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## 1.1 Issuer Background

M. Dias Branco SA Indústria e Comércio de Alimentos began its activities in October 1961, but since the 1940s, the Company's founder, Mr. Manuel Dias Branco, was already conducting activities related to baking and manufacturing of crackers and cookies in the State of Ceará, using artisan techniques, having created, on May 21, 1951, the company M. Dias Branco & Cia Ltda. to conduct these businesses.

As from 1953, when his son, Mr. Francisco Ivens de Sá Dias Branco joined the company, then known as M. Dias Branco & Cia. Ltda., new guidelines were adopted in business, particularly related to investments, which became to be concentrated in the large-scale industrial production of crackers and cookies and pastas then sold.

At the beginning of the 60's, the Company started to develop its current spread distribution model, aimed mainly to service at micro, small and medium retailers, with a door-to-door sales system and at least weekly visits to its customers, allowing the on-site assessment of which products and prices the customers bought and sold, thus enabling the permanent adjustment of its market positioning, selling strategy and relationship.

The development of the distribution model, coupled with large-scale production, enabled the huge expansion of sales of the single industrial facility at that time, initially in the state of Ceará, and then to neighboring states. This growth has encouraged the transfer of the industrial and commercial complex, at that time located in Fortaleza, to the city of Eusébio, about 25 km far from the old headquarters, a process fully completed in 1980. In that period, the Company already had the well-recognized Fortaleza brand, introduced in the 1950s, and was involved in the insertion and consolidation of Richester brand, introduced in 1978, in its operating markets.

With the deregulation of the wheat sector in Brazil, in 1990, a new cycle of growth of the Company's business began. In 1992, the first wheat milling facility was inaugurated in the State of Ceará, and the process of vertical integration of the production of crackers and cookies and pasta began, since the new plant enabled the Company to produce the main raw material of its products. At the same time, the Company also joined the competitive market of flours and wheat bran.

In 2000, continuing the expansion project of the Company, the second wheat mill was inaugurated in the State of Rio Grande do Norte, implementing its second pasta plant in the same industrial complex and with integrated operations. In said complex, the model for eliminating costs related to transport of wheat flour for the manufacturing of pasta was started.

In mid-2002, in an effort aiming a higher integration of its inputs and the joining into new segments, a facility for the production of shortening, margarines and vegetable fats 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 manufacturing of crackers and cookies - the vegetable fat, in addition to starting its activity in the production and selling of margarine and shortening.

In 2003, the third wheat mill was inaugurated in the State of Bahia as well as the acquisition of the total control of the Adria's share capital, a traditional crackers and cookies and pasta producer, was acquired in the Southeast and South regions of the country (according to AC Nielsen data), which provided the Company with a greater footprint in these regions and achievement of the leadership in the national market for pasta and crackers and cookies, according to AC Nielsen. With Adria's acquisition, the brands Adria, Basilar, Isabela and Zabet were added to the brands Richester and Fortaleza, reaching an even wider range of consumers throughout the country. In addition, its production potential became even greater, considering that Adria had three industrial facilities in the State of São Paulo and one in Rio Grande do Sul, including three pasta and two crackers and cookies plants.

## 1.1 Issuer Background

In 2005, under the model of integrating wheat mills with pasta and cracker plants in the same production facility, the fourth crackers and cookies plant and sixth pasta plant were inaugurated in the State of Bahia. both integrated into the Wheat Mill installed in 2003. In this unit in Bahia: (i) the model for the eliminating transport costs of wheat flour for the manufacturing of crackers and cookies and pasta was adopted; (ii) not only the most modern technologies in the world were used in milling and in the manufacturing of pasta and crackers and cookies, but also technologies enabling the Company to produce new products; (iii) the production bases were created to meet its expansion project into the Southeast and South of Brazil, considering the strategic position of Bahia for such and the proximity of the Adria plants in the State of São Paulo; and (iv) the integration of this complex with a modern mixed-use private port, whereby the Company began to import wheat grain with much lower costs when compared to public ports.

In the same year, the fourth wheat mill and its seventh pasta plant were inaugurated in the State of Paraíba, adopting the model of total integration with the mill, in order to eliminate the transportation costs of wheat flour.

For all these achievements, the Company undertook an identical expansion of its distribution network model, targeted at micro, small and medium retailers, including in the Southeast and South of the Country, areas mainly covered by the brands and sales structure of the Adria subsidiary.

In April 2006, the Company was adopted the current corporate name and in October 2006 it became public by trading its shares in the Novo Mercado segment of BM&FBOVESPA under the ticker "MDIA3".

In April 2008, as part of its growth strategy through acquisitions, Indústria de Alimentos Bomgosto Ltda., known as Vitarella, was acquired, a crackers and cookies and pasta company based in the State of Pernambuco, with strong footprint in the Northeast, especially in states where the Company did not hold a majority stake. The deal has contributed to the expansion of the national leadership in the sales of crackers and cookies and pasta, as well as its consolidation in the Northeast, a region that historically presented significant economic growth when compared to the country's average.

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 produces and sells crackers and cookies and pasta under the "PILAR" brand, based in the State of Pernambuco.

In December 2011, the Company acquired all shares representing the total share capital of J. Brandão Comércio e Indústria Ltda. and Pelágio Participações S.A., a company holding all 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 fanciful mark "Estrela", selling crackers and cookies, pasta, cakes and snacks in the North and Northeast of Brazil, 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 simple debentures, non-convertible into shares, of unsecured type, in a single series for public distribution was approved, which was issued in February 2012 and settled on November 22, 2013.

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In May 2012, the Company acquired all shares representing the total share capital of Moinho Santa Lúcia Ltda., a company headquartered in the State of Ceará, which operates in the wheat milling and manufacturing of its derivatives, as well as the production and selling of crackers and cookies and pasta in general, under the brands "Predilieto" and "Bonsabor".

In 2012 and 2013, in an effort aiming to simplify its corporate structure, the acquired companies were merged into the Company and legally extinguished, whereby M. Dias Branco S.A. Indústria e Comércio de Alimentos has absorbed all its rights and obligations.

The year 2014 was marked by the intensification of investments, both in the expansion of crackers and cookies and pasta production lines and the launching of new product lines (cake mix and toasts). The construction of a new wheat mill in the State of Ceará was also started in order to integrate the production process. The Company also carried out the purchase, through a public auction, of a wheat mill located in the State of Paraná, with the purpose of accelerating the integration process of its units in the Southeast region.

In 2015, two new wheat mills came into operation: the first located in the city of Rolândia/PR and the other in the city of Eusebio/CE, the latter integrated with a plant of pasta, crackers and cookies and toasts. This has contributed to increase the vertical integration of our units, mainly those located in the State of São Paulo and in the city of Jaboatão dos Guararapes/PE. The Company also continues with the construction of a new wheat mill in Bento Gonçalves / RS integrated to the pasta and biscuits plant.

The year 2016 was marked by several advances and learning in the Company. Our team was able to advance, in the midst of the challenges of the country's economic scenario, in the constant search for solutions to enable the achievement of the objectives planned for the business, given the commitment to generate satisfactory results for our various stakeholders in short and long term. However, no event in 2016 was more striking than the departure of Mr. Ivens Dias Branco, founder of this Company, who, starting from a bakery, and with intense dedication and work, has built the company that today stands out as one of the great global players in crackers and cookies and pasta businesses, leader in these segments in Brazil in terms of sales volume. His example awakened in us all the desire to honor his legacy, making M. Dias Branco an even bigger and better company.

Among the important initiatives we had in 2016, we highlight the implementation of the Multi-Brand Management Project (PGM), which unified the sales forces, the restructuring of the marketing and export areas, which already obtained the first satisfactory and promising results for the short and long term and the Honor to Legacy Sales Campaign, held shortly after the death of Mr. Ivens Dias Branco, recalling the dreams and values that drove his work and which will be a source of inspiration to keep the team together and focused on preserving the bases of the company's success.

In 2017, in line with its strategy, the Company expanded its marketing investments, promoting several institutional campaigns to leverage volumes and strengthen the positioning of its brands, updated the packaging of some products, and created incentives for the merchandising team, focusing on the achievement of extra shelf points in large customers and expansion of the pool of fixed tasters in order to increase the tasting of products in retail. In addition, in 2017 the Adria Plus Life line of wholegrain crackers and cookies was launched, encompassing sweet and salty crackers, cookies and an innovation created by the Company: the cereal bits. Another highlight was the implementation of improvements in the Company's supply chain, which have already begun to reflect into a greater assertiveness in sales forecasting, increase in the level of service and productivity gains in the separation and shipment of products. It is also worth mentioning the acquisition of a new deodorizer

## 1.1 Issuer Background

for the margarine and shortening plant in Fortaleza (CE), which, after its complete installation, will contribute to supply all the company's units, as well as the creation of a consortium in partnership with Bunge Alimentos S.A. for the leasing of an area and public infrastructure, dedicated to the handling and storage of solid bulk of vegetable origin, especially wheat, located inside the organized port of Rio de Janeiro/RJ.

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

In addition, we started the studies for the re-evaluation of our logistics network, and carried out the first round of connection with startups (Projeto Germinar), improved our pricing model, allowing that decisions on adjustments are base based on more granular information, expanded our exports to 37 countries, including specific products to this business segment, and launched items with high growth potential, such as the Delicitá Cristal cracker, which represented a relevant innovation in the Crackers category. We also highlight the execution of the first inventory of greenhouse gas emissions, the nutritional mapping of our entire product portfolio and the continuous work with social institutions located close to our plants.

In 2019, the commercial structure undergone a reorganization. Aiming to take advantage of the best growth opportunities, we improved our pricing model, implemented a broader go-to-market model focused on increasing the customer base. Expanding vertical integration and footprint in South and Southeast flour markets with the start-up of the 7th wheat milling unit, in Bento Gonçalves/RS unit. The new mill reinforces the strategy of achieving 100% vertical Integration in wheat flour. Also in 2019, the Corporate Governance Committee and the Corporate Governance Secretariat were created, with the purpose of providing support to the Board of Directors, its Advisory Committees and Statutory Board.

2020 was marked by the transformations imposed by the pandemic. In the midst of 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 market by the execution of "Multiplique Project" (Multiply Project), aimed at achieving structural gains in productivity and efficiency gains, the launch of our hedge policy and the heaviest investment in Marketing in our Company's history, in addition to the launch of a new dividend policy, which increased the share of earnings distributed to shareholders and the frequency of payments.

In 2021, the Company acquired 100% of Latinex Importação e Exportação de Alimentos SA (Latinex). As of the date of its acquisition, Latinex has 4 brands with more than 120 items and operates in several categories such as crackers and cookies and healthy snacks, seasonings, sauces and condiments. FIT FOOD and Frontera are its brands focused on snacks, with nutritious options and geared towards relaxing moments, respectively, while Smart offers a variety of seasonings for practical day-to-day cooking up to more sophisticated preparations. In addition, Taste&Co offers sauces and condiments to facilitate the preparation of meals with a lot of flavor.

Latinex lines are available on the shelves of the main supermarket chains, emporiums and natural product stores throughout Brazil. The acquisition reaffirms the Company's commitment to creating long-term value for its shareholders, reinforcing its presence in healthy food and snacks, in addition to marking its entry into the seasonings, sauces and condiments segments, which reflects the business strategy of profitable growth, including products with high growth potential and added value in the portfolio.



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Continuing the strategy of growth in new categories, in 2022, the Company acquired 100% of the shares of Nutrition & Sante do Brasil Ltda., owner of Jasmine brand. Jasmine is focused on healthy food, with organic, zero-sugar and whole grain products, cereals, snacks and zero-gluten. It is the leader in categories of granolas and zero-gluten products. In addition to marking the entry into new segments, the acquisition reinforces the business strategy of profitable growth, adding products with high growth potential and added value to its portfolio.

Another major step was the acquisition of Darcel S.A. and Cacama S.A., owners of Las Acacias brand. The Company was founded in Montevideu in 1952, and is among the three top pasta brands in Uruguay, and also has in this portfolio items in the categories of Wheat Flour, Cake Mix, Sauces, among others. The acquisition, the first outside Brazil, accelerates the internationalization process, which until then was done exclusively with exports to more than 40 countries, including Uruguay with the brands Isabela, Piraquê, and Nikito, among others.

Also in 2022, we announced another major achievement, the alliance with Omega Geração S.A. (Omega). The partnership is aimed at generating energy through three wind farms controlled by Omega for the Company's consumption in its own production units. The wind complex is located in the city of Paulino Neves, State of Maranhão, with wind installed capacity of 97.2 MW, of which 18 MWavg will be traded with the Company under the self-production by equalization regime. The partnership is consistent with the Company's strategy for diversifying its energy matrix based on renewable sources, accessing inputs that are part of its production process and increasing competitiveness by being able to enjoy the benefits related to energy self-production by equalization.

2022 was also marked by the sad scenario of conflicts in Ukraine, in addition to the regrettable humanitarian tragedy that gave rise to uncertainties in the global macro scenario and substantially increased the price of agricultural commodities, directly impacting the price of the main raw materials used by us in our production processes. However, even in this complex environment with limited predictability, the Company managed to uphold its resilience through efficient management, austere discipline of costs and expenses, and constant improvement in service level.

Since 2003, the Company has a nationwide footprint, is the market leader in crackers and cookies and pasta lines, and with Jasmine's acquisition, it became the national leader in granola and gluten-free bread, with a vertical production process, strong brands, distribution system with great penetration in micro and small retailers, production flexibility, certifications that ensure quality processes and products, as well as an experienced team of executives 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 Brazilian food market for more than 60 years and operates in the following product lines: crackers and cookies, pasta, wheat flour and bran, cake mix, margarine and shortening, cakes, snacks, toasts, granola and gluten-free bread, and its corporate purpose is:

- manufacturing and trading of crackers and cookies; pasta; cakes; cake mix; snacks; chips; toasts; wheat flour and other wheat-derived food products; soft drink powder; industrialized breads; tomato sauce; chocolate powder; mix of nuts and seeds, breakfast cereals and chocolate, cereal bars, potatoes, rice biscuits with chocolate, chips, chocolate, sauces, peanut butter, salt, seasonings, syrups;
- manufacturing of hydrogenated shortening, margarines, vegetable oils, its import and export;
- the production, trading and import of raw materials and the agricultural promotion of products necessary to achieve its corporate purpose and secondary materials, including the production and trading of packaging, the production, trading and industrial use of raw materials necessary for the production of these packages;
- import of machinery, equipment, spare parts and other goods, intended for own use, as well as for sale, rent or lease;
- equity interest in other companies, in the country or abroad, in affiliated, controlled or subsidiary companies.
- act as a port operator for its units located in organized ports;
- energy generation and trading and equipment for energy generation, as well as any other ancillary activity aimed at enabling the implementation of generation projects, use or trading of energy, directly or indirectly related to the Company's core activities;
- the collection, transport, treatment, recycling, reuse, destination and/or trading of 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 other environmentally appropriate final destination (for reverse logistics), among other activities, directly or indirectly related to the Company's core activities;
- the provision of consulting, training, planning, development, project management and implementation, support and operation services required for the performance of the activities of its customers and suppliers related directly or indirectly to the Company's core activities.

The Company is the national leader in volume sold in the crackers and cookies and pasta markets, achieving in 2022 a 32.0% share in crackers and cookies (32.0% in 2021 and 33.6% in 2020) and 31.0% in pasta (30.5% in 2021 and 33.5% in 2020), according to data released by Nielsen. Its operations are still concentrated in domestic market, which in 2022 represented 98.4% of revenue net of discounts (98.0% in 2021).

The Company also has an extensive national footprint, with a close proximity to the consumer market, by means of 17 industrial units strategically spread throughout Brazil, which, in addition to using the most modern technologies available for the production of the products, provide relevant flexibility

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

in defining the location and type of product to be manufactured, depending on the best combination between the distance from the consumer market to be served, logistical costs, production costs and tax burdens applicable to each industrial unit. As a result, the Company is able to provide the market with a broad portfolio of products, from the most popular to the highest value added, in whatever region of the country. As of 2022, the Company has an international presence with 1 industrial unit and 1 distribution center in Montevideo, Uruguay through the acquisition of Las Acacias.

An important characteristic of the Company is its vertical integration, i.e., producing the two main raw materials used in its production process. In 2022, 99.6% of all wheat flour and 100% of all vegetable shortenings used in the production process were manufactured in-house. The integrated production chain also provides the Company with conditions for an improved planning of its production, in the search for: (i) higher quality of its products; (ii) higher efficiency in the consumption of the main inputs; (iii) more competitive prices for the products; and (iv) better control of production costs.

Other important feature for the Company's financial and equity condition is the fact that, over more than 60 years, it has developed and consolidated a widespread distribution model, which, without prejudice to the customized service to large customers, is structured mainly to serve micro, small and medium retailers, with a door-to-door sales system.

### Regarding the subsidiaries:

#### M. Dias Branco International Trading LLC

Headquartered in the United States of America, it is a direct subsidiary and its main activity is the intermediation of purchases of raw materials, mainly wheat for milling and vegetable oil used by the Company in its production process. The company is not operating and, therefore, the Company intends to start the procedure for closing this subsidiary.

#### M. Dias Branco International Trading Uruguay S. A.

Headquartered in Uruguay, it is an indirect subsidiary and its main activity is the intermediation of purchases of raw materials, mainly wheat for milling used by the Company in its production process. The company is not operating and, therefore, the Company has started the procedure for closing the entity.

#### M. Dias Branco Argentina S. A.

The Company incorporated a corporation headquartered in Buenos Aires, with the main purpose of acquiring, importing and exporting wheat grain, wheat flour and derivatives. However, the entity did not started operations and the Company decided not to continue the process, and started the procedures for closing the entity.

#### Latinex Importação e Exportação de Alimentos Ltda.

A direct subsidiary, incorporated in 2003, is located in the city of São José dos Pinhais in the state of Paraná and its main activity is the production, sale and distribution of crackers and cookies and healthy snacks, seasonings, sauces and condiments.

#### Jasmine Indústria e Comércio de Alimentos Ltda.

The indirect subsidiary, incorporated in 1990, is located in the city of Campina Grande do Sul in the state of Paraná and its main activity is the production, sale and distribution of healthy foods with organic, zero-sugar, whole grain products, cereals, snacks, granolas and gluten-free bread.

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

### Darcel S.A. and Cacama S.A. ("Las Acacias")

The indirect subsidiaries, incorporated in 1952, are located in Montevideo, Uruguay and are primarily engaged in the production, sale and distribution of pasta, also having in their portfolio items in the categories of wheat flour, cake mix, sauces, among others.

### **In relation to jointly operated companies:**

### 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 hold an equivalent stake of 33.33% of its capital and which appoint, by mutual agreement, the Chief Operation Officer in charge of Tergran's Management. The Company considers the investment as a joint operation, and its assets, liabilities, revenues and expenses are recognized, in relation to its interest, only in the consolidated statements, as Tergran has its own legal veil, and, therefore, the investment is recognized in the individual financial information through the equity pickup method. Tergran is a company engaged in port operations, providing unloading and storage services for wheat in the Port of Fortaleza, with the primary purpose 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 an equity interest in the joint venture with Companhia Bunge Alimentos S.A. (Bunge), which hold a stake equivalent to 50% of its capital. Terminal de Trigo do Rio de Janeiro - Logística S.A. is a lessee in the agreement entered into on September 21, 2017 with the Federal Government, through the Ministry of Transport, Ports and Civil Aviation, covering the leasing of the area and public infrastructure for the handling and storage of solid bulk of vegetable origin, especially wheat, located inside the organized port of Rio de Janeiro/RJ. The Company recognizes its investment related to its interest in the operation using the equity pickup method, both in the individual and consolidated financial statements. The Company's participation in this business is part of its logistical improvement strategy for the supply of inputs to its industrial plants located in the Southeast region. Terminal de Trigo do Rio de Janeiro - Logística S.A. started operations on January 8, 2020.

### **Affiliate**

### Omega Delta 7&8 Holding Energia S.A ("Omega")

On August 30, 2022, the Company completed the transaction underlying the partnership agreement with Omega for the purpose of generating energy to be consumed by the Company in its production facilities as a strategy to diversify its energy matrix from renewable sources, access to inputs that are part of its production process, and increased competitiveness by being able to enjoy the benefits related to the self-production of energy by equivalence. The Company has a 24.5% equity interest in the total capital of the investee and enjoys significant influence, with no right to individual or joint control of the business, which is controlled Omega. The Company recognizes its investment related to its interest in the operation using the equity pickup method, both in the individual and consolidated financial statements.

## 1.3 Information related to operating segments

### a. Products and services sold

The Company operates in the food segment in the following product lines: crackers and cookies, pasta, flour and wheat bran, margarine and vegetable shortenings, cakes, snacks, cake mix and toasts. With acquisitions of Latinex in 2021 and Jasmine in 2022, the Company reinforced its presence in healthy foods and snacks, in addition to entering the sauces, seasonings and condiments segments.

Its production structure is vertical. Thus, part of the production of wheat flour and vegetable shortenings is dedicated to the production process of the product lines. In addition, the Company has industrial plants in several Brazilian states and one abroad, related to the Uruguayan company Las Acacias, acquired in 2022, providing flexibility in the production of its various brands, reducing logistics costs and increasing the distribution efficiency.

#### Product Lines and Brands

The Company offers a wide range of products, comprised by 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. The Company chooses to maintain different brands for many identical products due to its reputation and visibility, with the purpose of serving the most diverse consumer profiles, from classes A/B/C/D/E, thus covering several regions of Brazilian territory. For a better understanding of its area of operation, the information is presented by product line.

Its most representative product line, in terms of revenue, is crackers and cookies, followed by pasta. The table below shows the amounts, in millions of Brazilian Reais, of its net operating revenue from sales of crackers and cookies, pasta, wheat flour and bran, margarine and vegetable shortenings and other product lines, as well as the representative percentage of each one in relation to the total amount of net revenues, in the periods indicated:

Product Lines	2021	VA%	2022	VA%
Crackers and cookies	3,960.4	50.7%	5,137.8	50.7%
Pasta	1,713.5	21.9%	2,104.1	20.8%
Flours and Brans	1,425.6	18.2%	1,861.5	18.4%
Margarine and Shortening	545.7	7.0%	681.2	6.7%
Other Product Lines**	168.8	2.2%	344.6	3.4%
<b>TOTAL</b>	<b>7,814.0</b>	<b>100.0%</b>	<b>10,129.2</b>	<b>100.0%</b>

<sup>(1)</sup> Cakes, snacks, cake mix, refreshments, packaged toasts, healthy products, sauces and seasoning.

#### Operational Context - Crackers and cookies | Pasta

The production of crackers and cookies comprises products of the following types: water and salt/cream crackers, buttery, filled, bars, iced, sweets, maria, maizena, donuts, savory, mini-tarts and wafers. In relation to pasta, the Company has shares in the families of regular noodles, grano duro, semolina, semolina with eggs, lasagne, pasta for microwaves and instant noodles.

Its main brands of crackers and cookies and pasta are Vitarella, Piraquê, Fortaleza, Richester, Adria, Isabela, Estrela, Pilar, Bonsabor, Imperador, Zabet and Basilar. National leader in crackers and cookies

1.3 Information related to operating segments

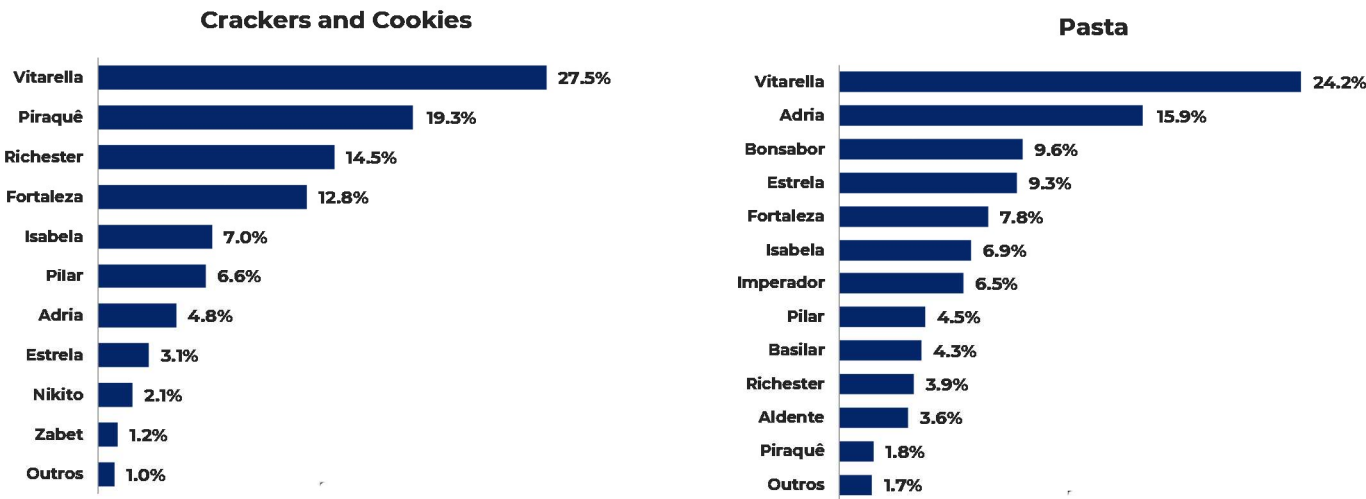
product lines, the Company has 32.0% and 31.0% market share, respectively, in terms of sales volume, and 28.7% and 29.7%, respectively, in terms of revenues, according to AC Nielsen's survey for 2022.

Fortaleza brand, a pioneer in the Company's portfolio, has as its most relevant products water and salt cream cracker and maria and maisena, in addition to semolina pasta. The most relevant products of Vitarella brand, sales leader in the Northeast, are water and salt cream crackers, filled cookies and maria and maisena.

The brand Richester, in turn, has the perception of modern, young and fun brand and is a part of in the pool of premium brands with a wide portfolio of crackers and cookies.

Piraquê brand has a prominent position in the market of the Southeast region, especially in Rio de Janeiro, with a broad portfolio of high added-value crackers and cookies, snacks and pasta.

The graphs below illustrate the representation of the crackers and cookies and pasta brands revenues, net of discounts and returns in 2022:



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

Operational Context - Wheat Flour and Bran | Margarine and Shortening

The production of wheat flour and bran includes flour for domestic and industrial use and coarse, fine and reground bran.

Its main brands of wheat flour are Finna, focused on the final consumer, having as target markets the A to E social classes, and Medalha de Ouro targeted to the bakery segment. The graph below shows the representation of wheat flour brands revenues, net of discounts and returns in 2022:

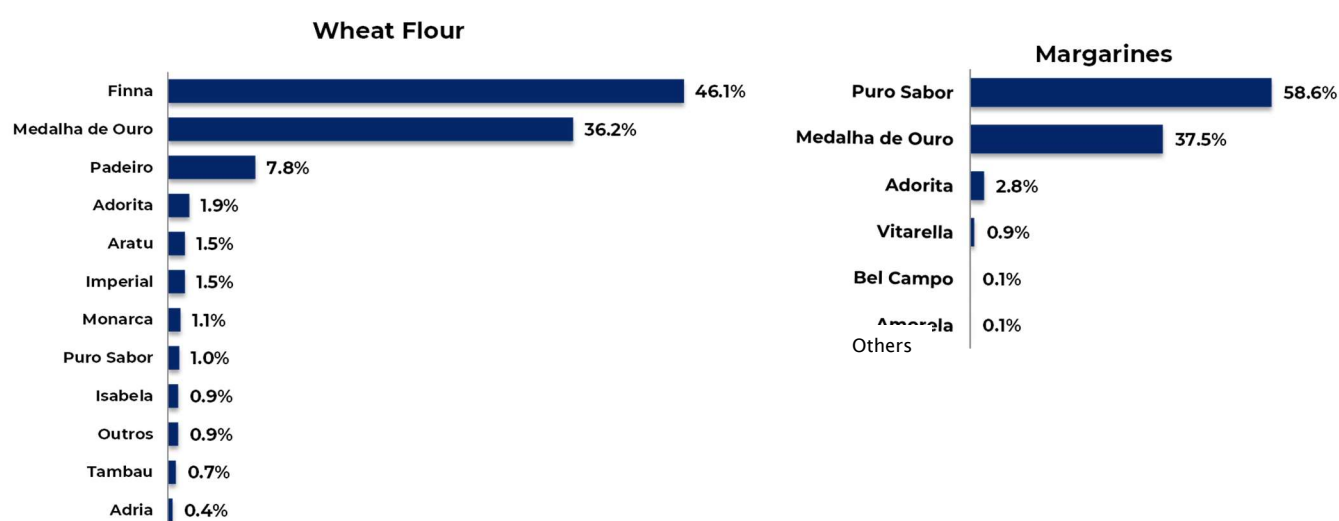
Among these brands, Finna brand, characterized as a domestic flour, is the most relevant, reaching in 2022, 46.1% of the net revenues, net of discounts and returns, in the wheat flour product line, followed by Medalha de Ouro, used in bakery sector, which reached a 36.2% share in the same period.

### 1.3 Information related to operating segments

Regarding margarine and shortening segments, the Company's production comprises domestic and industrial margarines and shortenings for various applications, such as deep 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, targeted to food service.

Among the margarine brands, Puro Sabor stands out, which represented, in 2022, 58.6% of gross revenue net of discounts and returns, followed by Medalha de Ouro, which reached 37.5% share in the same period.



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

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

The total Company's net revenues stem from the food products segment, which in fiscal year 2022 reached R\$ 10,129.2 million (R\$ 7,814.0 million in 2021).

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

The Company's entire result stems from the food products segment, which in 2022 reached R\$ 481.8 million (R\$ 505.0 million in 2021).

## 1.4 Production/Trading/Markets

### a. Characteristics of the production process

The Company counts with modern production facilities strategically located in the main markets where it operates, with state-of-the-art equipment, meeting the strictest quality standards.

The table below lists the Company's industrial plants as of December 31, 2022:

Plant	Location	Land Area (in m <sup>2</sup> )	Built Area (m <sup>2</sup> )	Plant Ownership
Wheat Mill and Crackers and Cookies, Pasta and Toasts plant	Eusebio - CE	508,042.39	190,225.91	Company
Shortening and Margarine Plant	Fortaleza - CE	53,332.48	24,596.00	Company
Wheat mill	Fortaleza - CE	9,655.00	33,678.35	Company (lessee)
Crackers and Cookies, Pasta, Cakes and Snacks Plant	Maracanaú - CE	148,716.00	51,130.21	Company
Wheat Mill and Pasta Plant	Natal – RN	9,923.57	23,784.56	Company (lessee)
Wheat Mill and Crackers and Cookies, Pasta and Cake Mix Plant	Salvador - BA	243,884.94	123,479.00	Company
Wheat Mill and Pasta Plant	Cabedelo - PB	37,993.00	31,848.26	Company (lessee)
Pasta Plant	São Caetano do Sul - SP	12,941.39	12,941.39	Company
Wheat Mill	Rolândia - PR	105,474.32	17,373.11	Company
Crackers & Cookies Plant	Lençóis Paulistas - SP	10,497.55	10,497.55	Company
Wheat Mill, Crackers and Cookies and Pasta plant	Bento Gonçalves - RS	123,293.00	94,265.44	Company
Crackers and Cookies and Pasta Plant	Jaboatão dos Guararapes - PE	268,673.90	128,125.69	Company
Crackers and Cookies and Pasta Plant	Rio de Janeiro - RJ	30,079.00	37,604.00	Company
Shortening and Margarine Plant	Rio de Janeiro - RJ	6,945.00	18,583.00	Company
Crackers & Cookies Plant	Queimados - RJ	39,709.62	41,713.43	Company
Seasoning, Rice Crackers and Cookies, Gluten-Free Pasta, and Snacks plant	São José dos Pinhais - PR	3,580.95	3,680.95	Company (lessee)
Granola, Crackers and Cookies Plant, Gluten-free Bakery and Grain Processing	Campina Grande do Sul - PR	32,328.66	13,689.04	Company
Dry Wheat Pasta and Grano Duro Semolina Plant	Montevideo – UY	5,425.00	3,630.00	Company



## 1.4 Production/Trading/Markets

The Company's production process is not significantly dependent on any of its equipment considered on a stand-alone basis.

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

Product Line	Main Equipment Suppliers
<b>Cookies and Crackers</b>	Haas do Brasil, H. Tech Ind. e Com. de Máquinas Ltda, Bühler, Robert Bosch, Gonçalves Gonzaga Fabricação e Montagens Industriais EIRELI, Imaforni Intl S.P.A, CAMA 1 S.P.A, Peerless – Peters – Fedco Sermotec Ltda, Varpe Brasil Tecnologia em Inspeção e Pesagem, Gotesp, Vantecis Industrial Service Ltda, Mettler – Toledo Safeline e Ramontec Ltda – EPP, Atlass Copco Brasil Ltda, Beheng Máquinas Equipamentos Ltda, Cavanna Máquinas e Sistemas para Embalagens Ltda, Coppi Industrial Ltda, Flexlink Systems Ltda, Forttress Technology Sistemas de Inspeção Ltda, GEA Imaforni S.P.A, AERZEI do Brasil Ltda, LITEQ Indústria e Comércio Ltda, Rital Brasil Ltda, DANFOSS, Dematic Brasil Ltda, Toledo do Brasil, FAVA S.P.A, TroCalor Indústria Mecânica Ltda, Ricefer Equipamentos Inox Ltda, Oti Elevadores.
<b>Pasta</b>	FAVA S.P.A, Gonçalves 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 Alimentícias 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.
<b>Flour and Bran</b>	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.
<b>Margarine and Shortening</b>	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, Isotermas 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.

Maintenance for the equipment used in the production process is carried out in a systematic and preventive way, adhering to a schedule designed by the engineering and maintenance area and taking each supplier's specifications into account. The manufacturer's maintenance manuals are always consulted in advance or when necessary, when replacing machine parts. The replacement intervals of machine parts are designed out by qualified maintenance technicians or by the manufacturer's own technicians. Maintenance programs are designed in a way to restrict equipment downtime as much as possible.

Throughout its history, the Company has never experienced major stoppages in its production process, either due to problems with equipment or strike by its employees. For more information on the relationship with the employee unions, see item 10.4 - Issuer's relations with unions in this report.

The table below shows the production capacity, the total annual production, in thousand tons, and the level of utilization in each of the Company's industrial plants, for the periods indicated:

## 1.4 Production/Trading/Markets

Production Capacity / Effective Production	Crackers and Cookies		Pasta		Wheat Flour and Bran		Margarine and Shortening		Other product lines		Total	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Wheat Mill and Crackers and Cookies, Pasta and Cake Mix Plant (Salvador - BA)	110.2	132.1	66.2	63.9	544.2	224.7	-	-	10.8	10.8	731.4	431.5
Wheat mill (Fortaleza - CE)	-	-	-	-	446.5	389.1	-	-	-	-	446.5	389.1
Wheat Mill and Pasta Plant (Cabedelo - PB)	-	-	50.3	49.1	296.4	451.0	-	-	-	-	346.7	500.1
Wheat Mill and Crackers and Cookies, Pasta and Toasts Plant (Eusébio - CE)	180.8	194.5	73.7	70.4	224.7	303.3	-	-	12.3	12.3	491.5	580.5
Crackers and Cookies and Pasta Plant (Jaboatão dos Guararapes-PE)	274.2	272.1	90.5	102.2	-	-	-	-	-	-	364.7	374.3
Wheat Mill and Pasta Plant (Natal - RN)	-	-	26.8	25.4	385.9	547.5	-	-	-	-	412.7	572.9
Shortening and Margarine Plant (Fortaleza - CE)	-	-	-	-	-	-	360.0	360.0	-	-	360.0	360.0
Wheat Mill, Crackers and Cookies and Pasta Plant (Bento Gonçalves - RS)	72.6	73.1	38.8	42.3	434.5	449.4	-	-	-	-	545.9	564.8
Pasta plant (São Caetano do Sul - SP)	-	-	92.6	86.8	-	-	-	-	-	-	92.6	86.8
Crackers and Cookies plant (Lençóis Paulistas - SP)	40.0	35.9	-	-	-	-	-	-	-	-	40	35.9
Crackers and Cookies, Pasta, Cakes and Snacks Plant (Maracanaú - CE)	100.7	121	49.4	33.4	-	-	-	-	12.1	14.3	162.2	168.7
Wheat Mill (Rolândia - PR)	-	-	-	-	138.7	138.7	-	-	-	-	138.7	138.7
Crackers & Cookies and Pasta Plant (Rio de Janeiro-RJ)	87.5	84.4	74.4	78.2	-	-	-	-	-	-	161.9	162.6
Shortening and Margarine Plant (Rio de Janeiro - RJ)	-	-	-	-	-	-	-	-	-	-	0.0	0.0
Crackers and Cookies Plant (Queimados/RJ)	30.5	30.3	-	-	-	-	-	-	-	-	30.5	30.3
Crackers and Cookies, Snacks and Seasoning Plant (São José dos Pinhais - PR)	-	-	-	-	-	-	-	-	1.1	4.2	1.1	4.2
Crackers and Cookies, Bread, Cereals and Granola Plant (Campina Grande do Sul - PR)	-	-	-	-	-	-	-	-	-	2.6	0.0	2.6
Pasta Plant (Montevideo - UY)	-	-	-	-	-	-	-	-	-	3.1	0.0	3.1
<b>Total Production Capacity</b>	<b>896.5</b>	<b>943.4</b>	<b>562.7</b>	<b>551.7</b>	<b>2,470.9</b>	<b>2,503.7</b>	<b>360.0</b>	<b>360.0</b>	<b>36.3</b>	<b>47.2</b>	<b>4,326.4</b>	<b>4,406.0</b>
<b>Total Production</b>	<b>531.1</b>	<b>543.9</b>	<b>380.0</b>	<b>363.7</b>	<b>1,493.1</b>	<b>1,509.0</b>	<b>176.0</b>	<b>175.8</b>	<b>16.3</b>	<b>20.1</b>	<b>2,596.5</b>	<b>2,612.5</b>
<b>Capacity Utilization Level</b>	<b>59.2%</b>	<b>57.7%</b>	<b>67.5%</b>	<b>65.9%</b>	<b>60.4%</b>	<b>60.3%</b>	<b>48.9%</b>	<b>48.8%</b>	<b>44.9%</b>	<b>42.6%</b>	<b>60.0%</b>	<b>59.3</b>

### Production Process

For a better understanding of the Company's production process, the information is detailed by product line.

## 1.4 Production/Trading/Markets

### Crackers and Cookies

Crackers and cookies represent the main product line in the revenue generation for the Company. Among a diverse universe of products, crackers and cookies are grouped as follows: Cracker, Maria, Maizena, Filled, Dry and Sweet, Waffer, Savory, Cookies and Iced.

The production process of crackers and cookies varies depending on the above-mentioned groups, and is divided as follows: receipt and storage of raw materials, ingredients and packaging stuff, sugar milling and sieving, sugar Inversion, icing preparation, dosing of raw materials and ingredients, ingredient mixture, fermentation, adding bran, lamination / stamping / cutting, molding, deposition, and wire cutting, baking, adding filling, adding vegetable cream spray, natural cooling, adding filling, forced cooling, stacking, packaging, boxing, palletizing, storage and distribution.

The process beginning is done by weighing the ingredients and preparing the doughs according to the formulations and technical specifications for each type of product. At this stage the ingredients used are divided into three categories, namely:

- Micro-ingredients, which are those used in small amounts, up to approximately 3 kg, except for some ingredients that make up the solutions, which can reach up to 8 kg;
- Intermediate ingredients, which are those dosed in medium quantities, over 3 kg up to 45 kg;
- Macro-ingredients, which are the ingredients used in large quantities, controlled and dosed automatically.

After the fractionation of the ingredients, they are mixed and homogenized using mixers (*kneading machine*). The dough obtained from this mixture is packed in stainless steel trolley/tanks and goes to the fermentation or the dumper.

For fermented crackers and cookies, the dough preparation stage is divided into two process steps: the first step is the sponge and the second is the boosting phase.

The fermentation process is biologically performed by microorganisms, which in the presence of sugars and flour, transform starches and sugars into alcohol and acid in the first phase. In the boosting phase, the structuring of such reactions takes place, where the key point is the pH control with the addition of sodium bicarbonate. The fermentation time is an important factor for determining the taste and aeration of the final product.

After completion of the mixing or fermentation, the dough is placed in a stainless steel trolley and taken to the dumper, which consists of two forks that lift the trolley, dumping it into a tank with outlet for automatic system of feeder lines, where it then goes to the lamination/stamping stage.

In the lamination, the dough is handled by a roller mill that work and stretch (forming of sheets) to obtain the desired thickness for the piece formation. For each type of product, a layer of bran can be applied between the layers of dough. For puffs, there are overlapping layers of dough (up to 10 layers) and this step is of utmost importance to check the texture and appearance of puff (eg Crackers)

Upon reaching the final standard thickness, the dough undergoes to a system with cutter rollers and markers corresponding to each product that set the piece shape. At this point there is a rigid process control so that the product has its defined and standardized characteristics. Then, the product goes to the baking oven, natural cooling and packaging.

