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the administrator of the issuer or subsidiary
Title	Passport		Nationality	
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	Son or Daughter (1st degree by consanguinity)
Vice-Chairperson of the Board of Directors (holder) and Industrial Vice President of Mills	N/A		Brazilian	

Note

Messrs. Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco, are the children of Ms. Maria Consuelo Saraiva Leão Dias Branco.

Administrator of the issuer or subsidiary

MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	

Related Person

Maria Regina Saraiva Leão Dias Branco	235.899.653-04	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	Son or Daughter (1st degree by consanguinity)
Vice President of Administration, Development and Sustainability; Alternate Member of the Board of Directors and Member of the ESG Committee and the People and Management Committee	N/A		Brazilian	

Note

Messrs. Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco, are the children of Ms. Maria Consraiva Leão Dias Branco.

Administrator of the issuer or subsidiary

MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	

Related Person

Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	Son or Daughter (1st degree by consanguinity)
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7.5 Family relationships

Name:	CPF	Name: Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the administrator of the issuer or subsidiary
Title	Passport		Nationality	
President of the Company and Alternate Member of the Board of Directors and Member of the People and Management Committee	N/A		Brazilian	

Note

Messrs. Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco, are the children of Ms. Maria Consraiva Leão Dias Branco.

Administrator of the issuer or subsidiary

MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Son or Daughter (1st degree by consanguinity)
Chief Executive Officer	N/A		Brazilian	

Note

Administrator of the issuer or subsidiary

MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				
FRANCISCO CLAUDIO SARAIVA LEO DIAS BRANCO	262.329.013-04	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Son or Daughter (1st degree by consanguinity)
Industrial Officer	N/A		Brazilian	

Note

Administrator of the issuer or subsidiary

MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
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7.5 Family relationships

Name:	CPF	Name: Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the administrator of the issuer or subsidiary
Title	Passport		Nationality	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				
Maria das Graças Dias Branco da Escóssia	273.184.433-72	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Son or Daughter (1st degree by consanguinity)
Chief Financial Officer	N/A		Brazilian	
<u>Note</u>				
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<u>Administrator of the issuer or subsidiary</u>				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Son or Daughter (1st degree by consanguinity)
Administration, Development and Sustainability Officer	N/A		Brazilian	
<u>Note</u>				
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<u>Administrator of the issuer or subsidiary</u>				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Related Person</u>				
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Terminal de Trigo do Rio de Janeiro - Logística S. A	18.245.532/0001-54	Son or Daughter (1st degree by consanguinity)
Chairperson of the Board of Directors	N/A		Brazilian	
<u>Note</u>				
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<u>Administrator of the issuer or subsidiary</u>				

7.5 Family relationships

Name:	CPF	Name: Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the administrator of the issuer or subsidiary
Title	Passport		Nationality	
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
Related Person				
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	DARCEL S.A.		Son or Daughter (1st degree by consanguinity)
Officer	N/A		Brazilian	
Note				
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Administrator of the issuer or subsidiary				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
Related Person				
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	DARCEL S.A.		Son or Daughter (1st degree by consanguinity)
Officer	N/A		Brazilian	
Note				
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Administrator of the issuer or subsidiary				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
Related Person				
Maria das Graças Dias Branco da Escóssia	273.184.433-72	DARCEL S.A.		Son or Daughter (1st degree by consanguinity)
Officer	N/A		Brazilian	
Note				
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Administrator of the issuer or subsidiary				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	

7.5 Family relationships

Name:	CPF	Name: Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the administrator of the issuer or subsidiary
Title	Passport		Nationality	
Chairperson of the Board of Directors	N/A		Brazilian	
Related Person				
Maria Regina Saraiva Leão Dias Branco Officer	235.899.653-04 N/A	DARCEL S.A.	Brazilian	Son or Daughter (1st degree by consanguinity)
Note				

Administrator of the issuer or subsidiary				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
Related Person				
Maria Regina Saraiva Leão Dias Branco Officer	235.899.653-04 N/A	CACAMA S.A.	Brazilian	Son or Daughter (1st degree by consanguinity)
Note				

Administrator of the issuer or subsidiary				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
Related Person				
Francisco Ivens de Sá Dias Branco Júnior Officer	155.400.143-91 N/A	CACAMA S.A.	Brazilian	Son or Daughter (1st degree by consanguinity)
Note				

Administrator of the issuer or subsidiary				
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	

7.5 Family relationships

Name:	CPF	Name: Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the administrator of the issuer or subsidiary
Title	Passport		Nationality	
Related Person				
FRANCISCO CLAUDIO SARAIVA LEO DIAS BRANCO	262.329.013-04	CACAMA S.A.		Son or Daughter (1st degree by consanguinity)
Officer	N/A		Brazilian	
Note				
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Administrator of the issuer or subsidiary				
MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS	07.206.816/0001-15	
Chairperson of the Board of Directors	N/A		Brazilian	
Related Person				
Maria das Graças Dias Branco da Escóssia	273.184.433-72	CACAMA S.A.		Son or Daughter (1st degree by consanguinity)
Officer	N/A		Brazilian	
Note				
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7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	

Fiscal Year 12/31/2022

Administrator of the Issuer

Maria Regina Saraiva Leão Dias Branco
Vice President of Administration, Development and Sustainability
Alternate Member of the Board of Directors and Member of the ESG
Committee and the People and Management Committee.

235.899.653-04

N/A

Control

Brazilian - Brazil

Direct Controller

Related Person

Dias Branco Adm. e Participações Ltda.
Equity Interest

07.886.385/0001-85

N/A

Brazilian - Brazil

Note

Administrator of the Issuer

Maria Regina Saraiva Leão Dias Branco
Vice President of Administration, Development and Sustainability
Alternate Member of the Board of Directors and Member of the ESG
Committee and the People and Management Committee..

235.899.653-04

N/A

Control

Brazilian - Brazil

Supplier

Related Person

Praia Centro Hotéis, Viagens e Turismo Ltda.
Equity Interest

07.415.391/0001-54

N/A

Brazilian - Brazil

Note

Hospitality Services

Administrator of the Issuer

Maria Regina Saraiva Leão Dias Branco
Vice President of Administration, Development and Sustainability
Alternate Member of the Board of Directors and Member of the ESG
Committee and the People and Management Committee.

235.899.653-04

N/A

Control

Brazilian - Brazil

Debtor

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
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Administrator of the Issuer			
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	Control	Supplier
Vice President of Administration, Development and Sustainability Alternate Member of the Board of Directors and Member of the ESG Committee and the People and Management Committee.	N/A	Brazilian - Brazil	
Related Person			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Materials applied in civil construction			
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Administrator of the Issuer			
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	Control	Supplier
Vice President of Administration, Development and Sustainability Alternate Member of the Board of Directors and Member of the ESG Committee and the People and Management Committee.	N/A	Brazilian - Brazil	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Civil construction service provider			
<hr/>			
Administrator of the Issuer			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Maria das Graças Dias Branco da Escóssia Effective member of the Board of Directors and Vice President of Finance	273.184.433-72 N/A	Control Brazilian - Brazil	Direct Controller
Related Person			
Dias Branco Adm. e Participações Ltda. Equity Interest	07.886.385/0001-85 N/A	Brazilian - Brazil	
Note			
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Administrator of the Issuer			
Maria das Graças Dias Branco da Escóssia Effective member of the Board of Directors and Vice President of Finance	273.184.433-72 N/A	Control Brazilian - Brazil	Supplier
Related Person			
Praia Centro Hotéis, Viagens e Turismo Ltda. Equity Interest	07.415.391/0001-54 N/A	Brazilian - Brazil	
Note			
Hospitality Services			
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Administrator of the Issuer			
Maria das Graças Dias Branco da Escóssia Effective member of the Board of Directors and Vice President of Finance	273.184.433-72 N/A	Control Brazilian - Brazil	Debtor
Related Person			
Terminal Portuário Cotegipe S.A. Equity Interest	40.561.649/0001-04 N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
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7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
<u>Administrator of the Issuer</u>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Effective member of the Board of Directors and Vice President of Finance	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Materials applied in civil construction			

<u>Administrator of the Issuer</u>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Effective member of the Board of Directors and Vice President of Finance	N/A	Brazilian - Brazil	
<u>Related Person</u>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Civil construction service provider			

<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	Control	Direct Controller
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Hospitality Services			
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<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Debtor
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Provision of wheat unloading and other services			
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<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Materials applied in civil works			
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<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of civil construction services			
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Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Direct Controller
Effective member (Vice-Chairperson) of the Board of Directors and Vice-Chairperson	N/A	Brazilian - Brazil	
Industrial - Mills			
Related Person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
Note			
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Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective member (Vice-Chairperson) of the Board of Directors and Industrial	N/A	Brazilian - Brazil	
Vice-Chairperson Industrial - Mills			
Related Person			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Hospitality Services			
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Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Debtor
Effective member (Vice-Chairperson) of the Board of Directors and Industrial	N/A	Brazilian - Brazil	
Vice-Chairperson Industrial - Mills			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			

Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective Member (Vice-Chairperson) of the Board of Directors and Industrial Vice-Chairperson - Mills	N/A	Brazilian - Brazil	
Related Person			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Materials Applied in civil construction			

Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective Member (Vice-Chairperson) of the Board of Directors and Industrial Vice-Chairperson - Mills	N/A	Brazilian - Brazil	
Related Person			
AET - Engenharia e Soluções Tecnológicas Avançadas Ltda.	12.304.942/0001-42		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of equipment maintenance and installation services			

Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective Member (Vice-Chairperson) of the Board of Directors and Industrial Vice-Chairperson - Mills	N/A	Brazilian - Brazil	

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
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Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective Member (Vice-Chairperson) of the Board of Directors and Industrial Vice-Chairperson - Mills	N/A	Brazilian - Brazil	
Related Person			
WEF ENGENHARIA E AUTOMACAO LTDA	37.986.200/0001-75		
Equity Interest	N/A	Brazilian - Brazil	
Note			
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Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Direct Controller
Alternate member of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
Note			
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Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Alternate member of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Equity Interest	N/A	Brazilian - Brazil	
Note			
Hospitality Services			
Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Debtor
Alternate member of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Alternate member of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Materials applied in civil works			
Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Alternate member of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Materials applied in civil works			
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<u>Administrator of the Issuer</u>			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Direct Controller
Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
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<u>Administrator of the Issuer</u>			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Hospitality Services			
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<u>Administrator of the Issuer</u>			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Debtor
Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Provision of wheat unloading and other services			
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<u>Administrator of the Issuer</u>			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Materials applied in civil works			
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<u>Administrator of the Issuer</u>			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer	N/A	Brazilian - Brazil	
<u>Related Person</u>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Provision of wheat unloading and other services			
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<u>Administrator of the Issuer</u>			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer	N/A	Brazilian - Brazil	
<u>Related Person</u>			
LDB Transportes de Cargas Ltda	09.411.448/0001-72		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Cargo transportation services			
Administrator of the Issuer			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer	N/A	Brazilian - Brazil	
Related Person			
LDB Logística e Transporte Ltda	16.906.199/0001-51		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Cargo transportation services			

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Administrator of the Issuer			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Direct Controller
Chief Executive Officer	N/A	Brazilian - Brazil	
Related Person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Administrator of the Issuer			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Chief Executive Officer	N/A	Brazilian - Brazil	
Related Person			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
Note			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Hospitality Services			
Administrator of the Issuer			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Debtor
Chief Executive Officer	N/A	Brazilian - Brazil	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
Administrator of the Issuer			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Chief Executive Officer	N/A	Brazilian - Brazil	
Related Person			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Materials applied in civil works			
Administrator of the Issuer			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
Chief Executive Officer	N/A	Brazilian - Brazil	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
Administrator of the Issuer			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Francisco Ivens de Sá Dias Branco Júnior Chief Executive Officer	155.400.143-91 N/A	Control Brazilian - Brazil	Supplier
Related Person LDB Transportes de Cargas Ltda Equity Interest	09.411.448/0001-72 N/A	Brazilian - Brazil	
Note Cargo transportation services			
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Administrator of the Issuer Francisco Ivens de Sá Dias Branco Júnior Chief Executive Officer	155.400.143-91 N/A	Control Brazilian - Brazil	Supplier
Related Person LDB Logistica e Transporte Ltda Equity Interest	16.906.199/0001-51 N/A	Brazilian - Brazil	
Note Cargo transportation services			
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Administrator of the Issuer FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO Effective member of the board of directors	220.794.163-91 N/A	Control Brazilian - Brazil	Direct Controller
Related Person Dias Branco Adm. e Participações Ltda. Equity Interest	07.886.385/0001-85 N/A	Brazilian - Brazil	
Note			
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Administrator of the Issuer FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO Effective member of the board of directors	220.794.163-91 N/A	Control Brazilian - Brazil	Supplier
Related Person			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Hospitality Services			
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Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO	220.794.163-91	Control	Supplier
Effective member of the board of directors	N/A	Brazilian - Brazil	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
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Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO	220.794.163-91	Control	Supplier
Effective member of the board of directors	N/A	Brazilian - Brazil	
Related Person			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Materials applied in civil works	N/A	Brazilian - Brazil	
Note			
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Administrator of the Issuer			
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO	220.794.163-91	Control	Supplier
Effective members of the board of directors	N/A	Brazilian - Brazil	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Materials applied in civil works			
Administrator of the Issuer			
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	Control	Direct Controller
Vice President of Administration and Development	N/A	Brazilian - Brazil	
Related Person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
Note			
<hr/>			
Administrator of the Issuer			
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	Control Brazilian -	Supplier
Vice President of Administration and Development	N/A	Brazil	
Related Person			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Hospitality Services			
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Administrator of the Issuer			
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	Control	Debtor
Vice President of Administration and Development	N/A	Brazilian - Brazil	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
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Administrator of the Issuer			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development	235.899.653-04 N/A	Control Brazilian - Brazil	Supplier
Related Person Companhia Industrial de Cimento Apodi Equity Interest	10.260.249/0004-32 N/A	Brazilian - Brazil	
Note Materials applied in civil construction			
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Administrator of the Issuer Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development	235.899.653-04 N/A	Control Brazilian - Brazil	Supplier
Related Person IDIBRA Participações S.A Equity Interest	06.258.768/0001-46 N/A	Brazilian - Brazil	
Note Civil construction service provider			
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Administrator of the Issuer FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO Industrial Vice President - Mills	262.329.013-04 N/A	Control Brazilian - Brazil	Indirect Controller
Related Person Dias Branco Adm. e Participações Ltda. Equity Interest	07.886.385/0001-85 N/A	Brazilian - Brazil	
Note			
<hr/>			
Administrator of the Issuer FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO Industrial Vice President - Mills	262.329.013-04 N/A	Control Brazilian - Brazil	Supplier
Related Person			