## 1.4 Production/Trading/Markets

The molding determines the shape that is given for round crackers and cookies, like buttery and filled. The process operates through a set of three cylinders: Ribbed roll (forced rolling), mold (form stamper) and extraction (rubber roller) the set uses a knife to remove the excess dough at the form stamper. The dough is pressed into the mold cavities to form the individual pieces. In the case of the wafer cookie, the dough has a very runny consistency, and it leaves the mixer and is pumped and deposited by means of a punctuated tube directly onto the baking plates of the oven.

After the process of rolling, cutting, or molding, the cookies, if it is part of their specification, can be receive granules (salt, sugar, confectionery), and then go to the baking process, where they are cooked following a standard cooking curve, according to the pre-established quality standards, in accordance with each production line and product. Depending on the type of product, after this step the pieces receive the addition of vegetable cream spray by spraying/sprinkling on its surface. The already cooked cookie undergoes a cooling process.

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

The filled type products after baking and cooling receive an amount of filling between the bases, forming a sandwich type product. The feed of cream in the refillers is done automatically through metering pumps. After shaping of the sandwich, the product is transported by conveyor belts going through a cooling tunnel where the crystallization of the filling takes place.

The chocolate iced products are fed into an enrober and receive a heated chocolate coating, passing through a "chocolate curtain" (full coating) or a chocolate "surface" (partial coating).

For the wafers, after mixing, the dough is pumped by pipes until the application on the plates of the oven (deposit). Before deposition, performed through the applicator nozzle, the dough passes through a float that prevents the formation of bubbles. After baked, the plate (crust) equalizes the temperature and humidity in a natural cooling tower in order to facilitate the application of filling. The block (crust plus layers of filling) is cooled in a cooling tunnel (forced) to crystallize the filling and is sent to cutting, where the piece has its defined shape. Subsequently goes to the packaging process.

After cooling, the cookies (except bulk cookies) proceed to the stacking process by means of rails that act as guides, and then are sent to the packaging sector. We emphasize that throughout the production process, the crackers and cookies pass through metal detectors, in order to guarantee the safety of the product that reaches the consumer, and also we use checkweight to guarantee the weight control according to the legislation.

The cookie packaging process is fully automated. Packers work at the proper speed and temperature to meet all the production generated on the line. The already packaged product follows for the manual or automatic packing/baling process and then are organized into "pallets" in quantities defined to be transported to the final product shipment sector for subsequent distribution, in compliance with the First In, First Off (FIFO) system.

## 1.4 Production/Trading/Markets

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

### Pasta

The Company produces several products based on five (05) types of pasta: Regular Pasta, Semolina Pasta, Semolina Pasta with Powdered Egg, Grano Duro Pasta and Instant Noodles (Ramen).

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

In other stage of the process, in the "pre-mix" or micro-dosing mixer, ingredients such as powdered egg and/or natural dyes, wheat flour and micro-ingredients are dosed and mixed. This mixture or micro-ingredients are transported to mini-silos where it stays until it is mixed with the wheat flour. The amount of micro-ingredients to be mixed into the flour is controlled by an equipment named doser or micro dosers.

Subsequently, a pneumatic system transfers the flour and micro-ingredient to the kneading machine doser. In this doser, the flour already mixed with the micro-ingredients and the water is dosed in predetermined and proportional quantities and then proceed to the next step of the process.

In the kneading machine, the ingredients are mixed and homogenized with water. The pasta then passes to the molds through the extrusion dies. The vacuum system removes the air, preventing oxidation, the rough texture and coloring that is not characteristic of the dough after it has been processed, and also affects the quality during cooking. In the case of the instant noodles the pasta is homogenized and deposited in a maturation roller.

Once the mixing and extrusion of the pasta has been completed, where it is pressed, it then goes to the "mold" stage, which has a certain number of formats that define the shape of the product. Before going through molding stage, the pasta passes through the rescue-mold and a netting (filter) to avoid damaging the formats and retain any contaminating elements. In the case of the instant noodles, the pasta goes to lamination and cutting.

Once extruded in the molding stage, the noodles are received by reeds/rods and cut. Then it goes to the pre-drying stage, which is the first drying stage of noodles, where the pasta will take its final form undergoing a strong ventilation accompanied by heat so that they do not stick together, being suitable for the final drying that occurs in the "Drying Gallery", which also occurs with strong ventilation and heat. In the case of the instant noodles, the pasta follows for the cutting and folding and then for the baking.

The next step is the cooling in order to equal the temperature to the room temperature, avoiding thermal shock when coming into contact with the environment. The drying conditions vary for different types of pasta and according to the machinery speed.

After cooling, the long pasta passes through a cutting process to ensure it has the ideal size for packaging. The leftovers generated in the pasta cutting process are taken to a mill and return to the production process.

## 1.4 Production/Trading/Markets

The packaging process is automatic, and performed by "packing machines". In this process, the packages duly weighed and checked automatically are subjected to metal detectors, used to detect possible metallic particles in the product, rejecting it, in compliance with the Food Safety regulations. Then the packets are passed through the "bundlers", where will be grouped in bundles and then placed in "pallets" that are taken to the finished products shipping sector for subsequent distribution, in compliance with the First In, First off system.

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

### Wheat Flour

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

The wheat is received by sea and transferred to the mill storage silos, and this operation is carried out by mechanical unloaders (portolino). This is an equipment featuring modern design, consisting of a tower that moves in the longitudinal direction of the dock, operated in a control cabin, also composed by a movable chain conveyor to move in the holds of the ship and own system of aspiration, filtration and collection of waste, and also has an acoustic cabin that houses the compressor and the hydraulic system, to minimize noise.

After unloaded from the ship, the wheat undergoes through a precleaning process. At this stage, impurities with larger and smaller dimensions than wheat are removed as well as ferrous materials and impurities lighter than the grain, which are basically powder and straw added to the Bran (wheat by-product). Then it will be stored in silos and concrete inter-silos.

The silos have transport facilities and pneumatic valves that allow transport between them, enabling the optimization of the storage capacity and aeration of the stored batches for a longer time.

All the processes of wheat moving are submitted aspiration suction systems, composed of ducts of various diameters, sleeve filters, medium and high pressure fans, which collect and filter particles, assuring the return of clean air to the atmosphere. It is also worth mentioning that the vacuumed product is decanted in the filter and dosed by a lock in the residue silo, to be added to the bran.

Before milling, the wheat undergoes a "preparation" process consisting of two stages of cleaning, separated by a step of humidification and rest. The preparation phase will ensure the quality and better utilization of the wheat in the milling process.

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

The aforementioned process consists in subjecting the wheat and its intermediary products to successive stages of fragmentation, separated by stages of sieving and granulometric and desimetric grading, until the reduction of semolina into flour granulometry size.

## 1.4 Production/Trading/Markets

In the different sieving stages, occurring in the milling process, flours of different qualitative characteristics are produced. Through spiral conveyors, said flours are blended, resulting in two types of intermediate flours, referred to as "F1" and "F2". The first flour is lighter, with a low content of mineral matter removed from the inner part of the grain. The second flour, darker, has a higher content of mineral matter, and is composed of flours taken from the part of the endosperm closest to the shell.

Both are transported to the flour silos through pressure pneumatic transport, and will be raw materials for the mixing and production of final flours. We emphasize that all flour movings are controlled by electronic flow scales, which together with the other wheat and bran scales are integrated into an on-line yielding process control.

Later, flours "F1" and "F2" are mixed in different proportions, together with flour corrective micro-ingredients and vitamin complexes. All mixtures are controlled and monitored via a computer, which, together with a modern automation system and electronic scales, ensure high precision and reliability in the dosage, which is one of the great differentials of the flour produced by M. Dias Branco.

From the mixing lines, the flours go to the finished product silos where they will be packed in different production cuts, going then to the shipment.

The production process of wheat flour generates a by-product, called bran. The brans produced in the mill are: Dense Bran and Fine Bran. The brans produced have independent transport lines and can be stored in silos. As in the storage of wheat, the facilities allow a continuous transport of the bran between silos, thus ensuring its continuous movement, which prevents its stagnation in the silo.

The bran bagging can be done in separate lines, in bags of 30 or 40 kg, that can be shipped directly to the trucks or stored in an exclusive area for this purpose.

### Margarines and Vegetable Shortenings

In the process of producing shortenings, the basic raw material used is vegetable oil. The most commonly used are soybean oils - obtained by crushing soybeans - the palm oil extracted from the palm pulp and the cotton oil extracted from the cottonseed. We purchase these oils in the domestic and international market. Soybeans are usually purchased in the domestic market and sometimes can be imported. Palm oil is normally imported from Colombia, Venezuela and Asia due to the low supply in the domestic market. Cotton oil is purchased on the domestic market.

The first step of said process is the refining of the crude oil, comprising the operations of: neutralization, bleaching, hydrogenation, interesterification and deodorization. Neutralization consists in the removal of the free acidity of the crude oil, through chemical and mechanical centrifugation procedures. The bleaching removes undesirable impurities and pigments to clarify the product.

In the following step, the oil will go to the hydrogenation process which consists of the injection of hydrogen gas into a reactor under certain conditions and in the presence of a catalyst. The next process is interesterification. In this process totally or partially hydrogenated fats are mixed with liquid oils and with the addition of a catalyst the reaction is obtained. The finished product of this process is known as zero-trans fat. Thus we obtain the hydrogenated and/or interesterified fats (zero-trans) which are the bases for the production of vegetable shortenings.

## 1.4 Production/Trading/Markets

In the deodorization phase the residual fatty acids, responsible for the odor and taste of the oils and/or shortenings, are removed by means of a distillation process with the direct injection of steam. Deodorized vegetable shortenings are thus obtained, which are the basis for the manufacture of vegetable shortenings for various industrial uses, such as baking, cookies production, cakes, ice cream, chocolates and for the manufacture of margarines.

Vegetable shortenings for industrial use may have different specifications, depending on their end use and the specifications of customers who require a differentiated product.

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

Said emulsion comprises an aqueous phase, with water-soluble ingredients (salt and preservatives) and an oil phase, consisting of vegetable oil and/or hydrogenated and/or interesterified (zero-trans) vegetable shortening, with the liposoluble ingredients (emulsifiers, flavorings etc.). This emulsion is sent to the process of crystallization and homogenization, from which the margarine is produced. Then the margarine goes to the packaging, which can be in pots or buckets in the case of domestic consumption, or in boxes, in case of industrial or institutional use.

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

### b. Characteristics of the distribution process

The Company's sales are predominantly made in Brazil. In 2022, 98.4% of its operating revenues derived from domestic sales (98.0% in 2021).

The Company has 25 distribution centers located in 16 Brazilian states and one in Uruguay, which are responsible for the selling and distribution of all products. There is no sale of the Company's products by companies owned by the controlling shareholder.

The table below shows the share, in terms of revenue net of discounts and returns, of the sales channels:

Sales channels	2021	2022
Retail	21.4%	19.1%
Wholesale	18.7%	18.2%
Key Account/Regional Network	20.9%	22.5%
Cash & Carry	22.2%	22.9%
Distributors	9.7%	11.3%
Industry	3.6%	3.0%
Other	3.5%	3.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

The higher share of Key Account/Regional Network channels, linked to the brand building and strengthening strategy, influenced the higher share of sales to intermediaries in 2022. It should be noted that Distributors channel continues to grow in line with the Company's strategy of increasing capillarity, especially in the Attack region (South, Southeast and Mid-West).



## 1.4 Production/Trading/Markets

### c. Characteristics of the markets of operation, in particular:

#### The Wheat and Wheat Milling Industry in Brazil

##### *Brief Background*

On November 22, 1990, Law 8.096 came into force, which repealed Decree 210/1967. Law 8.096/90 declared free, throughout Brazil, the trading and manufacturing of wheat from all sources releasing, as a consequence, the trading and manufacturing of wheat in Brazil, whereby the economic agents were no longer bound to limits, quotas and government controls, including for grain imports. As a result of this sensitive change, the sector underwent intense transformation as a result of abrupt deregulation and openness to foreign trade, notably Argentina, whose production costs were lower than those in Brazil and, consequently, produced wheat at prices more competitive than Brazil.

##### *Latest aspects*

Currently, the Government adopts intervention measures directed to the sector, either through Federal Government Loans (EGF), Minimum Price Guarantee Policy (PGPM), Production Distribution Award (PEP). In practice, PEP represents a subsidy at both ends. In the producer end, where it covers the difference between the minimum price and the market price, and on the companies end, with the subsidy in the transport of wheat from the producing region to the mill.

The productivity of domestic wheat planting, despite having undergone sizeable evolution in recent years, is still low compared to the main global wheat producers. The disadvantages involve climatic conditions unfavorable to the winter crop in most of the national territory, which, associated to the soil characteristics, influences the quality of Brazilian wheat and/or grain production costs.

Despite the Government's effort to assure the producer income, suppliers, especially from Argentina, are able to land grain at lower costs than domestic costs and/or higher quality standards.

The following table shows the Brazilian consumption of wheat in the last 5 periods:

<b>Wheat Production, Import and Consumption in Brazil</b>						
	<b>Production</b>	<b>Var (%)</b>	<b>Import</b>	<b>Var (%)</b>	<b>Consumption</b>	<b>Var (%)</b>
<b>2018/19</b>	5,428	27.30%	7,442	11.04%	12,100	0.83%
<b>2019/20</b>	5,200	-4.20%	7,179	-3.53%	12,100	0.00%
<b>2020/21</b>	6,250	20.19%	6,395	-10.92%	12,050	-0.41%
<b>2021/22</b>	7,700	23.20%	6,700	4.77%	12,500	3.73%
<b>2022/23</b>	10,400	35.06%	5,100	-23.88%	11,900	-4.80%

Source: United States Department of Agriculture – USDA

As domestic production is insufficient to meet consumption, Brazil still depends on wheat grain imports, mainly from Argentina, which makes millers highly vulnerable to fluctuations in international prices for the commodity, which absorbs the influence of external factors, including speculative moves.

##### *General aspects of Wheat Mill Industry competition*

Wheat continues to arouse the interest of farmers in Brazil, with increasing investment in technologies, including new resistant seed strains adapted to dry climates and more resistant to diseases, providing record yields. In addition, the possibility of an increase in international demand for wheat, taking advantage of the room left by the serious crop problems in Argentina and Russia's war in Ukraine, and the drop in production costs are factors that increase the optimism of Brazilian producers towards the 2023/24 wheat harvest.

## 1.4 Production/Trading/Markets

According to the USDA (United States Department of Agriculture), the global wheat production for the 2021/22 harvest was forecasted at 779.29 million tons, 0.5% higher than in 2020/21. As major wheat producers, we highlight, China, the European Union, India, Russia and the United States, with Russia and European Union as the largest exporters in the world. Brazil is ranked among the 10 largest importers in the world.

In 2022, based on data released by the Brazilian Wheat Industry Association - Abitrigo, Argentina, was responsible for supplying most of the demand for wheat imported by Brazilian mills. The tables below show the world's largest producers, consumers and exporters of wheat, as well as production and consumption in Brazil:

World's Largest Wheat Producers						
Year	European Union	China	India	Russia	USA	World Production
<i>(In Thousand Tons)</i>						
2018/19	123,124	131,441	99,870	71,685	51,306	730,918
2019/20	138,799	133,600	103,600	73,610	52,581	761,609
2020/21	126,694	134,250	107,860	85,352	49,751	775,718
2021/22	138,418	136,946	109,586	75,158	44,790	779,287
2022/23	134,341	137,723	104,000	92,000	44,902	788,264

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

Major World Wheat Exporters						
Year	European Union	China	India	Russia	USA	World Production
<i>(In Thousand Tons)</i>						
2018/19	106,300	125,000	95,629	40,500	29,986	734,276
2019/20	107,250	126,000	95,403	40,000	30,436	746,042
2020/21	104,750	150,000	102,217	42,500	30,476	782,419
2021/22	109,000	148,000	107,911	41,750	30,643	790,789
2022/23	107,500	148,000	108,720	42,250	29,937	794,651

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

Largest World Wheat Exporters						
Year	Russia	European Union	Australia	USA	Canada	World Production
<i>(In Thousand Tons)</i>						
2018/19	35,863	24,686	9,835	26,202	24,475	178,131
2019/20	34,485	39,788	10,118	26,390	22,991	194,511
2020/21	39,100	29,740	19,720	26,702	27,723	199,443
2021/22	33,000	31,000	27,000	21,750	15,500	201,583
2022/23	44,500	34,500	32,500	21,500	26,000	212,944

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

According to data from ABITRIGO, updated up to February 2019 (last survey), 165 active wheat mills were in operation in Brazil. Much of them are concentrated in the South and Southeast regions of the country (and thus close to the main suppliers of the raw materials).

### The Pasta Industry in Brazil

#### *Brief description of the Pasta Sector in Brazil*

Pasta is a mature market with a high level of penetration in households. The total volume of dry pasta sales in Brazil was around 1.28 million tons in 2022, up 2.7%, according to Associação Brasileira das Indústrias de Biscoitos, Massas Alimentícias e Pães & Bolos Industrializados - ABIMAPI (Brazilian Association of Crackers and Cookies, Pasta and Breads & Industrialized Cakes Association).

## 1.4 Production/Trading/Markets

The pasta production process enables the producer of a certain pasta type to produce any other type, with only small adjustments in the production process and low investments. The flexibility of the industry in adjusting the production process, with low investment requirements, enables the producer to offer a wide range of pasta. Thus the pasta industry has a low barrier to entry in terms of product diversity. Pasta is a low value-added product, and freight has significant weight in its final price, thus justifying the establishment of regional centers of production, consumption and distribution.

### *Recent Performance of Pasta Sector in Brazil*

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

Pasta Industry Market share - Volume sold				Pasta Industry Market Share - Revenue			
	Brazil	Northeast	Southeast		Brazil	Northeast	Southeast
M. Dias Branco	31.0%	57.5%	22.5%	M. Dias Branco	29.7%	58.0%	20.7%
J. Macedo	12.9%	17.8%	15.1%	J. Macedo	11.7%	17.0%	13.3%
Selmi	11.7%	3.9%	14.5%	Selmi	12.6%	4.6%	14.9%
Camil	7.2%	0.8%	15.0%	Camil	7.8%	0.8%	16.1%
Vilma	3.5%	1.7%	6.5%	Barilla	4.4%	0.7%	6.7%
Tondo	3.5%	0.0%	2.9%	Vilma	4.2%	2.2%	7.6%
Other	30.2%	18.3%	23.5%	Other	29.6%	16.7%	20.7%

Source: AC Nielsen (Retail + Cash & Carry: 2022)

## The Crackers and Cookies Industry in Brazil

### *Brief Description of the Crackers and Cookies Sector in Brazil*

Similar to pasta, crackers and cookies have a mature market with a high level of penetration in households. In terms of per capita consumption, Brazil currently consumes around 7.21 kg per inhabitant per year. In 2022, the total sales volume in Brazil was approximately 1.55 million tons (-2.3% vs. 2021), amounting to R\$ 29.2 billion (+22.0% vs. 2021).

Until the beginning of the Real Plan (implemented in mid-1994), the sector was characterized as being predominantly comprised by domestic capital and operated by family businesses. The sector experienced a strong growth, leading to the beginning of a process of acquisition of smaller companies by major international brands. In 2003, with acquisition of the control of Adria by Company (which later merged it), the leadership of the Brazilian market was again held by a company with domestic capital.

### *Recent Performance of Crackers and Cookies Sector in Brazil*

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

Crackers and Cookies Industry Market share - Volume sold				Crackers and Cookies Industry Market share - Revenue			
	Brazil	Northeast	Southeast		Brazil	Northeast	Southeast
M. Dias Branco	32.0%	52.6%	22.8%	M. Dias Branco	28.6%	48.4%	21.6%
Marilan	8.8%	7.1%	11.0%	Mondelez	8.9%	5.1%	10.3%
Bauducco	6.6%	2.9%	8.7%	Bauducco	8.8%	5.0%	10.9%
Nestle	6.5%	3.6%	8.1%	Marilan	8.4%	6.9%	10.0%
Mondelez	5.5%	2.5%	7.0%	Nestle	7.9%	4.9%	9.0%
Bagley do Brasil	5.1%	0.5%	9.9%	Bagley do Brasil	5.0%	0.5%	9.3%
Other	35.5%	30.8%	32.5%	Other	32.4%	29.2%	28.9%

Source: AC Nielsen (Retail + Cash & Carry: 2022)

## 1.4 Production/Trading/Markets

### i. Share in each market

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

	Revenue net from discounts and returns (R\$ million)				Sales volume (thousand tons)			
	2021	%	2022	%	2021	%	2022	%
<b>Crackers and Cookies</b>	<b>4,911.4</b>	<b>100</b>	<b>6,330.3</b>	<b>100</b>	<b>519.5</b>	<b>100</b>	<b>520.5</b>	<b>100</b>
Northeast	2,522.5	51.4	3,243.1	51.2	277.5	53.3	270.3	51.9
Southeast	1,589.9	32.4	2,030.0	32.1	147.9	28.5	155.1	29.8
South	358.4	7.3	476.2	7.5	35.6	6.9	36	6.9
North	208	4.2	293.6	4.6	26.4	5.1	29.6	5.7
Midwest	164	3.3	209.2	3.3	22.4	4.3	19.9	3.8
Export	68.6	1.4	78.2	1.3	9.7	1.9	9.6	1.9
<b>Pasta</b>	<b>1,841.2</b>	<b>100</b>	<b>2,251.5</b>	<b>100</b>	<b>373.4</b>	<b>100</b>	<b>357.6</b>	<b>100</b>
Northeast	1,138.7	61.8	1,402.6	62.3	222.3	59.6	212.5	59.4
Southeast	472.4	25.7	560.2	24.9	97.8	26.2	96	26.8
South	131.7	7.2	159.4	7.1	28.1	7.5	26.3	7.4
North	55.8	3	91	4	14.1	3.8	16.9	4.7
Midwest	12.3	0.7	14.2	0.6	2	0.5	1.7	0.5
Export	30.3	1.6	24.1	1.1	9.1	2.4	4.2	1.2
<b>Flours and Brans</b>	<b>1,608.6</b>	<b>100</b>	<b>2,102.4</b>	<b>100</b>	<b>708.9</b>	<b>100</b>	<b>736.9</b>	<b>100</b>
Northeast	1,207.3	75	1,641.4	78.1	509.2	71.8	549.3	74.5
Southeast	156.8	9.7	222.6	10.6	73.4	10.4	80.5	10.9
South	133.5	8.3	126.5	6	82.9	11.7	74.4	10.1
North	30.3	1.9	47.7	2.3	11.5	1.6	13.5	1.8
Midwest	8.9	0.6	11.8	0.5	5	0.7	4.9	0.7
Export	71.8	4.5	52.4	2.5	26.9	3.8	14.3	2
<b>Margarine and shortening</b>	<b>621.3</b>	<b>100</b>	<b>773.6</b>	<b>100</b>	<b>85.9</b>	<b>100</b>	<b>81</b>	<b>100</b>
Northeast	548.7	88.4	690	89.2	76.2	88.7	71.4	88.1
Southeast	0.2	0	0	0	0	0	0	0
North	63.6	10.2	63.5	8.2	8.1	9.4	6.4	7.9
Export	8.8	1.4	20.1	2.6	1.6	1.9	3.2	4
<b>Other product lines</b>	<b>213.8</b>	<b>100</b>	<b>434.9</b>	<b>100</b>	<b>15.8</b>	<b>100</b>	<b>21.7</b>	<b>100</b>
Northeast	117.1	54.7	185	42.5	8.6	54.4	9.5	43.8
Southeast	63.2	29.6	148.1	34.1	4.8	30.4	6.6	30.4
South	23.3	10.9	58.6	13.5	1.6	10.1	2.6	12
North	4	1.9	8.7	2	0.3	1.9	0.5	2.3
Midwest	3.3	1.5	19.9	4.6	0.2	1.3	1	4.6
Export	2.9	1.4	14.6	3.3	0.3	1.9	1.5	6.9
<b>Consolidated</b>	<b>9,196.3</b>	<b>100</b>	<b>11,892.7</b>	<b>100</b>	<b>1,703.50</b>	<b>100</b>	<b>1,717.70</b>	<b>100</b>
Northeast	5,534.3	60.2	7,162.1	60.2	1,093.80	64.3	1,113.00	64.8
Southeast	2,282.5	24.8	2,960.9	24.9	323.9	19	338.2	19.7
South	646.9	7	820.7	6.9	148.2	8.7	139.3	8.1
North	361.7	3.9	504.5	4.2	60.4	3.5	66.9	3.9
Midwest	188.5	2.1	255.1	2.2	29.6	1.7	27.5	1.6
Export	182.4	2	189.4	1.6	47.6	2.8	32.8	1.9

## 1.4 Production/Trading/Markets

### i. Competitive Conditions in the markets

#### Competition

M. Dias Branco operates in the market in very competitive categories and with the presence of other traditional domestic 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 producers that are well accepted in certain markets. For a better understanding of the operating market of M. Dias Branco, we present its main competitors in the most important categories:

- Crackers and Cookies: Marilan, Nestlé, Mondelez, Bauducco and Bagley;
- Pasta Selmi, J. Macedo, Santa Amália, Vilma, Barilla and Tondo;
- Wheat flour: Bunge, J. Macedo, Moinhos Cruzeiro do Sul, Moinho Cearense and Grupo Motrisa;
- Margarine and Vegetable Shortenings Bunge, BRF, JBS and Unilever;
- Cakes: Bauducco and Bimbo;
- Snacks: Pepsico and São Braz;
- Cake Mix Dona Benta, Fleishmann, Renata, Sarandir and Vitamilho; and
- Toasts Bauducco, Wickbold, Marilan and Visconti.
- Healthy: Mãe Terra, Nestlé and Vitao.

### d. Potential Seasonality

Overall, 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 that contributed in 2021 for 64.6% of its cost of goods sold. It is also worth mentioning the importance of packaging in the Company's production process, which accounted for 8.3% of the cost of goods sold in 2022.

#### i. Description of relationships with suppliers, including whether they are subject to governmental control or regulation, with an indication of the governing bodies and applicable legislation

The Company does not maintain exclusive agreements with suppliers of these raw materials. However, many of our suppliers have long term relationship with the Company.

Payment terms for raw materials range between 28 and 45 days after delivery, except for the purchase of wheat grain and vegetable oils, which purchase is made in cash or through financing with maturity term of up to 360 days; for sugar, the terms range from 5 to 35 days, and few cases of payment in advance. For domestic vegetable oil, the terms range between 10 and 28 days.

The relationship between the Company and its suppliers is not subject to governmental controls or regulations.

#### ii. Potential dependence on few suppliers

The Company is not dependent on any specific supplier.

## 1.4 Production/Trading/Markets

### iii. Eventual volatility in prices

Wheat, vegetable oil and sugar are classified as commodities and their price varies according to international market prices, which fluctuate according to supply and demand, climatic conditions, etc. Accordingly, the Company have no control over its prices.

The price of packaging is relatively volatile as it tends to keep pace with the price of oil, which historically has undergone major fluctuations.

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

In addition, among the main Company's raw materials, part of the wheat and vegetable oil are purchased from suppliers abroad, which exposes their prices to currency exchange variation. In 2022, 85.3% of wheat and 61.5% of the oil consumed in the Company was acquired through imports.

The relationship between the Company and its suppliers is not subject to governmental controls or regulations. As a strategy to prevent and reduce the effects of exchange rate fluctuations on its results, the Company seeks to avoid or minimize the mismatch between assets and liabilities denominated in foreign currency by assessing the hiring of foreign exchange hedging operations, usually swap transactions.

Additionally, the Company holds derivative financial instruments for swap transactions to hedge its exposures to price index and foreign currency risk. In addition, it has forward currency purchase transactions (NDF - Non Deliverable Forward), currency and commodity options and futures contracts, with the exclusive purpose of hedging the currency risk in input acquisition operations.

## 1.5 Main customers

The table below shows the representation of its customers in relation to the revenues, net of discounts and returns:

Fiscal year ended December 31,		
	2021	2022
Top 1	9.2%	8.8%
Top 10 (1)	23.9%	24.1%
Top 50 (2)	39.2%	39.7%
Top 100 (3)	46.9%	47.8%
Others	53.1%	52.2%
<b>Total (4)</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>(1)</sup> Includes Top 1;

<sup>(2)</sup> Includes Top 10;

<sup>(3)</sup> Includes Top 50;

<sup>(4)</sup> Sum of the 100 Largest with Others.

The dispersion of its customer base has helped to minimize its exposure to the risk of revenue reduction impact due to the eventual loss of one or some of its largest customers. In 2022, its 10 top customers accounted for approximately 24.1% of total gross revenue net of discounts and returns, and its top customer represented 8.8%.

### a. Total Amount of Revenue from Customer

In 2022, 8.8% of revenue net of discounts and returns was derived from the Company's largest customer, in a total amount of R\$ 1,051.6 million.

### b. Operating segments affected by revenue from customer

The largest customer's revenue was derived from the sale of all the Company's product lines.

## 1.6 Relevant effects of government regulation

### a. Need of governmental authorizations for the exercise of the 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 monitored by government bodies and agencies, which may impose administrative sanctions against the Company for any non-compliance with legislation.

Violations of the Environmental Crimes Law (Law 9.605/98) may also characterize environmental crime, resulting in the imposition of criminal sanctions, such as: suspension or prohibition of activities of the respective enterprise; loss of benefits, such as suspension of financing and not qualifying for certification and competition, and tax incentives.

Officers, managers and other individuals who act as Company's agents or representatives, and who contribute for the practice of environmental crimes attributed to it, are also subject, to the extent of their guilt, to restrictive rights and custodial sentences. In addition, the Environmental Crimes Law provides for the possibility of piercing the corporate veil, in relation to the legal entity that causes the environmental violation, whenever this is an obstacle to the compensation of damages caused to the quality of the environment.

It should be highlighted that administrative and criminal sanctions will be imposed irrespective of the obligation to remedy degradation caused to the environment and impacted third parties, since the three levels of environmental responsibility, i.e., administrative, criminal and civil, are diverse and independent. At the civil level, environmental damage may imply direct and indirect, objective and joint liability. This means that the obligation to remedy the degradation caused may affect all, directly or indirectly involved, irrespective of evidence of guilty of the agents.

As a consequence, the contracting of third parties to carry out any intervention in the Company's operations, such as the final disposal of waste, does not exempt its responsibility for potential environmental damages caused by the contractor.

The Brazilian environmental law sets forth that the regular operation of activities considered effective or potentially polluting, or that, in any way, cause degradation of the environment, is conditioned to the previous environmental licensing. This procedure is required both for the initial installation and operation of the enterprise and for the expansions carried out, with the licenses issued requiring periodic renewal and compliance with conditions.

The lack of an environmental license, irrespective of whether or not the activity is causing actual damage to the environment, typifies the practice of environmental crime, in addition to subjecting the offender to administrative penalties such as fines that may reach R\$ 10 million (applicable double or triple in case of recurrence) and prohibition of operation. In addition, it is important to emphasize that Resolution No. 237/97 of CONAMA provides for that the request for renewal of an LO must be made within 120 (one hundred and twenty) days before the expiration date, so that the validity of the license is automatically extended until the environmental agency states its position about the renewal.

Any delay or refusal by environmental agencies on the issuance or renewal of environmental licenses, as well as the potential Company's inability to meet the requirements established by such environmental bodies in the course of the environmental licensing process, may prejudice or even hinder, as the case may be, the installation and operation of the enterprises.



## 1.6 Relevant effects of government regulation

The Company performs all its activities in compliance with current environmental legislation, including the obtaining of licenses and environmental permits required by the competent bodies and has a system for controlling environmental laws implemented in its Units. All operating units have been subject to the environmental licensing process and are in operation with the due environmental licenses in force or in the process of renewal. Dealing with demands related to environmental agencies takes place on a respectful and transparent basis.

### **b. main aspects related to compliance with legal and regulatory requirements related to environmental and social issues by the issuer**

In the development and performance of its industrial activities, the Company seeks to adopt the best practices available for environmental management. The preservation of the environment has always been present in its business philosophy, directing many of its actions, especially in the effort to balance social and economic growth, in order to materialize an effective sustainable development. In 2022, the Company invested R\$ 5.0 million to comply with environmental regulations and actions aimed at environmental preservation and management, maintaining a team specialized in the theme, among others. It is worth mentioning that the Company's units located in Eusébio (CE) and Jaboatão dos Guararapes (PE) count on an Environmental Management System, certified according to NBR ISO 14001:2015. The Company is not a signatory of any agreement to adhere to international environmental protection standards. In its activities, the company uses water resources from surface or underground sources, rainwater collection, or from public supply by utility companies. The company holds permits for the use of water resources, where applicable, for all surface water and groundwater extraction carried out in its ventures. Some of the Company's units have an Effluent Treatment Station based on their location and type of effluent generated. Other units located in urban or industrial areas that have a public sewage collection network, and discharge their effluents therein. Thus, the Company seeks to comply with the emission standards set by the applicable legislation. The Company's industrial activities generate solid waste that are managed, according to the applicable environmental legislation, from its temporary storage until its final disposal. Such waste includes recyclable materials such as paper and cardboard, plastics, ferrous and non-ferrous metals, as well as sludge from effluent treatment facilities, products outside the Company's quality standards or with expired shelf life and empty packaging, among others. Depending on the type of waste, the Company dispatch them for the proper treatment, such as coprocessing, incineration, reuse, decontamination, return to the supplier, recycling or to duly licensed landfills. The company implemented a procedure to qualify these receivers of waste in order to minimize risks related to this activity. In addition, although remote, the Company does not rule out the possibility that the Company may be jointly and severally liable for damages caused by outsourced companies to manage 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 goals and targets, 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 its effluents treatment. For the use of such products, the Company holds the licenses required by the applicable legislation and monthly protocols the demand used.

## 1.6 Relevant effects of government regulation

### Sanitary Surveillance Regulation

The Company performs activities related to the production, storage, distribution and trading of food, and is therefore subject to the Government regulation and supervision, especially MS - ANVISA and MAPA. The Company is also subject to labor, environmental, commercial, tax and other laws in the normal course of business. Aiming to provide the necessary elements to the understanding of its activities, we present below the main aspects of the current regulations to which producers and sellers are subject in relation to the following food products: (i) wheat flour and bran; (ii) crackers and cookies; (iii) pasta; (iv) margarines; and (v) vegetable creams, shortenings and oils, (vi) cakes and cake mix, (vii) snacks (corn chips, wheat chips and potato chips); (viii) toasts; (ix) seasonings; (x) bread and wraps; (xi) granola and grains; (xii) peanut butter; (xiii) sugar.

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

Overall, products intended for special segments, such as: foods with functional and/or health claims, food for enteral nutrition, food for children, new food and new ingredients, packaging with new technologies (recycled), isolated bioactive and probiotic substances with functional or health claims compulsorily depend on registration with ANVISA to start their production and sale. Other food products are exempt from sanitary registration and only require a Notice of Manufacture Start-up. Irrespective of whether or not it is mandatory to register the product with ANVISA or MAPA, companies that produce and sell food products must comply with 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 Practices of Manufacturing and Prequalification Program and Manual of Food Safety Directives, as well as the maintenance of updated information regarding the formulas of products exempted from registration, which should be available for review by the sanitary authority, whenever requested.

Additionally, companies producing and selling food products must comply with the regulations regarding the labeling of products, both with respect to the technical aspects, as defined by Ministry of Health - Anvisa, MAPA, Inmetro, Ministry of Justice, as established in Decree 986/69, and with regard to consumer protection, pursuant to Law 8.078/90, which established the Consumer Protection Code. It is also worth mentioning that companies that carry out activities related to the production, industrialization, distribution, storage, transport and sale of food products, prior to the beginning of their activities, must be duly licensed by the competent state or municipal sanitary authority, under the terms of the applicable laws, which shall issue a Sanitary Permit or Operating License or registered with MAPA upon the issue of the Establishment Registration.

The Company's plants and facilities related to the production, storage, distribution, handling and transportation of food products comply with the licensing rules issued by the competent local authorities. Also, in accordance with sanitary legislation, and without prejudice to applicable civil or criminal sanctions, non-compliance with sanitary legislation, in particular the operation of units without proper sanitary licensing and the sale of products without the corresponding records or notifications may be considered punishable infringements, alternatively or cumulatively, with

## 1.6 Relevant effects of government regulation

for warning, fine, product seizure, product disruption, product ban, product sales suspension and/or product manufacture, cancellation of product registration, partial or total shutdown, prohibition of advertising, cancellation of authorization for operation of a company, and/or cancellation of the permit of establishment license, pursuant to Law 6.437/77, being assured the constitutional rights of the ample defense and adversary system in regular administrative proceeding to be filed by the relevant authority.

The Company seeks to adopt the best management practices for food quality and safety, 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, and many of its actions are aimed at maintaining and improving the quality and safety of our products. It is worth highlighting that the units located in Eusébio (CE) – Fortaleza Plant, Fortaleza (CE) - GME, Jaboatão dos Guararapes (PE) - JGU, Aratu (BA) - GMA and Bento Gonçalves (RS) - BG in categories (ii) crackers and cookies; (iii) pasta; (iv) margarines; (v) vegetable creams, shortening and oils and (viii) toast, have a Quality Management and Food Safety System certified in compliance with NBR ISO 9001:2015 and FSSC 22000 v5.1, respectively.

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

The Company does not depend on patents, trademarks, licenses, concessions, franchises, royalties agreements relevant to the development of activities

In its portfolio, the Company has more than 20 brands, including Adria, Basilar, Bonsabor, Estrela, Isabela, Finna, Fortaleza, Medalha de Ouro, 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 the Uruguayan Las Acacias.

In addition, the Company has applications for registration of secondary brands under analysis before INPI, which assure to the Company the launching and disclosure of new products or new brands in the market. The broad diversity of brands aims to meet the different consumer profiles and operates as a supplement in different markets and product categories.

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

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

The Company makes no financial contributions to political officeholders or candidates, to political parties or to fund the exercise of activities to influence public policy decisions, pursuant to the Anti-corruption Policy, the Policy on Gifts, Gifts, Entertainment and Donations and Sponsorships, available on the Investor Relations website.

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

## 1.7 Relevant revenues in the issuer's country of origin and abroad

### a. Revenue from customers within the issuer's country of origin and its share in the issuer's total net revenue

	Fiscal Years Ended on December 31,			
	2021		2022	
	R\$ million	%	R\$ million	%
Revenues net of discounts from customers within the country of origin of the issuer	9,012.4	98.0 %	11,702.4	98.4%

### b. Revenues from customers in each foreign country and its share in the issuer's total net revenue:

In 2021 and 2022, sales in foreign countries accounted for 2.0% and 1.6% respectively, of operating revenues net of discounts and returns.

Sales in foreign countries are not meaningful to the Company's business so far. It is worth mentioning the strengthening of the presence in the regions where the Company already operates and the entry into new regions, selling its own brands or producing customer brands (private label), in addition to the acquisition of Las Acacias, located in Uruguay, strengthening the internationalization strategy.

## **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 Environmental, social and corporate governance (ESG) information

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

ASG information has been reported on a unified basis since 2014 in an integrated report. Additionally, we disclose key performance indicators and achievements in ESG aspects in earnings releases and on our website in the Sustainability section.

### b. The methodology or standard followed in preparing this report or document

The preparation of the content is in accordance with the guidelines of the Global Reporting Initiative (GRI) 2021. We keep up the effort to disseminate the integrated thinking throughout the company, meeting all the guidelines of the International Integrated Reporting Council (IIRC). The assessment of the financial indicators complies with the international accounting standards approved by the Brazilian Securities and Exchange Commission (CVM).

### c. If this report or document is audited or reviewed by an independent entity, identifying this entity, if applicable

Sustainability information in the Integrated Annual Report is assured pursuant 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 and Portuguese versions on the website <https://mdiasbranco.com.br/relatorio-anual-integrado/>. Compliments, doubts, complaints or suggestions can be sent to the email [sustentabilidade@mdiasbranco.com.br](mailto:sustentabilidade@mdiasbranco.com.br).

### e. If the report or document produced considers the disclosure of a materiality matrix and ESG key performance indicators, and which are the material indicators for the issuer

Material topics reported were aligned with the materiality matrix resulting from the review of the Strategic Sustainability Agenda for the 2022-2030 cycle. In 2022, the ESG Committee and the Board of Directors approved the priority topics, indicators, targets and governance. The identification of positive and negative, real and potential impacts, was based on interviews with 25 external and over 50 internal stakeholders, research of market trends, benchmarking with 23 food companies, analysis of 44 thousand news, 33 potential risks and our business strategy. Requirements from international initiatives or standards were also included, such as the Corporate Sustainability Index (ISE), Dow Jones Sustainability Index (DJSI) and the Global Compact. As a result, we structured the materiality matrix, considering the importance of the economic, environmental, and social impacts of M. Dias Branco versus the influence on stakeholder assessments and decisions. Based on the materiality matrix, we prioritize the list of 15 topics grouped into three pillars representing ESG (Environmental, Social and Governance). In the environmental pillar, the themes are: Water, Energy, Climate Change, Waste, Sustainable packaging and plastic materials and Combating food loss and waste. In the social pillar, the themes are: Relationships 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 priority themes, consists of the 18 public goals to be achieved by 2030, available on our institutional website.