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Hospitality Services			
<hr/>			
Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Debtor
Industrial Vice President - Mills	N/A	Brazilian - Brazil	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
<hr/>			
Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Industrial Vice President - Mills	N/A	Brazilian - Brazil	
Related Person			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Materials applied in civil construction			
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Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Industrial Vice President - Mills	N/A	Brazilian - Brazil	
Related Person			
AET - Engenharia e Soluções Tecnológicas Avançadas Ltda.	12.304.942/0001-42		
Equity Interest	N/A	Brazilian - Brazil	

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Note			
Provision of equipment maintenance and installation services			
<hr/>			
Administrator of the Issuer			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Industrial Vice President - Mills	N/A	Brazilian - Brazil	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
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Administrator of the Issuer			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Direct Controller
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
Note			
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Administrator of the Issuer			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
Related Person			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Hospitality Services			
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7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	Control	Debtor
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Provision of wheat unloading and other services			
<hr/>			
<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
<u>Related Person</u>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Materiais aplicado em obras civis			
<hr/>			
<u>Administrator of the Issuer</u>			
MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors	N/A	Brazilian - Brazil	
<u>Related Person</u>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
<u>Note</u>			
Provision of wheat unloading and other services			
<hr/>			
<u>Administrator of the Issuer</u>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Direct Controller

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Vice President Finance	N/A	Brazilian - Brazil	
Related Person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity Interest	N/A	Brazilian - Brazil	
Note			
<hr/>			
Administrator of the Issuer			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Vice President Finance	N/A	Brazilian - Brazil	
Related Person			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Hospitality Services			
<hr/>			
Administrator of the Issuer			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Debtor
Vice President Finance	N/A	Brazilian - Brazil	
Related Person			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Provision of wheat unloading and other services			
<hr/>			
Administrator of the Issuer			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Vice President Finance	N/A	Brazilian - Brazil	
Related Person			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		

7.6 Relationships of subordination, provision of service or control

Identification	CPF/CNPJ	Type of relationship of the Administrator with the related person	Related person type
Position/Role	Passport	Nationality	
Equity Interest	N/A	Brazilian - Brazil	
Note			
Materials applied in civil construction			
<hr/>			
Administrator of the Issuer			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Vice President Finance	N/A	Brazilian - Brazil	
Related Person			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity Interest	N/A	Brazilian - Brazil	
Note			
Materials applied in civil construction			

7.7 Management agreements/insurance

Pursuant to paragraph 4 of article 9 of the Bylaws, the Company may take out insurance to protect the assets of the Company and the Directors and Officers against any losses caused by conflicts or demands arising from management acts within the capital market or outside it. The Company may also engage, at its own expense, attorneys and other professionals necessary for the defense of the Directors and Officers in claims motivated by acts performed in the management of the Company, even if such conflicts arise after the termination of the term of office of the Directors and Officers.

7.8 Other relevant information

Our Company, which has been listed on the B3 Novo Mercado since 2006, adopts an indicator called iMDB - M. Dias Branco Corporate Governance Index, which helps the company to direct its efforts to improve and measure progress in this area. The index includes four indicators: Novo Mercado Regulation, Brazilian Corporate Governance Code, Dow Jones Sustainability Index and Corporate Sustainability Index (ISE).

M. Dias Branco's Corporate Governance structure is composed of a Board of Directors, elected by the General Meeting; three advisory committees to the Board of Directors – ESG, People and Management and Audit Committee; a Statutory Executive Board, elected by the Board of Directors for a three-year term; and the Governance Secretariat.

The Board of Directors is responsible for guiding the business, including the long-term strategy. Currently, it is composed of seven directors, 43% of whom are independent. Since 2014, the positions of Chief Executive Officer and Chairperson of the Board of Directors have been held by different persons.

As part of the restructuring process carried out in 2021, with the support of an external consultancy, two vice presidencies were created: Supply Chain and Legal, Governance, Risks and Compliance.

Governance Forums

The Company has a Corporate Governance Secretariat, which acts as an interface between the Executive Board (Statutory and Executive), the Board of Directors and its advisory committees.

We currently have three direct advisory committees to the Board of Directors:

The **Audit Committee**, composed entirely of independent members, continuously evaluates the work of the internal and external audit, the risk identification systems and the Company's internal controls.

The **People and Management Committee** works on topics pertinent to people management; appointment, succession and remuneration of the members of the Board of Directors and the Statutory Executive Board; definition of benefits and goals and talent development and retention programs; and establishment of management practices that favor meritocracy.

The **ESG Committee** works to improve internal controls and mechanisms of its environmental, social and governance agenda, including the Company's sustainable development, ensuring compliance with applicable legislation and best market practices.

8.1 Remuneration policy or practice

a. Purposes of the remuneration policy or practice, informing whether the remuneration policy has been formally approved, the body responsible for approving it, the date of approval and, if the issuer discloses the policy, the locations on the World Wide Web where the document can be accessed

The Company's Management Remuneration Policy was approved on 08.09.2019 and is available on the Company's Investor Relations website.

Board of Directors:

The members of the Company's Board of Directors will be entitled to a fixed monthly remuneration, as honorariums, the amount of which will be determined considering, among other factors, their responsibilities, the time dedicated to the functions performed, their competence and their professional reputation. Subject to the limit set by the General Meeting of Shareholders, the Board of Directors shall, at its discretion, establish the individual remuneration of its members after recommendation by the People and Management Committee. Members of the Board of Directors who are already members of the Company's Statutory Executive Board may not be entitled to additional remuneration for the exercise of director. Currently, the members of the Board of Directors are not entitled to receive variable remuneration.

Statutory Executive Board:

The members of the Company's Statutory Executive Board will be entitled to a fixed monthly remuneration, as honorariums or salary, the value of which will be determined according to the position occupied by the professional, their representativeness and the values consistent with what the market practices, referenced in the segment in which the Company operates, always considering the skills, knowledge and competencies of each professional. As variable remuneration, the Company offers a profit sharing plan, according to performance indicators and results, aligned with the interests of the Company and its members and, for officers who are not part of the control block, a long-term incentive program with the granting of restricted shares, based on performance criteria, with no remuneration or benefit linked to the occurrence of a certain corporate event.

Non-Statutory Executive Board:

The remuneration granted by the Company, with respect to the members of its non-statutory Executive Board, is based on market practices, identified through research and surveys that consider companies of similar size or characteristics, with an alignment between the results obtained and an adequate remuneration to the Officers. The remuneration practice aims to hire and ensure the permanence of highly qualified professionals in the Company's management. The remuneration policy of its members is based on current legislation, as all are hired under the CLT regime. The Company offers senior executives a profit sharing program (PLR) based on corporate, sector and individual performance indicators and a long-term incentive program (ILP) with the grant of restricted shares, also based on performance criteria. The remuneration policy does not allow any remuneration or benefit linked to the occurrence of a certain corporate event.

Fiscal Council:

The Company does not currently have a Fiscal Council installed. When it existed, until April 2009, there was no remuneration for its members.

8.1 Remuneration policy or practice

Committees:

Audit Committee, ESG Committee and People and Management Committee

The members of the Company's Committees will be entitled to a fixed monthly remuneration, as honorariums, whose value must be fixed by the Company's Board of Directors according to what the market practices, referenced in the segment in which the Company operates, always considering the skills, knowledge and competencies of each professional. Members of the Committees who are already employees or managers of the Company may not be entitled to additional remuneration for the exercise of the activities of the Committees. The members of the Committees will not be entitled to any type of variable remuneration or benefit

Executive Committee, Ethics Committee, Sustainability Committee, Occupational Health and Safety Committee and Image Management Committee

There is no additional remuneration for the members of the Executive Committee, Ethics Committee, Sustainability Committee, Occupational Health and Safety Committee and Image Management Committee of the Company.

b. practices and procedures adopted by the board of directors to define the individual remuneration of the board of directors and executive board, indicating:

i. the bodies and committees of the issuer that participate in the decision-making process, identifying how they participate

Remuneration and benefits area: Annually, the Company hires a database survey from a renowned market remuneration consultancy, and, based on the results obtained in this survey, the opportunities for adjustments are analyzed.

People and Management Committee: makes recommendations on levels, values and adjustments of the individual remuneration of the members of the Board of Directors and the Company's Statutory Executive Board.

Board of Directors: analyzes and deliberates on the proposal recommended by the People and Management Committee.

ii. criteria and methodology used to set the individual remuneration, indicating whether studies are used to verify market practices, and, if so, the comparison criteria and scope of these studies

The remuneration is fixed from a salary table, where we evaluate the positioning of the salary in relation to the market, the internal salary equity and the level of complexity of the position/function.

how often and how the board of directors assesses the adequacy of the issuer's remuneration policy

Annually, the adjustments to the remuneration policy are reported to the Vice-presidency of People, Management and Sustainability and based on salary surveys and analyzes of market practices adhering to our business. The last update occurred in May/2022.

8.1 Remuneration policy or practice

c. composition of remuneration, indicating:

i. description of the various elements that make up the remuneration, including, in relation to each

one of them:

- Its objectives and alignment with the issuer's short, medium and long-term interests

Board of Directors

- Honorariums – corresponds to the monthly remuneration and aims to offer the consideration fixed by the performance of the responsibilities of the position.

Statutory Executive Board

- Salaries or honorariums – correspond to the monthly remuneration and aims to offer the fixed consideration for the performance of the responsibilities of each position.

- Benefits – correspond to various benefits such as group life insurance, medical care, dental care, etc., and aims to promote better quality of life conditions for its professionals, resulting in engagement in the search for the organization's results.

- Variable remuneration – i) profit sharing (PLR): aims to align more strictly the performance of each manager with the corporate and sectoral results intended by the Company; and, ii) a long-term incentive program (ILP), with the granting of restricted shares, based on performance criteria, to the Officers hired from 2019: objective to create a sense of "ownership", stimulate high and sustainable levels of performance, ensure the competitiveness of the total remuneration package and the retention of the main leaders.

Non-Statutory Executive Board

- Wages – correspond to the monthly remuneration and aims to offer the consideration fixed by the performance of the responsibilities of each position.

- Benefits – correspond to various benefits such as group life insurance, medical care, dental care, etc., and aims to promote better quality of life conditions for its professionals, resulting in engagement in the search for the organization's results.

- Variable remuneration – i) profit sharing (PLR): aims to align more strictly the performance of each manager with the corporate and sectoral results intended by the Company; and, ii) long-term incentive program (ILP), with the granting of restricted shares: objective of creating a sense of "ownership", stimulating high and sustainable levels of performance, ensuring the competitiveness of the total remuneration package and the retention of the main leaders.

Audit Committee, ESG Committee and People and Management Committee

- Honorariums - corresponds to the monthly remuneration and aims to offer the consideration fixed by the performance of the responsibilities of the independent members of the Committee.

- Other – correspond to amounts related to social security.

8.1 Remuneration policy or practice

Executive Committee, Ethics Committee, Sustainability Committee, Occupational Health and Safety Committee and Image Management Committee

- This committee is made up of company professionals who do not receive any additional remuneration for participation in the Committee.

It is noteworthy that the alignment with the Company's interests in the short, medium and long term occurs to the extent that remuneration, following market parameters, stimulates the maintenance of the best talents, remains compatible with the responsibilities assigned to each manager, and stimulates the production of results and the achievement of business objectives according to the Company's strategic plan.

- Proportion in total remuneration in the last 3 fiscal years

Fiscal Year – 2023

	Salary and Honorariums	Benefits	Other	Remuneration Variable	Total Remuneration
Board of Directors	82.74%	0.71%	16.55%	-	100.00%
Audit Committee	83.33%	-	16.67%	-	100.00%
Statutory Executive Board	47.77%	3.58%	11.21%	37.43%	100.00%
Non-Statutory Executive Board	52.12%	5.52%	11.18%	31.18%	100.00%

Fiscal Year – 2022

	Salary and Honorariums	Benefits	Other	Remuneration Variable	Total Remuneration
Board of Directors	82.95%	0.64%	16.41%	-	100.00%
Audit Committee	84.14%	-	15.86%	-	100.00%
Statutory Executive Board	42.35%	2.78%	9.23%	45.64%	100.00%
Non-Statutory Executive Board	61.70%	8.80%	14.88%	14.62%	100.00%

Fiscal Year – 2021

	Salary and Honorariums	Benefits	Other	Remuneration Variable	Total Remuneration
Board of Directors	82.84%	0.59%	16.57%	-	100.00%
Audit Committee	90.70%	-	9.30%	-	100.00%
Statutory Executive Board	53.19%	3.20%	11.84%	31.77%	100.00%
Non-Statutory Executive Board	57.36%	9.84%	11.39%	21.41%	100.00%

8.1 Remuneration policy or practice

- Calculation and adjustment methodology

The adjustment of the fixed remuneration of the Board of Directors and the members of its advisory committees, the Statutory Executive Board and the Non-Statutory Executive Board is made annually, following the same adjustment parameter defined in the collective agreements entered into with the workers' unions of the Company's headquarters. The variable remuneration of the Statutory and Non-Statutory Officers is defined based on goals and performances to be achieved.