## 1.9 Environmental, social and corporate governance (ESG) information

### Public Sustainability Goals

#### 2030 PUBLIC COMMITMENTS GRI 2-25, 3-3

Theme	Indicator	Performed 2022 versus baseline	2030 Goal
Water	Reduction of water consumption (m <sup>3</sup> /t product)	0.45	0.40
	% Water Reuse	17.31%	30%
Waste	% waste sent to landfill in all operations	5.97%	0%
	% Recoverable packaging	25.48%*	28%
Energy	% use of renewable energy of scope 2;	32%	90%
Climate Change	% reduction in absolute GHG emissions - Scope 1 and 2	12.43%	Linked to the definition of SBT
	Adoption of product brands with carbon-neutral seal;	0**	2
Sustainable plastic packaging and materials	% use of recyclable and/or compostable and/or biodegradable finished product plastic packaging;	96.79%	100%
Combating food loss and waste	% reduction in input losses in the production process;	13.8%	25%
	% reduction in waste of finished products;	65.63%	50%
Community Relations	Number of people impacted by the program for fostering entrepreneurship and professionalization in the food sector	4,078	150 thousand accumulated from 2022 to 2030
Occupational Health and Safety	Frequency rate (own employees)	0.61	0.50
	Severity rate (own employees)	47.97	8.00
Human Capital	Employee satisfaction index measured by an external survey	Survey planned for 2023	80%
Diversity and Inclusion	% women in leadership	23.24%	40%
Healthy and Nutritious Foods	Leading market share in categories with health and nutrition appeal	3	4
	People impacted by the food education program for the overall population	0***	10 million
Sustainable Value Chain	% purchases from local suppliers GRI 204-1	62.8%	80%

\* Data as of Oct/22. \*\*Throughout 2022, we conducted training and planning actions to define a carbon-neutral product.

\*\*\*We carried out actions to create the scope of the program.

Note: Human, Social and Relationship, Intellectual, Financial, Manufactured and Natural Capitals are related to the priority themes in this table and discussed throughout the content of this report.

Source: M. Dias Branco's 2022 Integrated Annual Report

The management approach for 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.

The execution and supervision of the implementation of the sustainability strategy is presented in the chapter on sustainability starting on page 49 in M. Dias Branco's 2022 Integrated Annual Report.

## 1.9 Environmental, social and corporate governance (ESG) information

**f. if the report or document considers the Sustainable Development Goals (SDGs) established by the United Nations and what are the material SDGs for the issuer's business**

Sustainable Development Goals (SDGs) and the United Nations (UN) Global Compact Principles, to which M. Dias Branco is a participant, were also important references for the preparation of the content.

When reviewing our Strategic Sustainability Agenda, we considered the Sustainable Development Goals (SDGs) in defining the goals until 2030. Our practices have synergies with the 17 SDGs and, in some of them, we have targets 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 page 53 of M. Dias Branco's 2022 Integrated Annual Report, the connections of our sustainability goals to each SDG can be found.

**g. if the report or document considers the recommendations of the Task Force on Financial Disclosures Related to Climate Change (TCFD) or financial disclosure recommendations from other recognized entities that are related to climate issues**

No.

**h. if the issuer carries out inventories of greenhouse gas emissions, indicating, if applicable, the scope of inventoried emissions and the page on the World Wide Web where additional information can be found**

Yes. We disclose the result of our emissions inventory, in scopes 1, 2 and 3, on pages 62 to 66, in 2022 Integrated Annual Report, which can be found in English and Portuguese versions on the website [www.mdiasbranco.com.br](http://www.mdiasbranco.com.br), in the area of Sustainability or Investor Relations.

**i. issuer's explanation of the following conduct, if applicable:**

Not applicable.



## **1.10 Specific information on public-private corporations**

Not applicable to the Company.

## **1.11 Acquisition or disposal of relevant asset**

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

## **1.12 Corporate transactions/Capital increase or decrease**

As of December 31, 2022, the Company's share capital was R\$ 2,597.7 million, represented by 339,000,000 common shares. In 2022, there were no consolidation, spin-off, merger, share merger, capital increase or reduction transactions.

### **1.13 Shareholder Agreements**

The Company has no shareholders' agreements.

## **1.14 Significant changes in the conduct of the issuer's business**

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

**1.15 Significant agreements entered into by the issuer and its subsidiaries**

There are no relevant agreements 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 crackers and cookies and pasta markets in Brazil and a relevant position in the domestic wheat flour market.*

Since 2003, the Company is in the leadership position of the crackers and cookies and pasta markets in Brazil, both in volume (measured in tons) and sales value, based on the market share survey conducted by Nielsen. The Company has shown a consistent growth in this leadership in Brazil in terms of market share in sales volume, from 13.5% to 32.0% in crackers and cookies, and from 17.8% to 31.0% in pasta, according to data released by Nielsen for 2003 and 2022, respectively. It's worth noting that until 2016, Nielsen's market share data took into account retailers, and from 2017 onwards, such data started to factor in retail retailers plus cash & carry. The Company believes that this leadership and relevant position in its product lines are associated mainly with: (i) the strength of its brand portfolio, recognized by its consumer public, with Adria, Piraquê, Vitarella, Fortaleza, Isabela, Richester and Finna as highlights; (ii) the high quality of its products, together with its comprehensiveness to serve the most different markets (from popular to premium); (iii) its distribution model - which allows a wide coverage especially in small and medium retail; and (iv) nation-wide production logistics.

*High level of integration of the production process.*

The Company produces most part of its two main raw materials, i.e., wheat flour and vegetable shortenings. In 2022, 99.6% of all wheat flour and 100% of all vegetable shortenings used in the production process were manufactured in-house. The Company believes that such level of integration has no parallel amongst any of its competitors in Brazil. In addition, some of their plants have a mill in the same complex, removing transport costs of the 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), of the use of its main inputs, the practice of more competitive prices for its products and the better management of its production costs.

*Portfolio of strong brands with nationwide footprint and widespread distribution.*

Through its main brands, highly recognized by its consumers, the Company operates all over the country, both with national brands (such as Vitarella, Adria and Piraquê) and regional brands (such as Fortaleza, Richester, Isabela, Pilar and Estrela), which are in market leadership positions. Its distribution allows a great penetration in the small retail, either through its direct distribution system, or through distributors and wholesalers, contributing substantially to the low dependence of the big supermarket chains.

The Company believes that, this way, it is possible to reach consumers of different profiles, even in the most distant locations of Brazil, providing the same service differentials 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 Northeast, five in Southeast, four in South and one in Uruguay). This production structure allows a wide flexibility in the choice of the best production plant to attend each market served by the Company, in addition to contributing to: (i) reducing transport costs to its customers; (ii) agility in delivery; (iii) greater knowledge and regular supply of local markets; and (iv) wider range of

## 1.16 Other relevant information

product portfolio. The Company has made strategic expansions over the years, through the scheduled construction of new industrial and commercial units spread throughout the country. In 2022, investments amounted to R\$ 280.2 million, with a highlight for investments in the implementation of SAP system (Simplify Project) and machinery adjustment to reduce grammage and flow pack.

### *Financial strength and strong cash generation to sustain growth strategy.*

The Company's EBITDA reached R\$ 900.4 million in 2022, with 3.3% CAGR when compared to 2013. At the end of 2022, the Company's net debt/EBITDA ratio was 1.8x. The Company believes that organic expansion and acquisitions will enable it to continue its growth strategy and enables the Company to be a major candidate for market consolidation of domestic crackers and cookies and pasta industries. The Company believes that its various competitive differentials have allowed it to manage its sales strategy and pricing policy to adjust short-term contingent oscillations in its production costs, keeping, in the current scenario of sharp upside in the costs of agricultural commodities, its track record of generating profits.

### *Production lines predominantly located in tax incentive regions.*

The industrial units located in the Northeast of Brazil are awarded with state tax incentives and federal tax incentives, since such units were built and implemented under the terms of Investment Projects of new economic enterprises presented and approved by the respective states or, in relation to federal incentives, by the Superintendence for the Northeast Development - SUDENE ("Superintendência de Desenvolvimento do Nordeste"), within the scope of state or federal public policies to foster development. Such incentives, granted as investment subsidies, assure the capital resources to the Company for investment in the expansion and modernization of our businesses. Incentives and tax benefits granted provided the Company with an additional cash generation in the approximate amount of R\$ 689.8 million in 2022 (R\$ 538.5 million in 2021).

### *Experienced team of managers and qualified staff.*

The Company's management team has extensive and well-established experience in the sectors in which it operates, which the Company believes has contributed to the consistent growth of its market leadership, revenues and results, despite volatile and occasionally adverse economic conditions. The Company believes that the historical growth of its revenues and the successful expansion of its business is a direct result of strategies implemented by its experienced management team. In addition, the Company's workforce comprises more than 16 thousand professionals, based in December 2022, all trained, motivated and involved in a profit sharing plan, linked with specific goals aligned with its strategic and budgetary plan.

## **Strategy**

The main strategies of the Company are:

### *Expansion of current business.*

The Company is committed to expanding and strengthening its leadership position in the markets where it operates and increasing its 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 its presence in regions where it already has a relevant presence (Defense region: North and Northeast); (ii) increase the customer base while diversifying it by entering new channels such as e-commerce, and the application of distribution and food service channels (restaurants, hotels, bars, hospitals, clubs, confectioneries, and bakeries); (iii) continue with the process of strengthening its brands, by investing in marketing in the media and institutional efforts at points of sale; (iv) strengthen its structure of sales to small businesses, aiming at expanding the customer



## 1.16 Other relevant information

base and selling new products through identification with its market-leading products; and (v) launch of new products and supplementary products to high added value existing lines.

### *Expansion of exports.*

The Company is committed to expanding exports, through (i) launches of products and specific product packaging to the needs of consumers in foreign markets, combining regionally valued quality and characteristics, as well as regulatory adequacy of packaging; (ii) strengthening our presence in regions where we already operate and entering new regions, selling our own brands or producing our customers' brands (private label).

### *Entry into new categories.*

The strategy of entering new categories allows the Company to diversify its current portfolio, providing products with higher added value and which are less dependent on wheat. Entry into new categories can be through an organic process with in-house creation and production of new categories through its R&D process, or entry through new acquisitions. Regarding acquisitions, the Company remains attentive to opportunities, whether in current product lines or other related ones, with characteristics such as: strong brands in the regions where it operates and/or presence in regions where the Company does not operate; and that enable the harnessing of operational and distribution synergies.

### *Improved operational efficiency and cost control.*

The Company is committed to improving the efficiency of its processes aiming to increase its 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) maintenance of a modern industrial park with technologies; and (iv) increasing the efficiency of its distribution network. In addition, the Company will continue to implement increasingly strict and modern cost controls, aiming at increasing its profitability, including by strengthening programs aimed at optimizing energy consumption and the storage time of inputs by the increasingly higher use of purchasing and production planning tools.

## Federal Tax Incentives

The Company is entitled to investment subsidies equivalent to 75.0% of the Income Tax on operating profits derived from its main activities (operating profit) at the incentivized industrial units, as detailed in the table below:

Industrial Units	IRPJ reduction index (%)	Term of Validity
Wheat Mill, crackers and cookies and pasta plant (Eusébio - CE)	75	Jan 2016 to Dec 2025
Toasts Plant (Eusébio - CE)	75	Jan 2016 to Dec 2025
Wheat mill (Fortaleza - CE)	75	Jan 2018 to Dec 2027
Shortening and Special Margarine Plant (Fortaleza - CE)	75	Jan 2018 to Dec 2027
Wheat mill (Natal - RN)	75	Jan 2018 to Dec 2027
Pasta Plant (Natal - RN)	75	Jan 2014 to Dec 2023
Wheat mill and Pasta plant (Cabedelo - PB)	75	Jan 2018 to Dec 2027
Pasta and Crackers and Cookies Plant (Salvador - BA)	75	Jan 2016 to Dec 2025
Wheat mill and Cake Mix (Salvador - BA)	75	Jan 2015 to Dec 2024
Pasta and crackers and cookies Production (Jaboatão dos Guararapes - PE)	75	Jan 2018 to Dec 2027
Crackers and Cookies, Cakes and Snacks Production (Maracanaú - CE)	75	Jan 2016 to Dec 2025
Pasta Production (Maracanaú - CE)	75	Jan 2014 to Dec 2023

## 1.16 Other relevant information

### State Tax Incentives

The subsidies for state investments awarded to the Company may be described in the following table:

State tax incentives / Unit receiving the incentive	Percentage reduction of ICMS	Valid until
<b>DESENVOLVE - Bahia: discount on the payment of part of the ICMS due on the acquisition of wheat grain for the wheat mill.</b>		
Wheat mill and crackers and cookies and pasta plant (Salvador-BA)	81%	Jun/2025
<b>PROVIN - Ceará: deferred payment of part of ICMS due on the acquisition of wheat grain for wheat mills and on ICMS due for the operations with margarines and special shortenings, payable with funds from the FDI - Industrial Development Fund for both units</b>		
Wheat mill (Fortaleza - CE)	74.25%	Nov/2024
Wheat mill integrated with Crackers and Cookies and Pasta Plant (Eusébio - CE)	74.25%	Jul/2025
Shortening and Special Margarine Plant (Fortaleza - CE)	56.25%	Nov/2024
<b>PROEDI - Rio Grande do Norte: presumed credit on the monthly ICMS debit balance</b>	From 75% to 79%	Jun/2032
Wheat mill and pasta plant (Natal - RN)		
<b>FAIN - Paraíba: discount of part of the ICMS on the purchases of wheat grain for the wheat mill</b>		
Wheat mill and pasta plant (Cabedelo/PB)	81%	Dec/2032
<b>PRODEPE - Pernambuco: application of 75% on the amount of ICMS levied on the wheat grain consumed by the industry in equivalent wheat flour, plus 5% of the freight levied on sales outside the Northeast region, provided that the total amount of the subsidy does not exceed 85% of ICMS on the wheat grain contained in the wheat flour consumed.</b>		
Crackers and cookies and pasta plant (Jaboatão dos Guararapes-PE)	75% or 85%	Dec/2032
<b>Special Tax Treatment - Rio de Janeiro (Piraquê Unit) - Tax reduction so that the tax burden results in a percentage equal to 3% of the amount of output of own production in internal and interstate operations, by sale and transfer.</b>		
Crackers and cookies and pasta plant (Queimados/RJ)	75% or 85%	Sep/2038
<b>Special taxation regime - Paraíba (Bayuex Unit) - Tax reduction so that the tax burden for products subject to ICMS Substitution results in a percentage equal to 5%, and for other products the regular ICMS results in a percentage equal to 4% on the output operation.</b>		
Operation with wheat flour derivatives (Bayuex-PB)	38% to 62%	Dec/2032
<b>Special Tax Treatment - Bento Gonçalves (Moinho Isabella Unit) - Reduction of ICMS due by its industrial operation, paid with funds from FUNDOPEM - Fundo Operação Empresa do Estado do Rio Grande do Sul.</b>		
Wheat mill, crackers and cookies and pasta plant (Moinho Isabela-RS)	32.10% to 39.60%	Jul/2027

As for Rio de Janeiro state (Piraquê Unit), which has an enjoyment period until September 2038, considering ICMS Agreement No. 190, of December 15, 2017, which establishes the enjoyment period for tax incentives limited to December 2032, the benefit will only be valid until that date.

As 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 complies with all the requirements for obtaining these subsidies, especially those related to proof of investments, generation of jobs, production volume, and does not distribute the amounts resulting therefrom as dividends.

Up to now, the Company understands that there is no condition whose non-compliance may hinder the continuation of the right to enjoy the benefits of subsidies granted by government.

## 2.1 General financial and equity conditions

### a. General financial and equity conditions

2022 was marked by the scenario of conflicts in Ukraine, in addition to the regrettable humanitarian tragedy that gave rise to uncertainties in the global macro scenario and substantially increased the price of agricultural commodities, directly impacting the price of the main raw materials used in the Company's production processes.

Despite the complex scenario and limited predictability, through efficient management, austere discipline of costs and expenses and constant improvement of service levels, combined with the resilience and unshakable belief in the country and in the segment of activity, the Company was able to reach R\$ 900.4 million in Ebitda, 31.7% higher than in 2021.

Net revenue grew 29.6%, reaching the historic mark of R\$ 10 billion, with double-digit growth in all categories, and with Brazil as the main market, responsible for 98.4% of gross revenue net of discounts and returns in the year. Furthermore, 29.5% of sales were destined to wholesalers and distributors and 22.5% to large chains and regional chains, while 19.1% went to retail. The Company's largest customer accounted for 8.8% of gross revenue net of discounts and returns, while the top fifty accounted for 39.7%.

True to the strategy in capital allocation, the Company ended the year with 75% of our debt in the long term, rated AAA Stable Outlook and leverage at 1.8x, within a range that allows it to continue with the investment plan to enable growth and expansion.

Following our growth strategy, the acquisitions of Jasmine and the Uruguayan Las Acacias stand out, which represent, respectively, our strengthening in the healthy products market and the expansion of the internationalization process. The company has already been standing out with export growth, and now has a unit abroad.

All these important results were achieved by aligning the actions to what is established in the strategy of profitable growth, by including high-growth potential and high-value products in the portfolio.

M. Dias Branco has kept its leadership position in the cookie and pasta markets in Brazil, whose market share in sales volume in 2022 was 32.0% in crackers and cookies (32.0% in 2021) and 31.0% in pasta (30.5% in 2021), according to data released by Nielsen for the accumulated periods. It is worth mentioning that, with Jasmine's acquisition, it also became the leader in the domestic market of granolas, gluten-free breads, and healthy cookies.

An important general characteristic, with relevant repercussions on the Company's financial and equity position, lies in its vertical integration, i.e., it produces most of the two main raw materials used in the production of crackers and cookies and pasta: wheat flour and vegetable shortening. In 2022, 99.6% of all wheat flour and 100% of vegetable shortening used in the production process were manufactured in-house (99.7% and 99.7% in 2021, respectively).

To run its business, the development and launching of new products, as well as expanding its activities, the main sources of financial resources used by the Company derive from the own volume of resources arising from the selling of its products - with the characteristic of strong cash generation and low default - in addition to the amounts received as investment subsidies in state and federal level (associated with the implementation/expansion of industrial plants). The income from investments arising from cash assets is added to this amount.

The Company's main financial needs arise from investments for the expansion and modernization of its production and logistics structure, for the acquisition of other companies and

## 2.1 General financial and equity conditions

for the amortization of its indebtedness, payment of taxes, payment of dividends and other operating disbursements.

Accordingly, the Executive Board believes that the Company continues to boast sound financial and equity conditions, sufficient to implement its business plan and meet its short and medium term obligations. Aiming to reflect such financial conditions, the Company highlights some indicators based on liquidity ratios, which evidence a satisfactory capacity to settle its obligations.

Fiscal Year Ended December 31,		
Liquidity ratios	2021	2022
Overall Liquidity	1.43	1.15
Current Liquidity	3.34	1.98
Quick Ratio	2.47	1.12
Cash Ratio	1.17	0.26

### b. Capital structure

On December 31, 2022, the Company's shareholders' equity was R\$ 6,708.7 million compared to R\$ 7,032.4 million on December 31, 2021, showing a 4.6% decrease, mainly due to the extraordinary payment of interest on equity (IoE) in the total gross amount of R\$ 588.2 million, totaling R\$ 655.5 million as IoE against the reserve account for investment plans in the year.

On the same date, the Company had cash and cash equivalents in the amount of R\$ 648.0 million, as well as short and long term investments totaling R\$ 18.1 million. At the end of the period, net debt was R\$ 1,580.4 million compared to R\$ 140.4 million on December 31, 2021, and the increase was mainly due to the extraordinary payment of IoE, the acquisitions of Jasmine and Las Acacias and Capex investments.

### c. Ability to honor financial commitments

Ebitda as of December 31, 2022 was R\$ 900.4 million, 31.7% higher than Ebitda as of December 31, 2021. In 2022, Interests and exchange variations paid amounted to R\$ 80.2 million, while the payment of funds for the settlement of derivative transactions amounted to R\$ 261.9 million. Accordingly, Ebitda recorded a coverage ratio of 2.63 times interest, exchange rate variations and derivatives paid in fiscal year ended December 31, 2022. The table below shows the Company's net debt and its relation to Ebitda.

Fiscal Year Ended on December 31,			
Indebtedness (R\$ million)	2021	2022	Change
Total indebtedness <sup>(1)</sup>	(1,767.5)	(2,226.5)	26.0%
Cash <sup>(2)</sup>	1,574.6	735.7	-53.3%
Financial Instruments <sup>(3)</sup>	52.5	(89.6)	n/a
<b>Net Cash (Net Debt)</b>	<b>(140.4)</b>	<b>(1,580.4)</b>	<b>n/a</b>
<b>Ebitda</b>	<b>683.9</b>	<b>900.4</b>	<b>31.7%</b>
<b>Net Cash (Debt) / Ebitda of the last 12 months <sup>(4)</sup></b>	<b>(0.2)</b>	<b>(1.8)</b>	<b>n/a</b>

Note: The information presented refer to the consolidated financial statements of the Company.

(1) Including financing and borrowings from financial institutions, tax financing, direct financing and debentures.

(2) Including cash, cash equivalents, restricted deposits and short- and long-term financial investments.

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

(4) Pursuant to CVM Instruction 527/12, Ebitda consists of the net income for the period, added with taxes on profits, financial expenses net of financial revenue and depreciation, amortization and depletion. Art. 4 of CVM Instruction 527/12 also sets forth that the company may choose to disclose Ebitda and Ebit figures excluding the net results related to discontinued operations and adjusted for other items that contribute to the information on the potential of gross cash generation.

## 2.1 General financial and equity conditions

Considering its debt profile, based on the Net Deb/Ebitda ratio, the significant cash flow generated by operating activities and the current and general liquidity position, the Executive Board believes that the company has sufficient liquidity and capital resources to cover the investments, expenses, debts and other amounts to be paid in next years, although it can not guarantee that such situation will remain the same.

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

Typically, the Company has no need for additional working capital, but in view of the continuing uncertainties during 2022 and M&A agendas, the Company has decided to raise borrowings on shorter terms for the purpose of strengthening the Company's cash position. Thus, the Executive Board believes that the Company boasts sound financial and equity conditions, sufficient to implement its business plan and meet its short, medium and long term obligations.

In 2022, we engaged export financing transactions, transactions in foreign currency (Law n. 4.131, of September 3, 1962) and Rural Producer Credit backed by LCA, with maturities until February 2024, the purpose of strengthening the Company's cash position. Thus, the Executive Board believes that the Company boasts sound financial and equity conditions, sufficient to implement its business plan and meet its short, medium and long term obligations.

### **e. Sources of financing used for working capital and investments in non-current assets that the Issuer intends to use for covering liquidity deficiencies**

The Company has pre-approved credit facilities in first-tier banks. However, these approved limits are intended to cover investments and not to cover the Company's liquidity deficiencies, since it does not have this indication. In the event the Company should need it, it may use working capital financing through Private Financial Institutions, such as loans in foreign currency (Law 4.131, from September 3, 1962), Working Capital, Finimp (Financing of Imports), funding through the issue of securities or others, presented by them.

#### *Issue of Debentures to back CRA*

In January 2021, the Board of Directors approved the Company's 3rd issue of simple debentures, non-convertible into shares, of the unsecured type, in two series, with maturities on March 13, 2028 and March 13, 2031, respectively.

Debentures were issued on March 15, 2021 and were used as guarantee for the issuance of CRAs (Agribusiness Receivables Certificates), in the total amount of R\$ 811.644 million. In a bookbuilding procedure carried out on March 3, 2021, interest rates were set for each issue series. The first and second series debentures are entitled to semi-annual payment of conventional Interest of 3.7992% p.a. and 4.1369% p.a., respectively, based on 252 business days, in addition to adjustment by IPCA (adjustment only together with amortization).

Proceeds raised are intended to foster and encourage sustainable agriculture at the Company's suppliers, ensuring the continuous improvement of the food and nutritional safety of the products offered to consumers. This initiative is part of the strategy to encourage the supply of raw materials in the long term, committing suppliers and the Company to the United Nations' (UN) sustainable development goals, and reinforces the Company's position as a sustainability benchmark in Brazil.

As of December 31, 2022, the amount of debentures was represented by a gross amount of R\$ 942.9 million. Due to the classification of debentures as fair value hedges, their accounting balance

## 2.1 General financial and equity conditions

was R\$ 884.6 million, of which R\$ 848.3 million, net of the balance to amortize transaction costs in the amount of R\$ 36.3 million.

### f. Levels of indebtedness and the characteristics of such debts

The table below shows the breakdown of the Company's indebtedness for the fiscal years ended December 31, 2021 and 2022.

	Indexer	2021 R\$	2022 Interest (per year)	R\$
National currency				
BNDES-FINAME	TJLP	10.2	2.17%	6.2
BNDES-PSI	R\$	43.2	3.28%	13.3
BNDES-FINEM	IPCA	29.6	8.57%	20.8
BNDES-PROGEREN	IPCA	22.2	-	-
Financing of State Taxes (PROVIN)	TJLP	13.5	-	20.5
Financing of State Taxes (Fundopem)	IPCA/IBGE	3.5	-	6.2
Working Capital	100% CDI	-	0.76%	104.6
Working Capital	187% CDI	5.1	-	-
Working Capital	IPCA	-	6.93%	123.6
Working Capital	Brazilian Real	7.9	-	-
Pilar's Share Assignment Agreement	100% CDI	4.6	-	4.7
Estrela's Share Assignment Agreement	100% CDI	11.1	-	11.9
Moinho Santa Lúcia's Share Assignment Agreement	100% CDI	0.7	-	0.7
Piraquê's Share Assignment Agreement	100% CDI	146.3	-	170.1
Latinex' Share Assignment Agreement	100% CDI	94.6	-	98.9
Jasmine's Share Assignment Agreement	100% CDI	-	-	23.6
Las Acacias' Share Assignment Agreement	100% CDI	-	-	25.9
Debentures	IPCA	811.7	3.80% and 4.14%	848.3
<b>Foreign Currency</b>		<b>1,204.0</b>		<b>1,470.4</b>
Financing of import and export of inputs	USD	563.5	2.37%	736.2
Working Capital	UYU	-	12.07%	19.9
		<b>563.5</b>		<b>756.1</b>
		<b>1,767.5</b>		<b>2,226.5</b>
<b>Unamortized portion classified in current liabilities</b>		<b>(116.0)</b>		<b>(591.9)</b>
<b>Non-current liabilities</b>		<b>1,651.5</b>		<b>1,664.6</b>

As of December 31, 2022, the Company's debt totaled R\$ 2,226.5 million (25.2% in the short term and 74.8% in the long term), 26.0% higher than the balance recorded as of December 31, 2021, mainly due to the acquisition of export financing, Rural Credit Note backed by LCA and Working Capital.

The following table shows the payment schedule of long-term obligations contracted in fiscal years ended December 31, 2021 and 2022:

Fiscal year ended December 31,		
	2021	2022
Maturity	(In millions of Brazilian reais)	
2023	95.5	-
2024	195.9	201.0
2025	569.2	614.3
<b>2026 to 2031</b>	<b>791.0</b>	<b>849.3</b>
<b>Total</b>	<b>1,651.6</b>	<b>1,664.6</b>

## 2.1 General financial and equity conditions

### i. Relevant loan and financing agreements

#### 1. With financial institutions

As of December 31, 2022, the Company had financial contracts in local and foreign currency, totaling R\$ 2.3 billion. Of these, 11 contracts are considered relevant, in the aggregate, and represent the total amount of R\$ 975.55 million. Such contracts were entered into with several financial institutions, such as Banco Nacional de Desenvolvimento Econômico e Social (BNDES), Itaú BBA, The Bank of Nova Scotia, Banco Santander Brasil and Banco Bradesco S.A. In some contracts, Mrs. Maria Consuelo Saraiva Leão Dias Branco, Chairperson of the Board of Directors, appears as a guarantor together with some of the statutory officers.

The table below indicates details of the 11 financial contracts, which we highlight as having the highest balances outstanding, as of December 31, 2022, maintained by the Company:

Contract	Financial institution	Amount Contracted (in R\$ million)	Interest	Contracting Date	Maturity	Debt Balance as of 12/31/2022 (in R\$ million)
4131 - Working capital	The Bank of Nova Scotia	510.0	1.6554% p.a.	12/15/2020	12/22/2025	522.02
18082022	Banco Santander SA	103.4	4.5% p.a.	08/18/2022	08/24/2023	106.01
4131 - Working capital	The Bank of Nova Scotia	103.5	3.6635% p.a.	08/17/2022	08/24/2023	105.97
2022/0288/001	Banco Bradesco SA	100.0	076% p.a.	08/23/2022	08/28/2023	104.65
60333852-01	Banco Santander Brasil SA	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.36
60333832-01	Banco Santander Brasil SA	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.36
60333853-01	Banco Santander Brasil SA	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.36
60333854-01	Banco Santander Brasil SA	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.36
60333855-01	Banco Santander Brasil SA	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.36
60333922-01	Banco Santander Brasil SA	20.0	6.9278% p.a.	10/21/2022	02/15/2024	20.36
14.2.1298.1 A	BNDES	54.5	8.38% p.a.	02/10/2015	06/17/2024	14.74

The agreements entered into by the Company with its principal creditors are listed below.

#### The Bank of Nova Scotia

As of December 31, 2022, the Company had 2 relevant agreements in force with this institution with a balance of R\$ 627.99 million, acquired for Working Capital with maturity until December 2025 and average rate of 1.99% p.a. plus exchange rate variation.

#### Banco Santander Brasil

As of December 31, 2022, the Company had 12 agreements in force, with 7 agreements classified as relevant with this institution, in the total amount of R\$ 229.1 million, maturing by February 2024. These financings were acquired through BNDES, in FINAME PSI and TLP modalities with an average rate of 3.04% p.a., and 6.9278% p.a. respectively + IPCA variation and an Export Financing with a rate of 4.5% p.a. + Exchange rate variation Regarding the provision of guarantees, in some of the Company's agreements in force, the Chairperson of the Board of Directors, Ms. Maria Consuelo Saraiva Leão Dias Branco is the guarantor, together with certain statutory officers. The transfer of fiduciary ownership of the assets described in the respective agreements with BNDES onlending is the guarantee thereof.

#### Banco Bradesco

As of December 31, 2022, the Company had 12 agreements in force. with 1 classified as significant with this institution, in the total amount of R\$ 106.2 million. These financings were acquired through BNDES, in FINAME PSI modality, for the renovation and expansion of our production facilities, with an

## 2.1 General financial and equity conditions

average rate of 3.95% p.a., and a Rural Credit Note backed by LCA, adjusted by 100% of CDI and a 076% p.a. rate. The transfer of fiduciary ownership of the assets described in the respective agreements with BNDES onlending is the guarantee thereof.

### *Banco Nacional de Desenvolvimento Econômico e Social*

As of December 31, 2022, the Company had 2 contracts in force, with 1 significant with BNDES, in the amount of R\$ 26.99 million, with maturities up to August 2024. These financings are contracted through BNDES onlending lines, in FINEM modality, with IPCA index, average rate of 8.57% p. a. and TJLP index, average rate of 2.17% p.a. Such financing were contracted by Piraquê S.A. for the Implementation of Industrial Unit and Working Capital. The collateral is the mortgage on the assets described in the respective agreements.

### *Banco do Brasil*

As of December 31, 2022, the Company had 10 agreements in force with Banco do Brasil, in the amount of R\$ 2.09 million, with maturities up to June 2023. Such financings are obtained through BNDES onlending lines, in FINAME PSI modality, with an average rate of 3% p.a. Such financings were contracted for the renovation and expansion of our production facilities. Regarding the provision of guarantees, in some of the Company's agreements in force, the Chairperson of the Board of Directors, Ms. Maria Consuelo Saraiva Leão Dias Branco is the guarantor, together with certain statutory officers. The transfer of fiduciary ownership of the assets described in the respective agreements is the guarantee thereof.

### *Banco Itaú BBA*

As of December 31, 2022, 62 contracts with Banco Itaú BBA were in force, amounting to R\$ 10,86 million, maturing up to January 2024. These financings were acquired through BNDES onlending lines, in FINAME PSI modality, with an average rate of 3.26% p.a., and were contracted for innovation and expansion of production facilities and 1 agreement was contracted by Latinex, used for Working Capital, maturing in October 2023, with an average rate of 5.75% p.a., The transfer of fiduciary ownership of the assets described in the respective agreements with BNDES onlending is the guarantee thereof.

## 2. Other relevant indebtedness

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

The Company has R\$ 335.75 million in direct financing, highlighting in 2022 the acquisition of Jasmine and Las Acacias.

The amount of R\$ 170,071 related to Piraquê acquisition comprises a portion withheld from the price that will be settled in two installments, maturing in 05/2023 and 12/2023, discounted from the contingencies paid of the sellers' liabilities and the transfer of a tax credit of R\$ 37,495 to the former partners after offset.

The amount of R\$ 90,006 related to Latinex acquisition comprises a portion withheld from the price in the amount of R\$ 10,718 to be amortized in five annual installments (the first of R\$ 718 and four of R\$ 2,500), deducted from the contingencies paid of the sellers' liabilities, R\$ 32,500 to be paid upon completion of the trademark ownership registration process, in addition to R\$ 41,752 resulting from the contingent portion of the acquisition price, plus CDI in the amount of R\$ 5,036.

Regarding Jasmine acquisition, the amount of R\$ 23,586 comprises a portion withheld from the price in the amount of R\$ 17,586, to be settled in Jan/23, and R\$ 6,000, as the fair value of the property to be reimbursed to the seller until Jun/23.

The amount of R\$ 25,947 related to Las Acacias acquisition comprises the portion withheld from the price of R\$ 13,330 to be amortized in five annual installments, deducted from contingencies paid for the sellers' liabilities, and R\$ 12,417, whose expected payment will be until March 31, 2023.



## 2.1 General financial and equity conditions

### *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. Level of subordination between debts*

Our financing agreements, when secured, use some instruments such as fiduciary sale, promissory notes, Standby Letter of Credit, mortgage collateral, and guarantee provided by the chairperson of the board of directors, Mrs. Maria Consuelo Saraiva Leão Dias Branco.

Considering the entirety of the Company's current and non-current liabilities, the composition according to the level of subordination was as follows on the dates indicated, based on our consolidated financial statements:

Fiscal Year Ended on December 31,		
	2021	2022
	(In R\$ million)	
Unsecured obligations	3,402.70	4,343.3
Collateralized Obligations	222.1	333.4
<b>Total of current and non-current liabilities</b>	<b>3,624.80</b>	<b>4,676.7</b>

*iv. Any restrictions imposed on the issuer, especially in relation to indebtedness limits and contracting of new debts, to the payment of dividends, to the sale of assets, to the issuance of new securities and to the sale of corporate control.*

The agreements for external financing, financing through the BNDES and FNE credit lines contain restrictive clauses, customary for these types of transactions, which, if not met, may trigger the early maturity of some of these transactions.

These contractual clauses, among other conditions, restrict the Company's autonomy in cases of change in the corporate structure, as they expressly prohibit any change or modification in the composition of its share capital, merger, spin-off or consolidation, transfer or assignment, direct or indirect, of its corporate control without the prior and express agreement of the respective creditor financial institutions; and require that the Company: (i) has no legitimate protests; (ii) has no proceedings, demands or lawsuits pending or in the process of being filed, which, if decided against the Company, would have a detrimental effect on its financial condition or would impair its ability to fulfill contractual obligations and also require that the transfer or assignment of rights and obligations arising from the agreements are approved by the respective creditor financial institutions and by Finame, (iii) does not have early maturity, declared by third parties, of any pecuniary obligations or financing transaction involving a relevant amount; (iv) there is no conviction of the Company or its respective managers, acting as legal representatives of the Issuer, by any judicial or administrative decision, due to the practice of acts that imply race or gender discrimination, incentive to prostitution and/or child labor, slave labor; violations against the Anti-Corruption Laws; violations against the Social and environmental Legislation; (v) avoid non-obtaining, non-renewal, cancellation, revocation, extinction or suspension of authorizations, concessions, permits, subsidies or licenses, including environmental ones and/or those required by the relevant regulatory bodies for the regular exercise of the activities performed by the company, which cause (a) the suspension or total interruption of the activities of the company or its subsidiaries, which represent, jointly or individually, a relevant reduction in the company's gross revenue (b) relevant reputational impacts for the company, resulting from public and notorious disclosure of one of the facts mentioned above. In addition to the aforementioned clauses, the Company should (i) maintain during the term of the agreement certain percentages of the ratios: Net Debt/Ebitda and Shareholder's Equity/Total Liabilities and (ii) maintenance of workforce presented in the project of financing release and, in addition, the Company commits to:

## 2.1 General financial and equity conditions

(i) not to use proceeds obtained from certain financial transactions in transactions that, with its knowledge, involve terrorist activities or that result in violation of any applicable anti-corruption laws or anti-terrorism laws; and, (ii) cause each of its Affiliates, Subsidiaries and all Persons acting on behalf of or under the direction of the Company or any of its Subsidiaries, to act in accordance with all applicable Anti-Corruption Laws in the jurisdictions in which the company or any of its Affiliates or Subsidiaries does business.

Currently, the Company is in compliance with all covenants in its contracts.

Conclusively, although the Company uses third-party funds, it is not dependent on financial contracts relevant to the undertaking of its operating activities.

### **g. Limits on the use of financing already contracted**

As of December 31, 2022, all proceeds from transactions already contracted with financial institutions, through the BNDES - PSI credit line, for the expansion and refurbishment of its production facilities were released.

### **h. Significant changes to items of the income and cash flow statements**

The summaries of the Company's financial statements for fiscal years ended December 31, 2021 and 2022 presented below were extracted from the consolidated financial statements. These statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and accounting practices adopted in Brazil (BR GAAP), which encompass Brazilian Corporate Law, Pronouncements, Guidance and Interpretations issued by the Accounting Principles Committee (CPC), approved by the regulatory agencies and audited by the Independent Auditors, in accordance with the international auditing standards and auditing standards applicable in Brazil, which properly reflect the results of operations and financial position of the Company in the respective years.

The tables below present a summary of the consolidated balance sheet, consolidated income statement, statement of cash flows and other financial information for the periods indicated, including the percentages of variation between periods for each item of the respective statements, as well as the representativeness of each item, either in relation to the total assets in the balance sheet, or in relation to the net income in the income statement:

## 2.1 General financial and equity conditions

### Analysis of income statements, balance sheets and cash flows for the years ended December 31, 2022 and 2021

Income Statement	2021	VA%	2022	VA%	2022/ 2021 (%)
<b>(In R\$ million, except percentages)</b>					
<b>Net operating revenue</b>	<b>7,814.0</b>	<b>100.0</b>	<b>10,129.2</b>	<b>100.0</b>	<b>29.6</b>
Cost of Goods Sold	(6,048.0)	(77.4)	(7,816.6)	(77.2)	29.2
Investment-related State subsidies	436.0	5.6	574.5	5.7	31.8
<b>Gross Profit</b>	<b>2,202.0</b>	<b>28.2</b>	<b>2,887.1</b>	<b>28.5</b>	<b>31.1</b>
<b>Operating Revenues (Expenses)</b>					
Sales expenses	(1,463.1)	(18.7)	(1,827.7)	(18.0)	24.9
Administrative expenses	(306.0)	(3.9)	(358.5)	(3.5)	17.2
Other operating revenues (expenses), net	(24.6)	(0.3)	(118.0)	(1.2)	n/a
<b>Results before net financial revenues (expenses), equity income and taxes</b>	<b>408.3</b>	<b>5.2</b>	<b>582.9</b>	<b>5.8</b>	<b>42.8</b>
Financial revenues	280.2	3.6	332.0	3.3	18.5
Financial expenses	(300.0)	(3.8)	(563.5)	(5.6)	87.8
<b>Operating results, after financial results</b>	<b>388.5</b>	<b>5.0</b>	<b>351.4</b>	<b>3.5</b>	<b>(9.5)</b>
Equity Pickup	(11.3)	(0.1)	0.3	-	n/a
<b>Results before income tax and social contribution</b>	<b>377.2</b>	<b>4.8</b>	<b>351.7</b>	<b>3.5</b>	<b>(6.8)</b>
Income tax and social contribution	127.8	1.6	130.1	1.3	1.8
<b>Net income for the year</b>	<b>505.0</b>	<b>6.5</b>	<b>481.8</b>	<b>4.8</b>	<b>(4.6)</b>
Reconciliation for EBITDA and Adjusted EBITDA					
<b>Net income for the year</b>	<b>505.0</b>	<b>6.5</b>	<b>481.8</b>	<b>4.8</b>	<b>(4.6)</b>
Income tax and social contribution	(127.8)	(1.6)	(130.1)	(1.3)	1.8
Financial revenues	(280.2)	(3.6)	(332.0)	(3.3)	18.5
Financial expenses	300.0	3.8	563.5	5.6	87.8
Depreciation and amortization included in CPV	184.5	2.4	183.6	1.8	(0.5)
Depreciation and amortization included in administrative and commercial expenses	102.4	1.3	133.6	1.3	30.5
<b>EBITDA <sup>(1)</sup></b>	<b>683.9</b>	<b>8.8</b>	<b>900.4</b>	<b>8.9</b>	<b>31.7</b>

**Note:** The vertical analysis (AV%) is the representation of each item on net revenue.

<sup>(1)</sup> Pursuant to CVM Instruction 527/12, EBITDA consists of the net income for the period, added with taxes on profits, financial expenses, net financial revenue, financial revenue and depreciation, amortization and depletion. Art. 4 of CVM Instruction 527/12 also sets forth that the company may choose to disclose EBITDA and EBIT figures excluding the net results related to discontinued operations and adjusted for other items that contribute to the information on the potential of gross cash generation.

## 2.1 General financial and equity conditions

Balance Sheet	2021	VA%	2022	VA%	2022/2021 (%)
(In R\$ million, except percentages)					
<b>Current assets</b>	<b>4,443.1</b>	<b>41.7</b>	<b>4,877.0</b>	<b>42.6</b>	<b>9.8</b>
Cash and cash equivalents	1,555.9	14.6	648.0	5.7	(58.4)
Restricted deposits	-	-	69.6	0.6	n/a
Trade accounts receivable	1,439.0	13.5	1,690.9	14.8	17.5
Inventories	1,154.2	10.8	2,111.5	18.5	82.9
Taxes recoverable	127.9	1.2	234.6	2.1	83.4
Income tax and social contribution	71.2	0.7	28.5	0.2	(60.0)
Financial investments	16.6	0.2	16.6	0.1	-
Derivative financial instruments	51.1	0.5	15.6	0.1	(69.5)
Prepaid expenses	7.8	0.1	14.3	0.1	83.3
Other current assets	19.4	0.2	47.4	0.4	n/a
<b>Non-current assets</b>	<b>6,214.0</b>	<b>58.3</b>	<b>6,562.5</b>	<b>57.4</b>	<b>5.6</b>
<b>Long-term receivables</b>	<b>750.6</b>	<b>7.0</b>	<b>539.9</b>	<b>4.7</b>	<b>(28.1)</b>
Financial investments	2.1	0.0	1.5	-	(36.4)
Judicial deposits	233.8	2.2	263.7	2.3	12.8
Taxes recoverable	440.1	4.1	149.6	1.3	(66.0)
Derivative financial instruments	10.2	0.1	-	-	(100.0)
Assets from indemnities	59.8	0.6	75.3	0.7	25.9
Other non-current assets	4.6	0.0	5.0	-	8.7
<b>Investments</b>	<b>35.9</b>	<b>0.3</b>	<b>62.5</b>	<b>0.5</b>	<b>(24.1)</b>
<b>Investment Property</b>	<b>56.1</b>	<b>0.5</b>	<b>55.6</b>	<b>0.5</b>	<b>(0.9)</b>
<b>Property, Plant &amp; Equipment</b>	<b>3,418.0</b>	<b>32.1</b>	<b>3,547.8</b>	<b>31.0</b>	<b>3.8</b>
<b>Intangible assets</b>	<b>1,953.4</b>	<b>18.3</b>	<b>2,356.7</b>	<b>20.6</b>	<b>20.6</b>
<b>Total assets</b>	<b>10,657.1</b>	<b>100.0</b>	<b>11,439.5</b>	<b>100.0</b>	<b>7.3</b>
<b>Current liabilities</b>	<b>1,329.1</b>	<b>12.5</b>	<b>2,467.4</b>	<b>21.6</b>	<b>85.6</b>
Trade accounts payable	741.4	7.0	1,234.6	10.8	66.5
Financing, loans and debentures	116.0	0.7	561.9	4.9	n/a
Leases	52.8	0.5	66.6	0.6	26.1
Social and labor obligations	176.9	1.7	252.4	2.2	42.7
Tax liabilities	102.6	1.0	125.0	1.1	21.8
Income tax and social contribution	1.8	0.0	1.8	0.0	-
Government Subsidies	10.8	0.1	25.0	0.2	n/a
Derivative financial instruments	0.0	0.0	54.5	0.5	n/a
Other current liabilities	126.8	1.2	145.5	1.3	14.8
<b>Non-current liabilities</b>	<b>2,295.6</b>	<b>21.5</b>	<b>2,263.5</b>	<b>19.8</b>	<b>(1.4)</b>
Long-term liabilities	2,295.6	21.5	2,263.5	19.8	(1.4)
Financing, loans and debentures	1,651.5	15.5	1,664.6	14.6	0.8
Leases	193.0	1.8	265.3	2.3	37.5
Tax liabilities	0.8	-	0.5	-	(37.5)
Deferred Income tax and social contribution	195.4	1.8	37.4	0.3	(80.9)
Derivative financial instruments	8.8	0.1	50.7	0.4	n/a
Provision for civil, labor and tax risks	221.2	2.1	225.3	2.0	1.9
Other current non-liabilities	24.9	0.2	19.7	0.2	(21.3)
<b>Shareholder's equity</b>	<b>7,032.4</b>	<b>66.0</b>	<b>6,708.7</b>	<b>58.6</b>	<b>(4.6)</b>
Share capital	2,597.7	24.4	2,597.7	22.7	-
Capital Reserves	33.4	0.3	39.7	0.3	18.9
Accumulated conversion adjustments	0.2	-	0.2	-	-
Equity valuation adjustments	41.6	0.4	(81.5)	(0.7)	n/a
Earnings reserves	4,408.2	41.4	4,233.7	37.0	(4.0)
(-) Treasury shares	(48.7)	(0.5)	(81.1)	(0.7)	66.5
<b>Total liabilities and shareholder's equity</b>	<b>10,657.1</b>	<b>100.0</b>	<b>11,439.5</b>	<b>100.0</b>	<b>7.3</b>

Note: The vertical analysis (AV%) is the representation of each item on total assets.

## 2.1 General financial and equity conditions

Cash flow statement - Indirect Method	2021	2022	Var. (%)
<b>Cash flows from operating activities</b>			
<b>Net Income before Income Tax and Social Contribution</b>	<b>377.2</b>	<b>351.7</b>	<b>(6.8)</b>
<b>Adjustments to Reconcile net income with cash from operating activities</b>			
Depreciation and amortization	286.9	317.3	10.6
Cost on sale of permanent assets	1.4	13	(7.1)
Equity income	11.3	(0.3)	n/a
Restatement of financing, debentures and exchange rate variations	171.7	98.3	(45.4)
Restatement of long-term financial investments	-	(0.3)	n/a
Tax credits and restatements	(219.8)	(62.5)	(71.6)
Restatement of judicial deposits	(5.5)	(14.4)	161.8
Provision and restatement for civil, labor and tax risks	36.6	40.0	9.3
Provision (reversal) of expenses/indemnity assets	(2.7)	(11.4)	n/a
Interest on leases	20.3	27.2	34.0
Recognition of shares granted	9.6	11.0	14.6
Provision (reversal) for estimated customer losses	(0.9)	24.3	n/a
Provision for IT on financing	3.6	1.8	(50.0)
Provision of impairment loss of inventories	10.0	16.7	67.0
Losses (gains) on derivative transaction agreements	(16.8)	229.1	n/a
Provision (reversal) for impairment of assets	0.8	-	n/a
(Gain) on acquisition of equity interest	-	(16.8)	n/a
<b>Changes in assets and liabilities</b>			
(Increase) in restricted deposits	-	69.6	n/a
(Increase) in trade accounts receivable	(468.6)	(243.7)	(48.0)
(Increase) in inventories	(24.8)	(949.5)	n/a
(Increase) in financial investments	(0.2)	-	n/a
Decrease in taxes recoverable	421.6	407.0	(3.5)
Decrease in judicial deposits	60.6	17.7	(70.8)
(Increase) decrease in prepaid expenses	2.6	(6.3)	n/a
(Increase) decrease in indemnity assets	9.1	(0.7)	n/a
(Increase) decrease in other assets	14.1	(27.4)	n/a
Increase in trade accounts payable	339.1	416.6	22.9
(Decrease) in taxes and contributions	(7.0)	(116.4)	n/a
Increase (decrease) in social and labor obligations	(0.6)	68.1	n/a
(Decrease) in provision for civil, labor and tax risks	(59.3)	(69.6)	17.4
Increase (decrease) in government subsidies	(1.5)	14.2	n/a
(Decrease) in other liabilities	(36.3)	(0.2)	(99.4)
Interest paid	(84.2)	(80.2)	(4.8)
FX Variations paid	(40.0)	-	100.0
Receipts of funds by settlement of derivative transactions	116.5	(261.9)	n/a
<b>Net Cash generated from operating activities</b>	<b>924.8</b>	<b>106.6</b>	<b>(88.5)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets	(161.7)	(177.1)	9.5
Payment of debt from company acquisition	(69.9)	(7.0)	(90.0)
Acquisition of equity interest	(132.7)	(415.7)	n/a
Long-term financial investments	(2.0)	(1.5)	(28.6)
Redemption of long-term financial investments	3.3	2.0	33.3
Advance for capital subscription	-	(2.6)	n/a
<b>Net cash (used) in investing activities</b>	<b>(363.0)</b>	<b>(601.1)</b>	<b>65.6</b>
<b>Cash flows from financing activities</b>			
Interest on Equity paid	(222.1)	(655.5)	n/a
Financing obtained	821.6	430.1	(47.7)
Acquisition of shares issued by the company	(12.8)	(36.6)	185.9
Payment of financing	(763.2)	(85.3)	(88.8)
Lease payments	(42.3)	(66.2)	56.5
<b>Net cash generated (used) in financing activities</b>	<b>(218.9)</b>	<b>(413.5)</b>	<b>88.9</b>
<b>Effects of exchange rate fluctuations on cash and cash equivalents</b>	<b>-</b>	<b>0.1</b>	<b>n/a</b>
<b>Statement of increase (decrease) in cash and cash equivalents</b>	<b>342.9</b>	<b>(907.9)</b>	<b>n/a</b>
<b>At the beginning of the period</b>	<b>1,213.0</b>	<b>1,555.0</b>	<b>28.3</b>
<b>At the end of the period</b>	<b>1,555.9</b>	<b>648.0</b>	<b>(58.4)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>342.9</b>	<b>(907.9)</b>	<b>n/a</b>

Note: The information presented refer to the consolidated financial statements of the Company.

## 2.1 General financial and equity conditions

### Main items of income earned in the fiscal year ended December 31, 2021 compared to the fiscal year ended December 31, 2020

M. Dias Branco reached net revenue of R\$ 10.1 billion, 29.6% higher than the previous year, as a result of the increase in average price and volumes by 28.5% and 0.9%, respectively.

Throughout the year, the Company focused its efforts on initiatives and measures to increase volumes and sequential increase in average prices, among which are the launch of new products and growth in brands with high added value, such as Piraquê brand, in addition to the result of the acquisitions of Jasmine (Sep/22) and Latinex (Nov/21), which have strengthened the snacks and healthy portfolio, with items with average prices higher than the average of M. Dias Branco.

Concerning costs, the rise in wheat and oil prices, as a result of the war between Russia and Ukraine, negatively impacted the result during the year. In terms of selling and administrative expenses, the gains in productivity and efficiency captured in recent years were maintained. As a result, the Company recorded R\$ 900.4 million EBITDA (+31.7% versus 2021), with 8.9% EBITDA margin (8.8% in 2021) and R\$ 481.8 million net income (-4.6% versus 2021).

The main indicators of consolidated results for 2022 compared to 2021 are shown below, including Latinex, Jasmine and Las Acacias results as of November 2021, September 2022 and November 2022, respectively.

#### Net revenue

In 2022 vs. 2021, net revenue recorded 29.6% growth, due to the 28.5% increase in average prices and 0.9% increase in volumes. Highlight for the 104.1% growth in revenue from other product lines, reflecting the acquisitions of Latinex and Jasmine, which introduced new categories with high value added products.

Revenue from crackers and cookies, pasta, flour and bran, margarine and vegetable shortening and other product lines accounted for 50.7%, 20.8%, 18.4%, 6.7% and 3.4%, respectively, of net operating income in 2022, compared to 50.7%, 21.9%, 18.2%, 7.0% and 2.2%, respectively, of net operating revenue in 2021.

The contribution of each of the product lines: (i) crackers and cookies; (ii) pasta; (iii) flour and bran; (iv) margarine and vegetable shortenings; and (v) other product lines, for the formation and growth of net operating revenue occurred as shown in the table below and comments.

Product Lines	2021			2022			Changes		
	Net Revenue*	Weight*	Average Price*	Net Revenue*	Weight*	Average Price*	Net Revenue*	Weight*	Average Price*
Crackers and cookies	3,960.4	519.4	7.62	5,137.8	520.5	9.87	29.7%	0.2%	29.5%
Pasta	1,713.5	373.0	4.59	2,104.1	357.4	5.89	22.8%	-4.2%	28.3%
Flours and Brans	1,425.6	708.8	2.01	1,861.5	737.0	2.53	30.6%	4.0%	25.9%
Margarine and Shortening	545.7	85.8	6.36	681.2	80.8	8.43	24.8%	-5.8%	32.5%
Other Product Lines**	168.8	15.9	10.62	344.6	21.8	15.81	104.1%	37.1%	48.9%
<b>TOTAL</b>	<b>7,814.0</b>	<b>1,702.9</b>	<b>4.59</b>	<b>10,129.2</b>	<b>1,717.5</b>	<b>5.90</b>	<b>29.6%</b>	<b>0.9%</b>	<b>28.5%</b>

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

\*\* Cakes, snacks, cake mix, refreshments, packaged toasts, healthy products, sauces and seasoning

## 2.1 General financial and equity conditions

### Crackers and cookies

Net revenue from crackers and cookies showed 29.7% growth in 2022 vs 2021, with 29.5% average price increase and 0.2% growth in volumes. The growth in volumes was seen mainly in the Attack region, particularly in Southeast. The increase was recorded mainly in the categories of wafer, savory and water and salt cream cracker. It should also be highlighted the continued increase in iced sales, mainly in the Southeast and Northeast regions, in line with the Company's strategy of investing in products with high added value.

### Pasta

For pasta, net revenue recorded 22.8% growth in 2022 versus 2021, with 28.3% increase in average prices, offsetting the 4.2% decline in volumes. The drop in volumes was seen mainly in the Northeast region and Exports and in the categories of regular pasta and semoline pasta. On the other hand, it is worth highlighting the increase in pasta with egg and Instant noodles sales, mainly in the Southeast and Northeast regions.

### Flours and Brans

In 2022, net revenue from flours and brans recorded 30.6% growth versus 2021, with 25.9% increase in average prices and 4.0% growth in volumes. Growth is seen for both industrial flours and domestic flours, especially in the Northeast region.

### Margarine and shortening

Net revenue from margarine and shortening was 24.8% higher in 2022 versus 2021, with 32.5% increase in average prices and 5.8% drop in volumes. Volume decline was due to the drop in the domestic subcategory, which was partially offset by the increase in volumes in industrial subcategory in the Northeast region and Exports.

### Cost of goods sold

Cost of goods sold (R\$ million)	2021	VA%	2022	VA%	Change HA%
<b>Raw materials</b>	<b>4,171.5</b>	<b>53.4%</b>	<b>5,582.1</b>	<b>55.1%</b>	<b>33.8%</b>
Wheat	2,630.7	33.7%	3,568.3	35.2%	35.6%
Oil	899.5	11.5%	1,196.8	11.8%	33.1%
Sugar	225.2	2.9%	278.2	2.7%	23.5%
Flour acquired from third parties	7.5	0.1%	8.0	0.1%	6.7%
Shortening acquired from third parties	1.7	0.0%	0.2	0.0%	-88.2%
Other inputs	406.9	5.2%	530.6	5.2%	30.4%
<b>Packaging</b>	<b>530.5</b>	<b>6.8%</b>	<b>649.7</b>	<b>6.4%</b>	<b>22.5%</b>
<b>Labor</b>	<b>646.0</b>	<b>8.3%</b>	<b>723.7</b>	<b>7.1%</b>	<b>12.0%</b>
<b>General manufacturing costs</b>	<b>514.0</b>	<b>6.6%</b>	<b>617.7</b>	<b>6.1%</b>	<b>20.2%</b>
<b>Depreciation and amortization</b>	<b>184.5</b>	<b>2.4%</b>	<b>183.6</b>	<b>1.8%</b>	<b>-0.5%</b>
<b>Cost of goods sold</b>	<b>1.5</b>	<b>0.0%</b>	<b>59.8</b>	<b>0.6%</b>	<b>n/a</b>
<b>Total</b>	<b>6,048.0</b>	<b>77.4%</b>	<b>7,816.6</b>	<b>77.2%</b>	<b>29.2%</b>

Note: The vertical analysis (AV%) is the representation of the cost of goods sold over net revenue.

In 2022, the cost of goods sold grew 29.2% in absolute figures, representing 77.2% of net revenue (77.4% in 2021), mainly reflecting the increase in the average cost of wheat and oil, which increased 35.1% and 29.4%, respectively.

The increase in the cost of main inputs is due to the conflict between Russia and Ukraine that impacted results, mainly in 4Q22, as mentioned.

## 2.1 General financial and equity conditions

### Gross operating profit

In 2022 vs. 2021, gross profit in nominal figures was up 31.1% and gross margin rose 0.3 p.p. from 28.2% in 2021 to 28.5% in 2022. The growth reflects the increase in prices to offset the higher cost of raw materials.

### Operating Expenses

#### *Selling and administrative expenses*

In fiscal year ended December 31, 2022, selling and administrative expenses recorded 24.9% and 13.9% growth in absolute terms and decreased 0.7 p.p. and 0.4 p.p. drop as a percentage of net revenue, respectively, maintaining the gains in productivity and efficiency captured in recent years.

Absolute growth reflects the higher inflation, especially in fuels, increased investments in marketing and insourcing, in addition to the inclusion of operating expenses of acquired companies and non-recurring expenses with acquisitions.

#### *Other operating revenues (expenses), net*

Other operating expenses (revenues) went from a revenue of R\$ 10.3 million in 2021 to an expense of R\$ 80.4 million in 2022, with an increase of 0.7 percentage points over net revenue. The increase was mainly influenced by lower revenue from extemporaneous loans compared to 2021.

### State investment subsidies

Tax incentives (ICMS) are transferred to the result in compliance with CPC 07 and IAS 20 – Government Subsidies. Most of them are calculated based on the amount of ICMS computed in the production cost, and allocated in the Fiscal Year Income Statement, below the cost of goods sold. In 2022, the amount recognized by the Company was R\$ 574.5 million (R\$ 436.0 million in 2021).

In addition, the Company was entitled to R\$ 111.5 million (R\$ 94.8 million in 2021) as presumed credit and, in other operating income, recognized R\$ 3.8 million (R\$ 5.8 million in 2021) referring to FUNDOPEM (Fundo Operação Empresa) of the State of Rio Grande do Sul, detailed in Note No. 22 of the financial statements for the year 2022.

### Financial results

Financial Results (R\$ million)	2021	VA%	2022	VA%	AH% Change
Financial Revenues	280.2	3.6%	332.0	3.3%	+18.5%
Financial Expenses	(300.0)	-3.8%	(563.5)	-5.6%	+87.8%
<b>Total</b>	<b>(19.8)</b>	<b>-0.3%</b>	<b>(231.5)</b>	<b>-2.3%</b>	<b>n/a</b>

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

In 2022, the Company recorded a negative financial result in the amount of R\$ 231.5 million, versus a negative result of R\$ 19.8 million in 2021. The change was mainly influenced by the increase in debt from R\$ 1.8 billion to R\$ 2.2 billion, the decline in cash and cash equivalents from R\$ 1.6 billion to R\$ 0.6 billion in 2022, and the hike in CDI, which increased from 4.4% in 2021 to 12.4% in 2022, influencing



## 2.1 General financial and equity conditions

the increase in the cost of debt, the cost of contracting NDFs for hedge transactions.

### Taxes on result

Income tax and social contribution (R\$ million)	2021	VA%	2022	VA%	AH% Change
Income tax and social contribution	(125.8)	-1.6%	(130.6)	-1.3%	3.8%
Federal tax incentive	(2.0)	0.0%	0.5	0.0%	n/a
<b>Total</b>	<b>(127.8)</b>	<b>-1.6%</b>	<b>(130.1)</b>	<b>-1.3%</b>	<b>1.8%</b>

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

In 2022, a reversal of R\$ 130.1 million of income tax and social contribution was recognized (R\$ 127.8 million in 2021). The reversal is mainly due to the 6.8% reduction in pre-tax profits, the increase in state tax incentives and the recognition of presumed credits.

### Ebitda and Net Income

The Company ended 2022 with R\$ 900.4 million EBITDA (31.7% growth of vs. 2021), with an 8.9% margin (8.8% in 2021) and net income of R\$ 481.8 million (-4.6% vs. 2021), in a scenario of net revenue growth, in contrast to the increase in commodity prices in U.S. dollars and lower level of non-recurring revenues.

### Analysis of the main changes in the balance sheet accounts as of December 31, 2022 compared to December 31, 2021.

#### Assets

##### Current

##### *Cash and cash equivalents*

The balance of cash and cash equivalents as of December 31, 2021 amounted to R\$ 1,555.9 million, and dropped to R\$ 648.0 million as of December 31, 2022, down 58.4%, explained by the payment extraordinary interest on equity (IoE), the acquisitions of Jasmine and Las Acacias and Capex investments. As of December 31, 2021 and 2022, the balance of cash and cash equivalents represented 14.6% and 5.7% of total assets, respectively, with 8.9 percentage points decline in the period.

##### *Trade accounts receivable*

Trade accounts receivable as of December 31, 2021 amounted to R\$ 1,439.0 million, and as of December 31, 2022, increased to R\$ 1,690.9 million, increasing 17.5%. Increase influenced by higher revenues in December 2022 compared to the same period of the previous year. As of December 31, 2021 and 2022, trade accounts receivable accounted for 13.5% and 14.8% of total assets, respectively.

##### *Inventories*

The balance of inventories increased from R\$ 1,154.2 million as of December 31, 2021 to R\$ 2,111.5 million as of December 31, 2022, up 82.9%, influenced by higher levels of raw material inventories and finished products, in addition to the increase in the price of commodities. As of December 31, 2021 and 2022,

## 2.1 General financial and equity conditions

the balance of inventories represented 10.8% and 18.5% of total assets, respectively.

### Non-current

#### ***Property, Plant & Equipment***

As of December 31, 2021, property, plant and equipment was R\$ 3,418.0 million, and increased to R\$ 3,547.8 million as of December 31, 2022, with 3.8% increase. Growth was influenced by capex investments, particularly for adapting machinery to reduce weight and flow pack, in addition to the increase in PP&E with the acquisitions of Jasmine and Las Acacias. As of December 31, 2021, property, plant and equipment represented 32.1% of total assets, and as of December 31, 2022, accounted for 31.0% of total assets.

#### ***Intangible assets***

as of December 31, 2021, intangible assets amounted to R\$ 1,953.4 million, and increased to R\$ 2,356.7 million as of December 31, 2022, with 20.6% increase, mainly due to the brands and goodwill paid for future earnings recognized with the acquisition of Jasmine and Las Acacias. As of December 31, 2021, intangible assets represented 18.3% of total assets, and as of December 31, 2022, accounted for 20.6% of total assets.

### Liabilities

#### Current

##### *Trade Accounts Payable*

As of December 31, 2021, the balance of trade accounts payable amounted to R\$ 741.4 million, increasing to R\$ 1,234.6 million as of December 31, 2022, with 66.5% increase, influenced by the extension of payment terms to suppliers. The share of trade accounts payable on total assets increased from 7.0% as of December 31, 2021 to 10.8% as of December 31, 2022.

##### Financing, loans and debentures

The balance of financing, loans and debentures amounted to R\$ 116.0 million as of December 31, 2021 and increased to R\$ 561.9 million as of December 31, 2022, with R\$ 445.9 million increase, due to new raising of loans from financial institutions for working capital. As of December 31, 2021, financing, loans and debentures represented 1.1% of total assets, and as of December 31, 2022, accounted for 4.9% of total assets.

#### **Shareholder's Equity**

Shareholders' equity went from R\$ 7,032.4 million as of December 31, 2021 to R\$ 6,708.7 million as of December 31, 2022, showing a 4.6% decrease, due to the extraordinary payment of interest on equity (IoE) in the total gross amount of R\$ 588.2 million, totaling R\$ 655.5 million as IoE against the reserve account for investment plans in the year. As of December 31, 2021, shareholder's equity represented 66.0% of total assets, and as of December 31, 2022, accounted for 58.6% of total assets.

## 2.1 General financial and equity conditions

### Analysis of changes in cash flows as of December 31, 2022 compared to December 31, 2021

The Company's cash flow is mainly generated from operating activities, arising from revenues on the product sales, and from financing activities, when the Company borrows funds.

The Company's cash flow is basically used for investment activities, resulting from the acquisition of other companies operating in the same business, expansions and modernizations of production lines, as well as financing activities, when debt is amortized and shareholders are remunerated with the payment of dividends.

The table below shows the net cash generated by the Company in fiscal years 2022 and 2021.

R\$ million	2021	2022	Change
Net cash from operating activities	924.8	106.6	-88.5%
Net cash (used) in investing activities	(363.0)	(601.1)	65.6%
Net cash (used) in financing activities	(218.9)	(413.5)	88.9%
<b>Increase (reduction) in cash and cash equivalents</b>	<b>342.9</b>	<b>(907.9)</b>	<b>n/a</b>

#### **Operating activities**

Net Cash generated from operating activities went from R\$ 924.8 million as of December 31, 2021 to R\$ 106.6 million as of December 31, 2022, down 88.5%, mainly due to the increase in inventories of raw materials and payment of funds for settlement of derivative transactions.

#### **Investing activities**

Net cash used in investing activities increased from R\$ 363.0 million as of December 31, 2021 to R\$ 601.1 million as of December 31, 2022, up 65.6%, due to the acquisition of Jasmine and Las Acacias in the period.

#### **Financing activities**

Net cash used in financing activities increased from R\$ 218.9 million as of December 31, 2021 to R\$ 413.5 million as of December 31, 2022. The 88.9% increase was influenced mainly by the payment of the extraordinary distribution of interest on equity in the period.

## 2.2 Operating and financial results

### a. Results of the issuer's operations

#### i. Description of any major revenue components

Revenues derive from the manufacture and trading of the following product lines:

Fiscal year ended December 31,			
Product Lines	2021	2022	Change
Crackers and cookies	3,960.4	5,137.8	29.7%
Pasta	1,713.5	2,104.1	22.8%
Flours and Brans	1,425.6	1,861.5	30.6%
Margarine and Shortening	545.7	681.2	24.8%
Other Product Lines*	168.8	344.6	104.1%
<b>TOTAL</b>	<b>7,814.0</b>	<b>10,129.2</b>	<b>29.6%</b>

\*\* Cakes, snacks, cake mix, refreshments, packaged toasts, healthy products, sauces and seasoning

The main reasons for changes in revenues in 2021 and 2022 are described and discussed in section 2.1 item h.

#### ii. Factors that materially affected operating results

The main factors that affected our results in 2022 are described and discussed in section 2.1 item h. It is important to highlight the impact of the increase in commodity prices in U.S. dollars due to the conflict between Russia and Ukraine, which affected the results, especially in 4Q22.

### b. Relevant changes in revenues attributable to the introduction of new products and services, changes in volumes, price changes, exchange rates, inflation

In 2022, the representation of the portfolio of higher added value increased (3.4% of total net revenue in 2022 vs. 2.2% in 2021), as a result of the acquisitions of Jasmine (September/22) and Latinex (November/21), which strengthened the portfolio of snacks and healthy products, with items priced 2.7 times higher than M. Dias Branco's average.

Additionally, throughout the year, the Company also focused its efforts on initiatives and measures for volume growth and sequential increase in the average price, among which are the launch of new products, in addition to growth in high value added brands, such as Piraquê.

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

### c. Relevant impacts of inflation, price change of the main inputs and outputs, exchange rate and interest rate on the operating results and the financial results of the issuer

The Company is exposed to market risks, mainly due to changes in the prices of its main inputs, and fluctuations in the exchange and interest rates, due to its borrowing and financing obligations.

## 2.2 Operating and financial results

### Prices of inputs

Cost of goods sold and gross profit are directly affected by the price of the Company's main raw materials, which comprise commodities such as wheat, vegetable oil and sugar, which accounted for 45.7%, 15.3% and 3.6% of total cost of goods sold in 2022, respectively (43.5%, 14.9% and 3.7%, in 2021, respectively).

In 2022, the wheat average cost increased 35.1%, the vegetable oil average cost was 29.4% higher and average sugar cost increased 20.2% as compared to 2021.

### Exchange rate variation

The Company's operating results and financial condition have been and will continue to be affected by the depreciation or appreciation of Brazilian Real against the US Dollar, since a significant part of its costs - such as wheat grain, soybean oil or palm oil, and the sugar - is linked, directly or indirectly, to the US Dollar.

In addition, the Company may maintain liabilities indexed to the foreign currency, mainly the US Dollar, resulting from imports of main inputs, wheat grain and soybean oil and palm oil. As a strategy to prevent and reduce the effects of exchange rate fluctuations on its results, the Company has sought to avoid or minimize the mismatch between assets and liabilities denominated in foreign currency upon assessing the contracting of foreign exchange hedging operations, which consists in the replacement of the exchange risk by CDI variation.

In this sense, as of December 31, 2022, the Company had three swap transaction agreements in force to hedge working capital financing in foreign currency with maturity until December 22, 2025, whereby on long position it receives, on average, US dollar plus interest rate of 2.66% p.a. and on short position it pays, on average, CDI plus interest rate of 1.25% p.a. with reference (notional) value in Brazilian reais of R\$ 716,970 and fair value payable of R\$ 50,511.

Swap agreements	Reference value		Curve value		Fair value	
	2022	2021	2022	2021	2022	2021
<b>Long Position</b>						
Foreign currency (USD)	<b>716,970</b>	<b>510,000</b>	<b>734,003</b>	<b>558,322</b>	<b>698,700</b>	<b>562,640</b>
<b>Short Position</b>						
CDI	<b>716,970</b>	<b>510,000</b>	<b>728,670</b>	<b>511,453</b>	<b>749,211</b>	<b>536,963</b>
<b>Result</b>	-	-	<b>5,333</b>	<b>46,869</b>	<b>(50,511)</b>	<b>25,677</b>

Accordingly, as of December 31, 2022, the Company did not present significant mismatches in the position of assets and liabilities sensitive to the exchange variation, as shown below:

Description	Parent company		Consolidated	
	2022	2021	2022	2021
Loans / financing in foreign currency (a)	<b>734,003</b>	<b>558,322</b>	<b>734,003</b>	<b>558,322</b>
Swap agreements (b)	<b>(734,003)</b>	<b>(558,322)</b>	<b>(734,003)</b>	<b>(558,322)</b>
Foreign currency assets (b)	-	-	<b>(7)</b>	<b>(8)</b>
<b>Surplus assessed (a-b)</b>	-	-	<b>(7)</b>	<b>(8)</b>

Additionally, as a strategy to prevent and reduce the effects of exchange rate fluctuations in the results, the Company started contracting forward transactions ("Non Deliverable Forward - NDF"),

## 2.2 Operating and financial results

based on future cash flow forecasts based on budget forecasts and interim forecasts.

As of December 31, 2022, the Company had eighteen forward transaction agreements with maturities up to February 2023, with reference (notional) value and fair value, as follows:

Description	Hedged item	Reference (notional) currency	Reference (notional) value	Fair value receivable (payable)
Forward agreement	Currency	US Dollar	27,000	863

### Inflation risk

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

As a strategy to prevent and reduce the effects of variations in this index, the company entered into swap operations, exchanging the risk of IPCA variation plus interest rate for CDI plus interest rate, as it understands that the risk of CDI variation is low, besides the fact that this is the index for its financial investments.

In this sense, as of December 31, 2021, the Company had forty-two agreements of swap transactions to hedge debenture issues, all with maturities up to March 17, 2031, in which, on the long position, it receives, on average, IPCA plus 4.02% p.a. and on the short position it pays, on average, CDI plus 0.28% p.a. The reference (notional) values amounted to R\$ 811,644 for agreements in force and the gross fair value payable for all derivative instruments as of December 31, 2021 amounted to R\$ 7,881.

Swap agreements	Reference value		Curve value		Fair value	
	2022	2021	2022	2021	2022	2021
<b>Long Position</b>						
IPCA	931,644	811,644	1,044,135	868,042	987,195	832,642
<b>Short Position</b>						
CDI	931,644	811,644	965,821	828,354	976,008	840,523
<b>Result</b>	-	-	78,314	39,688	11,187	(7,881)

These financial instruments were designated as fair value hedges, the effects of which are recorded in the statement of financial results (see Note 19).

### Interest rate

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

Description	Parent company		Consolidated	
	2022	2021	2022	2021
<b>Financial assets</b>				
CDI-linked financial investments	559,491	1,558,238	566,774	1,558,265
<b>Financial liabilities</b>				
Transactions in foreign currency with derivatives linked to CDI	(728,670)	(558,322)	(728,670)	(558,322)
Debenture transactions with derivatives pegged to CDI	(965,821)	(828,354)	(965,821)	(828,354)
Financing pegged to CDI	(382,026)	(257,139)	(431,559)	(262,277)
<b>Assets - Liabilities</b>	<b>(1,517,026)</b>	<b>(85,577)</b>	<b>(1,559,276)</b>	<b>(90,688)</b>

## 2.2 Operating and financial results

### Sensitivity analysis to CDI variation

The table below shows the projected loss that would be recognized in the next 12 months if the position of the CDI-pegged assets, net of CDI-pegged liabilities has remained at R\$ 1,559,276.

Description	Position at risk	Risk	Likely Scenario	Possible Scenario	Remote Scenario
<b>Net liabilities</b>	(1,559,276)	CDI hike	-	(52,353)	(104,705)

The likely scenario considered DI future forecast for 360 days, according to information obtained from B3 on December 31, 2022, at the level of 13.43% p.a. The other scenarios, possible and remote, considered a decrease of the rate by 25% (16.79% p.a.) and 50% (20.15% p.a.), respectively.

Despite the projected increase in CDI rates and the expected increase for 2023, the Company's management, considering its current economic and financial position, sees no risk to this indicator.

### Financial expenses

Financial expenses increased from R\$ 300.0 million in fiscal year ended December 31, 2021 to R\$ 563.5 million in fiscal year ended December 31, 2022, showing a 87.8% growth. The growth was influenced by the increase in debt, in addition to the hike in CDI rate, which increased from 4.4% in 2021 to 12.4% in 2022, influencing the higher cost of debt, the cost of contracting NDFs for hedge transactions.

## **2.3 Changes in accounting practices/Modified opinions and emphases of matter**

### **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 were prepared in compliance with the International Financial Reporting Standards ("IFRS"), issued by IASB, and also in accordance with accounting practices adopted in Brazil.

In 2022, there was no significant change in the accounting practices adopted by the Company that resulted in significant effects.

### **b. Modified opinions and emphases of matter present in the auditor's report**

The financial statements for the year 2022 were audited by KPMG Auditores Independentes Ltda and the independent auditor's reports has no modified opinions or emphases of matter.



## 2.4 Relevant effects on Income Statements

### a. Introduction or disposal of operating product line

On this point of time, the Company does not intend to make any significant changes (disposal or introduction) in operating product lines.

### b. Incorporation, acquisition or sale of equity interest

On August 31, 2022, the Company acquired, through Latinex, 100% of the shares representing the share capital of Jasmine Indústria e Comércio de Alimentos Ltda., owner of Jasmine brand. The transaction was part of the Company's strategy of profitable growth, adding high value-added products and additional categories to its 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 Las Acacias brand. Founded in Montevideú in 1952, Las Acacias, Darcel's main brand is among the three top pasta brands in Uruguay, and also has in this portfolio items in the categories of wheat flour, cake mix, sauces, among others.

### c. Unusual events or operations

Not applicable.

## 2.5 Non-accounting metrics

### a. Value of non-accounting metrics

#### i. EBITDA

In R\$ million	2021	2022
EBITDA	683.9	900.4

The Company also monitors its performance based on EBITDA, which, pursuant to CVM Instruction No. 527/12, consists of the net income for the period, added with taxes on profits, financial expenses net of financial income and depreciation, amortization and depletion. Art. 4 of CVM Instruction No. 527/12 also sets forth that the company may choose to disclose EBITDA figures excluding the net results related to discontinued operations and adjusted for other items that contribute to the information on the potential of gross cash generation.

#### ii. Net Debt

In R\$ million	Fiscal year ended 12/31/2021	December 31, 12/31/2022
Net Cash (Net Debt) <sup>(1)</sup>	(140.4)	(1,580.4)

(1) Including cash, cash equivalents, restricted deposits and short- and long-term financial investments.

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

### b. Reconciliation of the amounts disclosed and the amounts in the audited financial statements

#### i. EBITDA

Ebitda Reconciliation (R\$ million)	2021	2022
<b>Net Income</b>	<b>505.0</b>	<b>481.8</b>
Income Tax and Social Contribution <sup>(1)</sup>	(127.8)	(130.1)
Financial Revenues	(280.2)	(332.0)
Financial Expenses	300.0	563.5
Depreciation and amortization on COGS	184.5	183.6
Depreciation and Amortization on Expenses	102.4	133.6
<b>EBITDA</b>	<b>683.9</b>	<b>900.4</b>
<b>Adjusted EBITDA</b>	<b>683.9</b>	<b>900.4</b>

(1) Includes income tax and social contribution and, when used, IRPJ incentive.

#### ii. Cash (Net Debt)

Indebtedness In R\$ million	Fiscal Year Ended December 31, 12/31/2021	12/31/2022
Cash <sup>(1)</sup>	1,574.6	735.7
Total Indebtedness <sup>(2)</sup>	(1,767.5)	(2,226.5)
Financial Instruments Receivable (Payable)	52.5	(89.6)
<b>Net Cash (Net Debt)</b>	<b>(140.4)</b>	<b>(1,580.4)</b>

(1) Including cash, cash equivalents, restricted deposits and short- and long-term financial investments.

(2) Including Financing and borrowings from financial institutions, tax financing, short- and long-term direct financing and debentures.

## 2.5 Non-accounting metrics

**c. Reason why the Company believes that this metric is the most suitable for the correct understanding of the financial condition and the results from operations**

Since EBITDA is a financial indicator used to evaluate the companies' results without the influence of their capital structure, tax effects and other accounting impacts that do not have a direct effect on its cash flow, such as depreciation, the Company believes that EBITDA is an important metric for understanding its financial strength and cash generation capacity, as well as contributing to the understanding of its operational performance. It is an additional information to its financial statements and is customarily used by investors and market analysts.

According to management, this importance of EBITDA derives from the fact that this is one of the most appropriate non-accounting metrics to disclose the Company's cash generation potential from its operational assets, since it excludes from the accounting operating income the items with no impact on the cash of the period, such as depreciation and amortization.

## 2.6 Events subsequent to Financial Statements

The authorization for the conclusion of the management annual report and financial statements for the fiscal year ended on December 31, 2022 was granted by the Executive Board at a meeting held on March 17, 2023.

On February 08, 2023, the Federal Supreme Court (STF) unanimously decided the limitation of res judicata in tax matters (Themes 881 and 885), in the event the taxpayer has a favorable final and unappealable decision that rules out the collection of the tax paid continuously and, at a later date, the Supreme Court declares the collection legitimate. The Company, together with its internal and external legal advisors, assessed the subject and the possible impacts of this decision and concluded, at this point, among the tax proceedings conducted by it, that there is no material impact by the judgment in question. We are, however, awaiting the availability of the full content of the decisions in order to assess whether there are other circumstances that may give rise to a possible impact on the financial statements.

At the Board of Directors' meeting held on February 10, 2023, the Company approved the quarterly interim payment of interest on equity – IoE. The amounts to be paid to the shareholders registered in the Company's records on the right dates mentioned below will be R\$ 0.0500 per share, which, net of withholding income tax of fifteen percent (15%), will correspond to R\$ 0.0425 per share, except for corporate shareholders who are exempt from said taxation, who will receive at the declared amount. IoE shall be computed to the minimum mandatory dividend for 2023 fiscal year, pursuant to paragraph 3 of article 24 of the Company's Bylaws.

## 2.7 Allocation of results

### a. Earnings retention rules

The Company's Bylaws set forth that the Shareholders' Meeting may, by proposal of the management bodies, allocate to the tax incentive reserve the portion of the net income resulting from governmental donations or subsidies for investments, which may be excluded from the calculation basis of the mandatory dividend. After the setting of the tax incentive reserve, legal reserve and the dividend setting, the remaining portion of the earnings will be deployed, unless otherwise resolved by the Shareholders' Meeting, in the constitution of a statutory reserve called "Investment Plan Reserve." The Investment Plan Reserve will comply with the 95% limit of the share capital and may, by resolution of the Board of Directors, be capitalized, used to absorb losses or pay dividends to shareholders. The balance of profit reserves, except for contingencies, tax incentives and unrealized profits, may not exceed the share capital. After reaching this limit, the Shareholders' Meeting will resolve upon the allocation of the excess in the payment or increase of the share capital or in the payment of dividends.

### b. Dividend payment rules

As set forth in the Company's Bylaws, the balance of net income was adjusted pursuant to article 202 of Law 6.404/76, and 25% (twenty five percent) of the adjusted balance discounted from the amounts allocated to the Tax Incentive Reserve was allocated to the payment of the mandatory dividend.

For the year ended December 31, 2022, the Company did not record a dividend distribution basis.

### c. Frequency of dividend payment

Quarterly

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

For the year ended December 31, 2022, the Company did not record a dividend distribution basis. However, it has paid the amount of R\$ 655,483,858.82 million as interest on equity against the reserve account for investment plans.