- Key performance indicators considered therein, including, where applicable, indicators related to ESG issues

Board of Directors: The Company does not have performance indicators for determining the remuneration elements of the Board of Directors.

Statutory Board: in the case of salary or honorariums, and direct and indirect benefits, the Company does not have performance indicator mechanisms. As for profit sharing (PLR), annually the Company, in its strategic planning, sets objectives to be achieved, determining, from them, the corporate goals, as well as the variable remuneration criteria applicable when reaching such goals, respecting the limit of multiple salaries approved by the Board of Directors. The composition of the PLR payment evaluates statutory sectoral indicators that are directly related to the Strategic Sustainability Agenda, with public targets distributed across the ESG pillars and available on the Company's website. With respect to the Long-Term Incentive Program (ILP) with the grant of restricted shares (for executives hired as of 2019), the number of shares that effectively vest into full ownership of the plan participant will depend on the Company's performance in terms of TSR (Total Return to Shareholder) share appreciation.

Non-Statutory Executive Board: the Company does not have any performance indicator mechanisms in place for salary and direct and indirect benefits. As for profit sharing, annually the Company, in its strategic planning, sets objectives to be achieved, determining, from them, the corporate goals, as well as the variable remuneration criteria applicable when reaching such goals, under the terms negotiated and periodically defined with the unions of each category/state. The composition of the PLR payment evaluates non-statutory sector indicators directly related to the Strategic Sustainability Agenda, with public targets distributed across the ESG pillars and available on the Company's website. In addition to Performance Management Program we have the Competency assessment: Sustainable Results, reveals the degree of commitment of each executive to responsible decisions and practices related to the preservation of the environment, social agenda and governance (ESG). Regarding the long-term incentive program (ILP) with the granting of restricted shares, the number of shares to be effectively converted into full ownership of the plan participant will depend on the Company's performance in terms of the appreciation of TSR shares (total return to the shareholder)

Advisory Committees of the Board of Directors: The Company does not have any performance indicator mechanisms for determining the remuneration elements of the Audit Committee.

Strategic and Business Performance Committee: there is no remuneration for the members of the Company's strategic committee.

ii. reasons that justify the composition of the remuneration

Remunerate professionals according to the responsibilities of the position, market practices and level of competitiveness of the Company.

iii. existence of members not paid by the issuer and the reason for this fact

8.1 Remuneration policy or practice

Boards of Directors: the Statutory Officers who make up the Board of Directors do not receive specific remuneration for this purpose, according to the possibility provided for in the Company's Management Remuneration Policy.

Advisory Committees: the Statutory and non-statutory Officers who make up the committees do not receive specific remuneration for this purpose, as may be provided for in the Company's Management Remuneration Policy.

d. existence of remuneration supported by subsidiaries, controlled companies or direct or indirect controllers

There are no remunerations supported by subsidiaries, controlled companies or direct or indirect controllers of the Company.

e. existence of any remuneration or benefit linked to the occurrence of a certain corporate event, such as the sale of the issuer's corporate control

There is no remuneration or benefit linked to the occurrence of a certain corporate event.

8.2 Total remuneration per body

Total remuneration foreseen for the current Fiscal Year 12/31/2024 - Annual Amounts				
	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	5.00	8.00	0.00	13.00
Clarification			There is no forecast for the installation of the Fiscal Council in 2024	
Fixed annual remuneration				
Salary or honorariums	2,651,097.18	19,279,720.08	0.00	21,930,817.26
Direct and indirect benefits	25,427.18	1,264,464.97	0.00	1,289,892.15
Participation in committees	305,780.12	0.00	0.00	305,780.12
Other	591,375.48	4,208,445.88	0.00	4,799,821.36
Description of other fixed remuneration	Social Security	Social Security	Not applicable	
Variable remuneration				
Bonus	0.00	0.00	0.00	0.00
Profit sharing	0.00	12,625,021.14	0.00	12,625,021.14
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	1,752,543.11	0.00	1,752,543.11
Description of other variable remuneration	Not applicable	Social charges levied on long-term incentive	Not applicable	
Post-employment	0.00	0.00	0.00	0.00
Termination of office	0.00	0.00	0.00	0.00
Share-based (including options)	0.00	5,296,124.86	0.00	5,296,124.86
Note				
Total remuneration	3,573,679.96	44,426,320.04	0.00	48,000,000.00

Total Remuneration for the Fiscal Year on 12/31/2023 - Annual Amounts				
	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	5.00	8.00	0.00	13.00
Clarification			The Company has not established a Fiscal Council.	
Fixed annual remuneration				
Salary or honorariums	2,286,052.21	18,173,704.32	0.00	20,459,756.53
Direct and indirect benefits	19,665.77	1,194,044.98	0.00	1,213,710.75
Participation in committees	274,462.48	0.00	0.00	274,462.48
Other	506,629.59	3,962,433.70	0.00	4,469,063.29
Description of other fixed remuneration	The fixed renumbering classified in "Other" refers to social security.	The fixed renumbering classified in "Other" refers to social security.		
Variable remuneration				
Bonus	0.00	0.00	0.00	0.00
Profit sharing	0.00	11,925,107.40	0.00	11,925,107.40
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	1,655,384.53	0.00	1,655,384.53
Description of other variable remuneration		Variable remuneration classified as "Other" refers to social charges levied on long-term incentives.		
Post-employment	0.00	0.00	0.00	0.00
Termination of office	0.00	0.00	0.00	0.00
Share-based (including options)	0.00	5,002,515.02	0.00	5,002,515.02
Note			There is no forecast for the establishment of the Fiscal Council in 2023.	
Total remuneration	3,086,810.05	41,913,189.95	0.00	45,000,000.00

Total Remuneration for the Fiscal Year on 12/31/2022 - Annual Amounts				
	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	5.00	8.00	0.00	13.00
Clarification			The Company has not established a Fiscal Council.	
Fixed annual remuneration				
Salary or honorariums	2,130,523.96	16,646,646.34	0.00	18,777,170.30
Direct and indirect benefits	18,327.84	1,093,714.53	0.00	1,112,042.37
Participation in committees	255,789.82	0.00	0.00	255,789.82
Other	472,161.78	3,629,487.49	0.00	4,101,649.27
Description of other fixed remuneration	The fixed renumbering classified in "Other" refers to social security.	The fixed renumbering classified in "Other" refers to social security.		
Variable remuneration				
Bonus	0.00	0.00	0.00	0.00
Profit sharing	0.00	14,024,789.23	0.00	14,024,789.23
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	788,674.64	0.00	788,674.64
Description of other variable remuneration		Variable remuneration classified as "Other" refers to social charges levied on long-term incentives.		
Post-employment	0.00	0.00	0.00	0.00
Termination of office	0.00	0.00	0.00	0.00
Share-based (including options)	0.00	3,120,553.60	0.00	3,120,553.60
Note			The Fiscal Council was not established in 2022.	
Total remuneration	2,876,803.40	39,303,865.83	0.00	42,180,669.23

Total Remuneration for the Fiscal Year on 12/31/2021 - Annual Amounts				
	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	6.00	6.00	0.00	12.00
Number of paid members	4.00	6.00	0.00	10.00
Clarification			The Company has not established a Fiscal Council.	
Fixed annual remuneration				
Salary or honorariums	1,856,948.00	11,163,512.51	0.00	13,020,460.51
Direct and indirect benefits	15,013.66	672,103.30	0.00	687,116.96
Participation in committees	242,480.00	0.00	0.00	242,480.00
Other	419,885.60	2,485,637.72	0.00	2,905,523.32
Description of other fixed remuneration	Variable remuneration classified as "Other" refers to social charges levied on long-term incentives.	The fixed remuneration classified in "Other" refers to social security.		
Variable remuneration				
Bonus	0.00	0.00	0.00	0.00
Profit sharing	0.00	4,328,794.24	0.00	4,328,794.24
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	265,635.68	0.00	265,635.68
Description of other variable remuneration		Variable remuneration classified as "Other" refers to social charges levied on long-term incentives.		
Post-employment	0.00	0.00	0.00	0.00
Termination of office	0.00	0.00	0.00	0.00
Share-based (including options)	0.00	2,071,679.28	0.00	2,071,679.28
Note			The Fiscal Council was not established in 2021.	
Total remuneration	2,534,327.26	20,987,362.73	0.00	23,521,689.99

8.3 Variable Remuneration

Fiscal Year: 12/31/2024

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	0.00	8.00	0.00	8.00
Clarification	There is no variable remuneration for the board of directors.		The Company has not established a Fiscal Council.	
IN RELATION TO THE BONUS				
Minimum amount provided for in the remuneration plan	0.00	0.00	0.00	0.00
Maximum amount foreseen in the remuneration plan	0.00	0.00	0.00	0.00
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	0.00	0.00	0.00
Amount effectively recognized in the fiscal year	0.00	0.00	0.00	0.00
IN RELATION TO PROFIT SHARING				
Minimum amount provided for in the remuneration plan	0.00	10100016.92	0.00	10,100,016.92
Maximum amount foreseen in the remuneration plan	0.00	12625021.14	0.00	12,625,021.14
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	12625021.14	0.00	12,625,021.14
Amount effectively recognized in the fiscal year	0.00	0.00	0.00	0.00

Fiscal Year: 12/31/2023

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	0.00	8.00	0.00	8.00
Clarification	There is no variable remuneration for the board of directors.		The Company has not established a Fiscal Council.	
IN RELATION TO THE BONUS				
Minimum amount provided for in the remuneration plan	0.00	0.00	0.00	0.00
Maximum amount foreseen in the remuneration plan	0.00	0.00	0.00	0.00
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	0.00	0.00	0.00
Amount effectively recognized in the fiscal year	0.00	0.00	0.00	0.00
IN RELATION TO PROFIT SHARING				
Minimum amount provided for in the remuneration plan	0.00	9,540,085.92	0.00	9,540,085.92
Maximum amount foreseen in the remuneration plan	0.00	11,925,107.40	0.00	11,925,107.40
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	11,925,107.40	0.00	11,925,107.40
Amount effectively recognized in the fiscal year	0.00	0.00	0.00	0.00

Fiscal Year: 12/31/2022

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	0.00	8.00	0.00	8.00
Clarification	There is no variable remuneration for the board of directors.		The Company has not established a Fiscal Council.	
IN RELATION TO THE BONUS				
Minimum amount provided for in the remuneration plan	0.00	0.00	0.00	0.00
Maximum amount foreseen in the remuneration plan	0.00	0.00	0.00	0.00
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	0.00	0.00	0.00
Amount effectively recognized in the fiscal year	0.00	0.00	0.00	0.00

IN RELATION TO THE BONUS

Minimum amount provided for in the remuneration plan	0.00	8,603,574.78	0.00	8,603,574.78
Maximum amount foreseen in the remuneration plan	0.00	10,754,468.48	0.00	10,754,468.48
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	10,754,468.48	0.00	10,754,468.48
Amount effectively recognized in the fiscal year	0.00	14,024,789.23	0.00	14,024,789.23

Fiscal Year: 12/31/2021

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	6.00	6.00	0.00	12.00
Number of paid members	0.00	6.00	0.00	6.00
Clarification	There is no variable remuneration for the board of directors.		The Company has not established a Fiscal Council.	
IN RELATION TO THE BONUS				
Minimum amount provided for in the remuneration plan	0.00	0.00	0.00	0.00
Maximum amount foreseen in the remuneration plan	0.00	0.00	0.00	0.00
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	0.00	0.00	0.00
Amount effectively recognized in the fiscal year	0.00	0.00	0.00	0.00
IN RELATION TO PROFIT SHARING				
Minimum amount provided for in the remuneration plan	0.00	5,570,039.10	0.00	5,570,039.10
Maximum amount foreseen in the remuneration plan	0.00	6,962,548.88	0.00	6,962,548.88
Amount provided for in the remuneration plan, if the established goals were achieved	0.00	6,962,548.88	0.00	6,962,548.88
Amount effectively recognized in the fiscal year	0.00	4,328,794.24	0.00	4,328,794.24

8.4 Share-based remuneration plan

In relation to the share-based remuneration plan of the board of directors and statutory executive board, in force in the last fiscal year and scheduled for the current fiscal year, describe:

a. general terms and conditions

Eligible participants are: (a) all statutory officers (employees); (b) all executive officers at the non-statutory officer level; and (c) up to 20% of the executive officers at the management level who are considered key talent under the Company's Performance Management Program, provided that they have signed the adhesion agreement to participate in the program.

b. date of approval and responsible body

Approved on 04.30.2021 by the Extraordinary Ordinary General Meeting.

c. maximum number of shares covered

The shares granted under this Plan may not exceed 1.0% (one percent) of the total number of shares of the Company, throughout the term.

d. maximum number of options to be granted

Not applicable.

e. share purchase conditions

For each annual grant, the beneficiary is entitled to receive a number of shares equal to a certain multiple of their monthly salary in effect at the time of each grant, subject to the terms and conditions set forth in the respective Adhesion Agreement (private instrument entered into between the Company and the beneficiary by which the beneficiary agrees to adhere to the terms and conditions of the Plan). For the executive level, the reference multiple will be three (3) salaries; for the non-executive level, the multiple will be seven (7) salaries; and for the executive level, the multiple will be twelve (12) salaries.