### e. if the issuer has a formally approved policy for allocation of results, inform the body responsible for approval, date of approval and, if the issuer publishes the policy, the page on the World Wide Web where the document can be consulted

At the Board of Directors' meeting held on February 10, 2023, the Company approved the quarterly interim payment of interest on equity – IoE. The amounts to be paid to the shareholders registered in the Company's records on the right dates mentioned below will be R\$ 0.0500 per share, which, net of withholding income tax of fifteen percent (15%), will correspond to R\$ 0.0425 per share, except for corporate shareholders who are exempt from said taxation, who will receive at the declared amount. IoE shall be computed to the minimum mandatory dividend for 2023 fiscal year, pursuant to paragraph 3 of article 24 of the Company's Bylaws.

## 2.8 Relevant items not shown in Financial Statements

**a. Assets and liabilities held by the issuer, directly or indirectly, not included in the balance sheet (off-balance sheet items):**

The Company does not have assets and liabilities 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 items not shown

**a. How such items change or may change the revenues, expenses, operating results, financial expenses or other items of the issuer's financial statements**

As mentioned in item 2.8, there are no items not shown in the financial statements.

**b. Nature and purpose of operation**

As mentioned in item 2.8, there are no items not shown in the financial statements.

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

As mentioned in item 2.8, there are no items not shown in the financial statements.

## 2.10 Business plan

**a. Investments, including: (i) quantitative and qualitative description of the investments in progress and the investments planned; (ii) sources of investment financing; (iii) relevant divestments in progress and planned divestitures**

The Company maintained its budget in investment projects focused on expansion, diversification and modernization of production capacity and corresponding increase in efficiency. Such investments are mainly intended for digital transformation initiatives, new product development, efficiency and quality improvements in mills, as well as investments for the modernization of industrial equipment, capacity increase, productivity, energy efficiency and compliance with legal requirements in production units.

Among the items that made up investment spending during 2022, the highlight was the investments with the implementation of the SAP system (Simplify project) and the adjustment of machinery for reducing grammage and flow pack.

The Executive Board estimates that approximately R\$ 366.8 million will be invested in 2023. Estimated investments are subdivided into categories and include all expansion and modernization of industrial plants:

	<b>2023</b> <i>(In millions of Brazilian reais)</i>
Machinery and equipment	126.5
Software licenses	74.4
Civil works	72.4
Facilities	40.7
Furniture and fixtures	1.5
Others*	51.3
<b>Total</b>	<b>366.8</b>

\*Other fixed assets, tools, trademarks and patents.

Investments listed above are forecasts of the Company and are based on our estimates. The Company is not required to invest the amounts listed above, and the amounts effectively invested may be significantly different due to several factors, such as market evolution and inflation indexes, issuance of licenses, among others.

The Company will obtain the required resources to implement the investments through its cash generation (own resources) and credit to be obtained from development banks. There is no material divestment in progress and no forecast in this regard.

These investment forecasts do not include any amounts to be applied in future business acquisitions.

**b. provided it has already been disclosed, indicate the acquisition of plants, equipment, patents or other assets that should materially affect the issuer's productive capacity**

Not applicable, as investments are mostly intended for gains in production efficiency, maintenance of capacity, product innovation and advances in digital transformation.



## 2.10 Business plan

### c. new products and services

During the year, 85 new products were launched, 50 for the domestic market and 35 for export, which added to the launches of the last 24 months, totaled R\$ 369 million in the Company's revenue.

Among the launches, highlights include: i) malted filled in the flavors of malted chocolate, chocolate with hazelnut and dulce de leche from Piraquê brand; ii) Supreme filled in flavors of hazelnut cream, apple and cinnamon, cheesecake with red fruit jelly and white chocolate with Sicilian lemon jelly from Piraquê brand; and iii) tartlets crusted in flavors of hazelnut cream, apple with cinnamon, cheesecake with red fruit jelly and white chocolate with Sicilian lemon jelly from Adria and Isabela brands;

In fiscal year ended December 31, 2022, we invested R\$ 15.9 million in product research and development (R\$ 14.2 million in 2021). For 2023, the Company will work with a portfolio of 58 projects, aligned with the innovation strategy established by the company. Ongoing researches represent confidential information not disclosed before the actual product launching.

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

Social and environmental advances are integrated into the decision-making process, internal and external assessment mechanisms and the generation of value for the Company, which has the prospect of continuing to evolve in environmental, social and governance (ESG) aspects.

The highlight was the Company's inclusion in ISE portfolio - B3's Corporate Sustainability Index, for the third consecutive year, and evolution of ESG rating to AA in MSCI ESG Ratings assessment. Also noteworthy is the review of the Strategic Sustainability Agenda, considering the Sustainable Development Goals (SDGs) when defining goals by 2030, promoting sustainable practices throughout the company's value chain.

During 2022, several actions targeted to ESG issues were implemented, among them: i) more than 2,200 tons of food donations in 17 states, benefiting over 103 institutions and contributing to the fight against hunger in Brazil; ii) 1st Workshop for Suppliers with the theme Synergies and Sustainability, seeking to strengthen practices along our supply chain; and iii) holding events focused on raising the awareness of the internal and external audience on ESG issues, such as the Sustainability Meeting, the Campaign on Climate Change and Carbon Management, and the Sustainability and Development Forum.

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

- **Water consumption:** 7% increase in 2022, influenced by the production volume in the period and the higher number of employees working onsite compared to the pandemic period, with the return of employees to the units under hybrid regime since 1Q22.
- **Waste sent to landfills in all operations:** the Company continued to make progress in reducing waste sent to landfills. In 2022, 1,068.38 tons of waste were better disposed of (recycling, composting, co-processing, reverse logistics, etc.). Highlight for waste disposal and selective collection initiatives at the units, raising our recycling rate to 94%.

## 2.10 Business plan

- **Losses of inputs in the production process:** flat level of loss of inputs in the production process in 2022, with the maintenance of process controls. We highlight the continuing initiatives to modernize equipment, train teams, and adjust process controls in all industrial units to advance the indicator.
- **Finished products waste reduction:** in 2022, reduction was 52.3% in product waste vs. 2021, as a result of improvements in processes, optimization of inventories and agility in donating surplus products, which benefited several third sector institutions throughout Brazil.
- **Women in leadership:** the Company continues to adopt increasingly inclusive practices in selection processes, affirmative job openings, training focused on female middle leadership, which will enable it to reach the target of 40% of women in leadership positions by 2030.
- **Frequency and severity of work accidents:** the 10.3% reduction in the frequency of accidents in 2022 vs. 2021 reflects the preventive initiatives in all units, such as awareness campaigns, intensified internal inspections, opening of safety alerts, among other actions of the Positivo Program. Regarding the severity rate, the indicator is still impacted by the fatality in the traffic accident involving the company's chartered bus at Timon branch in 1Q22.
- **Purchases from local suppliers:** we continued to show progress in the indicator with the increase in the purchase of raw materials, such as vegetable oils and shortening, from local suppliers, strengthening the economy and domestic partners.

**2.11 Other factors that have significantly influenced operating performance**

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

### **3.1 Forecasts and assumptions disclosed**

The Company has no practice of disclosing operating and financial forecasts.

### **3.2 Monitoring of forecasts**

Not applicable, since, as discussed in item 3.1, the Company has no practice of disclosing operating and financial forecasts.

## 4.1 Description of risk factors

The risks described below are those that the Company currently believes that may have an adverse effect on the Company and its affiliates. Additional risks, unknown or deemed as less relevant by the Company at this time, may also cause a material adverse effect on its business and/or the trading price of its shares.

For purposes of this section and section 4.3 - Main market risks, unless otherwise indicated or if the context so requires, an indication that a risk, uncertainty or problem may have or will have an "adverse effect on the Company" means that the risk, uncertainty or problem may have or will have an adverse effect in its current and future business, financial condition, liquidity, results from operations and/or the price of the common shares issued by the Company, including its subsidiaries. Similar expressions in this section shall be construed as having the same meaning.

### a. Issuer-related risks

#### Strategic risk factor

*Suspension, cancellation or failure to obtain new federal and state tax incentives owned by the Company may adversely affect its results.*

Since the end of the 1980s, the Company has been awarded with state fiscal incentives, and as of December 31, 2022, eight (8) of its plants were awarded with incentives granted by the states of Ceará (3 plants), Pernambuco, Bahia, Paraíba, Rio Grande do Norte and Rio de Janeiro. Since the 1990s, the Company has been awarded with federal tax incentives, and presently, 8 (eight) if its plants, all based in the Northeast of Brazil, hold incentives granted by the Superintendence for the Northeast Development ("Superintendência de Desenvolvimento do Nordeste - SUDENE"). These incentives consist of the transfer of resources as a government contribution for the company's investments in the construction, installation and modernization of new industrial units in the region. The granting of incentives, especially federal ones, takes place only after the company proves the investments planned in projects approved under the law.

Even in the case of tax incentives granted as a result of compliance with certain conditions and for a period of time preciously set - which, under Brazilian law, can not be unilaterally extinguished by the granting governments before end of the concession period - the Company may be subject to suspension of the right to receive the incentives, or until its cancellation, if it fails to meet certain requirements that must be complied with during its term of enjoyment, such as: (i) do not distribute to its shareholders the amount of the tax incentive received; (ii) keeping its operations within fiscal regularity, especially in respect to the payment of taxes on due time; and (iii) submission, on yearly basis, of certain documents and reports to the competent authorities, evidencing the investments made and the fulfillment of the further conditions. Failure to comply with such obligations or misinterpretation of the enforcement of tax rules may result in the suspension or cancellation of such tax incentives, and may even require the Company to refund the amount of the incentives received, plus charges, which may have an adverse effect on the Organization.

Considering the current scenario of bills aiming at broad tax reform in the country, the company cannot assure that it will continue to obtain new investment subsidies after the expiration of the current ones, and, if it does, it cannot assure that such incentives will be granted under the same conditions as those currently held. If tax incentives are changed or expire and renewal is not possible, or new tax incentives are not created after the expiration of those in effect, its cash generation may suffer an adverse effect.

## 4.1 Description of risk factors

### Strategic risk factor

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

Part of the Company's future growth strategy may involve the acquisition of companies or other assets, should opportunities emerge 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 for integrating new employees, information systems, products and the customer base into their business. As a result of any acquisition, additional demands may arise from its senior management, information systems and other areas of the Company;
- The acquired companies may present obligations and contingencies not identified in the audit or due diligence process carried out at the time of acquisition or for which the Company may not obtain contractual indemnification from the seller;
- Any delay in the integration process may cause an unexpected increase in its operational expenses;
- The cultural difference between companies may cause mass layoffs or dissatisfaction of the remaining employees, impacting the schedule or cost of integration;
- The issuance of shares or bonds as a source of funding for new acquisitions may dilute the stake of its shareholders in its share capital or subject the Company to restrictions or obligations that may affect its ability to implement other elements of its strategy;
- The acquisition process may be competitive and may raise the value of the intended transaction or, also, make the materialization of the potential acquisition unfeasible;
- The result of the acquisition of other businesses may also adversely affect the Company's ability to pay dividends to its shareholders.
- Due to market conditions, the Company may not be able to divest businesses that no longer add value to the organization's strategic agenda; and
- Complexities in the setting of the acquisition price or difficulties in obtaining authorizations from public antitrust authorities in a timely manner may lead the Company to withdraw from the acquisition or may result in the acquisition of less attractive companies.

### Strategic risk factor

*Inadequate product pricing may adversely affect the Company's results and market share.*

The growth in the Company's market share and financial result may be adversely affected as prices are adjusted due to the increase in the cost of commodities and inputs. The Company adjusts product prices based on several variables, including demand, the competitive environment, changes in the cost of key commodities, exchange rate fluctuations, among other factors.

The Company's investments amounted to R\$ 280.2 million in 2022, with 34.6% growth versus 2021, broken down into expansion and maintenance investments. Highlights for investments in adjustment of machinery to reduce weight and flow pack.

In 2022, M. Dias Branco reached net revenue of R\$ 10.1 billion, 29.6% higher than the previous year, as a result of the increase in average price and volumes by 28.5% and 0.9%, respectively. In addition, throughout the year, the Company focused its efforts on initiatives and measures to increase

## 4.1 Description of risk factors

volumes and sequential increase in average prices, among which are the launch of new products and growth in brands with high added value, such as Piraquê brand, in addition to the result of the acquisitions of Jasmine (Sep/22) and Latinex (Nov/21), which have strengthened the snacks and healthy portfolio, with items with average prices higher than the average of M. Dias Branco.

### 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 interruptions in operation due to internal events, such as: hardware and software obsolescence, inconsistency or ineffectiveness of the disaster recovery plan or deficiencies in the segregation of duties and access profile controls. Likewise, events external to the Company's environment, such as natural disasters, failures in the telecommunication network, computer viruses, hacker attacks, or other operational and security issues, may cause interruptions in the operation of the Organization's computer systems.

The entire Company's infrastructure is backed up by good Cybersecurity practices, defined by a renowned consultancy and implemented by a new team dedicated to this purpose in 2022.

### Data protection risk factor

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

If the Company does not comply with the provisions of the General 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:

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

Furthermore, in the event of non-compliance with LGPD, the Company may be held liable for property, pain and suffering, individual or collective damages, and may even be held jointly and severally liable with other processing agents, as a result of damages caused to the Holders of Personal Data.



## 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 the applicable legislation, may result in adverse effects for the Organization.

Thus, in the event of a security incident with personal data that causes relevant damage to Data Holders involved, the Company and its subsidiaries may be required to communicate the event to the National Data Protection Authority and to the Holders, as well as disclosing the event in the press, which may negatively expose the economic group and cause an adverse effect on the Company's reputation, business, operating results and financial condition.

### **Operational risk factor**

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

The Company is a party to judicial and administrative proceedings, and may obtain unfavorable results. Its provisioning for such contingencies may not be sufficient to satisfy the total amount that the Company may be required to pay, since such provisioning encompass estimated amounts related to the lawsuits with probable loss. Unfavorable decisions in judicial or administrative proceedings may cause adverse effects to the Company.

For more information on such 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 indemnity limits contracted, may cause adverse effects on the Company's business.*

The Company contracts several insurance policies with major Brazilian insurance companies, leaders in the markets it operates, covering part of its assets against potential existing risks. In this sense, the Organization holds insurance policies covering damages encompassing industrial plants and other facilities occupied by it, international transportation of inputs, among others.

It can not be ensured that the coverages contracted by it are enough to guarantee all potential losses and damages resulting from incidents that may occur in the normal course of its daily activities. Thus, in the event of non-compliance with the insurance conditions or the occurrence of any events not covered, as well as exceeding the maximum limits of indemnity provided for in the insurance policies contracted, the Company may incur significant additional costs not planned for the recovery or renovation of its assets, which may adversely impact its operating results. In addition, the Company may not assure that it will be able to maintain insurance policies at reasonable commercial rates or in acceptable terms in the future, which may also generate a significant loss in the Company's results. Furthermore, the Company may be legally liable for the payment of indemnities to third parties related to claims that are not covered in the contracted insurance policies.

## 4.1 Description of risk factors

### Strategic risk factor

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

The Company may need additional funds and may choose to obtain them through public or private placement of debt securities, shares or other securities convertible into shares, particularly in the event that public or private financing is not available. If shareholders so decide, the additional funds to be obtained by means of an increase in share capital may result in dilution of the investor's stake in the Company's shares.

### Strategic risk factor

*The Company may not pay dividends to the holders of its shares.*

Pursuant to its bylaws, the Company must pay its shareholders at least 25.0% of its adjusted annual net income, in compliance with Brazilian Corporate Law, as a mandatory dividend. However, net income may be capitalized, used to offset losses or otherwise retained, as set forth in the Brazilian Corporate Law, and may not be made available for the payment of dividends. Accordingly, the Company may not pay dividends to its shareholders in any fiscal year if the management decide that such payment is inadvisable in view of its financial condition and such decision is approved by the shareholders' meeting. In addition, the Company may change its dividend payment policy at any time, subject to legal limits. If any of these events occur, the holders of its shares may not receive dividends.

### b. Risks related to its shareholders, especially controlling shareholders

Management does not envisage any material risks potentially arising from its shareholders that may materially influence the investment decision.

### c. Risks related to its subsidiaries and affiliates

The risks related to the subsidiaries and affiliates are the same faced by the Company. It is not possible to ensure that the Company will succeed in implementing its strategy and achieving synergy with the integrations of its subsidiaries and affiliates, which may cause an adverse effect on the Organization's results.

### d. Risks related to its Management

*Management, upon the influence of the Company's controlling shareholder, may make certain decisions in relation to its business that may conflict with the interest of the minority shareholders and potential investors of the Company.*

The controlling shareholder may adopt measures contrary to the interests of the Company's investors, including corporate reorganizations and dividend policy. The decision of its controlling shareholder regarding its routes may differ from the decision expected by the Company's minority shareholders.

Information on further risks related to the Company that were timely informed aiming to keep the market informed about the situation were disclosed in the material facts published and filed

## 4.1 Description of risk factors

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

### e. Risks related to its suppliers

#### Operational risk factor

*The price of the raw materials and packaging used by the Company is volatile and a sudden or unexpected oscillation in such prices may have an adverse effect on its business.*

The main raw materials used in the Company's production process are wheat, wheat flour, vegetable oil, shortening and sugar that contributed for 64.6% of its cost of goods sold in fiscal year ended December 31, 2022. Such raw materials and/or their components are commodities and, as such, their prices are denominated in US Dollars or defined in Brazilian Reais in view of the international prices in US Dollars. The prices of these inputs vary according to their prices in the international commodities market, which is affected by the variation in global supply and demand. Historically, the quotation of such commodities in the international market has suffered fluctuations due to a number of factors. The increase in the average cost of wheat and oil, which respectively increased costs of goods sold by 35.1% and net revenue by 29.4%.

Packaging is also an important component of its production process, and in fiscal year ended on December 31, 2022, it accounted for approximately 8.3% of its costs of goods sold. The price of packaging is influenced, directly or indirectly, by several factors, including international oil prices, which are denominated in US Dollars. Historically, the price of packaging has suffered fluctuations due to a number of factors.

A sudden or unexpected variation in the prices of such commodities and packaging arising from changes caused by variations in the exchange rate between Brazilian Real and US Dollar, and/or changes in the dynamics of supply and demand of these products due to the concentration in few suppliers or lack of replacement products, among other factors, may directly impact the price of its raw materials and packaging. In the event of an increase in the price of these inputs, it may not be possible to pass on in full, immediately, the adjustment in the prices of the Company's products, which may reduce its margins and adversely affect the Organization.

### f. Risks related to its customers

#### Strategic risk factor

*Changes in consumer preferences may affect the demand for the Company's products.*

If the Company is unable to successfully anticipate, identify or react to changes, demands and preferences of consumers, there may be a reduction in demand and prices of its products, entailing a material adverse effect on its business, financial condition, results from operations and the market price of its shares.

A study by Nielsen reports that consumption of foods with a health appeal grew 17.9% in 2022, with emphasis on whole grain and lactose-free products, in addition to launching 1,229 products in the segment. This growth was seen mainly in the Northeast region (+25.4%), in the granola market (+18% in amounts) and in Cash & Carry.

In 2022, the Company acquired Jasmine, headquartered in Paraná, a leading company in several segments with a healthy appeal, adding to its portfolio over 140 products such as whole grain,

## 4.1 Description of risk factors

organic, gluten-free, lactose-free and sugar-free products. Jasmine is a leader in granolas, healthy cookies and gluten-free breads in Brazil.

### Operational risk factor

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

In the event that the Company is involved in any civil liability proceedings related to its products or has a recall of its products, this may negatively impact its profitability for a certain period, depending on: (i) the volume of the product in the market; (ii) the reaction of competitors; and the reaction of its consumers, even entailing material costs of recall, information in the media and with lawyers, as well as possible indemnity payments. Even if the Company is not liable in a lawsuit, the negative publicity that may be generated in relation to the quality of its products may adversely affect its reputation, as well as its corporate image and its brands, entailing an adverse effect on its business and results.

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

#### Market risk factor

*The volatility of Brazilian Real against US Dollar may have an adverse effect on the Company and its shares.*

The Brazilian currency has depreciated several times against the US Dollar over the last decades. During this period, the Federal Government implemented several economic plans and used various exchange rate policies, including sudden or periodic devaluations (during which the frequency of adjustments has varied from daily to monthly), exchange controls, black exchange markets and the floating exchange rate market. From time to time, there was significant volatility in the value of Brazilian Real against US Dollar and other currencies.

Such devaluations of Brazilian Real against US Dollar may create inflationary pressures in Brazil, through the increase in prices of imported products or whose price is linked to US Dollar, among which are wheat, vegetable oils, sugar and packaging, which represent the Company's main raw materials and inputs, and may lead to the adoption of recessive policies by the Federal Government. On the other hand, the appreciation of Brazilian Real against US Dollar can lead to a deterioration of the country's current accounts and the balance of payments, as well as a slowdown of export-based growth, thus adversely affecting the Company's business.

As a strategy to prevent and reduce the effects of exchange rate fluctuations on its results, the Company has sought to avoid or minimize the mismatch between assets and liabilities denominated in foreign currency by assessing the hiring of foreign exchange hedging operations, usually swap transactions.

In this sense, as of December 31, 2022, the Company had three swap transaction agreements in force to hedge working capital financing in foreign currency with maturity until December 22, 2025, whereby on long position it receives, on average, US dollar plus interest rate of 2.66% p.a. and on short position it pays, on average, CDI plus interest rate of 1.25% p.a. with reference (notional) value in Brazilian reais of R\$ 716,970 and fair value payable of R\$ 50,111.

## 4.1 Description of risk factors

Additionally, as a strategy to prevent and reduce the effects of exchange rate fluctuations in the results, the Company started contracting forward transactions ("Non Deliverable Forward - NDF"), based on future cash flow forecasts based on budget forecasts and interim forecasts.

As of December 31, 2022, the Company had eighteen forward transaction agreements with maturities up to February 2023, with reference (notional) value and fair value. These financial instruments were designated as cash flow hedges.

On the same date, the Company had signed agreements to purchase wheat and oil for future payment and delivery, in the amount of 120,154 tons (298,000 tons as of December 31, 2021), where 85,650 tons of oil were at prices to be set. Thus, considering the market value for these cases and price set for fixed agreements, they represented an amount equivalent to US\$ 11,100 of wheat and US\$ 96,711 of oil (US\$ 76,187 of wheat and US\$ 35,708 of oil as of December 31, 2021).

### Strategic risk factor

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

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

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

At different levels, its current and future competitors can be successful in certain product lines or regions, as well as may have more financial resources and better marketing campaigns, so that competition against such competitors may lead the Company to reduce prices, increase its marketing expenses, lose market share, or even not be successful in the launching of new products; any of these events may have an adverse effect on its business.

### Strategic risk factor

*An increase in the retail market concentration may cause a reduction in the margins of the companies in the industry, and may have an adverse effect on the Company.*

A substantial portion of the production of companies in the food sector is distributed through the retail market. The possibility of concentration of the retail market in a few large companies increases the bargaining power of these organizations, which may use their market power to force down the prices of the companies operating in the sector. This price reduction may have an adverse effect on the Company.

## 4.1 Description of risk factors

In addition, the phenomenon of concentration of the retail sectors may also cause a decrease in the Company's customer base, increasing its reliance 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 Brazilian economic and political situation, may have an adverse effect on the Company and the market value of its shares.*

The Federal Government frequently intervenes in the country's economy and occasionally makes significant changes to its policies, monetary, fiscal, credit and tariff rules and regulations. The measures taken by the Federal Government to control inflation, in addition to other policies, rules and regulations, often involve, among other measures, decrease in interest rates, changes in fiscal policies, currency appreciations, capital controls and limitations on imports. The Company has no control over what measures or policies the Federal Government may adopt in the future, and can not foresee them. Its business, financial condition and operational results, as well as the market price of its shares, may be adversely affected by changes in policies or regulations that involve or affect certain factors, such as:

- Monetary, exchange rate and interest rate policy;
- Exchange control policies and restrictions on remittances abroad;
- Inflation;
- Liquidity of financial and domestic capital markets;
- Fiscal policy and changes in tax laws;
- Expropriation of private properties;
- Laws and regulations applicable to the sector, including in relation to environment and health;
- 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 or affect Brazil.

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

### Market risk factor

*Events and the risk perception in other countries, especially in emerging market countries, in the United States, Euro Zone and China, may adversely affect the market price of Brazilian securities, including the trading the Company's shares, and cause a negative impact in its operational results and financial condition.*

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

## 4.1 Description of risk factors

by the Company.

In the past, the occurrence of adverse economic conditions in other emerging market countries has generally resulted in the outflow of investments and, consequently, in the decline of foreign resources invested in Brazil, causing a negative impact on the price of assets traded in the country. Recent financial crises have resulted in a recessionary scenario on a global scale, with several effects that, directly or indirectly, have negatively affected 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, reduced spending, economic slowdown, exchange rate instability, and inflationary pressure. Additionally, financial institutions may not be willing to renew, extend or grant new credit lines at economically favorable conditions, or even be unable or unwilling to honor their commitments. Any of the aforementioned events may negatively impacts the trading of the Company's shares, as well as hinder its access to the capital market and the financing of their operations in the future, in acceptable or absolute terms.

### Strategic risk factor

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

The trademarks, design and technique used in the manufacturing of the Company's products are constantly subject to improper use and/or violation of their intellectual property rights by third parties both in the domestic and international markets. The counterfeiting of products and improper use of the intellectual property rights owned by the Company may not only cause adverse effects on sales, but may also jeopardize the Company's final results.

For more information on the brands and patents held by the Company, see item 9.1.b - Intangible assets of this Reference Form.

## 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 sanitary legislation, which may imply an increase in its costs, causing a material adverse effect on its activities.*

The Company is subject to the regulation of international, federal, state and municipal health authorities regarding the manufacturing process of its products, as well as its hygiene, conservation, packaging, storage, distribution and transportation. Furthermore, the Company's activities are subject to extensive legislation aimed at environmental preservation.

Failure to comply with the laws and regulations issued by health and environmental authorities may result, without prejudice to the obligation of repairing potential damages, on the imposition of sanctions of criminal and administrative nature, such as fines, partial or total suspension of activities, loss or restriction of tax incentives, and cancellation or suspension of financing lines with official credit institutions, as well as the prohibition of contracting with the public power, and any of these sanctions may have an adverse effect on its operations.

## 4.1 Description of risk factors

Changes or amendments to current health and environmental regulations may entail the need of substantial investments to adapt its activities to the new legislation, which may have an adverse effect on the Company. Furthermore, any delay or refusal by environmental agencies on the issuance or renewal of environmental licenses, as well as their possible inability to meet the requirements established by such bodies in the course of the environmental licensing process, may prejudice or even prevent, as the case may be, the installation and operation of their enterprises. Additionally, the imposition of any pecuniary 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, among others, occurring in various locations around the world, may bring economic activities to a halt and cause disruption in global markets, with impacts on supply chains, commodity prices, exchange rate variations, and the price of the Company's shares.

These events may lead to measures such as population confinement, trade restrictions, closing borders, distribution disruptions, among others, causing local or global recessions. These measures may reduce consumption and industrial production, causing shortages and an increase in the price of inputs.

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

The regional political instability, decisions on trade sanctions and military intervention in certain regions around the world may cause instability in commodities prices and volatility in the exchange rate, thus affecting the price of the raw materials used by the Company in its production process and, therefore, putting pressure on its production costs. As an example, from 2012 to 2014, the Argentine Government has restricted wheat exports, restricting the grain supply in South American countries. Since the second half of 2013, Ukraine, a major wheat-producing country in the world, has experienced a political crisis that may affect its production, therefore generating price volatility in the commodity price. In 2014, tensions between Ukraine and Russia led the international community to impose sanctions on Russia as a form of retaliation, generating uncertainties as to the supply of wheat from that country. In 2017, the process of the United Kingdom leaving the European Union, known as Brexit, was started, and was completed in 2020, giving rise to political instability and doubts about the future of the European Union and its member countries, causing an adverse effect on the global and Brazilian capital markets.

In 2022, the conflict between Russia and Ukraine has caused a sharp rise in international wheat prices, given the risk of a drop in the grain supply, since the two countries together account for a significant portion of the commodity's exports in the world. The conflict has been considered as the worst global security crisis since the Second World War and, therefore, the probable economic sanctions and the direct impacts on the volatility of commodity prices, may have an adverse effect on the Company's business.



## 4.1 Description of risk factors

### j. Risks related to social issues

*Social risks may adversely affect the Company's activities and cause a negative impact on its operational results.*

A lower level in the Company's diversity and inclusion may impact the plurality of employees, hindering the promotion of a diverse work environment, as well as the lack of sharing experiences between different professional profiles, which may prevent access to different points of view and perceptions, impacting the development of new solutions to achieve the Organization's strategic results. Additionally, the lack of a good relationship with the surrounding community may negatively impact the Company's image.

In 2022, the Human Rights, Diversity and Inclusion policy was revisited and approved by the Board of Directors. The principles that guide the policy are aligned with the Global Compact and the UN Guiding Principles on Business and Human Rights.

In line with the social issues of diversity and inclusion, the Company has a public goal of reaching 40% of women in leadership positions by 2030. This goal considers leaders at the managerial level and above. In this sense, several structural actions are being developed, such as the implementation of affirmative job openings, coaching and mentoring for women holding middle leadership positions, sensitization of managers and HR training on unconscious bias in selection processes, among other actions.

Additionally, with regard to social issues related to community relations, the Company donated 2,321 tons of food in 2022, equivalent to R\$18.7 million, in addition to other volunteer programs and community relationship development.

### k. Risks related to environmental issues

*Environmental risks may adversely affect the Company's activities and cause a negative impact on its operational results.*

The lack of water resources may affect not only the supply of the population and industries, but also the energy generation from hydro power plants, as well as the lack of other sources of renewable energy, which may impact the business in a potential situation of shortage. Water scarcity may lead to a rationing of water and electricity resources, causing an impact on the costs of acquiring such resources. The Company has been migrating the energy contracting from the regulated to the free market.

In addition, the lack of mechanisms for reusing water in the production process can cause adverse effects on the company, as well as negatively impact the environment.

In 2022, M. Dias Branco adopted in its environmental management procedure the assumption that the implementation of reuse alternatives in the units should be encouraged, being preceded by an assessment of the potential, considering the quality of the water available for withdrawal, the wastewater generated, and the intended applications, making clearer its strategy for advancing reuse.

In addition to the environmental pillar, generation of waste in the production process without proper disposal may have adverse effects on the company and society as a whole.

In 2022, the Aterro Zero (Zero Landfill) program has advanced year after year. The Company has a unit that no longer sends any waste to landfills and two are very close to achieving this. Waste recycling index has also been evolving positively.

## 4.1 Description of risk factors

### **I. Risks related to climate issues, including physical and transition risks**

*Climate risks may adversely affect the Company's activities and cause a negative impact on its operational results.*

Environmental and climate problems in regions producing the raw materials used in the production process may generate price volatility which may have an impact in Company's production costs. In addition, growing requirements and regulations on carbon emissions and pricing may generate additional costs for the business.

In 2022, carbon management indicators were defined, which became part of the quarterly report of results to the Sustainability and ESG Committees that monitor the effectiveness of actions and the need for new measures.

In addition, the occurrence of intense rainfalls and/or floods may jeopardize the operations in the industry. Maracanaú/CE, Jaboatão dos Guararapes/PE, Lençóis Paulista/SP, São Caetano do Sul/SP and Queimados/RJ units are located in places with floodable watercourses. There are records of floods near the units. São Caetano do Sul unit has a history of halting operations due to flooding.

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

### **m. other issues not included in previous items**

Not applicable.

## 4.2 Description of the five (5) main risk factors

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

### Market risk factor

*The volatility of Brazilian Real against US Dollar may have an adverse effect on the Company and its shares.*

The Brazilian currency has depreciated several times against the US Dollar over the last decades. During this period, the Federal Government implemented several economic plans and used various exchange rate policies, including sudden or periodic devaluations (during which the frequency of adjustments has varied from daily to monthly), exchange controls, black exchange markets and the floating exchange rate market. From time to time, there was significant volatility in the value of Brazilian Real against US Dollar and other currencies.

Such devaluations of Brazilian Real against US Dollar may create inflationary pressures in Brazil, through the increase in prices of imported products or whose price is linked to US Dollar, among which are wheat, vegetable oils, sugar and packaging, which represent the Company's main raw materials and inputs, and may lead to the adoption of recessive policies by the Federal Government. On the other hand, the appreciation of Brazilian Real against US Dollar can lead to a deterioration of the country's current accounts and the balance of payments, as well as a slowdown of export-based growth, thus adversely affecting the Company's business.

As a strategy to prevent and reduce the effects of exchange rate fluctuations on its results, the Company has sought to avoid or minimize the mismatch between assets and liabilities denominated in foreign currency by assessing the hiring of foreign exchange hedging operations, usually swap transactions.

In this sense, as of December 31, 2022, the Company had three swap transaction agreements in force to hedge working capital financing in foreign currency with maturity until December 22, 2025, whereby on long position it receives, on average, US dollar plus interest rate of 2.66% p.a. and on short position it pays, on average, CDI plus interest rate of 1.25% p.a. with reference (notional) value in Brazilian reais of R\$ 716,970 and fair value payable of R\$ 50,111.

The price of the raw materials and packaging used by the Company is volatile and a sudden or unexpected oscillation in such prices may have an adverse effect on its business.

The main raw materials used in the Company's production process are wheat, wheat flour, vegetable oil, shortening and sugar that contributed for 64.6% of its cost of goods sold in fiscal year ended December 31, 2022. Such raw materials and/or their components are commodities and, as such, their prices are denominated in US Dollars or defined in Brazilian Reais in view of the international prices in US Dollars. The prices of these inputs vary according to their prices in the international commodities market, which is affected by the variation in global supply and demand. Historically, the quotation of such commodities in the international market has suffered fluctuations due to a number of factors. The increase in the average cost of wheat and oil, which respectively increased costs of goods sold by 35.1% and net revenue by 29.4%.

Packaging is also an important component of its production process, and in fiscal year ended on December 31, 2022, it accounted for approximately 8.3% of its costs of goods sold. The price of packaging is influenced, directly or indirectly, by several factors, including international oil prices, which are denominated in US Dollars. Historically, the price of packaging has suffered fluctuations due to a number of factors.

## 4.2 Description of the five (5) main risk factors

A sudden or unexpected variation in the prices of such commodities and packaging arising from changes caused by variations in the exchange rate between Brazilian Real and US Dollar, and/or changes in the dynamics of supply and demand of these products due to the concentration in few suppliers or lack of replacement products, among other factors, may directly impact the price of its raw materials and packaging. In the event of an increase in the price of these inputs, it may not be possible to pass on in full, immediately, the adjustment in the prices of the Company's products, which may reduce its margins and adversely affect the Organization.

Suspension, cancellation or failure to obtain new federal and state tax incentives owned by the Company may adversely affect its results.

Since the end of the 1980s, the Company has been awarded with state fiscal incentives, and as of December 31, 2022, eight (8) of its plants were awarded with incentives granted by the states of Ceará (3 plants), Pernambuco, Bahia, Paraíba, Rio Grande do Norte and Rio de Janeiro. Since the 1990s, the Company has been awarded with federal tax incentives, and presently, 8 (eight) of its plants, all based in the Northeast of Brazil, hold incentives granted by the Superintendence for the Northeast Development ("Superintendência de Desenvolvimento do Nordeste - SUDENE"). These incentives consist of the transfer of resources as a government contribution for the company's investments in the construction, installation and modernization of new industrial units in the region. The granting of incentives, especially federal ones, takes place only after the company proves the investments planned in projects approved under the law.

Even in the case of tax incentives granted as a result of compliance with certain conditions and for a period of time preciously set - which, under Brazilian law, can not be unilaterally extinguished by the granting governments before end of the concession period - the Company may be subject to suspension of the right to receive the incentives, or until its cancellation, if it fails to meet certain requirements that must be complied with during its term of enjoyment, such as: (i) do not distribute to its shareholders the amount of the tax incentive received; (ii) keeping its operations within fiscal regularity, especially in respect to the payment of taxes on due time; and (iii) submission, on yearly basis, of certain documents and reports to the competent authorities, evidencing the investments made and the fulfillment of the further conditions. Failure to comply with such obligations or misinterpretation of the enforcement of tax rules may result in the suspension or cancellation of such tax incentives, and may even require the Company to refund the amount of the incentives received, plus charges, which may have an adverse effect on the Organization.

Considering the current scenario of bills aiming at broad tax reform in the country, the company cannot assure that it will continue to obtain new investment subsidies after the expiration of the current ones, and, if it does, it cannot assure that such incentives will be granted under the same conditions as those currently held. If tax incentives are changed or expire and renewal is not possible, or new tax incentives are not created after the expiration of those in effect, its cash generation may suffer an adverse effect.

The amount of investment subsidies to be received from the Federal Government during the certain period of their granting consists of an amount equivalent to the result of the application of up to 75% on a calculation basis legally called "exploration profit", generated by incentivized industrial units. Settlement is made by deducting the benefit from the amount of income tax due, based on the calculation of the taxable income.

## 4.2 Description of the five (5) main risk factors

The federal grant is shown on the income statement as a corporate income tax deduction. As of December 31, 2022, the Company did not use this incentive, as there was no income tax payable (R\$ 1,977 million as of December 31, 2021).

### **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 interruptions in operation due to internal events, such as: hardware and software obsolescence, inconsistency or ineffectiveness of the disaster recovery plan or deficiencies in the segregation of duties and access profile controls. Likewise, events external to the Company's environment, such as natural disasters, failures in the telecommunication network, computer viruses, hacker attacks, or other operational and security issues, may cause interruptions in the operation of the Organization's computer systems.

The entire Company's infrastructure is backed up by good Cybersecurity practices, defined by a renowned consultancy and implemented by a new team dedicated to this purpose in 2022.

### **Strategic risk factor**

*Inadequate product pricing may adversely affect the Company's results and market share.*

The growth in the Company's market share and financial result may be adversely affected as prices are adjusted due to the increase in the cost of commodities and inputs. The Company adjusts product prices based on several variables, including demand, the competitive environment, changes in the cost of key commodities, exchange rate fluctuations, among other factors.

The Company's investments amounted to R\$ 280.2 million in 2022, with 34.6% growth versus 2021, broken down into expansion and maintenance investments. Highlights for investments in adjustment of machinery to reduce weight and flow pack.

In 2022, M. Dias Branco reached net revenue of R\$ 10.1 billion, 29.6% higher than the previous year, as a result of the increase in average price and volumes by 28.5% and 0.9%, respectively. In addition, throughout the year, the Company focused its efforts on initiatives and measures to increase volumes and sequential increase in average prices, among which are the launch of new products and growth in brands with high added value, such as Piraquê brand, in addition to the result of the acquisitions of Jasmine (Sep/22) and Latinex (Nov/21), which have strengthened the snacks and healthy portfolio, with items with average prices higher than the average of M. Dias Branco.

### 4.3 Description of the main market risks

For purposes of this section and section 5 - Management of market risks and internal controls, unless otherwise indicated or if the context so requires, an indication that a risk, uncertainty or problem may have or will have an "adverse effect on the Company" means that the risk, uncertainty or problem may have or will have an adverse effect in its current and future business, financial condition, liquidity, results from operations and/or the price of the common shares issued by the Company, including its subsidiaries. Similar expressions in this section shall be construed as having the same meaning.

The following are the market risks that the Company currently believes may adversely affect it. Additional market risks, unknown or deemed as less relevant by the Company at this time, may also cause a material adverse effect on its business and/or the trading price of its shares.

#### **Market risk factor**

*Risk of domestic economic recession.*

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

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

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

#### **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. If there is a relevant change 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 the cost increases, which may impact the profit margin.

As of December 31, 2022, the Company had signed agreements to purchase wheat and oil for future payment and delivery, in the amount of 120,154 tons (298,000 tons as of December 31, 2021), where 85,650 tons of oil were at prices to be set. Thus, considering the market value for these cases and price set for fixed agreements, they represented an amount equivalent to US\$ 11,100 of wheat and US\$ 96,711 of oil (US\$ 76,187 of wheat and US\$ 35,708 of oil as of December 31, 2021).

### 4.3 Description of the main market risks

Faced with the risk of oil price fluctuations, the Company prepared a sensitivity analysis for the amount of oil (85,650 tons), whose price was not set. The sensitivity analysis considered the possibility of three scenarios for the commodity price change, and the respective future results that may arise. The likely scenario considered oil prices at US\$ 1,095.08, with a forecast for the future exchange rate for 90 days, according to the quotation obtained from B3 on December 29, 2022 and aligned with the Company's exchange rate exposure of R\$ 5.3798. The other scenarios, possible and remote, considered an increase in commodity prices by 25% and 50% respectively.

Description	Position at risk (tons)	Risk	Likely scenario	Possible scenario (R\$)	Remote scenario (R\$)
Oil purchase agreements (price to be set)	85,650	Commodity rise	-	(126,147)	(252,293)

#### Market risk factor

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

The Company's results are susceptible to significant variations, due to the effects of exchange rate volatility, particularly on liabilities denominated in foreign currencies, mainly US Dollar, arising from imports of the main raw materials, wheat grain and soybean and palm vegetable oil, as well as working capital.