As a condition of participation in the plan, potential beneficiaries are required to invest 10% (ten percent) of the net profit sharing (excluding the portion related to income taxes) for the year prior to the grant, to be converted into shares in the immediate possession of the beneficiary and blocked for sale for 02 (two) years ("Acquired Shares").

As for the shares granted by the company ("Restricted Shares"), there will be a lock-up period of 03 (three) years, from the date of each annual grant, at the end of which the ownership of the shares will be transferred to the executive, if the performance criteria indicated below are met.

After the lock-up period, the number of units to be effectively converted into Shares held by the Participant will be calculated according to the incremental TSR ("Total Shareholder Return") over the variation of the Extended National Consumer Price Index - IPCA for the period. It is also considered a final conversion factor that has a floor of 50% (initial performance) and a ceiling of 150% (exceptional performance). Upon application of the conversion factor, the Executive will have full ownership of the number of shares gained, with the consequent right to receive income from that moment on.

Furthermore, in order to fully align the interests of executives and shareholders with respect to the distribution of earnings over the entire plan calendar, at the end of the 03 (three-year) lock-up period, there will also be a retroactive calculation of earnings related to the lock-up period, taking into account

8.4 Share-based remuneration plan

the number of shares actually earned by the executive, and an additional amount in shares equal to the calculated amount will be paid (with the calculated number of shares rounded to the nearest whole number).

Half of the total Restricted Shares granted may not be sold by the executive for a period of 01 (one) year after the end of the lock-up period. For clarification purposes, the other half of the Restricted Shares may be traded by the executive shortly after the end of the lock-up period and consequent effective receipt of the shares.

At the Company's discretion, for potential beneficiaries hired from 2021, the first year of the concession may be the year of their hiring and the investment requirement for this first period will not be required, therefore there are no Acquired Shares in the first year of the concession. As for the Restricted Shares, they will be granted in proportion to the months of their contract and the value for setting the price of the shares will be the same considered for the other beneficiaries in the reference year.

f. criteria for determining the purchase or exercise price

Average value of the share of the last forty (40) trading sessions prior to the grant date.

g. criteria for determining the vesting or exercise period

The concessions will be made annually for a period of four (4) years of the Plan's validity, always in May, after the payment of the PLR for the previous year. For potential beneficiaries hired from 2021, the first grant of Restricted Shares will be in the month of their hiring.

h. form of settlement

To satisfy awards under the Plan, the Company may, at the discretion of the Board of Directors, issue new shares within the limits of authorized capital or sell treasury shares.

i. restrictions on the transfer of shares

The shares acquired by the beneficiary are blocked for sale for 02 (two) years. As for the shares granted by the company ("Restricted Shares"), there will be a lock-up period of 03 (three) years, from the date of each annual grant, at the end of which the ownership of the shares will be transferred to the executive, if the performance criteria indicated below are met.

After the lock-up period, the number of units to be effectively converted into Shares held by the Participant will be calculated according to the incremental TSR ("Total Shareholder Return") over the variation of the Extended National Consumer Price Index - IPCA for the period. It is also considered a final conversion factor that has a floor of 50% (initial performance) and a ceiling of 150% (exceptional performance). Upon application of the conversion factor, the Executive will have full ownership of the number of shares gained, with the consequent right to receive income from that moment on.

Furthermore, in order to fully align the interests of executives and shareholders with respect to the distribution of earnings over the entire plan calendar, at the end of the 03 (three-year) lock-up period, there will also be a retroactive calculation of earnings related to the lock-up period, taking into account the number of shares actually earned by the executive, and an additional amount in shares equal to the calculated amount will be paid (with the calculated number of shares rounded to the nearest whole number).

8.4 Share-based remuneration plan

Half of the total Restricted Shares granted may not be sold by the executive for a period of 01 (one) year after the end of the lock-up period. For clarification purposes, the other half of the Restricted Shares may be traded by the executive shortly after the end of the lock-up period and consequent effective receipt of the shares.

At the Company's discretion, for potential beneficiaries hired from 2021, the first year of the concession may be the year of their hiring and the pre-investment requirement for this first period will not be required, therefore there will be no Acquired Shares in the first year of the concession. As for the Restricted Shares, they will be granted in proportion to the months of their contract and the value for setting the price of the shares will be the same considered for the other beneficiaries in the reference year.

j. criteria and events that, if verified, will cause the plan to be suspended, amended, or terminated

Amendments to the Plan: the General Meeting of the Company shall have the power to amend the Plan and to create new performance plans or incentives based on the granting of options. In addition, any significant legal change regarding the regulation of corporations, publicly-held companies, labor legislation and/or the tax effects of a stock option plan, may lead to a full review of the Plan, which will be submitted to the Meeting.

Termination of the Plan: the Plan may be terminated, at any time, by decision of the Company's General Meeting or in the event of the following events: (i) corporate reorganization of the Company, such as merger, consolidation or spin-off, in which the surviving entity is not M. Dias Branco (ii) dissolution or liquidation of the Company; (iii) cancellation of its registration as a publicly-held company; (iv) expiration of its term; or (v) resolution of the shareholders to terminate the Plan. There is no provision for the suspension of the Plan.

k. effects of the manager departure from the issuer's bodies on their rights under the share-based compensation plan

DISMISSALS

If the executive is dismissed or requests dismissal during the term of the plan:

Executive's portion (originated by the invested PLR):

Shares will be available for sale regardless of the type of termination.

Company's portion (originated by the company's concession):

Restricted shares during the lock-up period:

In case of termination at the initiative of the company, a portion of the shares, to be calculated in proportion to the lock-up period already completed in number of months (pro rata), will be transferred to the former executive.

In the event of termination at the executive's own initiative or for cause, the executive forfeits the equity interest.

RETIREMENT

If the executive retires or is dismissed already retired during the term of the plan:

8.4 Share-based remuneration plan

If the retired executive has at least 10 uninterrupted years of service in the company and formally communicates his intention to leave the board of directors at least 6 months in advance, there will be a full acceleration of the shares in lock-up period.

If the retired executive does not simultaneously meet the two requirements above (10 years with the Company and notification at least in advance of the proposed plan) and leaves the Company on his own initiative, there will be a pro rata reduction of the shares in lock-up period (i.e., a portion to be calculated in proportion to the lock-up period already completed in number of months).

If the retired executive is dismissed without cause at the initiative of M. Dias Branco: There will be full acceleration of shortages only if the executive has more than 10 full and uninterrupted years of service in the company.

If this condition is not met, there will be a pro rata reduction of the shares in lock-up period (that is, a portion, to be calculated in proportion to the lock-up period already fulfilled in number of months).

DEATH

If the executive dies during the term of the plan:

In the event of the death of the participant, any installments of locked shares arising from the granting of the company will be reduced in proportion to the lock-up period already completed in the number of full months, and its ownership will be transferred to the legal heirs.

LOCKED SHARES IN CASE OF DEPARTURE

In all cases where the participant's departure does not result in a complete loss of the Company's portion of the shares, except in the case of death, the final multiplier factor will be calculated considering the largest possible integer number of years, without making fractional calculations within the current year. For any lots in the first year of the lock-up period, a final multiplier factor equal to 100% will be assumed.

8.5 Share-Based Remuneration (Stock Options)

Fiscal Year: 12/31/2024

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	0.00	0.00	0.00	0.00
Potential dilution in case of exercise of all outstanding options	0.000000	0.000000	0.000000	0.00
Clarification	There is no share-based remuneration in the form of stock options of the board of directors.	There is no stock-based remuneration in the form of stock options of the statutory board.	The Company has not established a Fiscal Council.	-
WEIGHTED AVERAGE EXERCISE PRICE FOR EACH OF THE FOLLOWING GROUPS OF OPTIONS				
Outstanding at the beginning of the fiscal year	0.00	0.00	0.00	0.00
Lost and expired during the fiscal year	0.00	0.00	0.00	0.00
Exercised during the fiscal year	0.00	0.00	0.00	0.00

Fiscal Year: 12/31/2023

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	0.00	0.00	0.00	0.00
Potential dilution in case of exercise of all outstanding options	0.000000	0.000000	0.000000	0.00
Clarification	There is no share-based remuneration in the form of stock options of the board of directors.	There is no stock-based remuneration in the form of stock options of the statutory board.	The Company has not established a Fiscal Council.	-
WEIGHTED AVERAGE EXERCISE PRICE FOR EACH OF THE FOLLOWING GROUPS OF OPTIONS				
Outstanding at the beginning of the fiscal year	0.00	0.00	0.00	0.00
Lost and expired during the fiscal year	0.00	0.00	0.00	0.00
Exercised during the fiscal year	0.00	0.00	0.00	0.00

Fiscal Year: 12/31/2022

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	7.00	8.00	0.00	15.00
Number of paid members	0.00	0.00	0.00	0.00
Potential dilution in case of exercise of all outstanding options	0.000000	0.000000	0.000000	0.00
Clarification	There is no share-based remuneration in the form of stock options of the board of directors.	There is no stock-based remuneration in the form of stock options of the statutory board.	The Company has not established a Fiscal Council.	-
WEIGHTED AVERAGE EXERCISE PRICE FOR EACH OF THE FOLLOWING GROUPS OF OPTIONS				
Outstanding at the beginning of the fiscal year	0.00	0.00	0.00	0.00
Lost and expired during the fiscal year	0.00	0.00	0.00	0.00
Exercised during the fiscal year	0.00	0.00	0.00	0.00

Fiscal Year: 12/31/2021

	Board of Directors	Statutory Executive Board	Fiscal Council	Total
Total no. of members	6.00	6.00	0.00	12.00
Number of paid members	0.00	0.00	0.00	0.00
Potential dilution in case of exercise of all outstanding options	0.000000	0.000000	0.000000	0.00
Clarification	There is no share-based remuneration in the form of stock options of the board of directors.	There is no stock-based remuneration in the form of stock options of the statutory board.	The Company has not established a Fiscal Council.	--
WEIGHTED AVERAGE EXERCISE PRICE FOR EACH OF THE FOLLOWING GROUPS OF OPTIONS				
Outstanding at the beginning of the fiscal year	0.00	0.00	0.00	0.00
Lost and expired during the fiscal year	0.00	0.00	0.00	0.00
Exercised during the fiscal year	0.00	0.00	0.00	0.00

8.6 Granting of stock options

Not applicable.

8.7 Outstanding options

As of December 31, 2023, there was no outstanding option for a member of the Board of Directors and the Statutory Executive Board.

8.8 Options exercised and shares delivered

Not applicable.

8.9 Potential dilution by grant of shares

**To avoid duplication, the amounts computed as remuneration of the members of the board of directors must be deducted from the remuneration of the officers who are also part of that body.

Fiscal Year 2024	Board of Directors	Statutory Executive Board
Total no. of members	NA	8
Number of paid members	NA	4
Potential dilution in case of grant of all shares to beneficiaries	NA	1,478,861.32

Fiscal Year 2023	Board of Directors	Statutory Executive Board
Total no. of members	NA	8
Number of paid members	NA	4
Potential dilution in case of grant of all shares to beneficiaries	NA	1,411,127.21

Fiscal Year 2022	Board of Directors	Statutory Executive Board
Total no. of members	NA	8
Number of paid members	NA	3
Potential dilution in case of grant of all shares to beneficiaries	NA	1,331,812.79

Fiscal Year 2021	Board of Directors	Statutory Executive Board
Total no. of members	NA	6
Number of paid members	NA	2
Potential dilution in case of grant of all shares to beneficiaries	NA	8,906,390.54

8.10 Granting of shares

Fiscal Year 2023	Board of Directors	Statutory Executive Board
Total no. of members	-	8
Number of paid members	-	4
Grant Date	NA	05/31/2023
Number of shares granted	NA	231,501
Deadline for delivery of shares	NA	36 months
Restriction period for the transfer of shares	NA	-
Fair value of the shares on the grant date	NA	R\$ 27.43
Multiplying the number of shares granted by the fair value of the shares on the grant date	NA	6,350,072.43

Fiscal Year 2022	Board of Directors	Statutory Executive Board
Total no. of members	-	8
Number of paid members	-	4
Grant Date	NA	05/31/2022
Number of shares granted	NA	239,791
Deadline for delivery of shares	NA	36 months
Restriction period for the transfer of shares	NA	-
Fair value of the shares on the grant date	NA	R\$ 21.81
Multiplying the number of shares granted by the fair value of the shares on the grant date	NA	5,229,554.79

Fiscal Year 2021	Board of Directors	Statutory Executive Board
Total no. of members	-	6
Number of paid members	-	2
Grant Date	NA	05/31/2021
Number of shares granted	NA	98,307
Deadline for delivery of shares	NA	36 months
Restriction period for the transfer of shares	NA	-
Fair value of the shares on the grant date	NA	R\$ 27.66
Multiplying the number of shares granted by the fair value of the shares on the grant date	NA	2,719,171.62

8.11 Shares Delivered

Fiscal Year: 12/31/2023

	Board of Directors	Statutory Executive Board	Fiscal Council
Total no. of members	7.00	8.00	0.00
Number of paid members	0.00	3.00	0.00
No. of shares	0	44,247	0
Weighted average purchase price	0.00	0.00	0.00
Weighted average market price of purchased shares	0.00	30.90	0.00
Multiply the total number of shares acquired by the difference between the weighted average acquisition price and the weighted average market price of the shares acquired.	0.00	-1,367,232.30	0.00
Clarification	There are no shares delivered relating to the share-based remuneration of the board of directors.		The Company has not established a Fiscal Council.

Fiscal Year: 12/31/2022

	Board of Directors	Statutory Executive Board	Fiscal Council
Total no. of members	7.00	8.00	0.00
Number of paid members	0.00	3.00	0.00
No. of shares	0	36,124	0
Weighted average purchase price	0.00	0.00	0.00
Weighted average market price of purchased shares	0.00	24.49	0.00
Multiply the total number of shares acquired by the difference between the weighted average acquisition price and the weighted average market price of the shares acquired.	0.00	-884,676.76	0.00
Clarification	There are no shares delivered relating to the share-based remuneration of the board of directors.		The Company has not established a Fiscal Council.

Fiscal Year: 12/31/2021

	Board of Directors	Statutory Executive Board	Fiscal Council
Total no. of members	6.00	6.00	0.00
Number of paid members	0.00	0.00	0.00
No. of shares	0	0	0
Weighted average purchase price	0.00	0.00	0.00
Weighted average market price of purchased shares	0.00	0.00	0.00
Multiply the total number of shares acquired by the difference between the weighted average acquisition price and the weighted average market price of the shares acquired.	0.00	0.00	0.00
Clarification	There are no shares delivered relating to the share-based remuneration of the board of directors.	There are no shares delivered related to the share-based remuneration of the statutory board in the year.	The Company has not established a Fiscal Council.

8.12 Pricing of shares/options

a. pricing model

It does not apply, since it is a Long-Term Incentive Program because they are restricted shares.

b. data and assumptions used in the pricing model, including the weighted average share price, exercise price, expected volatility, option life, expected dividends, and the risk-free interest rate

Does not apply, due to the considerations made in item 8.4.

c. method used and the assumptions made to incorporate the expected effects of early exercise

Does not apply, due to the considerations made in item 8.4.

d. way of determining expected volatility

Does not apply, due to the considerations made in item 8.4.

e. if any other feature of the option was incorporated in the measurement of its fair value

Does not apply, due to the considerations made in item 8.4.

8.13 Shares held by body

	Number of common shares*	%
Controlling Shareholders	227,840,941	67.2%
Board of Directors	21,297,264	6.3%
Statutory Board	20,804,211	6.1%
Treasury Shares	2,675,111	0.8%
Free float	66,382,473	19.6%
Total	339,000,000	100.0%

* Position on 12/31/2023.

8.14 Pension plans

There are no pension plans in force conferred on members of the board of directors and statutory officers by the Company.

8.15 Minimum, average and maximum remuneration**Annual values**

	Statutory Executive Board			Board of Directors		
	12/31/2023	12/31/2022	12/31/2021	12/31/2023	12/31/2022	12/31/2021
No. of members	8.00	8.00	6.00	7.00	7.00	6.00
Number of paid members	8.00	8.00	6.00	5.00	5.00	4.00
Value of the highest remuneration Real	5,807,004.83	6,640,325.03	4,202,363.38	1,085,048.22	97,9461.86	933,959.26
Value of the lowest remuneration Real	3,628,244.33	3,603,750.14	2,976,286.54	463,323.63	413,161.41	436,464.00
Average Remuneration Amount Real	4,511,871.44	4,912,983.23	3,497,893.79	681,999.99	575,360.68	633,581.82

Notes and clarifications

	Statutory Executive Board	
	Note	Clarification
12/31/2023	Note: (i) The remuneration of the members of the statutory executive board who are also part of the Board of Directors is contemplated in the statutory executive board; (ii) The members of the Statutory Executive Board with the highest and lowest individual remuneration performed their duties during the 12 months of fiscal year 2023; (iii) The remuneration of the statutory board was considered as the sum of the remuneration/salary, direct/indirect benefits, others and profit sharing;	
12/31/2022	Note: (i) The remuneration of the members of the statutory executive board who are also part of the Board of Directors is contemplated in the statutory executive board; (ii) The members of the Statutory Executive Board with the highest and lowest individual remuneration performed their duties during the 12 months of fiscal year 2021; (iii) The remuneration of the statutory board was considered as the sum of the remuneration/salary, direct/indirect benefits, others and profit sharing;	
12/31/2021	Note: (i) The remuneration of the members of the statutory executive board who are also part of the Board of Directors is contemplated in the statutory executive board; (ii) The members of the Statutory Executive Board with the highest and lowest individual remuneration performed their duties during the 12 months of fiscal year 2021; (iii) The remuneration of the statutory board was considered as the sum of the remuneration/salary, direct/indirect benefits, others and profit sharing;	

	Board of Directors	
	Note	Clarification
12/31/2023	Note: To calculate the average amount of individual remuneration of the board of directors, the sum of the remuneration of the directors divided by five was considered, which is the average number of members of the board of directors who were remunerated and two of the board members did not obtain remuneration for the entire period.	
12/31/2022	Note: To calculate the average amount of individual remuneration of the board of directors, the sum of the remuneration of the directors divided by five was considered, which is the average number of members of the board of directors who were remunerated and two of the board members did not obtain remuneration for the entire period.	
12/31/2021	Note: To calculate the average amount of individual remuneration of the board of directors, the sum of the remuneration of the directors divided by four was considered, which is the average number of members of the board of directors who were remunerated and two of the board members did not obtain remuneration for the entire period.	

8.16 Remuneration/indemnity mechanisms

There are no insurance policies contracted for remuneration or indemnity instruments for managers in the event of removal from office or retirement.

8.17 Percentage of related parties in remuneration**Fiscal Year 2024**

	Board of Directors	Statutory Executive Board
% Remuneration of administrators - related parties	34.9%	54.8%

Fiscal Year 2023

	Board of Directors	Statutory Executive Board
% Remuneration of administrators - related parties	31.8%	44.4%

Fiscal Year 2022

	Board of Directors	Statutory Executive Board
% Remuneration of administrators - related parties	34.0%	47.6%

Fiscal Year 2021

	Board of Directors	Statutory Executive
% Remuneration of administrators - related parties	36.9%	62.8%

There was no fiscal council installed in 2023, 2022 and 2021.

8.18 Remuneration - Other Functions

No member of the Board of Directors, the Statutory Executive Board or the Fiscal Council has received remuneration from the Company for any services that are not related to the position they occupy, whether for providing consulting, advisory or commission services in the last three fiscal years.

8.19 Recognized remuneration of the parent company/subsidiary

The direct or indirect controllers, companies under common control and subsidiaries of the Company have not paid any compensation to members of the Board of Directors, the Executive Committee or any other governing body during the last three financial years.

8.20 Other relevant information

Not applicable, as all relevant information has already been presented in the previous topics.

9.1/9.2 Identification and Remuneration

Auditor CVM Code	004189		
Corporate Name	Auditor Type	CPF/CNPJ	
KPMG AUDITORES INDEPENDENTES LTDA	Legal	57.755.217/0017-96	
Service hiring date	Service provision start date		
01/02/2021	01/02/2021		
Description of the services provided			
The auditors provide audit services for the individual and consolidated financial statements and review of the quarterly interim financial statements of M. Dias Branco, as well as the audit of the integrated annual report.			
Total amount of remuneration of independent auditors, segregated by services, in the last fiscal year			
<p>In 2023, the following services were hired:</p> <ul style="list-style-type: none"> - Audit of the individual and consolidated financial statements of M. Dias Branco for the year ended December 31, 2023: R\$ 772,424.00 - Audit of the 2022 integrated annual report: R\$ 69,970.85 <p>In addition, the audit of the 2023 integrated annual report was contracted in 2024, in the amount of R\$ 85,700.00.</p>			
Justification for replacement			
Not applicable.			
Reason presented by the auditor in case of disagreement with the justification			
Not applicable.			

9.3 Independence and conflict of interest of auditors

In 2023, other services were provided by the contracted auditing company, KPMG Auditores Independentes, which consisted of auditing the integrated annual report. Management acknowledges that said services have not compromised the independence of the auditors.

The Policy for Contracting Extra Audit Services, available on the Investor Relations website, establishes the rules and guidelines for the contracting of extra audit services by the Company and/or its subsidiaries, in compliance with applicable laws, to ensure that services are not contracted that may compromise the independence of the Company's independent auditors. As a matter of internal policy, all services provided by the independent audit firm should be reviewed by the audit committee prior to their provision to ensure that there is no conflict of interest.

9.4 Other relevant information

All relevant information was evidenced in the previous topics.

10.1 A Description of human resources

Number of employees by declared gender

	Female	Male	Non-binary	Other	Prefer not to answer
Leadership	382	1,130	0	0	0
Non-leadership	4,411	10,757	0	0	0
TOTAL = 16,680	4793	11887	0	0	0

Number of employees by declared color or race

	Yellow	White	Black	Brown	Indigenous	Other	Prefer not to answer
Leadership	21	635	102	716	4	0	34
Non-leadership	156	3,787	1,769	9173	52	0	231
TOTAL = 16,680	177	4422	1871	9889	56	0	265

Number of employees by position and age group

	Under 30	30 to 50 years	Over 50 years
Leadership	106	1,220	186
Non-leadership	3,694	3,694	1,599
TOTAL = 16,680	3,800	11,095	1,785

Number of employees by position and geographic location

	North	Northeast	Midwest	Southeast	South	Abroad
Leadership	16	947	15	407	127	0
Non-leadership	49	10,049	42	3,786	1,242	0
TOTAL = 16,680	65	10,996	57	4,193	1,369	0

Number of employees by geographic location and declared gender

	Female	Male	Non-binary	Other	Prefer not to answer
North	23	42	0	0	0
Northeast	2,640	8,356	0	0	0
Midwest	13	44	0	0	0
Southeast	1,464	2,729	0	0	0
South	653	716	0	0	0
Abroad	0	0	0	0	0
TOTAL = 16,680	4,793	11,887	0	0	0

Number of employees by geographic location and declared color or race

	Yellow	White	Black	Brown	Indigenous	Other	Prefer not to answer
North	1	10	4	50	0	0	0
Northeast	129	2,039	1,090	7,701	36	0	1
Midwest	0	17	3	37	0	0	0
Southeast	36	1,556	709	1,840	13	0	29
South	11	790	65	261	7	0	235
Abroad	0	0	0	0	0	0	0

TOTAL = 16,680	1,770	44,220	18,710	98,890	56	00	2,650
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Number of employees by geographic location and age group

	Under 30	30 to 50 years	Over 50 years
North	7	53	5
Northeast	2,586	7,355	1,055
Midwest	8	44	5
Southeast	830	2,775	588
South	369	868	132
Abroad	0	0	0
TOTAL = 16,680	3,800	11,095	1,785

10.1 Description of human resources

The Company's human resources policy is based on three fundamental premises: alignment with the business strategy, professionalization and results orientation. As a result, all human resources development projects are closely linked to the achievement of strategic objectives and are designed to consolidate the company's human resources management practices, which promote high performance and a positive working environment.

Recruitment and selection processes are aligned with the company's values and culture, using a technological tool to ensure wide dissemination of opportunities, assertiveness and elimination of bias, thus providing a diverse and transparent experience for candidates. The digital transformation led to greater precision in candidate selection and reduced risks associated with LGPD, integrating tools and creating a talent bank of more than 1 million registered individuals.

In 2023, we began investing in expanding our presence to strengthen employer brand recognition. We have implemented a number of strategic initiatives, including participating in career fairs and employability events, as well as being featured in industry keynotes. We rebranded the Internship Program, with an emphasis on opportunities to enter the Company. We have also strengthened the agenda dedicated to improving the candidate experience and increasing diversity through training for managers and recruiters.

We have adopted a new approach to communicating with potential talent through our corporate social networks, with the goal of increasing brand awareness and making the company even more attractive to those who want to join the M. Dias Branco team. In addition, we pay special attention to assessing satisfaction with the services provided. We therefore conducted a satisfaction survey, aiming to evaluate the level of service offered and demonstrate our commitment to providing a positive experience for everyone involved.

In 2023, the Corporate University (UC) invested in training and development (&TD) activities linked to the company's strategic planning to operate through corporate programs and development paths adapted to the reality of the business. In total, these activities generated more than 500,000 learning hours during the year and reached 16,880 professionals.

We run programs for the various audiences such as the Leadership Development Program (PDD), aimed at members of the Board of Directors, and its Advisory Committees, the Statutory and Executive Boards; the Leadership Development Program (PDL), a strategic leadership training program, which works through development actions aligned with the company's objectives, in order to prepare them for future challenges and people management; Accelerated Development Program (PDA), with coaching and mentoring tools for prioritized leaders; Game of Talents (GoT), a development track of essential competencies of the organization and the Language and Education Incentive programs, focusing on accelerating English and Spanish learning and encouraging formal education to increase schooling for eligible employees, in line with the company's internationalization strategy and learning culture, respectively.

In addition, this year we focused on supporting the company's digital transformation, holding the first edition of Unitalks for all employees, promoting the strengthening of the learning culture and the dissemination of inspiring and relevant ideas to the company; and the School of Innovation, our program for the development of skills related to innovation, through training paths that favor the agile mindset and support the company's digital acceleration.

We can also highlight Simplify, a project to change the organization's operational management system. For this purpose, customized paths were developed, which were defined by the funnel strategy, i.e. offering general online content (top of the funnel) for everyone, more tapered content that

10.1 Description of human resources

detailed the system processes (middle of the funnel), and specific courses for the end users of the new system (bottom of the funnel). Together, these paths account for approximately 25,000 hours of training.

And finally, in the in person modality, the SAP Academy track offered training for the end users of the system. At this stage, we have a team of more than 200 classroom multipliers distributed in M. Dias Branco units throughout Brazil, and in the end we reached 16,643 participants in 1,410 classes and more than 45,000 hours of service.

In addition to this project, in 2023 we also held new editions of the Sales Academy and the Industrial School, programs that strengthen our commercial competitiveness and operational excellence, respectively, offering relevant and critical content for differential performance in their respective areas. A new feature of the Industrial School was the Quality Workshops, a project designed to promote the culture of quality and food safety as a value by sharing with employees the strategic themes of a leading company in the food sector.