As already mentioned in the item "Fluctuations in the prices of certain inputs and/or raw materials used in the production process may adversely affect the Company's results", the Company had signed agreements for the purchase of wheat and oil for payment and future delivery with an estimated total of wheat at US\$ 11,100 and of oil at US\$ 96,711, subject to currency risk (US\$ 76,187 and of oil at US\$ 35,708 as of December 31, 2021).

The sensitivity analysis considered the possibility of three scenarios of the US Dollar variation and the respective future wheat and oil results that may arise. The likely scenario considered the dollar exchange rate of R\$ 5.3798, forecast of the future exchange rate for 90 days, according to the quotation obtained from B3 on December 29, 2022. The other scenarios, possible and remote, considered an increase in the US Dollar rate by 25% (R\$ 6.8405) and 50% (R\$ 8.2086), respectively.

Contract description	Position at risk (USD)	Risk	Scenarios		
			Likely	Possible	Remote
Wheat purchase	11,100	Dollar Appreciation	-	(14,929)	(29,858)
Oil purchase	96,711	Dollar Appreciation	-	(130,070)	(260,141)

#### Market risk factor

*Inflation and certain Federal Government measures aiming to combat it may contribute to Brazil's economic uncertainty, which may adversely affect the Company's activities and the trading of its shares.*

In the past, Brazil has recorded extremely high inflation rates. Such inflation and some measures taken by the Federal Government aimed to control it, combined with speculation on potential government measures to be adopted, have had a negative effect on the Brazilian economy, as well as, due to the economic uncertainty in the country and abroad, the volatility in the Brazilian securities market has increased.

### 4.3 Description of the main market risks

The Federal Government's measures to control inflation many times included maintaining a tight monetary policy with high interest rates, thus restricting the availability of credit and aimed at reducing economic growth to control inflation. As a result, interest rates have risen significantly, however, even so, Brazil may experience relevant increases in the inflation rate in the future.

Inflationary pressures may lead to government intervention on the economy, including the implementation of government policies that may have an adverse effect on the Company. Furthermore, 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 issue of debentures in March 2021 with remuneration charges based on the Broad Consumer Price Index (IPCA) and with long-term maturity (7 years and 10 years), the Company's results are more susceptible to significant changes in IPCA.

#### Market risk factor

*Interest rates variations may adversely affect the value of the Company's financial assets and liabilities or its future cash flows and revenues.*

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

Description	Parent company		Consolidated	
	2022	2021	2022	2021
<b>Financial assets</b>				
CDI-linked financial investments	<b>559,491</b>	1,558,238	<b>566,774</b>	1,558,265
<b>Financial liabilities</b>				
Transactions in foreign currency with derivatives pegged to CDI <sup>(1)</sup>	<b>(728,670)</b>	(558,322)	<b>(728,670)</b>	(558,322)
Debenture transactions with derivatives pegged to CDI <sup>(1)</sup>	<b>(965,821)</b>	(828,354)	<b>(965,821)</b>	(828,354)
Financing pegged to CDI	<b>(382,026)</b>	(257,139)	<b>(431,559)</b>	(262,277)
<b>Assets (Liabilities)</b>	<b>(1,517,026)</b>	(85,577)	<b>(1,559,276)</b>	(90,688)

The table below shows the projected loss that would be recognized in the next 12 months if the position of the CDI-pegged assets, net of CDI-pegged liabilities has remained at R\$ 1,559,276.

Description	Position at risk	Risk	Likely scenario	Possible scenario	Remote scenario
Net liabilities	(1,559,276)	CDI hike	-	<b>(52,353)</b>	<b>(104,705)</b>

The likely scenario considered DI future forecast for 360 days, according to information obtained from B3 on December 31, 2022, at the level of 13.43% p.a. The other scenarios, possible and remote, considered a decrease of the rate by 25% (16.79% p.a.) and 50% (20.15% p.a.), respectively.



## 4.3 Description of the main market risks

### Credit risk factor

*Risk of not receiving amounts resulting from sales transactions or credits with institutions.*

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

### Liquidity risk factor

*Inability to honor its obligations or raise funds in the market.*

In scenarios where access to funds is scarce and/or becomes very costly, and access to capital markets is not possible or is limited, the Company may find itself in a situation where it needs to decrease the financial margin of its products in order to attract more customers and/or dispose of uncommitted and/or potentially undervalued assets in order to be able to honor its obligations. If market liquidity is reduced, demand pressure may have a negative impact on prices, as natural buyers may not be immediately available. In this event, the Organization may experience a significant discount on the assets, which will impact the Company's results and financial position.

The main sources of financial resources used by the Company derive from the own volume of resources arising from the selling of its products - with the characteristic of strong cash generation and low default - in addition to the amounts received as investment subsidies in state and federal level (associated with the implementation/expansion of industrial plants). The income from investments arising from cash assets is added to this amount.

The Company's main financial needs are due to investments for the expansion and modernization of its production and logistics structure, for the acquisition of other companies and for the amortization of its indebtedness, payment of taxes, payment of dividends and other operating disbursements.

### Liquidity risk factor

*Ineffective management of the Company's capital, thus failing to provide returns to shareholders and benefits to other stakeholders, as well as maintaining an optimal capital structure to reduce costs.*

The Company may not offer a return to shareholders compatible with the market and its segment, as well as it may have a very costly capital structure, and thus its level of indebtedness and its payment ability may cause a material adverse effect on its business and/or the trading price of its shares.

## 4.4 Relevant non-confidential proceedings

Over the normal course of its operations, the Company is a party as Plaintiff or Defendant in lawsuits and administrative proceedings involving tax, labor, civil and other matters with the courts and government bodies.

As of December 31, 2022, from the total number of labor and civil proceedings, 1.52% are being discussed at the administrative level and 98.48% are being discussed at the judicial level, at lower and higher courts, as the case may be. For tax proceedings, 49.26% are being discussed at the administrative level and 50.74% are being discussed at the judicial level.

Periodically, the Management evaluates contingent risks, based on legal, economic and tax grounds, with the purpose of classifying them, according to their chances of unfavorable decision, as likely, possible or remote. The analysis is carried out together with the law firms responsible for the Company's lawsuits.

From these proceedings, only those in which the Company appears as Defendant and when the chances of unfavorable decision are classified as probable are provisioned. The amounts are sufficient to guarantee the estimated losses. Thus, provisions for contingencies recorded represent the Management's best estimate regarding the risk involved.

Below are highlighted the proceedings in which the Company is a party and which are relevant on a standalone basis.

### **Labor**

As of December 31, 2022, the Company was a defendant in 3,603 judicial and administrative labor proceedings, in a total amount of approximately R\$ 529 million. These proceedings relate basically to overtime and its reflexes, recognition of employment relationship, indemnity for occupational accident and illness, subsidiary liability, compensation for moral and property damages, salary parity, deviation or accumulation of functions, among other matters.

The Company is not a party to any labor lawsuits that individually may have a material impact.

### **Tax**

As of December 31, 2022, M Dias Branco was a party in 607 tax proceedings. We highlight below the non-confidential proceedings deemed as relevant.

#### *Investment Subsidies*

As of December 31, 2022, M Dias Branco is a party to four administrative proceedings with a total adjusted amount of R\$ 191.1 million, in which the primary merit refers to the collection of IRPJ, CSLL, PIS and COFINS on state investment subsidies, namely: PROVIN- FDI/CE, PROADI/RN, FAIN/PB and DESENVOLVE/BA.

The tax assessment notices 10380.723251/2012-34 and 10380.009929/2004-62 referring to fiscal years 1999 to 2003, 2008 and 2009 are filed with the Administrative Council of Tax Appeals (CARF), and the final decisions rendered by such entity may be challenged in court, if unfavorable to the Company. The administrative procedures 10380.009928/2004-18 and 10380.009930/2004-97 referring

## 4.4 Relevant non-confidential proceedings

to fiscal years 1999 to 2003, are filed with the 33rd Federal District Court of Ceará and Regional Federal Court of the 5th Region, respectively.

We emphasize that, with the advent of Supplementary Law 160/2017, the discussion related to the investment subsidy issue shall be ended, since this law introduced paragraphs 4 and 5 in article 30 of Law 12.973/14, establishing that the tax incentives and benefits provided for in the Federal Constitution, granted by the States and the Federal District, are considered as subsidies for investments and that such a provision applies to administrative and judicial proceedings still pending.

In the opinion of the legal advisors, the probability of loss of the cases ranges is remote.

Following is the breakdown of the respective proceedings:

CASE Nº 10380.723251/2012-34	
Court	Federal Revenue Office of Brazil in Fortaleza-CE
Instance	Administrative Council of Tax Appeals
Date of filing	03/15/2012
Parties do the case	Plaintiff: Federal Government
	Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 1,997,307.88
Main facts	It refers to a tax assessment notice drawn up after the performance of a Tax Procedure relating to PIS and COFINS requirements, for the periods from 01/2008 to 12/2008 and IRPJ and CSLL, for the period 12/2008. Two challenges were filed. One related to PIS and COFINS, and the other related to IRPJ and CSLL, in which the claims were partially granted. The IRPJ/aircraft lease requirement and PIS/Cofins/Recording of Credit-Fuels were maintained. The entries related to IRPJ and CSLL, related to the amount of the investment subsidies were exonerated. The Company and National Treasury have filed appeals to CARF. After republishing the segregation pursuant to Law 11.941/99, the Company adhered to que installment program and paid-out PIS/COFINS debts (fuel expenses). The matter related to subsidy for investment subsidies and deduction of expenses with aircraft remains under discussion. The Company was summoned to evidence the adoption by the States of Bahia, Paraíba, Rio Grande do Norte and Ceará of the measures established in the clauses of ICMS Agreement 190/17. After complying with the order, a second administrative instance decision was issued, partially granting the Voluntary Appeal filed by the Company, to the effect of (i) canceling the tax requirements, on the grounds that the amounts were correctly treated by the Company as an investment subsidy, and (ii) maintaining the requirement related to aircraft leasing. Regarding the investment subsidy, no appeal was filed by the PGFN, therefore the debts in this aspect, amounting to R\$ 70,198,773.20, were cancelled, leaving under discussion only the debts on expenses with aircraft leasing in the total amount of R\$ 1,997,307.88. The company filed a Special Appeal, which is pending judgment.
The chance of defeat is:	Remote
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

## 4.4 Relevant non-confidential proceedings

CASE Nº 10380.009929/2004-62	
Court	Federal Revenue Office of Brazil in Fortaleza-CE
Instance	Administrative Council of Tax Appeals
Date of filing	10/29/2004
Parties do the case	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 134,238,084.82
Main facts	On October 29, 2004, the Brazilian Federal Revenue Service issued a tax assessment notice for COFINS requirements for fiscal years 1999 to 2003, as a result of: (i) mismatch between amounts stated in DCTF and amounts due; (ii) inaccurate recording of passive monetary variations and the entry of amounts as credits as a counterpart of the reduction of obligations denominated in foreign currency; and (iii) failure to include, in the basis of calculation, the booked amounts of subsidies received as tax incentive from the States of Ceará and Rio Grande do Norte. Challenge Filed. The entry was partially upheld by the Regional Office - DRJ, changing the values of Cofins, related to the events of April 2003 and May 2003. Voluntary Appeal to CARF by the Company. Decision issued by the 4th Chamber of the Second Taxpayers' Council of CARF partially granting the Company's Voluntary Appeal dismissing the revenues arising from exchange rate variations and subsidies for funding and investment from the COFINS calculation basis. However, the decision maintained in the calculation of the tax the amount of the ICMS-ST. Special appeal filed by the Federal Government and Motion for Clarification filed by the Company. Motion for Clarification partially granted, so as to recognize the statute of limitations regarding the dates from January to April and September 1999. On August 22, 2019, the Company filed a Special Appeal. The National Treasury's Special Appeal was dismissed. The appeal filed by M. Dias was partially granted, recognizing the statute of limitations, and ruling out the requirement for the periods from January to September 1999. The right to exclude ICMS-ST from COFINS calculation base was not recognized, due to a lawsuit on the subject. Waiting for adequacy of CARF (Taxpayers Board) decisions by the Federal Revenue Service.
The chance of defeat is:	Remote
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

CASE No. 0800433-12.2018.4.05.8100 Former 10380.009928/2004-18	
Court	Federal Court of Ceará - JF/CE
Instance	33 <sup>rd</sup> District Court of Ceará
Date of filing	01/18/2018
Parties do the case	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 39,320,153.01
Main facts	On 12/17/2003, the Brazilian Federal Revenue Service issued a tax assessment notice demanding COFINS for fiscal years 1999 to 2003, as a result of alleged violations: (i) mismatch between amounts stated in DCTF and amounts due; (ii) inaccurate recording of passive monetary variations and the entry of amounts as credits as a counterpart of the reduction of obligations denominated in foreign currency; and (iii) failure to include, in the basis of calculation, the booked amounts of subsidies received as tax incentive from the States of Ceará and Rio Grande do Norte. The entry was partially upheld at the administrative level. The Company filed a Tax Debt Annulment Petition, on 11/29/2017, filed under no. 0815072-69.2017.4.05.8100. Prior to the acceptance of the real estate offered to suspend the enforceability of the tax credit, the Federal Government through the Office of Attorney-General of the National Treasury – PGFN, filed a Tax Foreclosure, on 01/18/2012, filed under no. 0800433-12.2018.4.05.8100, and the Company provided a performance bond. Foreclosure is on hold, awaiting judgment of the Annulment Action under discussion which, in May 2018, was received as a motion to stay the tax foreclosure. A decision was issued partially granting the motion to stay the foreclosure, excluding the collection of the PIS/COFINS debts due to ICMS exclusion from its calculation basis, as well as determining the exclusion of the tax incentives granted to the company by the State of Ceará and the State of Rio Grande do Norte from 12/2002 to 12/2003 from the PIS calculation basis. The discussion regarding exchange variations in the non-cumulative regime is ongoing. On 12/10/2021, the Company filed a motion for clarification, which is pending judgment.

## 4.4 Relevant non-confidential proceedings

The chance of defeat is:	Remote
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.
<b>CASE No. 0800433-12.2018.4.05.8100 Former 10380.009928/2004-18</b>	
Court	Federal Court of Ceará - JF/CE
Instance	8 <sup>th</sup> District Court of Ceará
Date of filing	09/04/2017
Parties do the case	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 15,506,622.00
Main facts	On 10/29/2004, the Brazilian Federal Revenue Service issued an tax assessment notice demanding a separate fine relating to the following violations: (i) booking of tax incentive from PROVIN (Incentive Program for the Operation of Companies) with funds arising from FDI (Fund for the Industrial Development of Ceará) and PROADI (Program for the Support to Industrial Development of Rio Grande do Norte), as an investment subsidy, failing to include such subsidy in net income for the purposes of calculation and assessment of CSLL, and (ii) booking of gain arising from the tax subsidy at the time of settlement of ICMS financing and not at the time of the financing itself. The entry was partially upheld at the administrative level. The Company filed for a Writ of Mandamus on 09/04/2017, filed under No. 0811727-95.2017.4.05.8100, aiming to obtain a court order recognizing the non-enforceability of the separate CSLL fine for the calendar year 2003. On 03/16/2018 Writ of Mandamus was granted to void the demandings. Decision subject to mandatory review. Proceeding referred to the Federal Regional Court of the 5th Region for judgment of the Federal Government's appeal, which was dismissed. RESP filed by the Treasury, which is pending judgment.
The chance of defeat is:	Remote
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

### *Credit Granted of ICMS*

The Company is a party to five tax assessment notices drawn up for ICMS demandings on the grounds that the company used a credit granted by the State cumulatively with other credits upon receiving the products. The tax authority claims that the Company improperly credited ICMS as "Presumed Credit from Pasta and Cookies", when it had already recorded the credits on the acquisitions, both for products for resale and the inputs used in the product manufacturing, i.e., would have been credited twice.

The total amount involved in such tax assessment notices, as of December 31, 2022, is R\$ 343.9 million.

Infraction notices No. 4.045.881-7 and No. 4.116.234-1 were judged unfavorable by the 1st administrative instance. The Company filed an Ordinary Appeal with the Taxes and Fees Court (TIT). In the second instance, the decisions were unfavorable to the company, and Special Appeals were filed.

We point out that the tax assessment notice No. 4.047.698-4 has closed, in the administrative level, unfavorably to the Company. The discussion was taken to court.

## 4.4 Relevant non-confidential proceedings

The Company was served with two tax assessment notices, No. 4.148.700-0 and No. 4.144.845-5, issued in June 2022, in the amounts of R\$ 44,983 and R\$ 130,185, against branches in the State of São Paulo. For both tax assessment notices, the Company filed an administrative defense.

In our lawyers' opinion, the risk of defeat in these proceedings is considered possible at the administrative level. The final decisions rendered by such Board may be challenged judicially, when unfavorable to the Company.

Following is the breakdown of the respective proceedings:

<b>CASE N° 4.045.881-7</b>	
Court	Sefaz / SP
Instance	Tax Court
Date of filing	09/10/2014
Parties do the case	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 31,141,516.72
Main facts	Tax assessment notice drawn up on the grounds that the Company: I- has improperly credited ICMS as "Presumed Credit from Pasta and Crackers and Cookies", since it has also booked credits when receiving both the goods for resale and the inputs used in the product manufacturing. The credits granted are illegitimate. Referring to the period from April to December 2012. Administrative defense filed. In the lower court, the Judgment Office upheld the assessment, maintaining the fine and the tax. Ordinary Appeal filed by the Company. The judgment was converted into a diligence for the purpose of calculating the reversing entries, i.e., evidence that there was no double use of credits. Appellate decision rendered, dismissing the Company's Ordinary Appeal. A Special Appeal was filed against this decision, which is pending judgment.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.
<b>CASE N° 4.047.698-4</b>	
Court	Sefaz / SP
Instance	Regional Tax Office of São Bernardo do Campo
Date of filing	11/07/2014
Parties do the case	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 9,560,746.18
Main facts	Tax assessment notice drawn up on the grounds that the Company: I- has improperly credited ICMS as "Presumed Credit from Pasta and Cookies", since it has also booked credits when receiving both the goods for resale and the inputs used in the product manufacturing. The credits granted are illegitimate. Referring to the period from January to March 2012. Challenge Filed. In the lower court, the Judgment Office converted the judgment into diligence. Subsequently, the case was granted. Ordinary Appeal filed, which was dismissed. The Company filed a Special Appeal, which was dismissed. The Company filed a request for rectification of the judgment against said decision, which was dismissed, causing the closure of the discussion at the administrative level. The Company filed a Precautionary Action registered under No. 1000725-41.2022.8.26.0053, seeking to stay the enforceability of the debt with the submission of the performance bond. Pending decision.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

## 4.4 Relevant non-confidential proceedings

CASE N° 4.116.234-1	
Court	Sefaz / SP
Instance	Regional Tax Office of São Bernardo do Campo
Date of filing	03/18/2019
Parties do the case	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 115,795,389.23
Main facts	Tax assessment notice drawn up on the grounds that the Company: (i) has improperly credited ICMS as "Presumed Credit from Pasta and Crackers and Cookies", since it has also booked credits when receiving both the goods for resale and the inputs used in the product manufacturing; (ii) failed to pay ICMS due to the difference found between the quantity of goods sent for deposit in general warehouse and the quantity of goods returned when compared to inventories informed in the inventory records and (iii) failed to book electronic invoices, in the Entry Record of Digital Tax Book (EFD). Referring to the period from January to December 2015 to 2016. Administrative challenge filed, related to the issue of credit granted and omission of exits. The payment of the tax notice was made. The objection was dismissed. Thus, the Company filed an Ordinary Appeal, which was dismissed. From this unfavorable decision, we file a Request for Rectification and a Special Appeal. Judgment of both appeals is pending.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.
CASE N° 4.148.700-0	
Court	Sefaz / SP
Instance	Regional Tax Office of São Bernardo do Campo
Date of filing	06/03/2023
Parties do the case	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 47,629,392.54
Main facts	Tax Assessment Notice drawn up on the grounds that the Company: 1) has improperly used other credits and credit granted under Article 22 of Annex III of the RICMS/SP; 2) failed to record NFe's and CTe's and 3) used undue credit stated in CTe's. Objection partially granted on the subject of undue credit of CTe's. Ordinary appeal was filed by M. DIAS and <i>ex-officio</i> appeal by SP Treasury. Judgment of both appeals is pending.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.
CASE N° 4.144.845-5	
Court	Sefaz / SP
Instance	Regional Tax Office of São Bernardo do Campo
Date of filing	06/30/2023
Parties do the case	Plaintiff: Sefaz/SP Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 139,832,998.91
Main facts	Tax Assessment Notice drawn up on the grounds that the Company: 1) failed to record invoices related to non-taxed transactions; 2) lack of bookkeeping of invoices in taxed transactions and 3) unduly credit granted under article 22 of annex III of RICMS/SP. Objection partially granted on the subject of lack of bookkeeping of invoices in taxed transactions. Ordinary appeal filed by M. DIAS and <i>ex-officio</i> appeal by SP Treasury. Judgment of both appeals is pending.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

## 4.4 Relevant non-confidential proceedings

### *ICMS - Value Added Margin - ICMS Protocol 46*

The State of Piauí filed a tax foreclosure for tax credit demanding related to ICMS, booked through the AI's n. 45601, 45602, 45603, 45604, and 45605 for allegedly lower collection of such tax for the period from January 5 to 12, 2001 and fiscal years 2002, 2003, 2004 and 2005, due to non-compliance with the Value Added Margin.

The tax assessment notices were drafted on the grounds that the Company would have failed to "collect a portion of ICMS, related to the acquisition of goods subject to the tax substitution regimen, since, according to the authority, the taxpayer would have miscalculated the tax due using an added percentage of 15% (fifteen percent) evenly over the invoice amount, when Decree 10.500/01 sets forth the application of added percentages of 20% (twenty percent) for pasta and 30% (thirty percent) for crackers and cookies, also non-complying with the minimum amount established in Normative Acts issued by the Treasury Department. However, the tax authority has disregarded that in the operations carried out by the Company since 2001, the levy of ICMS shall comply with the rules set forth in ICMS Protocol 46/2000, which address the taxation system in the sector, particularly through the creation of the regimen of progressive tax substitution.

Under this regimen, the timing of the tax collection was decoupled from the timing of the effective occurrence of the generating event, so that the ICMS due for future and presumed operations with wheat flour and derivatives became to be collected in advance, at the time of the wheat import. Subsequent transactions, including those carried out by affiliated entities, are exempt from new ICMS tax collection, since the tax has already been fully paid in advance.

After posting an undertaking in court, by means of offering property to be levied upon, the Company filed motion to stay the tax foreclosures which are pending at the first instance.

In the opinion of our lawyers, the lawsuit present a risk of possible loss. The total amount involved, as of December 31, 2022 was R\$ 37.3 million.

Following is the breakdown of the respective proceeding:

<b>CASE No. 129482010</b>	
Court	Court of Justice of the State of Piauí
Instance	4 <sup>th</sup> District of the Tax Court of Teresina Region
Date of filing	09/03/2010
Parties do the case	Plaintiff: State of Piauí Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 37,322,371.15
Main facts	The State of Piauí filed a tax foreclosure for tax credit demanding related to ICMS, booked on AI's n. 45601, 45602, 45603, 45604, 45604 and 45605 for allegedly lower ICMS tax collection for the period from January 5 to 12, 2001 and fiscal years 2002, 2003, 2004 and 2005, due to non-compliance with the Value Added Margin. The Company filed motion to stay after the acceptance of property to be levied upon 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) with a performance bond. Subsequently, the company requested the replacement of the guarantee presented in the records (bank guarantee) with a performance bond. The State of Piauí, when summoned, informed that it does not oppose the replacement. Process concluded on 11/12/2019. Foreclosure pending adjudication upon the merits.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.



## 4.4 Relevant non-confidential proceedings

### *IPI – Zero Rate*

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

In 1999, the Company filed a writ of mandamus seeking the use of the IPI (Tax on Manufactured Products) credit balance prior to January 1999, resulting from the acquisition of inputs (raw material, intermediate product and packaging material), applied in manufacturing of products exempted or taxed at zero rate, with IPI due on the exit of other products, under the terms of Law 9.779/99, without the limitations of IN/SRF nº 33/99, since this is in effect of the Constitutional Principle of Non-Cumulativeness, which is decision of Brazilian courts (Law Nos. 8.383/91, 9.430/96 and 9.779/99). After the granting of security, by legal permission, the Company calculated the amounts paid in excess and offset with taxes due from IRPJ, CSLL and COFINS. However, although the decision have become final and unappealable in favor to the Company, confirming the Relief from Judgment (AR/5059), the Federal Government foreclosed the offset credits, under the grounds that, although the right to credit has been recognized, the Company would not have booked the credits in the IPI assessment book.

Tax foreclosure 0816616-29.2016.4.05.8100 resulting from the Certificates of Overdue Tax Liability No. 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 is being processed in the 20<sup>th</sup> Federal Court of the District of Ceará and tax foreclosure 0000833-37.2015.4.05.8109 arising from Certificates of Overdue Tax Liability 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 34<sup>th</sup> Federal Court of the District of Ceará. Both tax foreclosures were filed against M Dias Branco S/A Indústria e Comércio de Alimentos.

Tax foreclosure 0816616-29.2016.4.05.8100 resulting from the Certificates of Overdue Tax Liability No. 30.2.16.001655-57 and nº 30.6.16.005596-00 is being processed in the 33<sup>rd</sup> Federal Court of the District of Ceará and tax foreclosure 0000162-48.2014.4.05.8109 arising from Certificates of Overdue Tax Liability No. 30.7.13.000097 is being processed in the 34<sup>th</sup> Federal Court of the District of Ceará. The tax foreclosures were filed against Pelágio Oliveira S/A, a company merged by the Company.

In the opinion of our lawyers, executions present a possible loss risk. The total amount involved, as of December 31, 2022 was R\$ 153.0 million.

Following is the breakdown of the respective proceedings:

<b>CASE No. 0816616-29.2016.4.05.8100</b>	
Court	Federal Court of Ceará – JF/CE
Instance	20 <sup>th</sup> District Court of Ceará
Date of filing	12/27/2016
Parties do the case	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. E Com.
Amounts, assets or rights involved	Restated Amount R\$ 116,371,032.02
Main facts	Tax Foreclosure filed by the Federal Government against the Company demanding the collection of tax credits, in the amount of R\$ 97,533,355.66, resulting from the Certificates of Overdue Tax Liability No. 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, address the offsets made and not ratified by Brazilian Federal Revenue Service, with a tax credit arising from a final judicial decision in the writ of mandamus No. 0016984-67.1999.4.05.8100. Petition offering collateral in the disputed amount filed, still pending. This case has been stayed due to the reception of the Resp by the TRF of the 5 <sup>th</sup> Region with staying effects (4058100.2456032) in case no. 0014027-41.2002.4.05.0000 (AC 591100-CE), referring to the original case 0016984-67.1999.4058100 of the 8 <sup>th</sup> Court, as well as due to the staying effect by STJ in Internal Appeal to Resp 1670405-CE (4058100.18076807).

## 4.4 Relevant non-confidential proceedings

The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

### CASE Nº 0000833-37.2015.4.05.8109

Court	Federal Court of Ceará - JF/CE
Instance	34 <sup>th</sup> District Court of Ceará
Date of filing	03/17/2015
Parties do the case	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount: R\$ 16,708,384.13
Main facts	Tax Foreclosure filed referring to Certificates of Overdue Tax Liability 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, with the purpose of collecting the amount of R\$ 14,356,783.08, related to the offsets performed arising from credit derived from a final and unappealable court decision in lawsuit No. 0016984-67.1999.4.05.8100 (IPI). Levy of the Company's accounts - BACENJUD in the amount foreclosed. The Company requested the replacement of the amounts blocked by real estate property, but the request was dismissed. Interlocutory Appeal filed under no. 2017.8423.002544-5. On 08/30/2017, an order was issued relating to the foreclosure determining the action suspension until the decision on the interlocutory appeal. On 07/18/2019 a decision was rendered which maintained the case stayed until a final decision is rendered on the special appeal (REsp 1.670.405/CE), or until the staying effect is revoked. Awaiting the reactivation of the process and analysis of the merits. Interlocutory Appeal filed under no. 2017.8423.002544-5. On 08/30/2017, an order was issued relating to the foreclosure determining the action suspension until the decision on the interlocutory appeal. On 07/18/2019 a decision was rendered which maintained the case stayed until a final decision is rendered on the special appeal (REsp 1.670.405/CE), or until the staying effect is revoked. Awaiting the reactivation of the process and analysis of the merits.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

### CASE Nº 0816408-45.2016.4.05.8100

Court	Federal Court of Ceará - JF/CE
Instance	33 <sup>th</sup> District Court of Ceará
Date of filing	12/21/2016
Parties do the case	Plaintiff: Restated Amount R\$ 17,910,032.20 Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 17,910,032.20
Main facts	Tax Foreclosure filed by the Federal Government against the Company demanding the collection of tax credits, in the amount of R\$ 15,075,504.93, resulting from the Certificates of Overdue Tax Liability No. 30.2.16.001655-57 and 36.6.16.005596-00, which, in turn, address the offsets made and not ratified by Brazilian Federal Revenue Service, with a tax credit arising from a final judicial decision in the writ of mandamus No. 0016984-67.1999.4.05.8100. Foreclosure suspended awaiting the final decision of the annulment action of fiscal debit nº 0803683-74.2016.4.05.0000 filed by the Company on 06/05/2016. A property has been offered as collateral for debt. The annulment action was dismissed and appeal was filed and awaits judgment. The Company was summoned to submit a new insurance policy in August 2019. Performance Bond was offered in October 2019. The National Treasury agreed with the performance bond. A motion to stay the tax execution was filed, which is suspended, awaiting the judgment of the action for annulment of tax debt No. 0803683-74.2016.4.05.0000.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

## 4.4 Relevant non-confidential proceedings

CASE Nº 0000162-48.2014.4.05.8109	
Court	Federal Court of Ceará - JF/CE
Instance	34 <sup>th</sup> District Court of Ceará
Date of filing	10/21/2014
Parties do the case	Plaintiff: Federal Government Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Restated Amount R\$ 2,045,127.62
Main facts	Tax Foreclosure filed by the Federal Government against the Company demanding the collection of tax credits, in the amount of R\$ 1,583,479.83, resulting from the Certificates of Overdue Tax Liability No. 30.7.13.000097-00, which, in turn, address the offsets made and not ratified by Brazilian Federal Revenue Service, with a tax credit arising from a final judicial decision in the writ of mandamus no. 0016984-67.1999.4.05.8100. Levy of the Company's accounts - BACENJUD in the amount foreclosed. The Company requested the replacement of the amounts blocked by real estate property, but the request was dismissed. Interlocutory Appeal filed under no. 2017.8423.002541-0. On 10/03/2017, an order was issued relating to the foreclosure determining the action suspension until the decision on the interlocutory appeal. On 11/25/2019 an order was issued, informing the entire content of the judgment rendered in said interlocutory appeal. The tax foreclosure was suspended until the judgment of 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 the analysis of the merits will be made.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Exclusively the payment of the disputed amount, with a material impact on the Company's financial and equity condition.

### Exclusion of ICMS in the PIS/COFINS Calculation Base

As of December 31, 2022, the Company recognized the amount of R\$ 28,328 (R\$ 39,336 as of December 31, 2021), adjusted by Selic rate, a credit due to the former partners of the acquired/merged companies, which will be passed on, net of expenses with success fees and tax charges arising from the revenue booking. As of December 31, 2021, the amount recorded was R\$ 85,929, adjusted by Selic rate.

There are still periods pending recognition due to the fact that it was not possible to find the complete physical documentation that supports the survey or due to the lack of specific digital systems, mainly relating to the period prior to 2004. However, the Company continues to seek alternative mechanisms to fully measure the amounts involved. Below is a statement of the periods pending recognition:

Company/ Case No.	Credit period pending recognition
M. Dias Branco S.A Ind. e Com. de Alimentos / 0000.81.00.010313-1	1990 to 1999
NPAP Alimentos S.A./ 2007.83.00.014726-1	2002, 2010 to 2012
Moinho Santa Lúcia /0004326-93.2008.4.05.8100	2003 to 2007 and 2009
Pelágio Oliveira S.A /0011868-02.2007.4.05.8100	2002, 2004, 2012
Zabet S/A Indústria e Comércio	Under review

It should be noted that credits arising from proceedings filed by merged companies relating to periods prior to the acquisition date will be reimbursed to former partners upon use, as they constitute a contingent portion of the acquisition price. Therefore, it is estimated that the impact on the Company's results, if applicable, will not be material, considering also the low expectation of raising supporting documentation for credit qualification.

Finally, the Company informs that it will continue with the calculation and recognition as the other periods involved are measured.

## 4.4 Relevant non-confidential proceedings

### Civil

Administrative Proceeding No. 08012.009957/2008-50	
Court	CADE General Superintendence
Instance	1 <sup>st</sup> administrative
Date of filing	October/2008
Parties do the case	Plaintiff: Administrative Council for Economic Defense - CADE Defendant: M. Dias Branco S.A. Ind. e Com.
Amounts, assets or rights involved	Administrative proceeding filed by CADE's General Superintendence for investigating alleged cartel in the "wheat flour market in the North and Northeast regions of Brazil.
Main facts	On November 12, 2008, the Secretariat of Economic Law filed a Preliminary Investigation, after receiving a complaint made to the Federal Prosecution 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 a preliminary injunction obtained by M Dias Branco, preventing CADE from accessing the documents seized. On December 4, 2015, the progress of the investigation was 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 Pre-trial Technical Note was issued, dismissing the preliminary questions. On February 24, 2017, motions for rehearing were filed by the respondents. In December 2019, an opinion was issued by MPF, towards an unfavorable decision for the company. Currently, the process is suspended by virtue of a decision by the Superior Court of Justice until a new judgment occurs by the relevant court.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Notwithstanding the beginning of the administrative proceeding by the General Superintendence of the Administrative Council for Economic Defense, (a) the potential imposition of any penalty still depends on investigation and evidence of infraction; and (b) the imposition of any penalty may be challenged in court.

Tax Assessment Notice No. 9078653 (Administrative Proceeding)	
Court	Officer of environmental protection of Ibama in Fortaleza/CE
Instance	1 <sup>st</sup> administrative
Date of filing	04/24/2015
Parties do the case	Plaintiff: Brazilian Institute of the Environment And Renewable Natural Resources - IBAMA Defendant: M. Dias Branco S.A. Ind. e Com. – GME
Amounts, assets or rights involved	Imposition of a fine in the amount of one million and five thousand Brazilian Reais (R\$ 1,005,000.00)
Main facts	The Company was notified by IBAMA, because, on April 7, 2015, on the occasion of an incident in the pipeline of transfer of vegetable fat, this product was discharged into the sea, reaching the region of the beach and beach rock near the accident site (Mucuripe Region, Fortaleza/CE). The agency justified the imposition of the fine grounded on a technical opinion, which states that it is possible that the spillage of vegetable fat has interfered in the biota of the place, as well as caused socioeconomic losses in the region. The company timely filed a defense, stating that the product was not capable of causing damage to the biota, as well as evidencing that there was no socioeconomic impact in the region. We also questioned the composition of the fine, which disregarded legal aspects. We are currently awaiting the decision of the first administrative instance.
The chance of defeat is:	Possible
Impact analysis in case of defeat	Based on the elements resulting from the evidentiary stage, the risk of upholding the fine imposed is deemed as possible.

### Labor

The main matters discussed in the provisioned proceedings relate to overtime and its consequences,

## 4.4 Relevant non-confidential proceedings

work-related accident and occupational disease, Secondary liability, unhealthy or hazardous work premium, recognition of employment relationship, commissions on salary, pay parity, deviation or accumulation of positions, pecuniary damages, among other matters.

### a. amounts involved

Provision for Labor Proceedings Divided by Similar Causes	
Overtime and consequences	39,541,906.88
Unhealthy or hazardous work premium	6,530,384.22
Secondary liability	6,477,016.22
Work-related accident and occupational disease	5,552,721.70
Recognition of employment relationship	1,424,555.33
Sales commissions	1,082,380.33
Pay parity, deviation or accumulation of positions	583,444.21
Other matters not elsewhere classified	52,287,792.33

The company provisions all the disputed amounts related to such proceedings.

### b. practice of the issuer or its subsidiary that caused such contingency

#### *Overtime and consequences*

The Company is a defendant in several lawsuits for the purpose of claiming overtime allegedly paid incorrectly by the Company, particularly by former employees who performed services outside the Company's premises, such as sellers and external sales promoters. It is customary in the labor law that former employees, based on the testimony of other former employees, sustain several allegations against the companies, where not necessarily such allegations correspond to the truth. The Company adopts as routine practice the payment of overtime in compliance with the legal rules, including adopting electronic point control for employees who carry out activities internally, and there are no specific practices of the Company that are the cause of these contingencies. For this type of matter, the Company provisions the amount of approximately R\$ 39.5 million.

#### *Unhealthy or hazardous work premium*

The Company is a defendant in several lawsuits with the purpose of claiming unhealthy or hazardous work premium, which would be arising from the performance of supposedly unhealthy or hazardous activities, respectively. Under the labor laws, unhealthy activities or operations are those which by their nature, working conditions or methods expose employees to agents harmful to health, above the limits of tolerance set due to the nature and intensity of the agent and the time of exposure to its effects. Hazardous activities or operations, in the form of regulations approved by the Ministry of Labor, are those that, by their nature or working methods, involve permanent contact with flammable or explosive substances in high-risk conditions. The Company has as routine practice the adoption of all work safety measures and aimed to ensuring a healthy working environment, and no specific procedures or behavior of the Company's management that could be associated as a cause of these contingencies has been identified. For this type of matter of labor nature, the Company provisions the amount of approximately R\$ 6.5 million.

## 4.4 Relevant non-confidential proceedings

### *Secondary liability*

The Company is a defendant in several cases addressing matters of secondary liability of the Company. Secondary labor liability represents the establishment of a portion of liability of the service taker in relation to the employee employed by the service provider, the effective employer. Under the secondary labor liability, the service taker is considered as the guarantor of the payment of labor claims owed by the service provider to the employee, when the latter does not comply with such payments. Such contingencies arose from the fact that the internal controls adopted in the past by the Company were not fully enough to closely monitor the documents of the contracted companies evidencing the payments of such companies to their employees. For this type of matter, the Company provisions the amount of approximately R\$ 6,4 million.

### *Recognition of employment relationship*

The Company is a defendant in several lawsuits with the purpose of recognizing the employment relationship of employees from companies hired by the Company, particularly commercial representatives, as well as self-employed workers. Such proceedings arose from the fact that in the past, the Company did not take the necessary precautions to avoid establishing the employment relationship of said third parties and self-employed workers with it (mainly the cleaner 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 provisions the amount of approximately R\$ 1,4 million.

### *Sales commissions*

The Company is a defendant in certain labor lawsuits in which former employees, particularly those acting as sellers, 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 provisions the amount of approximately R\$ 1 million.

### *Pay parity, deviation or accumulation of positions*

The Company is a defendant in lawsuit addressing pay parity, accumulation or deviation of positions. Pay parity is required when the claimant and the employee, whose salary will be considered as a paradigm for parity, perform the same activities, with equal productivity and technical perfection, and the difference in time in the exercise of the position is less than two years. The accumulation of positions occurs when the employee, in addition to the usual activities of his position, starts to assume partial or full responsibilities of other position existing in the company's staff. In the accumulation, the employee already performs a position with specific tasks, and from a certain moment, or even by the occurrence of a specific event, such as reduction of the workforce, starts to perform additional responsibilities of other specific position. On the other hand, the deviation of position is characterized when the employee performs activities that correspond to other position, different from what was contractually agreed, and in customary basis, that is, when he is hired to hold a certain position and ends up by performing activities of another. The Company has as routine practice the strict compliance with labor laws, and no procedure or behavior of the Company's management that may be associated as a cause of these contingencies has been identified. For this type of matter, the Company provisions the amount of approximately R\$ 583 thousand.

### *Other matters not elsewhere classified*

The Company is a defendant in labor lawsuits that have as subject, in addition to the aforementioned lawsuits, a number of other matters, such as non-payment of travel allowance (payment of stay and food during work traveling), double pay on Sundays and holidays (supposedly remunerated weekly day off not granted by the Company provided for in labor law, which would generate the obligation to the employer of paying the corresponding amount in double), salary differences, legal fees, a third over vacations, among others. The Company has as routine practice the strict compliance with labor laws, and no procedure or practice of the

## 4.4 Relevant non-confidential proceedings

Company's management that may be associated as a cause of these contingencies has been identified. For this type of matter, the Company provisions the amount of approximately R\$ 52 million, where 5.2 million is related to the Piraquê business combination.

### Tax

On December 31, 2019, the Company did not have repeated or related judicial, administrative and arbitral proceedings of a tax nature, based on similar legal facts and causes, which are not confidential and which together are material, in addition to judicial or administrative proceedings already mentioned.

### Civil

The main matters discussed in civil suits provisioned for are contractual non-compliance, allegations of undue charge and inclusion in the list of delinquent debtors, indemnities for damages resulting from traffic accidents, claims of presence of foreign bodies in products, among others.