Our interns and apprentices also have a specific training track that includes technical (Excel, Power Bi) and behavioral courses, with topics that work on the skills of the professionals of the future, according to the World Economic Forum. In 2023, more than 17,000 hours of training for interns and 145,000 hours of SOCIAL PILLAR for apprentices were generated, adding the hours of apprentice training with the apprenticeship programs.

We also provide training as mapped by the LNT, with direct financial investment in the following areas Logistics, Supplies, Commercial (Sales Academy), Marketing, Sales Strategy, International Business, Accounting, Financial, Administrative, Research and Development; and Industry.

It is also worth noting that the goals of the Corporate Education area are compatible with good market practices. As such, the trainings are registered with an attendance list, and evaluations of response, effectiveness and learning are applied according to the workload (the type of evaluation depends on the type of training), which are registered through the system and monitored monthly in panels made available to the corporate teams and HR teams in the units.

To maintain good communication with employees, we have an internal communications team dedicated to disseminating relevant information and aligning it with the business strategy. For this, we have communication channels such as Workplace (corporate social network), Jornal Mural and WhatsApp (internal leaders and influencers). The first, acts as a "communication hub", bringing together all the Company's communication initiatives. The others function as "satellites", directing the internal public to the corporate social network and reinforcing the main campaigns developed.

In addition, Internal Communications maintains the Spokespersons Program, which strengthens the company's communication and organizational climate through more than 100 employees in their respective areas in Brazil and Uruguay. There is also the Open Talk, which encourages in-person/virtual meetings between employees at different levels, promoting personal communication and engagement to create a positive impact on the company climate.

In order to develop the careers of our employees, we implement the Performance Management Program, which provides for the alignment of individual goals with strategic goals, subsidies for promotions, selection, training, improvement of work processes, consolidation of the culture of meritocracy, strengthening of leadership and improvement of the organizational climate.

In 2023, 2,079 employees were included in the performance management program, including 967 experts and professionals, 773 supervisors and coordinators, 319 managers, and 20 officers. Through this program, we foster a culture of feedback and develop employees in a structured way, including the creation of Individual Development Plans (IDPs).

10.1 Description of human resources

The edition of the Career Dialogues was also held, with the programming of 6 workshops on the various topics related to the construction and protagonism of the employee's career. We counted on the participation of 1,519 participants.

The M. Dias Branco Succession Program aims to identify and prepare professionals for more complex positions, in line with the company's strategy and business sustainability. In 2023, committees were held to identify potential successors, the level of readiness, career interests and mobility of potential successors, and the development actions associated with accelerating these employees to the next level. Throughout the year, analyses were carried out to fill strategic positions in order to promote internal movement and identify the company's potential.

In the area of health, an average of 243 preventive actions were carried out in the units in 2023, focusing on topics such as: chronic diseases, ergonomics, physical activity and sedentary lifestyle, healthy nutrition, mental health, oral health, prevention and fight against deafness, World Voice Day, yellow September, pink October, blue November, red and orange December.

In partnership with a specialized consulting firm, we had the continuation of the health monitoring programs of our employees via tele-service, which are **Mother's First Steps and Welcome Baby Program**: aims to promote the health of pregnant women, guide the importance of prenatal care, offer guidance during pregnancy and postpartum follow-up and the **Always Well Program**: aims at better clinical follow-up of patients with chronic diseases (Hypertension, Diabetes and Obesity). A total of 1,000 (One Thousand) Services were carried out in 2023.

In the Fortaleza, Jaboaão, GMA and Bento Gonçalves units, medical assistance was provided at the unit's outpatient clinic, with the support of health plan operators, where 4,412 medical consultations were provided to employees. This initiative is aimed at primary prevention, with the goal of promoting and protecting health, preventing disease, diagnosing, treating and maintaining the health of our employees.

We also offer labor gymnastics at the Eusébio/CE, Fortaleza/CE Units (Wheat mill and special shortening and margarines), Maracanaú/CE, Salvador/BA, Jaboaão dos Guararapes/PE, São Caetano do Sul/SP and Lençóis Paulista/SP. This year, between May and July, the H1N1 vaccination campaign was carried out in 10 industrial units in partnership with the state health departments, with an average of 1,957 doses administered.

In August/2023, the Health Day event was held with the theme "Cancer and actions to promote its prevention", where health actions such as face-to-face and online lectures, conversation circles, massage therapy, work gymnastics, educational stands, theatrical interventions, etc. were carried out.

In the area of hearing health, the company has implemented the Hearing Conservation Program - PCA with the goal of minimizing the risks associated with occupational noise and preventing the onset and/or aggravation of work-related hearing loss. To improve the success of the program in 2023, we carried out hearing monitoring in accordance with the Occupational Health Medical Control Program - PCMSO, as well as audiometric management and comparative analysis of the hearing health history of employees exposed to noise, speech therapy support in environmental noise assessments together with Occupational Safety, indication and selection of personal hearing protectors, visits to industrial areas for inspection and guidance on the proper use of personal hearing protectors, and education and prevention activities on the hearing health of employees.

The Culture and Climate area is responsible for the Lightly program, which is the company's mental health program aimed at promoting and caring for the mental health of employees

10.1 Description of human resources

through quality of life, well-being and mental health actions applied in the day-to-day of the company and the teams. Among these actions, we can highlight: psychological care, made available to employees free of charge in online modalities (all units) and in face-to-face modalities (Fábrica Fortaleza, Maracanaú, Madureira and Jaboatão dos Guararapes units only), and discussion circles through meetings held periodically with specific teams and topics focused on mental health issues. In 2023, more than 24,740 thousand people were affected by the issue, and between May and September this year, 1,481 consultations were held. All health and safety processes comply with the General Data Protection Act and the standards of conduct set out in the Code of Medical and Nursing Ethics.

This area is also at the forefront of the Company's Recognition Programs, which aim to work on the management of employee engagement, which we consider a fundamental strategy to attract and retain our talents, in addition to motivating employees with a focus on alignment with our organizational culture. To that end, we understand that recognizing the work and performance of our people has an impact on results, innovation, and commitment to our corporate values! Therefore, we have initiatives that promote and encourage recognition and engagement practices. The programs administered by the area are:

Well Done: M. Dias Branco initiative to recognize employees who embrace our values and make a difference, delivering important results for the Company! This action is aimed at leadership to recognize their teams for deliveries that made a difference!

Leaders Who Inspire: This is an initiative that aims to stimulate the culture of innovation and strengthen the values of M. Dias Branco, through the recognition of good leadership practices. This recognition takes place in 3 editions per year, in each of which the selected leaders present the practices they have implemented in their areas and the results they have achieved.

Recipe for Success: Recipe for Success is the employee recognition program for time with the company. Some of the actions that are carried out through this recognition front include:

- **Recipe for Success Seal:** Employees who complete 05, 10, 15, 20, 25, 30, 35 and 40 years of the company receive a personalized seal on their profile here on Workplace. The stamps are given to employees in the month that completes the stipulated tenure.
- **Recipe for Success Event:** This action is aimed at employees who complete the decades of the program (10, 20, 30 and 40 years of the company). In partnership with the HR teams of the units, an event of recognition and celebration is held for the history of the employees contemplated. Each honoree receives a personalized program kit.

Team listening: this takes place based on the need for an area. The format of this approach is through focus groups with a pre-defined audience and based on assumptions about issues that permeate the teams. These moments guarantee the anonymity of participants' responses and provide a space for welcoming and specialized listening.

Mixing for ALL: the program focuses on our diversity and inclusion pillar of M. Dias Branco and aims to foster and welcome diversity and achieve inclusion in the daily lives of our employees. The program is designed in a FOR ALL format, that is, it is premised on respect for ALL: Regardless of age, regardless of color or race, regardless of gender, regardless of sexual orientation, regardless of background.

In addition, we seek to influence the APPRECIATION OF DIVERSITY in the company by increasing the number of employees who are members of minority groups, which, according to ISE, we can define as: "a group of people who have been socially or historically excluded and/or underrepresented due to

10.1 Description of human resources

issues of gender, color/race, age, disabilities, sexual orientation or gender identity, among others." To this end, we rely on our Human Rights, Diversity and Inclusion Policy, which focuses on clarifying and supporting our employees on the company's position on these issues, as well as providing guidance throughout the value chain on our policies and practices to protect the rights of all people.

We have moved forward with the **Diversity Week initiative**, held in June, which has a weekly schedule of lives at the workplace, on diversity topics. We are also working to raise awareness in the main units through campaigns.

The Social Responsibility area carries out various programs and actions with the communities surrounding our units, establishing a solid relationship of development and social impact, we also encourage the participation of employees as volunteers. The programs carried out by the area include:

Volunteer Factory: the program aims to inspire and transform lives through our volunteer activities, stimulating civic practice and the spirit of social responsibility. Through the program, our volunteers are encouraged to interact with the surrounding communities, donating their time, knowledge and skills for the benefit of others. This interaction occurs through various fronts of the program, such as participation in fundraising and vision delivery events, beach and mangrove clean-ups, volunteer and advisory work during working hours, in partner institutions. In 2023, we will implement the "Social Massa" Action, which aims to provide essential, integrated and free services in the areas of citizenship, health, culture and education, expanding our positive socio-environmental impact and aligning with the SDGs (Sustainable Development Goals). In total, 1,680 hours of volunteer work were performed in 2023, with the participation of 509 employees throughout Brazil.

Feeding Dreams: With a commitment to reach 150,000 people with actions that stimulate entrepreneurship and professionalization in the food sector, we created the program to offer courses on the preparation of breads, cakes, sweets, snacks, pasta and pizzas. Through training, we promote the social and economic development of communities. In 2023, 15,835 people were trained in eight states through a partnership with 18 institutions.

Nourish Tomorrow – The Food Donation and Hunger Relief Program is an initiative that goes beyond simply feeding people and aims to transform society. Our commitment is to reduce the impact of hunger and act to reduce food waste through strategic partnerships and innovative projects that reach a wide range of audiences, with a special focus on children and the elderly. Throughout the country, 120 partner institutions regularly receive various products from M. Dias Branco brands and distribute food to underprivileged populations and those benefiting from social projects. In 2023, about 3,363 tons of food were destined to social initiatives, which is equivalent to R\$ 33,166,493.01 donated through 31 donor units of M. Dias Branco.

Social partnerships: M. Dias Branco supports more than 120 social institutions throughout Brazil. With relevant projects focused on education, professionalization, income generation, sport, culture, entrepreneurship, health and the environment, these initiatives reach different audiences and collaborate for the local development of their regions of operation. Together with these institutions, we invest in projects, donate food and offer volunteer work with the participation of our employees, among other ways to support, financially or not, their initiatives offered.

We constantly engage our employees in the Company's ESG Strategic Agenda, relaunched in 2022, when the material topics were updated and public commitments were made to be achieved by 2030. Our agenda is composed of priority themes, indicators, goals and clear governance, in which our leaders play a leading role in achieving results. Throughout 2023,

10.1 Description of human resources

the main leaders and other employees involved in this agenda were trained in the various priority topics and enabled important deliveries to bring our result closer to the goals by 2030. As a result, for the fourth year in a row, we were included in the Corporate Sustainability Index's portfolio of B3 companies and obtained the maximum score in the CDP Clima report, reaching level A. Among other important achievements, we maintained the AA grade in our ESG rating in the evaluation of MSCI (Morgan Stanley Capital International), internationally recognized for publishing performance indexes of the world's most important stocks and stock exchanges.

All business areas support the governance of the ESG Strategic Agenda through practices, programs and projects. Each prioritized topic is addressed through multidisciplinary Working Groups (WGs) and/or is part of the scope of activity of a specific area. The results of the initiatives are periodically reported to the Sustainability Committee and to the directive level at the monthly Management by Guidelines (GPD) meetings. Approval and reporting of sustainability targets is done through the Sustainability Executive Committee (composed of five executives), the ESG Committee (composed of five members with strategic positions in the company, one of whom is independent) and the Board of Directors (composed of seven members, three of whom are independent). The Board of Directors is the company's largest governance body, and its responsibilities include monitoring priority issue challenges and stakeholder demands, and enabling engagement with key stakeholders, either through the goals of our Sustainability Agenda or through strategic projects approved and discussed throughout the year.

We disseminate our Sustainability Policy to stakeholders and reinforce our efforts to enforce the principles of the Global Compact and the UN Sustainable Development Goals (SDGs). We are also a member of the Brazilian Business Council for Sustainable Development (CEBEDS), the Business Pact for Integrity and Against Corruption, linked to the Ethos Institute, reinforcing our commitment to promoting a more integral and ethical market.

In March 2024, the Company's Annual Report for 2023 was published. To advance the sustainable agenda, the company's entire value chain must be involved. Therefore, several engagement activities were carried out during the year. We are disclosing some of them below:

- Public disclosure of the podcast "Our Commitments 2030", which has a series of dynamic videos to involve the internal public and stakeholders in the main themes;
- Several initiatives to disseminate the ESG Strategic Agenda in the press, social networks and internal communication vehicles, as well as training events on sustainability;
- Holding of the Sustainability Meeting – Actions for Sustainable Development, celebrating the 10 years of M. Dias Branco's ESG Strategic Agenda, which provided more than 140 hours of training for employees;
- The members of the Working Groups participated in a training on how ESG practices create shared value for companies and society, with reinforcement on ESG washing;
- Conducting the II Workshop for Suppliers with the theme Synergies and Sustainability.

b. number of third parties (total and by groups, based on the activity performed and the geographic location)

	North	Northeast	Midwest	Southeast	South	Abroad	Total
Production	0	634	0	132	53	0	819
Commercial	114	582	50	552	90	0	1,388
Logistics	0	1,354	0	1,005	108	0	2,467
Administrative	0	209	0	6	0	0	215
Total	114	2,779	50	1,695	251	0	4,889

10.1 Description of human resources

c. turnover rate

	2021	2022	2023
Turnover Index	8.63%	11.88%	13.44%
Turnover Index (Monthly Average)	0.72%	0.99%	1.12%

*In line with good market practice regarding the calculation of turnover, as of 2022, we will remove from the data universe the restructuring dismissals, which consist of positions that no longer exist in the Company, as well as the new vacancies that were created in the current year. Unlike previous years, the identification of this data was possible through the technological modernization of the resources used in the People Management area.

10.2 Relevant changes

There was no relevant change in relation to the numbers disclosed in item 10.1.

10.3 Employee remuneration policies and practices

a. salaries and variable remuneration policy

The Company adopts a remuneration strategy based on three pillars: alignment with the strategic priorities of the business, strengthening the results culture and internal/external salary balance (market practices), in order to ensure attractiveness in attracting and retaining talent. Fixed salaries are adjusted annually, according to collective agreements or conventions of the categories of employees and labor legislation.

The Company also grants salary adjustments, through promotion/merit of employees who stand out in their performance and contribute in a differentiated way to meet the demands of the business, in line with the Performance Management model and the Positions, Careers and Remuneration Policy, the guidelines are applied regardless of gender, sexual orientation, ethnicity, race, disability and age group.

The monthly variable remuneration is granted to the commercial team, as a way to boost the achievement of the results established in the Company's Strategic and Budgetary Management. In addition, the profit sharing program (PLR) is adopted in a company-wide manner that includes all employees, linked to the achievement of sector and company goals, with multiples of salaries in line with market practices in organizations of similar size, defined according to the nature of the position. In 2017 we implemented the Long-Term Incentive (ILP) for the non-statutory board level, in 2019 we also implemented this incentive for the statutory board elected in 2019. In 2021, the Long-Term Incentive (ILP) model underwent a review and in addition to the Statutory and Executive Board, the program was extended to the Executive Management level, enhancing everyone's commitment to the sustainability of the business and its long-term performance.

b. benefits policy

The benefits package offered to the company's employees includes medical and dental care, life insurance, technical and behavioral training costs, public transportation or transportation vouchers, meals or meal vouchers, basic food basket, childcare allowance, partial subsidy of a monthly plan that allows access to gyms and sports consultants throughout Brazil, birthday day off, differentiated hybrid model after maternity leave, extended paternity leave of 20 days, and unpaid leave for employees who are absent for career development, such as a course abroad.

c. share-based remuneration plans for non-management employees

Not applicable, as the Company does not have share-based remuneration plans for non-managing employees.

d. ratio between the highest individual remuneration and the median of the individual remuneration of the employees of the issuer in Brazil, disregarding the highest individual remuneration

The ratio between the highest individual remuneration in 2023 is 202.04 times higher than the average remuneration of other employees.

Most of the more than 16 thousand employees of the Company allocated in its production units, distribution centers and regional sales centers throughout Brazil, occupy operational positions and, often, with the remuneration closest to the salary floor of the category, defined by means of an agreement and/or collective agreement and aligned with the other remuneration of companies in the sector.

10.4 Relations between issuer and unions

The Company maintains an ongoing dialogue with the trade union organizations representing the categories in which we operate in the Brazilian units, holding regular meetings to discuss demands for wages, benefits and improvements in working practices.

Negotiations are conducted by the Human Resources and Legal Departments, always considering the external environment (inflation, gross domestic product, country growth, unemployment levels and minimum wage adjustments) as well as the business scenario (sales performance and budget compliance) to support the decisions of the Executive Board.

There were no stoppages and strikes in the last 3 fiscal years (2021, 2022 and 2023).

10.5 Other relevant information

All relevant information was evidenced in the previous topics.

11.1 Rules, policies and practices

The Related Party Contracting Policy was approved by the Board of Directors on October 28, 2013, and last revised on February 10, 2023, in order to ensure that all decisions involving related parties are made in the interest of the Company and its shareholders, in strict compliance with the legal provisions contained in Law No. 6.404/76 and the rules issued by the Brazilian Securities and Exchange Commission (CVM). This policy applies to all units and is based on the Company's by-laws, the Brazilian Corporate Code, the Securities and Exchange Commission's rules governing the matter, the Technical Pronouncement of the Accounting Pronouncements Committee - CPC 05, the rules of the Novo Mercado and best corporate governance practices.

According to this policy, the execution of a transaction with a related party should only take place if certain minimum requirements are met, such as proof that the related party actually has the conditions to market or provide the intended service under the required quality conditions, proof that the related party charges prices compatible with the market and that the transaction will not generate losses for the Company, among others.

If the amount is material, the transaction must be pre-approved by the Audit Committee, which must consider the benefits of the transaction to the Company. Subsequently, the analysis must be forwarded to the Board of Directors, which will expressly express its approval. As a rule, M. Dias Branco does not carry out operations of a financial nature with companies under the same control. However, with regard to the provision of guarantees, the Chairperson of the Company's Board of Directors appears in part of the financial contracts in the position of guarantor.

The companies in which the close family members have control, a significant interest or significant influence that have moved with the issuer are as follows: Dias Branco Administração e Participação Ltda., Praia Centro Hotel Viagens e Turismo Ltda., Terminal Portuário Cotegipe S.A., Companhia Industrial de Cimento Apodi, Idibra Participações Ltda., LDB transp de cargas Ltda, LDB logística e transportes Ltda, THB CE consultoria, gerência de riscos e corretagem de seguros Ltda., WEF engenharia e automação Ltda, Buhler & Scherler S.A, AET engenharia e soluções tecnológicas avançadas S.A, Everest com de prod médicos e odontológicos Ltda. and Support Administração e serviços S/S Ltda. (Holiday Inn Fortaleza), all companies that present or have presented transactions with the issuer.

The full text of the Related Party Contracting Policy is available on the IR website under Corporate Governance\ Other Policies\ Policy on Related Party Transactions and Other Situations Involving Conflict of Interest.

The contracted operations are summarized in item 11.2 of this Reference Form.

11.2 Related party transactions

Related party	Transaction date	Actual amount involved	Existing balance	Actual Amount	Duration	Interest rate charged
Buhler & Scherler S.A.	09/26/2023	810,000.00	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Purchase of property, plant and equipment					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
Delta 7&8 Holding Energia S.A.	01/09/2023	37,572,897.67	3,393,303.54	Not applicable	Undetermined	0
Relationship with the issuer	Affiliate					
Contractual object	Provision of electrical energy services					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
Everest Comércio de Produtos Médicos e Odontológicos Ltda.	01/05/2023	14,525.00	2,156.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Provision of maintenance services and installation of equipment					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					

11.2 Related party transactions

Related party	Transaction date	Actual amount involved	Existing balance	Actual Amount	Duration	Interest rate charged
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
Idibra Participações S.A.	12/17/2023	5,060.71	5,060.71	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Sale of products manufactured by the controller					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Creditor					
Specification of Contractual Position						
Idibra Participações S.A.	09/15/2023	7,040.00	1,280.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Provision of civil construction services					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
LDB Logística e Transporte Ltda.	01/02/2023	1,733,796.74	467,375.50	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Cargo transportation services					

11.2 Related party transactions

Related party	Transaction date	Actual amount involved	Existing balance	Actual Amount	Duration	Interest rate charged
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
LDB Transporte de Cargas Ltda.	01/09/2023	120,337.07	27,753.33	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Sale of other goods					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
LDB Transporte de Cargas Ltda.	01/02/2023	17,482,226.28	4699523.21	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Cargo transportation services					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
Maria Consuelo Saraiva Leão Dias Branco	12/31/2023	232,598.17	232,598.17	Not applicable	Undetermined	0

11.2 Related party transactions

Related party	Transaction date	Actual amount involved	Existing balance	Actual Amount	Duration	Interest rate charged
Relationship with the issuer	Chairperson of the Board of Directors					
Contractual object	Provision of guarantees in part of the Company's financial contracts					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Other					
Specification of Contractual Position	Secured					
PRAIA CENTRO HOTÉIS, VIAGENS E TURISMO LTDA.	01/09/2023	37,572,897.67	3,393,303.54	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Sale of products manufactured by the controller					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Creditor					
Specification of Contractual Position						
PRAIA CENTRO HOTÉIS, VIAGENS E TURISMO LTDA.	01/01/2023	926,451.30	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Hospitality services					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					

11.2 Related party transactions

Related party	Transaction date	Actual amount involved	Existing balance	Actual Amount	Duration	Interest rate charged
Issuer's contractual position	Debtor					
Specification of Contractual Position						
Support Administração e Serviços S/S Ltda.	01/10/2023	1,583,624.17	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Hospitality services					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
Terminal Portuário Cotegipe S.A.	02/27/2023	4,847.93	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Sale of products manufactured by the controller					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Creditor					
Specification of Contractual Position						
TERMINAL PORTUÁRIO COTEGIPE S.A.	07/06/2023	16,044.52	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Sale of other goods					
Warranty and insurance	Not applicable					

11.2 Related party transactions

Related party	Transaction date	Actual amount involved	Existing balance	Actual Amount	Duration	Interest rate charged
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Creditor					
Specification of Contractual Position						
TERMINAL PORTUÁRIO COTEGIPE S.A.	01/24/2023	6,157,500.57	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Provision of wheat unloading and other services					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
THB CE Consultoria, Gerência de Riscos e Corretagem de Seguros Ltda.	01/02/2023	739,658.35	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Provision of advisory or consultancy services					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
WEF Engenharia e Automacao Ltda.	01/23/2023	868,604.99	507,499.09	Not applicable	Undetermined	0

11.2 Related party transactions

Related party	Transaction date	Actual amount involved	Existing balance	Actual Amount	Duration	Interest rate charged
Relationship with the issuer	Related Party					
Contractual object	Provision of maintenance services and installation of equipment					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						
WEF Engenharia e Automação Ltda.	11/29/2023	149,362.00	0.00	Not applicable	Undetermined	0
Relationship with the issuer	Related Party					
Contractual object	Purchase of property, plant and equipment					
Warranty and insurance	Not applicable					
Rescission or termination	Not applicable					
Nature and reason for operation	Not applicable					
Issuer's contractual position	Debtor					
Specification of Contractual Position						

11.2 Items' n. 'and' o. '

n. Identify the measures taken to address conflicts of interest

All the Company's transactions, in particular those with related parties, were duly submitted to the Management, to which they were subordinated, in accordance with the Company's current practices.

The Company performs prior analyses of the conditions of transactions with related parties through its Executive Board. In addition, it adopts corporate governance practices, the Novo Mercado Regulation, and acts in accordance with the Brazilian Corporate Law, which provides, among other things, that any shareholder or director may not vote on a resolution on a matter in which they have a conflict of interest with the Company.

The Company has a specific conflict of interest policy to establish rules, guidelines and procedures to be followed to ensure that all decisions regarding related party transactions and other situations involving a potential conflict of interest are made in the best interests of the Company and its shareholders. We have therefore adopted the following measures: (i) the establishment of an Ethics Committee, which is the body responsible for advising the Audit Committee on the oversight of communications received through the Ethics Channel, and which must be consulted in all cases of potential conflicts of interest; (ii) the oversight of potential conflicts of interest and compliance with the Company's Code of Ethics by the Audit Committee, a body composed solely of independent members; (iii) oversight by the Board of Directors of executive officers' relationships with each other and with other interested parties, mediation and resolution of impasses and conflicts; and (iv) resolution of conflicts of interest through arbitration pursuant to Chapter X of the Bylaws.

o. Demonstrate the strictly commutative nature of the agreed conditions or the appropriate compensatory payment

Related party transactions are carried out at arm's length and on terms that are in the best interests of the Company, taking into account the analyses made by management for each transaction. The choice of the company to be hired also takes into account the applicable commercial conditions and/or technical qualifications.

In the contracts mentioned in item 11.2, there are no interest rates, in view of the nature of such contracts. The business and transactions between the Company and the related parties currently in effect at the date of this document are briefly summarized below.

Supply of products manufactured by the parent company

The Company sells products to the companies Idibra Participações S.A., Praia Centro Hotéis, Viagens e Turismo Ltda. and Terminal Portuário Cotegipe S.A., as of January 15, 2023, at prices and conditions appropriate to the market. The companies are not controlled by or affiliated with the Company, but Maria Consuelo Saraiva Leão Dias Branco, Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco hold a relevant interest, directly or indirectly.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Cargo transportation

The Company contracts cargo transportation service from LDB Transporte de Cargas Ltda. and LDB Logística e Transporte Ltda., companies not controlled by or affiliated with the Company, but of which Mr. Francisco Ivens de Sá Dias Branco Junior is a partner. As usual in this type of contracting, the Company does not enter into formal contracts to carry out these operations, but contracts them on

11.2 Items' n. 'and' o. '

demand, formalized through freight bills. The value of the operations is determined through specific negotiations with the aforementioned company and also compared to the market prices of transportation, through the National Cost Index of Mass Transportation - INCTL, which is recognized as the market reference for this type of service.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Supply of other goods

The Company sells other goods to the companies LDB Transporte de Cargas Ltda. and Terminal Portuário Cotegipe S.A. at prices and conditions appropriate to those of the market. The companies are not controlled or affiliated with the Company, but Mr. Francisco Ivens de Sá Dias Branco Junior is a partner.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Purchase of property, plant and equipment

The Company buys property, plant and equipment from the companies WEF Engenharia e Automação Ltda. and Buhler & Scherler S.A. The company WEF Engenharia e Automação Ltda. is not controlled by or affiliated with the Company, but Mr. Francisco Cláudio Saraiva Leão Dias Branco is a partner.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Provision of electricity services

The Company contracts electricity services to Delta 7&8 Holding Energia S.A., which is affiliated with the Company.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Hiring of hotel services

The Company hires hotel services for its employees and service providers with the companies Praia Centro Hotel Viagens e Turismo Ltda. and Support Administração e Serviços S/S Ltda. Praia Centro Hotel Viagens e Turismo Ltda. is not controlled by or affiliated with the Company, but Maria Consuelo Saraiva Leão Dias Branco, Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco hold a relevant interest, directly or indirectly. The service is contracted by an independent tourism agency.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Provision of equipment maintenance and installation services

The Company contracts maintenance and installation services for equipment from WEF Engenharia e Automação Ltda. and Everest Comércio de Produtos Médicos e Odontológicos Ltda. WEF Engenharia e Automação Ltda. is not controlled by or affiliated with the Company, but Mr. Francisco Cláudio Saraiva Leão Dias Branco is a partner. Everest Comércio de Produtos Médicos e Odontológicos Ltda. is not controlled by or affiliated with the Company.