#### a. amounts involved

Provision for Civil Proceedings Divided by Similar Causes	
Contractual non-compliance / indemnification for termination of representation or distribution agreements	1,198,103.77
Traffic accidents	505,417.01
Foreign body in products	294,741.31
Undue Charge / Undue Protest	144,814.10
Other matters not elsewhere classified	11,799,597.02

The company provisions all the disputed amounts related to such proceedings.

#### b. practice of the issuer or its subsidiary that caused such contingency

##### *Contractual non-compliance / indemnification for termination of Representation or Distribution Agreements*

The Company is a defendant in certain lawsuits related to contractual noncompliance by the Company, in relation to contractually set obligations, especially in contracts for provision of services and representation or commercial distribution, such as non-compliance with rules of exclusivity in the area of operation, direct sales by the Company, among other issues. For this type of matter, the Company provisions the amount of approximately R\$ 1.1 million.

##### *Traffic accidents*

The Company is a defendant in certain civil lawsuits, demanding indemnity for moral, aesthetic and property damages as a result of traffic accidents that would have been caused by the Company's representatives. For this type of matter, the Company provisions the amount of approximately R\$ 505 thousand.

##### *Foreign body in products*

The Company is a defendant in civil cases in which consumers claim to have found foreign bodies in products manufactured and marketed by the Company, especially insects and metallic objects, which would have caused them moral and property damages. For this type of matter, the Company provisions the amount of approximately R\$ 294 thousand.

#### 4.4 Relevant non-confidential proceedings

##### *Undue Charge / Undue Protest*

The Company is a defendant in civil proceedings discussing damages arising from collections and protests performed by the Company in a supposedly improper manner. Most of these complaints originated when the Company changed its operating system. For this type of matter, the Company provisions the amount of approximately R\$ 144 thousand.

##### *Other matters not elsewhere classified*

The Company is a defendant in civil lawsuits that have the purpose of discussing, in addition to the aforementioned causes, other punctual ones, such as discussions on trademarks and patents, charges of supposedly unpaid amounts, information to the consumer, among others. The Company has as routine practice the strict compliance with Brazilian laws, and no procedure or practice of the Company's management that may be associated as a cause of these contingencies has been identified. For this type of matter, the Company provisions the amount of approximately R\$ 11.7 million.

For the proceedings aforementioned, the total amount provisioned was R\$ 113.4 million in labor proceedings and R\$ 13.9 million in civil proceedings.



#### **4.5 Total amount provisioned for relevant non-confidential proceedings**

As of December 31, 2022, the Company held a provision for probable losses in civil judicial and administrative proceedings of labor and civil nature in the approximate amount of R\$ 127.4 million and, due to the business combination with Piraquê, it has also provisioned the amount of R\$ 5.3 million related to labor and civil proceedings classified as possible and remote defeat. Regarding tax proceedings, the Company held a provision for likely losses in the amount of R\$ 83.1 million plus R\$ 19.7 million related to legal fees in case of winning the case.

## **4.6 Relevant confidential proceedings**

As of December 31, 2022, the Company was not a party to any confidential proceedings. All relevant proceedings have been described in sections 4.4 above.

## **4.7 Other relevant contingencies**

All relevant contingencies related to fiscal year 2022, in which the Company is a party to, were described in items 4.4 to 4.6 above.

## 5.1 Description of risk management and market risks

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

The Company has a formalized risk management policy, which was reviewed by the Audit Committee and approved by the Board of Directors on 11/08/2019.

In addition to the Risk Management Policy, the Company has a formalized Hedge Policy, which was updated and reviewed 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 changes in the exchange rate and commodity prices.

Contributing to the formalization and execution of risk monitoring and management, on 05/09/2022 the Business Continuity policy was reviewed and approved by the Board of Directors, in which it formalizes the guidelines, roles and responsibilities in the event of materialization 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 set definitions, guidelines, evaluation criteria, risk appetite, and responsibility for the corporate risk management process in order to ensure that:

- The risks inherent in the Company's activities are identified, assessed, and minimized to an acceptable level in view of their perpetuation;
- Governance and Internal Controls structure is continually reviewed, considering the risks identified, minimizing the costs associated with uncontrolled risks and/or unnecessary control activities;
- Transactions with potential conflicts of interest are identified and the associated risks are minimized by implementing measures to segregate functions and/or monitor activities;
- All employees clearly understand the purposes of risk management and the roles, duties, and responsibilities assigned to the various levels of the Company;
- The Company meets the regulatory criteria in force; and
- The Company's strategic goals are fully met.

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

**i. risks to which protection is sought**

The company has a structure of internal controls that is continuously reviewed and a system to assist in this management. In this sense, based on the quantitative and qualitative risk assessment and measurement, protection is sought for those representing higher potential to adversely affect the results of the business. The assessments and responses of all Risks shall be carried out by the Vice-President of Legal Affairs, Governance, Risks and Compliance, with the monitoring by the Audit Committee, according to the hierarchical levels defined in the risk management policy. The eventual acceptance of risks shall also be compliant with the same governance. Extreme risks must be reported by the Audit Committee to the Board of Directors on a timely basis, as they are identified. Such risks must also be included in the Audit Committee's annual report.

## 5.1 Description of risk management and market risks

The risk management policy classifies the main risks as: strategic, operational, reporting, compliance, cyber, data protection, market, and social and environmental risks.

As for market risks, the Company seeks protection against the risk of changes in the Broad Consumer Price Index (IPCA) resulting from the issue of debentures, the exchange rate on liabilities pegged to foreign currencies, mainly the US dollar, as well as protection against the risk of changes in the prices of raw materials and inputs used in the production process, both resulting mostly from the imports of wheat grain and vegetable palm oil, in addition to sugar.

### ii. the instruments used for protection

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

Other instruments consider the transfer of risks by means of the hiring of insurance. The coverage takes into account the impact calculation, internal controls and existing coverage for reported risks.

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

The Company holds swap derivative financial instruments to hedge their exposures to the risk of changes in foreign currency, interest rate in financing of inputs and working capital and inflation rate (IPCA). Besides this, it has forward currency agreements and forward, future and option commodity agreements, with the exclusive objective of hedging against the exchange rate risk in input acquisition transactions.

Hedge against exchange rate variation is made through traditional index exchange transactions (swap transaction) for the financing of imports of inputs and working capital, in addition to forward currency purchase transactions (NDF - Non Deliverable Forward) for hedging against exchange rate variation in the acquisition of inputs.

Hedge against changes in the price of commodities is made through transactions of commodities and futures options agreements.

Hedge against changes in inflation rate (IPCA) is made through exchange transaction of indexes (swap transactions) of IPCA for CDI.

### iii. the organizational structure of risk management

The Company has a Legal, Governance, Risks and Compliance Vice-Presidency, with specific management for the Risks, Legal and Compliance area, and reporting directly to the CEO, as well as an Internal Audit Management, with functional reporting to the Audit Committee and administrative reporting to the Legal, Governance, Risks and Compliance Vice-Presidency. The Audit Committee, in turn, is a non-statutory advisory body to the Board of Directors (Board) of M. Dias Branco S.A. (Company) currently comprising four independent members, one of whom is also 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 in matters such as:

## 5.1 Description of risk management and market risks

- 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, guiding, reviewing and assessing the activities of the Legal, Governance, Risks and Compliance Vice-Presidency and the Independent Audit;
- adherence to legal requirements of financial, tax and accounting reporting;
- assessment and monitoring of compliance by the Company's Management with the recommendations made in Audit Reports and by regulatory bodies;
- monitoring of potential conflicts of interest and compliance with the Company's Code of Ethics;
- incentive, development and sustainability of good corporate governance practices.

In this sense, the Committee holds regular meetings in which it issues opinions and recommendations to the Management and the Board by means of the formalization and submission of minutes.

The Company has a Hedge Policy, defining the roles and responsibilities for managing market risk, as well as highlighting the agents involved. Below is a summary of the main duties 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, commodities 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, establish which categories of inputs will be analyzed by the Hedge Committee;
  - Prepare and recommend the Strategic Commodity Pricing Plan for each category of input subject to the Committee's analysis;
  - Suggest Risk Appetite for transactions with commodities;
  - Document the operational process for negotiating Commodity transactions;
  - Prepare, execute, and formalize PEPs Internal Controls, negotiations with suppliers, and the Company's total exposure in Commodities; and
  - Execute (contract) Commodity transactions directly with a supplier, in Brazilian reais or foreign currency, in compliance with the guidelines approved by the Hedge Committee.
- Investment Management
  - Execute (contract) Hedge transactions (Foreign Currency and Commodities), in compliance with the guidelines approved by the Hedge Committee;
  - Support the preparation of the Strategic Pricing Plan for foreign currencies and debts;
  - Suggest Risk Appetite for foreign exchange and debt transactions; and
  - Prepare, execute and formalize Internal Controls in Foreign currency transactions, derivatives and the company's total exposure.

## 5.1 Description of risk management and market risks

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

In addition, the Company has the Continuity Policy, defining the roles and responsibilities for managing continuity and crisis risk, as well as highlighting the agents involved. Below is a summary of the main duties 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, environmental preservation and sustainability practices, as well as coordinate the process of implementation and maintenance of 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 coordinate, assist and monitor its implementation.
  - Establish the Business Continuity Management Process, as well as coordinate, assist and monitor its implementation.
- People, Management and Sustainability Officer
  - Develop and implement the periodic communication plan.
  - Develop and implement the periodic training plan.
- Business Continuity Committee
  - Business Continuity Committee is responsible for leading the response measures and decision-making related to the Business Continuity Plan (PCN) and Operational Continuity Plans (PCOs) during any period of interruption, as well as the operational and financial feasibility analysis. Its duties and members shall be defined in the Committee's Internal Regulations, to be approved by the Statutory Board.
- Image Management Committee
  - Image Management Committee is responsible for leading response measures and decision-making during a crisis. Its responsibilities and members are detailed in the Committee's Internal Regulation.

## 5.1 Description of risk management and market risks

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

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

In order to continually improve its governance, risk and control structure, the Company adopts as a benchmark the guidelines of the main entities in these areas, such as COSO (Committee of Sponsoring Organizations of the Treadway Commission), the IIA (Institute of Internal Audit) and the IBGC (Brazilian Corporate Governance Institute), as well as the rules issued by CVM and B3.

Concurrently to the Company's management, the Audit Committee assesses the adequacy of the operational structure of governance on annual basis, approving budgetary funds deemed enough for the proper operation of the Committee and the Internal Audit, as well as reviewing and monitoring the operation and resources necessary for the Legal, Governance, Risks and Compliance Vice-Presidency.

The Audit Committee is responsible for the monitoring of the due discipline in the execution and implementation of corrective action plans stemming from the activities of the Company's governance departments, including those arising from the Independent Auditor and other service providers related to improvements of intern control environment. The position of such action plans is also monitored on monthly basis by the Statutory Board and Executive Committee.



## 5.2 Description of internal controls

### **a. the main internal control practices and the level of efficiency of such controls, indicating possible imperfections and the measures taken to correct them**

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

The Company uses GRC (Governance, Risk and Compliance) software for electronic management of risk matrices and internal controls, internal audit testing routines and monitoring of corrective action plans. In this management tool, the controls are specified according to criteria previously set by the Company. Such criteria consider the type of control, the form of execution, its relevance in the organizational context, the frequency of execution, if the control impacts the financial statements and to which class the control is pertaining.

According to the annual planning of the Legal, Governance, Risks and Compliance Vice-Presidency and Internal Audit, the control environment is assessed under two perspectives: if the internal control design meets the Company's expectations; and whether the controls operate according to the previously defined criteria and mitigate the corresponding risks.

In relation to the controls aimed at ensuring the preparation of the financial statements in a reliable manner, in addition to the aforementioned aspects, the activities performed by the employees are guided by operational procedures, macro flows and other normative documents approved and disclosed in channels accessible to employees. The internal control environment complies with the principles of function segregation, 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 comply with the limits of authority required to record information, reviews and approvals of the activities performed by the users involved in the preparation of the financial statements. Finally, reconciliation routines were established to ensure the integrity and accurate recording of financial information in the Company's system. Thus, the Company believes that the level 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 of the Company's areas is responsible for the design and operation of procedures and controls of its activities; however the Internal Audit is responsible for evaluating the Company's internal control environment.

Regarding the preparation of the financial statements, the Corporate Controllershship Management is the area responsible for its preparation and rely on the involvement of the Planning and Contentious Taxation areas, as well as Legal and Finance areas for the provision of information through the HFM - Hyperion Financial Management and CDM- Cognos Disclosure Management, tools that allow a higher monitoring and control of the information disclosure process.

## 5.2 Description of internal controls

**c. if and how the internal control efficiency is supervised by the issuer's management, indicating the position of the persons responsible for such monitoring**

Each of the Company's Managers and Executive Officers is responsible for establishing the internal controls of their area. However, Risk Management is responsible for assessing and keeping internal controls updated in the Company's GRC tool in view of the processes defined in the annual planning of the Legal, Governance, Risks and Compliance Vice-Presidency and Internal Audit. Internal Audit periodically performs independent assessments of the Company's internal controls. The results of such assessments are submitted to the managers and officers of each area, who are responsible for handling deficiencies, and are reported for monitoring by the Management and Audit Committee.

**d. deficiencies and recommendations on the internal controls contained in the detailed report, prepared and submitted to the issuer by the independent auditor, pursuant to the regulations issued by CVM that address the registration and the exercise of the independent audit activity**

One of the procedures adopted by the Independent Auditor in its examination of the financial statements is the understanding of the Company's internal control environment, in order to assess the risks of material distortions in the financial statements, irrespective of been caused by fraud or error. In this assessment, the auditor considers internal controls relevant to the preparation and presentation of financial statements, rating as "significant deficiencies" or "other deficiencies" in order to design audit procedures that are appropriate in such circumstances. In 2022, the Independent Auditor did not report any significant deficiencies.

**e. Officers' comments on the deficiencies indicated in the independent auditor's detailed report and the corrective measures adopted**

Not applicable.

### 5.3 Integrity Program

**a. whether the issuer has rules, policies, procedures or practices aimed at preventing, detecting and remediating deviations, fraud, wrongdoings and illegal acts committed against the government, identifying, if so:**

**i. the main integrity mechanisms and procedures adopted and their adequacy to the profile and risks identified by the issuer, informing how often risks are reassessed and policies, procedures and practices are adjusted**

M. Dias Branco seeks to contribute to the substantial reduction of corruption and bribery in all its forms, promoting a more competitive, sustainable and fair market. We are signatories of the UN Global Compact and the Business Pact for Integrity and Against Corruption, in which, in 2022, we achieved a score above the general average of the signatory companies, with an evolution in the self-diagnosis, published by the Ethos Institute as compared to the previous cycle.

Concerning internal integrity procedures, we also adopt, among others, the following regulations: Anti-Corruption Policy; Policy on Souvenirs, Gifts, Entertainment and Hospitality; Donations and Sponsorship Policy; Internal Investigation Protocol and Operation of the Ethics Channel; Consequences Policy; Policy for Transactions with Related Parties and Other Situations Involving Conflict of Interests, and such regulations had their review approved by the Board of Directors in early 2023. Other policies, such as Code of Ethics; Supplier Code of Conduct; Risk Management Policy; Purchasing and Supplies Policy; Good Competition Practices Policy may be reviewed by the Company's Board of Directors, at any time, especially to keep them constantly updated with the best corporate governance practices. These policies are available for consultation on our internal communication platform and the Investor Relations website.

We adopt a risk management policy with the purpose of supporting the Company in meeting its strategic goals, and to set definitions, guidelines, evaluation criteria, so as to ensure that the main business risks are identified, assessed and minimized to an acceptable level. Thus, we contribute to operational losses reduction, efficiency gains and the management and continuity of the business in adverse scenarios. We also have a structure of internal controls that is continuously reviewed and a system to assist in this management. Annually, the risk matrices, as well as the proposal for the Company's risk appetite and tolerance are reviewed by the Audit Committee.

This policy classifies the main risks as: strategic, operational, reporting, compliance, cyber, data protection, market, and social and environmental risks. In this sense, based on the quantitative and qualitative risk assessment and measurement, protection is sought for those representing a potential to adversely affect the business results.

We monitor all the Company's units, especially in processes more exposed to the risks of corruption and money laundering, and we also perform reputational checks on business partners, including suppliers, customers, beneficiaries of donations and sponsorships, based on public sources of data.

We also monitor situations involving conflicts of interest, by examining transactions with related parties and consulting the Company's managers, with the aim of identifying and addressing possible conflicts, which, when identified, are communicated to the market (available to stakeholders), according to our Policy on Transactions with Related Parties and Other Situations Involving Conflicts of Interest and specific regulations.

## 5.3 Integrity Program

***ii. the organizational structures involved in monitoring the operation and efficiency of the internal integrity mechanisms and procedures, indicating their duties, if their creation was formally approved, the issuer's bodies to which they report, and the mechanisms for ensuring the independence of their officers, if any***

The Legal, Governance, Risks and Internal Controls and Compliance departments report to the Legal, Governance, Risks and Compliance Vice-Presidency, which reports to the CEO, reinforcing M. Dias Branco's commitment to the highest level of corporate governance.

The Company has an Internal Audit Management, with functional reporting to the Audit Committee, and consequently to the Board of Directors, and administrative reporting to the CEO, whose purpose is to offer objective assessment and consulting services to add value and improve the Company's operations. Internal Audit's mission is to enhance and protect organizational value by providing risk-based assessments, advice and knowledge.

The Company also has an Ethics Committee, comprising the Legal, Governance, Risks and Compliance Vice-President, People, Management and Sustainability Executive Officer and the Audit Manager, which aims to advise the Statutory Board in supervising the enforcement of the Code of Ethics, as well as monitoring incidents reported on the Ethics Channel.

In 2019, the Corporate Governance Department was formally created, which acts as an interface between the Executive Board (Statutory and Executive), the Board of Directors and its advisory committees. In addition to coordinating senior management meetings, it works to monitor compliance with corporate and regulatory legislation (CVM/B3) and ensure compliance with the best corporate governance practices. It also recommends any adjustments or amendments to governance policies, processes and structures to the relevant management bodies and their advisory committees.

In 2018, the creation of the ESG Committee was formally approved, whose role is to advise the Board of Directors on improving internal controls and mechanisms of its environmental, social and governance agenda, including the Company's sustainable development, ensuring compliance with applicable laws and best market practices. This committee includes the participation of an independent member of the Board of Directors in its composition.

The Audit Committee, an advisory body to the Board of Directors, was formally created in 2007, which is responsible for continuously assessing the work of the internal and external audit, risk identification systems and the Company's internal controls. This committee is composed of three independent members, one of whom is from the Board of Directors.

## 5.3 Integrity Program

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

**· if it applies to all officers, members of the fiscal council, members of the Board of Directors and employees and whether it also covers 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 affiliated companies, guiding the conduct of all employees, managers, legal representatives and third-parties, making explicit the pattern of behavior expected in the relationship with stakeholders.

Employees include 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, irrespective of their position or role. Third party refers to any individual or legal entity that is not a Company's employee or that is hired to assist in the performance of its activities, such as partners, consortium members, representatives, suppliers, service providers in general, consultants, outsourced 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, identifying the document where these sanctions are established**

As provided for in the Company's Code of Ethics and Consequences Policy, in cases of violations of the Code of Ethics, the Integrity Program and/or other internal policies or procedures and applicable laws, offenders will be subject to the following disciplinary measures: (i) verbal warning; (ii) written warning; (iii) suspension; (iv) dismissal without cause; (v) dismissal for cause; (vi) imposition of the penalty provided for in the agreement and/or termination of the agreement (for a third party contractor), subject to the protections provided by the labor legislation in force and the proportionality between the severity of the conduct and the penalty level.

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

If these violations indicate any civil, administrative or criminal illicit behavior, they may be referred to the relevant regulatory agencies and Government Authorities so that the appropriate measures may be taken, without prejudice to the imposition of sanctions by the Company, as set forth herein.

**· body that approved the code, date of approval and, if the issuer publishes the code of conduct, the page on the World Wide Web where the document can be consulted**

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

**b. if the issuer has a reporting channel, indicating, if so:**

**i. if the reporting channel is internal or is in charge of third parties**

**ii. if the channel is open to receiving complaints from third parties or if it only receives complaints from employees**

**iii. if mechanisms for anonymity and protection for whistleblowers in good faith are in place**

### 5.3 Integrity Program

We provide employees and other stakeholders with the Ethics Channel, a tool for reporting conducts in violation of our Code of Ethics and other internal policies. This is an independent, specialized and secure channel, accessible by phone, email or internet, and ensures anonymity and protection for those who make reports in good faith, as provided for in the Code.

Communications are received by an independent and specialized company, the ICTS, and addressed for investigation, reporting, and monitoring of any actions to improve internal controls and/or apply disciplinary measures. At the end of the investigation process, the reporting person is informed through the Ethics Channel.

In 2022, 1,074 reports were received through the Ethical Channel, representing a 6% increase when compared to the previous year. From this total, 60% were received through the website, 77% created by employees and 72% reported anonymously. They are divided in the categories "interpersonal relationship" (44.32%), "doubts, criticisms and suggestions" (18.25%), "non-compliance with internal regulations" (9.78%), "moral and sexual harassment" (7.17%), "dissatisfaction with human resources policies" (4.47%), "fraud" (4.47%), "non-compliance with legislation" (4.10%), "conflict of interests" (2.33%) and "other types" (5.12%). A total of 1,031 reports (96%) were verified, 36% of which were considered valid or partially valid. In 42% of the investigated cases, administrative actions were adopted, in 12% disciplinary measures were applied and in 46% it was not necessary to adopt any measures.

#### ***iv. body of the issuer responsible for investigating complaints***

The purpose of the Internal Investigation and Ethics Channel Protocol is to establish the rules, guidelines, and procedures to be followed by the Company in (i) conducting internal investigations of reports made within the scope of its operations; and (ii) the management and operation of the Company's Ethics Channel.

The definition of the governance body responsible for coordinating the investigation takes place based on the identification of the object matter of the complaint, as provided for in the Investigation Procedures section of the aforementioned Protocol. The Investigation Coordinating Body shall always act with objectivity and independence, ensuring sufficient technical skills and knowledge of the operations in concern. Upon completion of the investigation, the Investigation Coordinating Body shall render accounts 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 2022, most reports (99%) were investigated by the Compliance area and submitted to the Company's Ethics Committee.

#### **c. number of confirmed cases in the last three (3) fiscal years of deviations, fraud, wrongdoings and unlawful acts committed against government and corrective measures adopted**

There were no records of corruption complaints involving public agents and government authorities, as well as no cases of corruption confirmed in the last 03 fiscal years. In addition, we were not subject to administrative or judicial sanctions for acts against national or foreign governments, pursuant to the terms of the Anti-Corruption Law.

#### **d. If the issuer has no rules, policies, procedures or practices aimed at preventing, detecting and remediating fraud and illicit acts committed against government, identify the reasons why the issuer has not adopted controls in this regard"**

Not applicable.

## 5.4 Significant changes

There were no significant changes in the main risks to which the issuer is exposed or in the risk management policy adopted in last fiscal year.

## 5.5 Other relevant information

### *Business Continuity*

In 2021, we started building our business continuity plan. The first step was the design of a BIA (Business Impact Analysis) process, which consists of mapping the most critical dependencies and risks for M. Dias Branco that could disrupt the operation (people, inputs, systems, among others).

This study aimed to assess the governance maturity, considering the key elements for the Business Continuity Management Program (GCN), according to the best market practices. An assessment of the risks and crisis scenarios was also carried out for the critical processes of the covered units, in addition to the assessment of the current response capacity and proposal of recommendations. The work will continue to evolve in the coming years.

We evolved in 2022 with the definition of the Operational Continuity Plans (PCO), where possible scenarios of operational disruptions are envisaged, as well as the countermeasures that must be implemented according to the reality of each unit. The purpose is to help the unit follow a Company-approved guideline in cases of operation disruptions.

The Company has a business continuity plan that formalizes the documents and internal guidelines to address continuity problems and crises. In addition, the crisis and continuity committees were created and approved, comprising officers and leaders from several areas of the Company, whose purpose is to act swiftly 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. iMDB includes the main market benchmark indexes, 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 area is responsible for consolidating this indicator, helping the Company in guiding its efforts to reduce its exposure to ESG risks. We continue to evolve with the indicators and targets related to the index, with emphasis on the progress from B- to B in our CDP Clima score.

This work was used as input for the evolution of the Company's score in CDP (Carbon Disclosure Project or Climate Resilience Index) and ISE (Corporate Sustainability Index), in addition to confirming the achievement of the goals of the strategic agenda, signed up to 2030.

### *Update of the Hedge and Governance Policy*

We have advanced year after year in hedge governance. Since 2020, several actions have been taken to protect the Company and its financial transactions. As an example, we can mention the publication of the Hedge Policy, as well as the governance with the committees, which promote monthly and extraordinary meetings, and resolve on exchange rate transactions, commodities and its protections throughout the period, providing more security and assertiveness in compliance with the metrics defined in the Policy. Compliance with the guidelines outlined by the Hedge Policy is monitored by the Hedge Committee and Statutory and Executive Boards, and is also an indicator of the Risk area



6.1 Shareholding position

PARENT COMPANY / INVESTOR					
SHAREHOLDER					
Shareholder's CPF/CNPJ	Nationality - State	to shareholders' agreement	Controlling shareholder	Last change	
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ	
Breakdown of shares					
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %
PARENT COMPANY / INVESTOR			Shareholder's CPF/CNPJ		Share Capital Composition
TREASURY SHARES - Date of last change:					
2,819,146	0.832	0	0.000	2,819,146	0.832
VEIRO FUNDO DE INVESTIMENTOS EM AÇÕES					
12.877.241/0001-00	Brazil		Yes	04/20/2023	
13,190,941	3.891	0	0.000	13,190,941	3.891
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0.000			
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.					
07.973.152/0001-10	Brazil		Yes	03/17/2011	
214,650,000	63.319	0	0.000	214,650,000	63.319
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0.000			
OTHERS					
108,339,913	31.959	0	0.000	108,339,913	31.959
TOTAL					

6.1 Shareholding position

PARENT COMPANY / INVESTOR						
SHAREHOLDER						
Shareholder's CPF/CNPJ	Nationality - State	Party to shareholders' agreement	Controlling shareholder	Last change		
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ		
Breakdown of shares						
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %	
PARENT COMPANY / INVESTOR				Shareholder's CPF/CNPJ		Share Capital Composition
339,000,000	100.000	0	0.000	339,000,000	100.000	

6.1 Shareholding position

PARENT COMPANY / INVESTOR					
SHAREHOLDER					
Shareholder's CPF/CNPJ	Nationality - State	to shareholders' agreement	Controlling shareholder	Last change	
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ	
Breakdown of shares					
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %
PARENT COMPANY / INVESTOR				Shareholder's CPF/CNPJ	Share Capital Composition
AVEIRO FUNDO DE INVESTIMENTOS EM AÇÕES				12.877.241/0001-00	
TREASURY SHARES - Date of last change:					
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO					
262.329.013-04	Brazil			04/29/2022	
146,861,219	10.058	0	0.000	146,861,219	10.058
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0,000			
Francisco Ivens de Sá Dias Branco Júnior					
155.400.143-91	Brazil			04/29/2022	
147,102,162	10.075	0	0.000	147,102,162	10.075
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0,000			

6.1 Shareholding position

PARENT COMPANY / INVESTOR						
SHAREHOLDER						
Shareholder's CPF/CNPJ	Nationality - State	Party to shareholders' agreement	Controlling shareholder	Last change		
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ		
Breakdown of shares						
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %	
CONTROLLER / INVESTOR				Shareholder's CPF/CNPJ	Share capital composition	
AVEIRO FUNDO DE INVESTIMENTOS EM AÇÕES				12.877.241/0001-00		
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO						
220.794.163-91	Brazil			04/29/2022		
146,861,362	10.058	0	0.000	146,861,362	10.058	
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital		
;						
MARIA CONSUELO SARAIVA LEO DIAS BRANCO						
272.898.853-68	Brazil			04/29/2022		
725,571,244	49.693	0	0.000	725,571,244	49.693	
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital		
TOTAL	0	0.000				
Maria das Graças Dias Branco da Escóssia						
273.184.433-72	Brazil			04/29/2022		
146,861,296	10.058	0	0.000	146,861,296	10.058	
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital		
TOTAL	0	0,000				

6.1 Shareholding position

PARENT COMPANY / INVESTOR					
SHAREHOLDER					
Shareholder's CPF/CNPJ	Nationality - State	Party to shareholders' agreement	Controlling shareholder	Last change	
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ	
Breakdown of shares					
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %
CONTROLLER / INVESTOR				Shareholder's CPF/CNPJ	Share capital composition
AVEIRO FUNDO DE INVESTIMENTOS EM AÇÕES					
Maria Regina Saraiva Leão Dias Branco					
235.899.653-04	Brazil			04/29/2022	
146,861,263	10.058	0	0.000	146,861,263	10.058
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0,000			
OTHERS					
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 Shareholding position

PARENT COMPANY / INVESTOR						
SHAREHOLDER						
Shareholder's CPF/CNPJ	Nationality - State	Party to shareholders' agreement	Controlling shareholder	Last change		
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ		
Breakdown of shares						
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %	
PARENT COMPANY / INVESTOR				Shareholder's CPF/CNPJ	Share Capital Composition	
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.				07.973.152/0001-10		
TREASURY SHARES - Date of last change:						
0	0.000	0	0.000	0	0.000	
FRANCISCO CLAUDIO SARAIVA LEO DIAS BRANCO						
262.329.013-04	Brazil			03/19/2018		
54	9.982	0	0.000	54	9.982	
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital		
TOTAL	0	0,000				
Francisco Ivens de Sá Dias Branco Júnior						
155,400,143-91	Brazil			03/19/2018		
54	9.982	0	0.000	54	9.982	
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital		
TOTAL	0	0,000				

6.1 Shareholding position

PARENT COMPANY / INVESTOR					
SHAREHOLDER					
Shareholder's CPF/CNPJ	Nationality - State	Party to shareholders' agreement	Controlling shareholder	Last change	
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ	
Breakdown of shares					
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %
CONTROLLER / INVESTOR				Shareholder's CPF/CNPJ	Share capital composition
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.				07.973.152/0001-10	
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO					
220.794.163-91	Brazil			03/19/2018	
54	9.982	0	0.000	54	9.982
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0,000			
MARIA CONSUELO SARAIVA LEO DIAS BRANCO					
272.898.853-68	Brazil			03/19/2018	
271	50.092	0	0.000	271	50.092
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0,000			
Maria das Graças Dias Branco da Escóssia					
273.184.433-72	Brazil			03/19/2018	
54	9.982	0	0.000	54	9.982
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0,000			

6.1 Shareholding position

PARENT COMPANY / INVESTOR					
SHAREHOLDER					
Shareholder's CPF/CNPJ	Nationality - State	Party to shareholders' agreement	Controlling shareholder	Last change	
Shareholder Residing Overseas	Name of Legal or Mandatory Representative		Type of person	CPF/CNPJ	
Breakdown of shares					
Qty. of common shares	Common shares %	Qty. of Preferred shares	Preferred shares %	Total qty. of shares	Total shares %
CONTROLLER / INVESTOR				Shareholder's CPF/CNPJ	Share capital composition
DIBRA FUNDO DE INVESTIMENTO EM AÇÕES.				07.973.152/0001-10	
Maria Regina Saraiva Leão Dias Branco					
235.899.653-04	Brazil			03/19/2018	
54	9.982	0	0.000	54	9.982
Share class	Qty. of shares	Shares %	Shares (%) of the type	Shares (%) of capital	
TOTAL	0	0,000			
OTHERS					
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 shareholders' meeting / Date of last change	04/20/2023
No. of individual shareholders	57,878
No. of corporate shareholders	90
No. of Institutional Investors	479

Outstanding Shares

Outstanding shares corresponding to all shares of the issuer with the exception of those held by the controlling shareholder, the persons related to them, the managers of the issuer and the shares held in treasury

Qty. of common shares	66,033,716	19.479%
Qty. of preferred shares	0	0.000%
Total	66,033,716	19.479%

Share Class

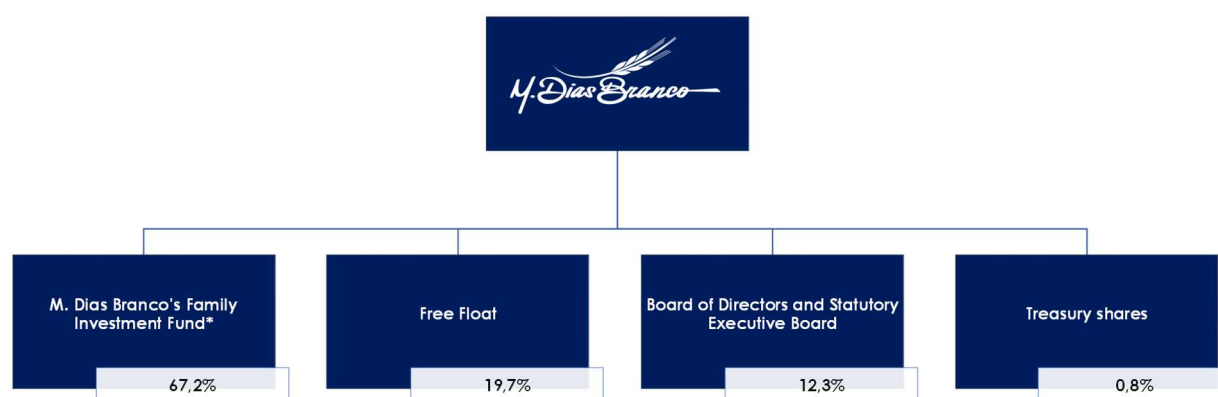
Preferred Class A	0	0.00000%
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## 6.4 Equity interest in companies

Corporate name	CNPJ	Issuer Interest (%)
CACAMA S.A. (INDIRECT INTEREST)	00.000.000/0000-00	100.000000
DARCEL S.A. (INDIRECT INTEREST)	00.000.000/0000-00	100.000000
JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA. (INDIRECT INTEREST)	81.727.414/0001-19	100.000000
LATINEX IMPORTACAO E EXPORTACAO DE ALIMENTOS LTDA (DIRECT INTEREST)	05.540.409/0001-14	100.000000
M. DIAS BRANCO INTERNATIONAL TRADING URUGUAY S.A. (INDIRECT INTEREST)	00.000.000/0000-00	100.000000
M.DIAS BRANCO ARGENTINA S.A. (DIRECT INTEREST)	00.000.000/0000-00	100.000000
M.DIAS BRANCO INTERNATIONAL TRADING LLC (DIRECT INTEREST)	00.000.000/0000-00	100.000000
OMEGA DELTA 7 E 8 HOLDING ENERGIA S.A. (DIRECT INTEREST)	09.149.503/0001-06	24.500000
Tergran - Terminal de Grãos de Fortaleza Ltda.	01.591.524/0001-67	33.330000
Terminal de Trigo do Rio de Janeiro - Logística S. A	18.245.532/0001-54	50.000000

## 6.5 Organization chart of shareholders and economic group

a. all direct and indirect controllers and, if the issuer so wishes, shareholders with an interest equal to or higher than 5% of a class or type of shares



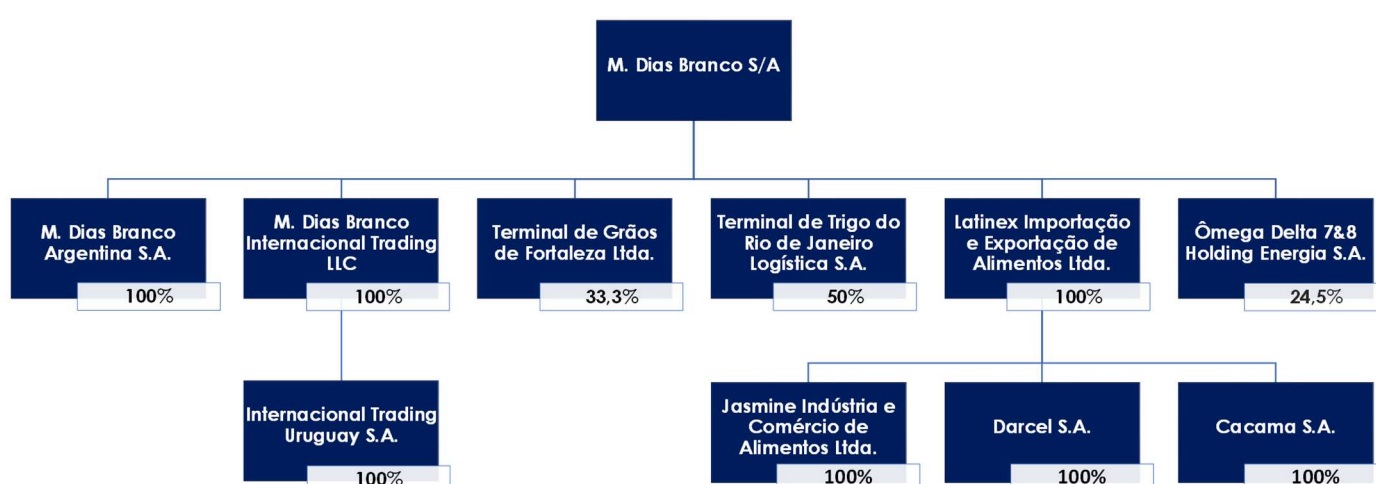
Base Date: 12/31/2022

\*Shareholding structure of Dibra Fundo de Investimentos em Ações: Mrs. 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).

\*Shareholding structure of Aveiro Fundo de Investimentos em Ações: Mrs. 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).

Details of the shareholding composition of the funds are listed in topic 6.1/6.2 Shareholding Position.

b. main subsidiaries and affiliates of the issuer



The main subsidiaries, affiliates and jointly controlled operations of the Company are described in the organization chart above, considering the equity interests held by the Company as of December 31, 2022.

The Company's equity interests are presented in note 4 to the financial statements as of December 31, 2022.

## 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, 2022 are described above.

### **d. interests of group companies in the issuer**

The main equity interests held by the Company as of December 31, 2022 are described above.

### **e. main companies under common control**

The main equity interests held by the Company as of December 31, 2022 are described above.

**6.6 Other relevant information**

There are no other considerations or relevant facts to report.

## 7.1 Main characteristics of the management bodies and fiscal council

### **a. main characteristics of the policies for appointing and filling positions, if any, and, if the issuer discloses it, ages on the world wide web where the document can be consulted**

The Policy for Appointing Members of the Board of Directors, its Committees and Statutory Board of M. Dias Branco S/A Indústria e Comércio de Alimentos ("Policy") aims to establish the rules, guidelines and methods to be followed for the appointment of the members of the Board of Directors, its Committees and the Company's Statutory Board of Directors, prioritizing the best corporate governance practices, transparency and diversity.

The Policy sets forth the procedure for appointing the positions, as described below:

#### **- Board of Directors:**

The composition of the Board of Directors shall be assessed so as to ensure that its members' skills complement each other. The election of the members of the Board of Directors will be held by the Shareholders' Meeting, as provided for in the Company's Bylaws and the applicable laws. The Board of Directors shall include at least twenty percent (20%) of independent members, as defined in the applicable definition of B3's Novo Mercado Regulations.

Process for Appointment: The appointment of members to compose the Board of Directors may be made by the management or by any shareholders of the Company, under the terms of the Brazilian Corporate Law, CVM Resolution No. 81 and applicable laws.

#### **- Advisory Committees:**

The composition of the Committees shall be assessed so as to ensure that its members' skills complement each other. The Board of Directors shall appoint qualified professionals for the composition of the Committees, according to the areas of expertise of their respective Committees, with the potential to serve the best interests of the Company and the shareholders, guided by ethics and the best governance practices.

Process for Appointment: The appointment and election of the members of the Committees shall be held by the Company's Board of Directors, pursuant to the respective internal regulations, the Brazilian Corporate Law, the Company's Bylaws and the applicable laws. Compliance with the principles and requirements established in the Appointment Policy shall be verified by the People and Management Committee, which shall send an opinion to the Company's Board of Directors containing recommendations regarding the classification of candidates for election or re-election.

#### **- Statutory Board:**

The Board of Directors shall appoint for the composition of the Statutory Board professionals who know how to combine, harmoniously, the interests of the Company, shareholders, managers, and employees, and who are committed to business sustainability, social and environmental responsibility, aligned with the Company's strategic demands, and guided by legality and ethics.

Process for Appointment: The appointment and election of the members of the Statutory Board shall be held by the Company's Board of Directors, pursuant to Brazilian Corporate Law, the Company's Bylaws and the applicable laws. Compliance with the principles and requirements established in the Appointment Policy shall be verified by the People and Management Committee, which shall send an opinion to the Company's Board of Directors containing recommendations regarding the classification of candidates for election or re-election.

## 7.1 Main characteristics of the management bodies and fiscal council

The Policy for Appointing members of the Board of Directors, its Committees and Statutory Board is available in full on the IR website, in the topic Corporate Governance\Other Policies\Policy for Appointing Members of the Board of Directors, its Committees and Statutory Board.

### **b. performance assessment mechanisms**

On March 26, 2021, the Board of Directors approved the performance assessment model for the members of the Board of Directors, Advisory Committees to the Board of Directors and Statutory Board, which came into effect in April 2021. These members perform a self-assessment and assess themselves as a collectively body, in each of the bodies/committees on an annual basis.