11.2 Items' n. 'and' o. '

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Provision of civil construction services

The Company contracts for construction services with Idibra Participações Ltda., a company that is not controlled by or affiliated with the Company, but in which Maria Consuelo Saraiva Leão Dias Branco, Francisco Ivens de Sá Dias Branco Júnior, Francisco Marcos Saraiva Leão Dias Branco, Francisco Cláudio Saraiva Leão Dias Branco, Maria das Graças Dias Branco da Escóssia and Maria Regina Saraiva Leão Dias Branco have a relevant direct or indirect interest.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

Provision of guarantees

Ms. Maria Consuelo Saraiva Leão Dias Branco, Chairperson of the Board of Directors, appears as guarantor in some contracts. In part of these instruments, some of the statutory officers also appear as guarantors, together with Ms. Maria Consuelo. For new contracts, the Company does not currently provide this type of guarantee.

For amounts due in 2023 and balances outstanding at December 31, 2023, see Note 11.2.

11.3 Other relevant information

All relevant information was evidenced in the previous topics.

12.1 Information on share capital

Capital Type	Paid-in Capital	
Date of authorization or approval	Payment deadline	Capital value
03/26/2021		2,597,656,478.44
Number of common shares	Number of preferred shares	Total number of shares
339,000,000	0	339,000,000

12.2 Foreign issuers - Rights and rules

It does not apply, as the Company is a company of national origin and all securities issued by it are held in custody in the Brazilian market.

12.3 Other securities issued in Brazil

Securities	Debentures
Identification of the security	Debentures subject to private placement, without intermediation and/or any sales effort.
Issue date	03/15/2021
Due date	03/13/2031
Quantity	523,024
Overall nominal value	523,024,000.00
R\$	
Outstanding Debt Balance	523,024,000.00
Circulation restriction	Yes
Restriction description	Private Placement
Convertibility	No
Redemption possibility	Yes
Hypothesis and calculation of the redemption value	The Issuer may, at its sole discretion, make, at any time, an offer of early redemption of all First Series Debentures and/or Second Series Debentures, jointly or individually, in whole or in part, with the consequent cancellation thereof, which will be addressed to the Debenture Holder, in accordance with the terms and conditions set forth in the Indenture ("Early Redemption Offer"). The Issuer will make the Early Redemption Offer through a communication directed to the Debenture Holder and the CRA Trustee at the addresses contained in Clause Nine below ("Notice of Early Redemption Offer of the Debentures"), in which the terms and conditions of the Early Redemption Offer will be described, including: (a) the amount proposed for the early redemption of the Debentures, which must be equivalent to the totality of the Updated Unit Par Value, plus the Remuneration of the respective series, calculated pro rata temporis on the Unit Par Value, from the Date of the First Payment or the last Remuneration Payment Date of the respective series, as the case may be, until the date of early redemption; (b) the percentage of the early redemption premium to be offered, if any, which cannot be negative; (c) the form and term of manifestation of the Debenture Holder to the Issuer on the number of Debentures that will adhere to the Early Redemption Offer, which term must be at least 15 (fifteen) days and at most 30 (thirty) days from the date of the Notice of Early Redemption Offer of the Debentures ("Adhesion Term"); (d) the effective date for the early redemption and payment of the Debentures, which must occur within at least 40 (forty) Business Days from the date of the Notice of Early Redemption Offer of the Debentures; (e) whether the effective early redemption of the Debentures by the Issuer is subject to the adhesion of all or a minimum number of the Debentures to the Early Redemption Offer; (f) whether the Early Redemption Offer will relate to part or all of the First Series Debentures and/or the Second Series Debentures; (g) whether the Early Redemption Offer will be related to the Debentures of all series or only one or two Series; and (h) other information necessary for the decision making by the Debenture Holder and the operation of the early redemption of the Debentures within the scope of the Early Redemption Offer.

12.3 Other securities issued in Brazil

Characteristics of debt securities The Debentures will be privately placed, without the intermediation of institutions that are part of the securities distribution system and/or any effort to sell to investors, by signing the Subscription Bulletin, according to the model contained in Annex III to this Indenture ("Subscription Bulletin"), to be signed by the Debenture Holder. The Debentures are representative of agribusiness credit rights since: (i) the resources of the Resource Allocation Schedule will be fully and exclusively destined to the acquisition of Inputs, characterized as "agricultural products" for the purposes of the first paragraph of article 23 of Law 11.076 of December 30, 2004, as amended ("Law 11.076"), as their origin is essentially agricultural cultivation and production; and (ii) the Inputs will be acquired by the Issuer directly from persons who develop the cultivation and production activity, that is, who are characterized as "rural producers" under the terms of article 165 of the Normative Instruction of the Federal Revenue of Brazil No. 971 of November 13, 2009 ("IN RFB 971"), as verified by the Issuer and the Fiduciary Agent of the CRAs and listed in Annex I of the Indenture, based on supply contracts in force.

Conditions for alteration of the rights secured by such securities –

Other relevant characteristics –

Securities	Debentures
Identification of the security	Debentures subject to private placement, without intermediation and/or any sales effort.
Issue date	03/15/2021
Due date	03/13/2028
Quantity	288,620
Overall nominal value	288,620,000.00
R\$	
Outstanding Debt Balance	288,620,000.00
Circulation restriction	Yes
Restriction description	Private Placement
Convertibility	No
Redemption possibility	Yes

12.3 Other securities issued in Brazil

Hypothesis and calculation of the redemption value	<p>The Issuer may, at its sole discretion, make, at any time, an offer of early redemption of all First Series Debentures and/or Second Series Debentures, jointly or individually, in whole or in part, with the consequent cancellation thereof, which will be addressed to the Debenture Holder, in accordance with the terms and conditions set forth in the Indenture ("Early Redemption Offer"). The Issuer will make the Early Redemption Offer through a communication directed to the Debenture Holder and the CRA Trustee at the addresses contained in Clause Nine below ("Notice of Early Redemption Offer of the Debentures"), in which the terms and conditions of the Early Redemption Offer will be described, including: (a) the amount proposed for the early redemption of the Debentures, which must be equivalent to the totality of the Updated Unit Par Value, plus the Remuneration of the respective series, calculated pro rata temporis on the Unit Par Value, from the Date of the First Payment or the last Remuneration Payment Date of the respective series, as the case may be, until the date of early redemption; (b) the percentage of the early redemption premium to be offered, if any, which cannot be negative; (c) the form and term of manifestation of the Debenture Holder to the Issuer on the number of Debentures that will adhere to the Early Redemption Offer, which term must be at least 15 (fifteen) days and at most 30 (thirty) days from the date of the Notice of Early Redemption Offer of the Debentures ("Adhesion Term"); (d) the effective date for the early redemption and payment of the Debentures, which must occur within at least 40 (forty) Business Days from the date of the Notice of Early Redemption Offer of the Debentures; (e) whether the effective early redemption of the Debentures by the Issuer is subject to the adhesion of all or a minimum number of the Debentures to the Early Redemption Offer; (f) whether the Early Redemption Offer will relate to part or all of the First Series Debentures and/or the Second Series Debentures; (g) whether the Early Redemption Offer will be related to the Debentures of all series or only one or two Series; and (h) other information necessary for the decision making by the Debenture Holder and the operation of the early redemption of the Debentures within the scope of the Early Redemption Offer.</p>
Characteristics of debt securities	<p>The Debentures will be privately placed, without the intermediation of institutions that are part of the securities distribution system and/or any effort to sell to investors, by signing the Subscription Bulletin, according to the model contained in Annex III to this Indenture ("Subscription Bulletin"), to be signed by the Debenture Holder. The Debentures are representative of agribusiness credit rights since: (i) the resources of the Resource Allocation Schedule will be fully and exclusively destined to the acquisition of Inputs, characterized as "agricultural products" for the purposes of the first paragraph of article 23, of Law 11.076, of December 3, 2004, as amended ("Law 11.076"), as their origin is essentially agricultural cultivation and production; and (ii) the Inputs will be acquired by the Issuer directly from persons who develop the cultivation and production activity, that is, who are characterized as "rural producers" under the terms of article 165 of the Normative Instruction of the Federal Revenue of Brazil No. 971, of November 13, 2009 ("IN RFB 971"), as verified by the Issuer and the Trustee of the CRA and listed in Annex I of the Issue Deed, based on supply contracts in force.</p>
Conditions for alteration of the rights secured by such securities	–
Other relevant characteristics	–

12.4 Number of security holders

Securities	Individuals	Legal Entities	Institutional Investors
Debentures	0	0	1
Commercial Note	0	0	1

12.5 Trading markets in Brazil

The Company's common shares have been admitted to trading on the Novo Mercado of B3 S.A. - Brasil, Bolsa, Balcão ("B3") under the code "MDIA3" since October 2006.

12.6 Trading in foreign markets

Justification for not completing the table:

The Company does not have shares traded in foreign markets. All its shares are traded on B3 S.A. - Brasil, Bolsa, Balcão ("B3").

12.7 Securities issued abroad

Justification for not completing the table:

The Company does not have securities issued abroad.

12.8 Allocation of resources from public offerings

It does not apply, as the Company, its subsidiaries and the controlling shareholder have not carried out any public offering in the last three fiscal years.

12.9 Other relevant information

All relevant information relating to this item has been cited above.

13.1 Identification of those Responsible for the FRE Content

Name of the person responsible for the content of the form	Position of the person responsible
Francisco Ivens de Sá Dias Branco Júnior	Chief Executive Officer
Gustavo Lopes Theodozio	Investor Relations Officer

13.1 Statement by the Chief Executive Officer

Francisco Ivens de Sá Dias Branco Júnior, Chief Executive Officer of M. Dias Branco S.A. Ind. e Com. de Alimentos, declares that:

- a) the Reference Form has been reviewed;
- b) all information contained in the form complies with the provisions of CVM Resolution No. 80, especially articles 15 to 20;
- c) the information contained therein truly, accurately and completely portrays the activities of the issuer and the risks inherent to its activities.

Francisco Ivens de Sá Dias Branco Júnior
Chief Executive Officer
M. Dias Branco S.A. Ind. e Com. De Alimentos

13.1 Statement by the Chief Executive Officer



SIGNATURE PROTOCOL

The above document was proposed for digital signature on the M DIAS BRANCO Signature Portal platform. To verify the signatures click on the link: <https://mdiasbranco.portaldeassinaturas.com.br/Verificar/8106-739A-8E3E-8773> or go to the website <https://mdiasbranco.portaldeassinaturas.com.br:443> and use the code below to verify that this document is valid.

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The name(s) indicated for signature, as well as their status on 05/29/2024 is (are):

- Francisco Ivens De Sa Dias Branco Junior - 155.400.143-91 on 05/29/2024 08:24 UTC-03:00

Type: Electronic Signature

Identification: Email: ivensjr@mdlasbranco.com.br

Evidence

Client Timestamp Wed May 29 2024 08:23:57 GMT-0300 Geolocation

Latitude: -23.557232887297126 **Longitude:** -46.65326437131367 **Accuracy:** 35

IP 191.39.139.252

Signature:

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The name(s) indicated to authorize, as well as their status on 05/29/2024 is (are):

- Henrico Perseu Benicio Rodrigues - 021.828.323-78 on

27/05/2024 11:51 UTC-03:00



13.1 Statement by the Chief Executive Officer

Gustavo Lopes Theodozio, Investor Relations Officer of M. Dias Branco S.A. Ind. e Com. de Alimentos, declares that:

- a) the Reference Form has been reviewed;
- b) all information contained in the form complies with the provisions of CVM Resolution No. 80, especially articles 15 to 20;
- c) the information contained therein truly, accurately and completely portrays the activities of the issuer and the risks inherent to its activities.

Gustavo Lopes Theodozio

Vice President of Investments and Controllershship and

Investor Relations Officer

M. Dias Branco S.A. Ind. e Com. De Alimentos

13.1 Statement by the Chief Executive Officer



SIGNATURE PROTOCOL

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The name(s) indicated for signature, as well as their status on 05/29/2024 is (are):

- Gustavo Lopes Theodozio - 620.569.564-20 on 05/29/2024 02:48 UTC-03:00

Type: Electronic Signature

Identification: Email: gustavo.theodozio@mdiasbranco.com.br

Evidence

Client Timestamp Wed May 29 2024 02:48:27 GMT-0300 (Brasilia Standard Time)

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IP 179.224.187.211

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8BB40B7025DC20E9B4343DC15CA02299ABC0815190321AE3EF63225CE1EFE3EE

The name(s) indicated to authorize, as well as their status on 05/29/2024 is (are):

- Henrico Perseu Benicio Rodrigues - 021.828.323-78 on

05/27/2024 11:54 AM UTC-03:00