Different assessment criteria are adopted for each forum, as they play different roles in the governance of M. Dias Branco. Assessment criteria were proposed based on the recommendations of the IBGC (Brazilian Institute of Corporate Governance) and the duties of each forum defined in the bylaws and/or internal regulations of M. Dias Branco through an independent consultancy. Such duties were transformed into statements, for which the member shall choose one of the following alternative answers: 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 - Unknown or not applicable.

### **c. rules for identification and management of conflicts of interest**

Pursuant to the Brazilian Corporate Law, any member of its Board of Directors is impeded from voting at any shareholders' meeting or Board meeting, or to act in any operation or business in which he/she has conflicting interests with those of the Company.

The Company has a Policy for 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. if any, specific goals that the issuer has regarding gender, color or race diversity or other attributes among the members of its management bodies and its fiscal council**

M. Dias Branco has a Policy for Appointing Members of the Board of Directors, its Committees and Statutory Board aimed to establish the rules, guidelines and methods to be followed for the appointment of the members of the Board of Directors, its Committees and the Company's Statutory Board of Directors, prioritizing the best corporate governance practices, transparency and diversity. Appointments for eligible positions also consider diversity in gender, age, academic background and professional experience, as well as the complementarity of skills and availability of time to perform the job.

### **f. role of management bodies in assessing, managing and overseeing climate-related risks and opportunities**

One of the Company's priorities is the management of climate change, which is addressed in the Sustainability Policy, specifically in the Pillar "Caring for the Planet", "Caring for the Planet (Environmental)", and also in the Energy Efficiency Policy. To manage the climate strategy and monitor the global and national climate agendas, the company has a specific corporate area dedicated to this topic, the Environmental Sustainability sector.

## 7.1 Main characteristics of the management bodies and fiscal council

The company renders accounts of the results achieved against goals and the progress of the actions related to each important theme, including Climate Change. Results on the goals and actions established in the Sustainability Agenda are monitored on an ongoing basis. 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 an action plan for climate change. This group is responsible for defining management guidelines and emission mitigation strategies related to sustainable development, in addition to mapping and monitoring climate risks and opportunities.

Issues related to climate change are part of the environmental indices of the main units and corporate indices, such as iMDB, which are monitored and analyzed on a monthly basis. The Sustainability Committee is responsible for quarterly appraising the result of actions and the progress of goals, and climate issues are discussed both in the working groups and in the committees.

The adoption of a clean and sustainable energy matrix is key to achieve significant results in the fight against climate change. In this sense, M. Dias Branco prepared diagnoses on the company's energy matrix and the use of clean energies, and defined priority indicators for the company. In addition, the 1st stage of M. Dias Branco's Emissions Management System (GHG) implementation was completed. Thus, the Company intends to advance towards defining science-based targets (Science Based Targets Initiative).

Climate issues are cross-cutting to some business areas at M. Dias Branco and are addressed in the jurisdictions of the Sustainability Committee, ESG Committee and Board of Directors. The Management, Development and Sustainability VP is responsible for departments that have duties linked to the climate strategy in the management, logistics and supply chain processes.



## 7.1D Description of the main characteristics of the management bodies and fiscal council

### Number of members per gender statement

	Female	Male	Non-binary	Other	Prefer not to answer
Executive Board	1	5	0	0	0
Board of Directors - Effective	3	4	0	0	0
Board of Directors - Substitute	1	1	0	0	0
Fiscal Council - Effective	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fiscal Council - Substitutes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>TOTAL = 15</b>	<b>5</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Number of members per color and race statement

	Yellow	White	Black	Brown	Indigenous	Other	Prefer not to answer
Executive Board	0	6	0	0	0	0	0
Board of Directors - Effective	0	7	0	0	0	0	0
Board of Directors - Substitute	0	2	0	0	0	0	0
Fiscal Council - Effective	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fiscal Council - Substitutes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>TOTAL = 15</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 7.2 Information related to the board of directors

### a. permanent bodies and committees reporting to the board of directors

#### *Board of Directors*

The Board of Directors is a collective resolution body, responsible for the general guidance of the Company's business, including its long-term strategy. The Board of Directors is also responsible, among other duties, for the election of its officers and oversight of its management. Decisions of the Board of Directors shall be taken by the affirmative vote of the majority of its members attending to the respective meetings, and in the case of a tie, the Chairperson or his/her substitute's vote shall prevail as provided for in the Board's Rules of Procedure.

In addition to the duties set forth by law, the Company's Bylaws the responsibilities of the Board of Directors are:

- Setting the general guidance of the business of the Company;
- inspecting the management of the Executive Board and examining, at any time, the Company's books and documents;
- Calling the Shareholders' Meetings;
- Making a prior statement on the Management Report, the Executive Board's accounts, the Financial Statements referring to the year, and examining the monthly balance sheets;
- Distributing the compensation set by the Shareholders' Meeting among the Company's officers;
- Electing and removing the officers, as well as setting their roles and compensations;
- Setting criteria on which the disposition of assets may only be made after prior approval by the Board of Directors or the Collective Executive Board, as well as authorizing the provision of guarantees of any nature to third party obligations;
- Choosing and removing the Company's independent auditors;
- Authorizing the acquisition by the Company of shares of its own issuance, for the purpose of cancellation or permanence in treasury, and the subsequent disposal thereof.
- Preparing and disclosing an opinion with grounds with favorable or negative opinion on any Tender Offer ("OPA", acronym for Oferta Pública de Aquisição, in Portuguese) which object is the shares issued by the Company, within 15 (fifteen) days of the publication of the notice of said OPA, which shall warn that each shareholder shall be responsible for the final decision on the said acceptance, as well as they shall make a statement on, at least: (i) on the convenience and opportunity for the OPA as for the interests of the Company and the set of shareholders thereat, with respect to the price and potential impacts on the share liquidity; (ii) as for strategic plans disclosed by offering party with respect to the Company; and (iii) with respect to alternatives to the acceptance of the OPA available at the market;
- Defining a triple list of companies specializing in the economic evaluation of companies for the preparation of an appraisal report of the Company's shares, in cases of OPA (Tender Offer - Oferta Pública de Aquisição, in Portuguese) for cancellation of registration as a publicly-held company or for exit from the Novo Mercado;
- Approving the Company's strategic plan, as well as the respective plan for performance thereof;
- Approving the Company's annual and multi-annual budget;
- Approving profit sharing plans for managers and employees;
- Setting value, duration term, effect extent, nature of operation and other criteria by which certain acts, including the acquisition of assets and rights and the taking-out of loans or financing of assets or liabilities, may only be performed after prior approval by the Board of Directors or Collective Executive Board, as set forth by the Board of Directors itself;
- Setting value, duration term, effect extent, nature of operation and other criteria by which the performance of acts implying the disposition of, even on a fiduciary basis, or encumbering corporate assets of the permanent assets, inclusive, mortgaging, pledging, securing, providing as antichresis, providing accommodation note or suretyship, confessing, waiving any right, settling or agreeing, may

## 7.2 Information related to the board of directors

only be performed after prior approval by the Board of Directors or the Collective Executive Board, as set forth by the Board of Directors itself;

- Setting maximum limits for donations or any free acts, including those related to tax benefits or deductions, as well as approving the performance of those acts whenever they exceed the set limits;
- Authorizing companies' acquisition, the shareholding in other companies, as well as the formation of consortia, joint ventures and/or strategic alliances, in compliance with the responsibility of the Shareholders' Meeting;
- Setting guidelines, positionings and votes to be observed and exercised by the Company representatives in any control group and/or shareholders/quota holders' meetings or General Meetings of affiliated or controlled companies, or other ones involving consortia, joint ventures or strategic alliances to which the Company is part; and
- Resolving on the creation of specific committees related thereto, with or without the participation of Directors, Officers, Company's employees or third party contractors, in order to monitor or guide certain corporate processes or transactions.

For further information on the Company's Board of Directors, see item 7 – Shareholders' Meeting and Management.

### *Statutory Board*

The Company's officers are its legal representatives, mainly responsible for day-to-day management and for the implementation of the general policies and guidelines set by the Shareholders' Meeting and its Board of Directors.

Pursuant to Brazilian Corporate Law, each member of the Executive Board may or may not be resident and domiciled in the country, whether or not a shareholder. The investiture of any Executive Officer resident or domiciled abroad is conditioned to the appointment of a representative in the Country, pursuant to Paragraph 2 of art. 146 of Brazilian Corporate Law. In addition, a maximum of 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 term of office of three years, with reelection allowed, and at any time, may be removed by it. According to its Bylaws, the Executive Board is comprised by at least seven and at most eleven members, as follows: one Chief Executive Officer, one Industrial Vice President - Mills, one Commercial Vice President, one Vice President of Management and Development, one Vice President of Finance, one Vice President of Investments and Controlling, one Vice President of Legal Affairs, Governance, Risks and Compliance, one Vice-President of Supply Chain, and the holding of more than one position is allowed.

Novo Mercado Regulations also provide that all officers shall subscribe a term of consent of the administrators, conditioning the investiture in respective positions on the execution of such document. By signing this instrument, its officers expressly assumed personal responsibility for compliance with the rules contained in Novo Mercado Participation Agreement, Novo Mercado Regulation and the Market Arbitration Chamber Regulations.

According to the Company's Bylaws, the Executive Board is responsible for exercising the attributions that law, the Shareholders' Meeting, the Board of Directors and these bylaws provide it for the practice of the necessary acts for the regular operation of the Company, being responsible for the management of the company and the practice of any and all acts not under the private responsibility of the Shareholders' Meeting, pursuant to the article 122 of Brazilian

## 7.2 Information related to the board of directors

Corporate Law Pursuant to article 17 of its Bylaws, the Company's Executive Board is also responsible for:

- Fostering for the compliance with the law and these bylaws;
- Managing and supervising the corporate businesses;
- Preparing the report and financial statements relating to each year; and
- Practicing all acts under its responsibility, as set forth herein and in the Executive Board Internal Regulations.

### *Fiscal Council*

The Company's Bylaws provide for the possibility, by decision of the Shareholders' Meeting, to convene a non-permanent Fiscal Council, and its members may be elected by the Shareholders' Meeting at any time, provided that it is required to be convened in compliance with applicable legislation. Its Fiscal Council, when convened, will be comprised by three to five effective members and equal number of substitutes, whether shareholders or not. Only those persons residing in Brazil who are university graduates or who have exercised, for a minimum period of three years, a position of company manager or member of a fiscal council may be elected to the Fiscal Council. In accordance with the rules of Novo Mercado, the members of the Fiscal Council must subscribe, prior to their investiture in office, a term of consent of members of the Fiscal Council, as provided for in Novo Mercado Regulation.

Persons who are not eligible for holding managing positions may not be elected to the Company's Fiscal Council, as well as those who are members of the Board of Directors, Executive Board or employees of the Company, a subsidiary or a company of the same group, neither a spouse or relative, up to the third degree, of any Company's administrator.

### *Committees*

The Company's corporate governance structure is composed of a Board of Directors, elected by the Shareholders' Meeting and 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. In this sense, the Committee shall continuously evaluate the work of internal and external auditors, the risk identification systems and the internal controls of the Company and its subsidiaries, as well as to ensure the conditions for controlling the management of the risks to which the Company and its subsidiaries are subject and shall evaluate the quality and effectiveness of the decisions taken to mitigate such risks.

Currently, the body comprises three (3) members elected by the Board of Directors on May 12, 2023, with a term of office of one (01) year, all of whom are effective and independent members.

### *ESG Committee*

ESG Committee is a permanent advisory body to the Board of Directors, governed by the applicable legislation and regulation, 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 constant improvement of internal controls and mechanisms of its environmental, social and governance agenda,

## 7.2 Information related to the board of directors

including the Company's sustainable development, keeping such controls and mechanisms in line with applicable legislation and best market practices.

The Committee shall report directly to the Board of Directors, acting independently of the Company's Executive Board. The decisions made by the Committee, as well as the proposed guidelines, policies and measures, consist of recommendations to be forwarded to the Board of Directors. The Committee is not a decision-making body of the Company, so that the recommendations made by it are not binding on the Board of Directors or the Company.

Currently, the body comprises six (6) members, elected by the Board of Directors on May 12, 2023, with a term of office of one (01) year, one of them being selected among the independent members of the Company's Board of Directors.

For more information on committee members, see the item 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 Appointing Members of the Board of Directors, its advisory committees and the Statutory Board, its Management Compensation Policy and its Internal Regulations. The Committee's purpose is to advise the Board of Directors on topics 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 Board; c) compensation of the members of the Company's Board of Directors and Statutory 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, talent development and retention; and, e) management practices favoring meritocracy and the execution of the Company's strategy.

The Committee shall report directly to the Board of Directors, acting independently of the Company's Executive Board. The decisions made by the Committee, as well as the proposed guidelines, policies and measures, consist of recommendations to be forwarded to the Board of Directors. The Committee is not a decision-making body of the Company, so that the recommendations made by it are not binding on the Board of Directors or the Company.

Currently, the body comprises five (5) members, elected by the Board of Directors on May 12, 2023, with a term of office of one (01) year, one of them being selected among the independent members of the Company's Board of Directors.

For more information on committee members, see the item 7.4 Composition of Committees of this Form.

### **b. how the board of directors assesses the work of the independent audit, indicating whether the issuer has a policy for contracting extra-audit services with the independent auditor and, if the issuer discloses the policy, pages on the world wide web where the document can be consulted**

The Board of Directors assesses the work of the independent audit based on the analysis of its reports and the recommendations of the Audit Committee. And, whenever it deems necessary, according

## 7.2 Information related to the board of directors

to the duties granted by Law, the Bylaws, and its Internal Rules of Procedure, the Board of Directors may require the independent auditors to provide the clarifications it deems necessary.

The Company has a Policy for Extra Audit Services Contracting aimed to establish rules and guidelines for contracting this kind of services by the Company and/or its subsidiaries, in compliance with the applicable legislation in force, in order to ensure that no services are contracted that could jeopardize the independence of the Company's Independent Audit. All agreements involving the Independent Audit shall be submitted to the Company's Audit Committee for analysis and recommendation on the contracting. The opinion of the Audit Committee shall be forwarded, together with the hiring proposal, to the appraisal of the Board of Directors.

The Policy for Hiring Extra Audit Services is available in full on the IR website, in the topic Corporate Governance\Other Policies\Policy for Hiring Extra Audit Services.

**c. if any, channels in place for critical issues related to ESG and compliance topics and practices to be brought to the attention of the board of directors**

The Company considers critical issues to be those received through the Company's Ethics Channel and related to the priority topics of the Strategic Sustainability Agenda, as these have undergone analysis of actual and potential impacts (as described on page 50 of our 2022 Integrated Annual Report). The Company has an Ethical Channel available to all stakeholders, managed by a specialized independent company, accessible through widely publicized means, ensuring anonymity, confidentiality and protection to the reporting person in good faith. Reports received from the Ethics Channel are analyzed through a periodic report to the Audit Committee, and the latter reports, at least annually, to the Board of Directors. This flow is described in the Internal Investigation and Operation of the Ethics Channel Protocol, available on the Company's website.

7.3 Composition and professional background of the management and fiscal council

<b>Name:</b>	Daniel Mota Gutierrez		<b>CPF:</b> 468.231.903-53	<b>Profession:</b> Lawyer	<b>Date of birth:</b> 04/07/1973		
<b>Professional Experience:</b>	Mr. Daniel Gutiérrez, born on 04/07/1973, is Vice President of Legal Affairs, Governance, Risks and Compliance. He joined M. Dias Branco in June 2006, in the role of Corporate Legal Advisor. He holds the position of Officer at the following subsidiaries of M. Dias Branco: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and is an Officer at the affiliate of M. Dias Branco Terminal de Trigo do Rio de Janeiro - Logística S.A. He is a member of the Bar Association of Brazil, Section Ceará-OAB/CE, since 1995 and Section São Paulo-OAB/SP, since 2004. He is a specialist in Civil Procedure Law by Universidade de Fortaleza - UNIFOR. He is a Master and PhD. of Civil Procedure Law by Pontifícia Universidsde Católica de São Paulo-PUC/SP. He is a former Corporate Legal Advisor Manager of Cia. de Seguros Aliança do Brasil, taking his office in São Paulo. Former Professor of the Master's Course in Law at Unichristus - Centro Universitário Christus. Former Professor of the Graduate Program 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 Social Security Commission at OAB/CE. Working as a Associate Attorney at a law firm, he provided services to many regional and national companies and entities in the Corporate Law area, notably in the civil, consumer, administrative and labor areas.						
<b>Management Bodies:</b>							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves on Executive Board and Board of Directors	03/28/2024	1 year	37 - Board of Directors (Substitute) and Vice Pres.	Vice President of Legal, Governance, Risks and Compliance	04/05/2024	Yes	05/12/2011

<b>Name:</b>	Daniel Perecim Funis		<b>CPF:</b> 252.096.468-58	<b>Profession:</b> Engineer	<b>Date of birth:</b> 03/26/1976		
<b>Professional Experience:</b>	Mr. Daniel Funis, born on 03/26/1976, graduated in mechatronics engineering from Escola Politécnica-USP, has a master's degree in business administration from the University of Cambridge, England. With extensive experience in e-commerce, he was part of the team that introduced Groupon (Nasdaq:GRPN) in Brazil, leading the marketing area. He was responsible for 10 years for the operations of Farfetch (NYSE:FTCH) in Brazil and Mexico. He currently works at Farfetch on Mamp;A projects. Before these experiences, he held different positions in the areas of engineering, production, sales and marketing in companies such as Fiat and Unilever, performing these roles in Argentina, Brazil, France, England and Italy.						
<b>Management Bodies:</b>							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves only on the Board of Directors	03/28/2024	1 year	27 - Board of Directors Independent (Effective)	Member of the People and Management Committee	04/05/2024	Yes	05/12/2019

Name:	FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	CPF: 262.329.013-04	Profession: Entrepreneur	Date of birth: 01/14/1967			
Professional Experience:	<p>Mr. Cláudio, born on 01/14/1967, is Industrial Vice-President - Mills of the Company and started his business activities at the Company, holding, in 1992, the position of Industrial Officer of Moinho Dias Branco, the Company's first wheat milling unit. In 2003, he took the position of Corporate Industrial Officer - Mills Division of the Company and, 2013, he became a member of the Company's audit committee. Responsible for introducing the company's milling units, Mr. Cláudio graduated in Mechanical Engineering by Universidade de Fortaleza, 1980, and started his extensive specialization path in wheat milling, attending many courses in different countries, highlighting the Milling Technology Course provided by Swiss Milling School, St. Gallen, in 1991. Mr. Cláudio obtained, in 1992, at the Buhler Training Center, in Uzwil, Switzerland, the certificate on Wheat Milling Technology. Mr. Cláudio holds the position of Officer at the following subsidiaries of M. Dias Branco: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and is also President of M. Dias Branco's affiliate: 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. He holds 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. 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.</p>						
Management Bodies:							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves on Executive Board and Board of Directors	03/28/2024	1 year	32 - Vice Chairperson. BD and Vice CEO	Industrial Vice-President - Milling	04/05/2024	Yes	05/12/2014



**Name:**

Francisco Ivens de Sá Dias Branco Júnior

**CPF:** 155.400.143-91

**Profession:** Entrepreneur

**Date of birth:** 09/08/1960

Professional Experience:

Mr. Ivens Jr., born on 09/08/1960, is currently the Company's Chief Executive Officer. He began his career at the Company in 1976 working on several of its divisions. In 1981, for his performance in the Company's industrial area, he became a shareholder and was appointed Industrial Officer of the Company. In 2002, he contributed significantly to the implementation of the G.M.E. (CE), one of the Company's plants that manufactures margarine and vegetable shortenings. In 2003, Mr. Ivens Jr. became the Company's Superintendent Officer, a position that he held until being appointed to his current position. Throughout his career, he received several awards and titles, such as the Edson Queiroz Medal, awarded in 2005 by the House of Representatives of the State of Ceará. From 2006 to 2021, he held the position of Industrial Vice President of the Company. Mr. Ivens Jr. he is Chief Executive Officer of the following subsidiaries of M. Dias Branco: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and is also holds the position of Officer at M. Dias Branco's affiliate: 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. He holds 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. 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.

Management Bodies:

Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves on Executive Board and Board of Directors	03/28/2024	1 year	36 - Board of Directors (Substitute) and Chief Executive Officer	Chief Executive Officer	04/05/2024	Yes	05/12/2011

<b>Name:</b>	FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO	<b>CPF:</b> 220.794.163-91	<b>Profession:</b> Entrepreneur	<b>Date of birth:</b> 06/23/1964			
<b>Professional Experience:</b>	Mr. Marcos, 54, born on 06/23/1964, started his business career at the Company, in 1980. As he stood out in the Company's commercial area, Mr. Marcos was appointed as Commercial Officer in 1989, being thereafter vested in the office of Corporate Commercial Officer, in 2003. Her first term of office at the Company started 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 for other publicly-held companies, however, he has equity interests 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.						
<b>Management Bodies:</b>							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves only on the Board of Directors	03/28/2024	1 year	23 - Board of Directors (Substitute)		04/05/2024	Yes	05/12/2019

<b>Name:</b>	Guilherme Affonso Ferreira	<b>CPF:</b> 762.604.298-00	<b>Profession:</b> Engineer	<b>Date of birth:</b> 05/09/1951			
<b>Professional Experience:</b>	Mr. Guilherme, born on 05/09/1951, graduated 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 is a partner and Senior Advisor at MOS Capital. From 2007 to 2020, he was partner and chairman of Teorema Capital. In addition, he is a member of the Board of Directors of Arezzo, B3, M Dias Branco, Miter, 3R Petroleum and Valid, 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 approximately 50% per year, in US dollars, with the investment. He was also member of the Board of Directors at Petrobras from 2015 to 2018, participating in the company's restructuring program.						
<b>Management Bodies:</b>							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves only on the Board of Directors	03/28/2024	1 year	27 - Board of Directors Independent (Effective)	Member of the Audit Committee	04/05/2024	Yes	05/12/2019

<b>Name:</b>	Gustavo Lopes Theodozio		<b>CPF:</b> 620.569.564-20	<b>Profession:</b> Business administrator	<b>Date of birth:</b>	07/04/1975	
<b>Professional Experience:</b>	Mr. Gustavo Theodozio, born on 07/04/1975, is a graduate in Business Administration, with an MBA in Business Management and a postgraduate degree in Accounting and Controllershship. In more than 25 years of career, he held leadership positions in the Financial and Investor Relations areas 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 served as Member of the Board of Directors at Solvay Indupa, Solalban Energy and Tecsis. He holds the position of Officer at the following subsidiaries of M. Dias Branco: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A and Cacama S.A.						
<b>Management Bodies:</b>							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves on Executive Board and Board of Directors	03/28/2024	1 year	37 - Board of Directors (Substitute) and Vice Pres.	Vice President of Investments and Controllershship, accumulating the IR Director roles	04/05/2024	Yes	05/12/2022

<b>Name:</b>	Luciane Nunes de Carvalho Sallas		<b>CPF:</b> 995.411.224-34	<b>Profession:</b> Business administrator	<b>Date of birth:</b> 01/19/1975		
<b>Professional Experience:</b>	Mrs. Luciane, born on 01/19/1975, has a degree in Business Administration from the University of Pernambuco, a postgraduate degree from IBMEC in Capital Markets and an MBA in Finance and Risk from USP. Experience in managing Finance, Purchasing, IT, HR and Administrative area. She started her career at Grupo Pilar in Recife, then worked for 10 years at AmBev/Ab-Inbev at the headquarters in SP and Belgium, at this stage leading a global productivity project, focusing 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 Sistema Jornal do Comercio de Comunicação, from João Carlos Paes Mendonça group, at the head of the entire administrative-financial and technology operation, also leading the digital business, as an executive at Portal NE10. She also worked as Financial Planning Officer for Solar Coca-Cola. Currently, she is the Company's Executive Officer of Investments and Financial Planning.						
<b>Management Bodies:</b>							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves only on the Board of Directors	03/28/2024	1 year	23 - Board of Directors (Substitute)	Executive Director of Investments and Financial Planning	04/05/2024	Yes	05/12/2021

**Name:** Luiza Andréa Farias Nogueira **CPF:** 231.470.753-20 **Profession:** Business administrator **Date of birth:** 11/30/1964

**Professional Experience:** Mrs. Andrea, born on 11/30/1964, is a Master of Business Administration, graduated in Business Administration, with supplementary qualification in leadership and management. She has broad experience as a businesswoman and consultant at Human Resources, Strategic Management and Process Management areas. She took over as the Executive Officer of Organizational Development at M Dias Branco in 2006, a position she holds until today, and is responsible for the areas of people management, personnel management, communication, occupational health, and sustainability.

**Management Bodies:**

Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves only on the Board of Directors	03/28/2024	1 year	22 - Board of Directors (Effective)	Executive Director of People, Management and Sustainability	04/05/2024	Yes	05/12/2017

**Name:** MARIA CONSUELO SARAIVA LEAO DIAS BRANCO **CPF:** 272.898.853-68 **Profession:** Entrepreneur **Date of birth:** 10/23/1934

**Professional Experience:** Mrs. Consuelo, born on 10/23/1934, is the Chairperson of the Company's Board of Directors. She idealized the Centro Histórico M. Dias Branco and coordinates the actions related to social issues in communities attained in the Company's influence zone. Her first term of office at the Company started in April 2006. Mrs. Consuelo has not worked for other publicly-held companies, however, she has equity interests 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 Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves only on the Board of Directors	03/28/2024	1 year	20 - Chairperson of the Board of Directors		04/05/2024	Yes	05/12/2006

**Name:**

Maria das Graças Dias Branco da Escóssia

**CPF:** 273.184.433-72

**Profession:** Entrepreneur

**Date of birth:** 07/17/1959

Professional Experience:

Ms. Graça, born on 07/17/1959, started her activities in business environment in 1985, in the management of a hospitality company, of which she became an Executive Vice-President years later, in 1987. In 2001, Ms. Graça took the office of Institutional Relations Officer at the Company, after that becoming a Corporate Institutional Relations Officer, in 2003, position performed until April 2006, when she was appointed to her current office at the Company, Vice-President of Finance. Ms. Graça holds a Bachelor's Degree in Law by Universidade Federal do Ceará, in 1985, and a MBA in Business Management, in 2008. She was a member of the Company's Audit Committee from May 2010 to May 2013. Mrs. Graça has not worked for other publicly-held companies, but is an Officer at the following M. Dias Branco subsidiaries: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A and Cacama S.A. and holds interests 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. 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 Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves on Executive Board and Board of Directors	03/28/2024	1 year	34 - Board of Directors (Effective) and Vice Pres.	Vice President of Finance	04/05/2024	Yes	05/12/2006

Name:	Maria Regina Saraiva Leão Dias Branco	CPF: 235.899.653-04	Profession:	Entrepreneur	Date of birth:	12/15/1961	
Professional Experience:	<p>Ms. Regina, born on 12/15/1961, is currently the Company's Vice-President of Management and Development. She started her business career at the Company, in 1980. In 1989, she took the office of Company's Administrative Officer, position performed until 2003, when she was appointed as Corporate Administrative Officer. She holds a Bachelor's Degree in Business Administration, in 1987, from Universidade de Fortaleza - UNIFOR. In 2008, she completed the MBA in Business Management from Fundação Getúlio Vargas. She annually attends an event targeted to executives from major organizations on leadership, strategy and management. She is also CEO of Idibra Participações S.A., operating in the real estate development and civil construction market. Her first term of office at the Company started in April 2006. Mrs. Regina has not worked for other publicly-held companies, but is an Officer at the following M. Dias Branco subsidiaries: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A and Cacama S.A and holds interests 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 II 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.</p>						
Management Bodies:							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves on Executive Board and Board of Directors	03/28/2024	1 year	37 - Board of Directors (Substitute) and Vice Pres.	Vice President of Administration, Development and Sustainability	04/05/2024	Yes	05/12/2014

Name:	Ricardo Luiz de Souza Ramos	CPF: 804.112.237-04	Profession:	Engineer	Date of birth:	12/07/1964	
Professional Experience:	<p>Mr. Ricardo, born on 12/07/1964, graduated in mechanical engineering from Universidade Gama Filho. He also attended a Masters in Business Administration from COPPEAD at the Federal University of Rio de Janeiro and an International Masters in Management from the University of Lancaster. From April 2021 to June 2022, he was the managing partner responsible for Mamp;A and fundraising for long-term financing at BF Capital Assessoria Financeira. From 2016 to 2019, he held various management positions at Banco Nacional de Desenvolvimento Econômico e Social (BNDES). In addition, he was a member of the Board of Directors of ENEVA S.A. from 2012 to 2014, of SEBRAE - Serviço Brasileiro de Apoio às Micro e Pequenas Empresas (2016 to 2019), of ABDE - Associação Brasileira de Instituições Financeiras de Desenvolvimento (2016 to 2017) and FAPES - Fundação de Assistência e Assistência Social of BNDES (2013 to 2016 / 2016 to 2017), having returned to occupy the position of Board Member in this latter institution since June 2023.</p>						
Management Bodies:							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves only on the Board of Directors	03/28/2024	1 year	27 - Board of Directors Independent (Effective)	Member of the ESG Committee	04/05/2024	Yes	05/12/2022

<b>Name:</b>	Rômulo Ruberti Calmon Dantas	<b>CPF:</b> 742.287.497-04	<b>Profession:</b> Business Administrator	<b>Date of birth:</b>	07/21/1963		
<b>Professional Experience:</b>	Mr. Rômulo Dantas, born on 07/21/1963, Business Administrator with a post graduate degree in Marketing from ESPM and an MBA in Business Administration from FGV, certified in the Management Program for Entrepreneurial Leaders at Insead (France), at the Institute of Certification of Security Professionals and in the Brazilian Institute of Corporate Governance as Board Member. Mr. Rômulo has wide experience as an executive of large companies, such as Kibon, Souza Cruz, PepsiCo Alimentos, Hypermarcas and Ontex Brasil. He served as Vice-President at Pepsico Alimentos and Commercial and Logistics Vice-President at Ontex Brasil. He holds the position of Officer at the following subsidiaries of M. Dias Branco: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A and Cacama S.A.						
<b>Management Bodies:</b>							
Management Body	Date of Election	Term of office	Elective position held	Description of another position/function	Date of investiture	Was elected by the controlling shareholder	Date of beginning of the first term of office
Serves on Executive Board and Board of Directors	03/28/2024	1 year	37 - Board of Directors (Substitute) and Vice Pres.	Vice-President - Sales	04/05/2024	Yes	05/12/2022

7.4 Composition of committees

Name:	Adil Dallago Filho	CPF: 368.449.503-49	Profession:	Engineer	Date of birth:	02/18/1970			
Professional Experience:	Mr. Adil Filho holds a degree in Engineering from the Federal University of Ceará - UFC and an MBA in Business Administration from the Federal University of Rio Grande do Sul. He was supplies manager for Souza Cruz, Allied Domecq, Del Monte Fresh Produce and Nufarm. He was Supply Point Officer at Danone and Executive Officer of the Supply Chain at Solar Coca-Cola. It has expertise in manufacturing, supply chain, purchasing, logistics and international trade, including integration of M&A companies, strategic review (greenfield assessment), international sourcing and regional sourcing for other Latin American countries. In the last 5 years, there has been no criminal conviction, in a CVM administrative proceeding, which has become final and unappealable in the judicial or administrative level, which has suspended or disqualified the practice of professional or commercial activity of this member of the Company's management. He is not a politically exposed person. He is not an independent member.								
Management Bodies:									
Committees:									
Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Other Committees		Committee Member (Effective)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2023



**Professional Experience:** Mr. Adrian, born on 02/02/1964, graduated in Business Administration and Accounting from the Catholic University of Pernambuco, has an intensive MBA from Ahold Retail Academy, Cornell, Provar - USP and StarSe/Nova SBE. Strong experience in the animal protein industry, with relevant background in retail and external audit (Ernst & Young). He served as CFO, CAO and controller in large multi-localized organizations and as a member of the Board of Directors 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 effective 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 positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Audit Committee	Audit Committee - Non-statutory	Committee Member (Effective)	04/05/2024	1 year			04/05/2024	Yes	06/23/2021

**Professional Experience:** Mr. Daniel Gutierrez, born on 07/04/1973, is Vice President of Legal Affairs, Governance, Risks and Compliance. He joined M. Dias Branco in June 2006, in the role of Corporate Legal Advisor. He holds the position of Officer at the following subsidiaries of M. Dias Branco: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and is an Officer at the affiliate of M. Dias Branco Terminal de Trigo do Rio de Janeiro - Logística S.A. He is a member of the Bar Association of Brazil, Section Ceará-OAB/CE, since 1995 and Section São Paulo-OAB/SP, since 2004. He is a specialist in Civil Procedure Law by Universidade de Fortaleza - UNIFOR. He is a Master and PhD. of Civil Procedure Law by Pontifícia Universidade Católica de São Paulo-PUC/SP. He is a former Corporate Legal Advisor Manager of Cia. de Seguros Aliança do Brasil, taking his office in São Paulo. Former Professor of the Master's Course in Law at Unichristus - Centro Universitário Christus. Former Professor of the Graduate Program 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 Social Security Commission at OAB/CE. Working as a Associate Attorney at a law firm, he provided services to many regional and national companies and entities in the Corporate Law area, notably in the civil, consumer, administrative and labor areas.

**Committees:**

Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Other Committees		Committee Member (Effective)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2019

Other Committees	Committee Member (Effective)	06/23/2023	1 year	People and Management Committee	05/12/2023	Yes	06/23/2019
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**Name:** Daniel Perecim Funis      **CPF:** 252.096.468-58      **Profession:** Engineer      **Date of birth:** 03/26/1976

**Professional Experience:** Mr. Daniel Funis, born on 03/26/1976, graduated in mechatronics engineering from Escola Politécnica-USP, has a master's degree in business administration from the University of Cambridge, England. With extensive experience in e-commerce, he was part of the team that introduced Groupon (Nasdaq:GRPN) in Brazil, leading the marketing area. He was responsible for 10 years for the operations of Farfetch (NYSE:FTCH) in Brazil and Mexico. He currently works at Farfetch on Mamp;A projects. Before these experiences, he held different positions in the areas of engineering, production, sales and marketing in companies such as Fiat and Unilever, performing these roles in Argentina, Brazil, France, England and Italy.

**Management Bodies:**

**Committees:**

Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Audit Committee	Audit Committee - Non-statutory	Committee Member (Effective)	04/05/2024	1 year			04/05/2024	Yes	06/23/2019

**Name:** Elionor Jreige Weffort      **CPF:** 147.735.128-06      **Profession:** Accountant and Lawyer      **Date of birth:** 07/30/1969

**Professional Experience:** Mrs. Elionor, born on 07/30/1969, graduated in Accounting from Fundação Escola de Comércio Álvares Penteado - FECAP and in Law from the University of São Paulo and holds a PhD in Controllershship and Accounting from the Economics, Administration and Accounting College of São Paulo University She served as an independent member of the Audit Committee at Vibra Energia, a publicly traded company, listed on B3, was a consultant for the United Nations (UN/UNCTAD/ISAR), with emphasis on the Project Capacity-building framework for high quality corporate reporting and consultant of companies operating mainly in contracts and preventive, compliance and corporate governance. She currently serves as an independent member of the Board of Directors and Coordinator of the Statutory Audit Committee of CPTM - Companhia Paulista de Trens Metropolitanos and as an independent member and Coordinator of the Audit Committee of M. Dias Branco S.A. Indústria e Comércio de Alimentos and is a professor and researcher of the Master's Program in Accounting and graduation at FECAP.

**Management Bodies:**

**Committees:**

Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Audit Committee	Audit Committee - Non-statutory	Other	04/05/2024	1 year		Coordinator and independent financial specialist	04/05/2024	Yes	06/23/2018

**Name:**

Francisco Ivens de Sá Dias Branco Júnior

**CPF:** 155.400.143-91

**Profession:** Entrepreneur

**Date of birth:** 09/08/1960

Professional Experience:

Mr. Ivens Jr., born on 09/08/1960, is currently the Company's Chief Executive Officer. He began his career at the Company in 1976 working on several of its divisions. In 1981, for his performance in the Company's industrial area, he became a shareholder and was appointed Industrial Officer of the Company. In 2002, he contributed significantly to the implementation of the G.M.E. (CE), one of the Company's plants that manufactures margarine and vegetable shortenings. In 2003, Mr. Ivens Jr. became the Company's Superintendent Officer, a position that he held until being appointed to his current position. Throughout his career, he received several awards and titles, such as the Edson Queiroz Medal, awarded in 2005 by the House of Representatives of the State of Ceará. From 2006 to 2021, he held the position of Industrial Vice President of the Company. Mr. Ivens Jr. he is Chief Executive Officer of the following subsidiaries of M. Dias Branco: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A. and Cacama S.A. and is also holds the position of Officer at M. Dias Branco's affiliate: 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. He holds equity interest in the following companies: 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.

Management Bodies:

Committees:

Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Other Committees		Committee Member (Effective)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2023
Other Committees		Committee Member (Effective)	04/05/2024	1 year	People and Management Committee		04/05/2024	Yes	06/23/2019

**Name:**

Guilherme Affonso Ferreira

**CPF:** 762.604.298-00

**Profession:** Engineer

**Date of birth:**

05/09/1951

**Professional Experience:**

Mr. Guilherme, born on 05/09/1951, graduated 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 is a partner and Senior Advisor at MOS Capital. From 2007 to 2020, he was partner and chairman of Teorema Capital. In addition, he is a member of the Board of Directors of Arezzo, B3, M Dias Branco, Miter, 3R Petroleum and Valid, 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 approximately 50% per year, in US dollars, with the investment. He was also member of the Board of Directors at Petrobras from 2015 to 2018, participating in the company's restructuring program.

**Management Bodies:**

**Committees:**

Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Other Committees		Committee Member (Effective)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2019

**Name:**

Luiza Andréa Farias Nogueira

**CPF:** 231.470.753-20

**Profession:** Business administrator

**Date of birth:**

11/30/1964

**Professional Experience:**

Mrs. Andrea, born on 11/30/1964, is a Master of Business Administration, graduated in Business Administration, with supplementary qualification in leadership and management. She has broad experience as a businesswoman and consultant at Human Resources, Strategic Management and Process Management areas. She took over as the Executive Officer of Organizational Development at M Dias Branco in 2006, a position she holds until today, and is responsible for the areas of people management, personnel management, communication, occupational health, and sustainability.

**Management Bodies:**

**Committees:**

Other Committees		Committee Member (Effective)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2020
Other Committees		Committee Member (Effective)	04/05/2024	1 year	People and Management Committee		04/05/2024	Yes	06/23/2019

**Name:**

Maria Regina Saraiva Leão  
Dias Branco

**CPF:** 235.899.653-04

**Profession:** Entrepreneur

**Date of birth:** 12/15/1961

Professional Experience:

Ms. Regina, born on 12/15/1961, is currently the Company's Vice-President of Management and Development. She started her business career at the Company, in 1980. In 1989, she took the office of Company's Administrative Officer, position performed until 2003, when she was appointed as Corporate Administrative Officer. She holds a Bachelor's Degree in Business Administration, in 1987, from Universidade de Fortaleza - UNIFOR. In 2008, she completed the MBA in Business Management from Fundação Getúlio Vargas. She annually attends an event targeted to executives from major organizations on leadership, strategy and management. She is also CEO of Idibra Participações S.A., operating in the real estate development and civil construction market. Her first term of office at the Company started in April 2006. Mrs. Regina has not worked for other publicly-held companies, but is an Officer at the following M. Dias Branco subsidiaries: Latinex Importação e Exportação de Alimentos Ltda., Jasmine Indústria e Comércio de Alimentos Ltda., Darcel S.A and Cacama S.A and holds interests 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 II 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:

Committees:

Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Other Committees		Committee Member (Effective)	04/05/2024	1 year	ESG Committee		04/05/2024	Yes	06/23/2020
Other Committees		Committee Member (Effective)	04/05/2024	1 year	People and Management Committee		04/05/2024	Yes	06/23/2019

**Name:**

Ricardo Luiz de Souza Ramos

**CPF:** 804.112.237-04

**Profession:** Engineer

**Date of birth:** 12/07/1964

Professional Experience:

Mr. Ricardo, born on 12/07/1964, graduated in mechanical engineering from Universidade Gama Filho. He also attended a Masters in Business Administration from COPPEAD at the Federal University of Rio de Janeiro and an International Masters in Management from the University of Lancaster. From April 2021 to June 2022, he was the managing partner responsible for Mamp;A and fundraising for long-term financing at BF Capital Assessoria Financeira. From 2016 to 2019, he held various management positions at Banco Nacional de Desenvolvimento Econômico e Social (BNDES). In addition, he was a member of the Board of Directors of ENEVA S.A. from 2012 to 2014, of SEBRAE - Serviço Brasileiro de Apoio às Micro e Pequenas Empresas (2016 to 2019), of ABDE - Associação Brasileira de Instituições Financeiras de Desenvolvimento (2016 to 2017) and FAPES - Fundação de Assistência e Assistência Social of BNDES (2013 to 2016 / 2016 to 2017), having returned to occupy the position of Board Member in this latter institution since June 2023.

Management Bodies:

Committees:

Committee type	Audit Type	Position held	Date of investiture	Term of office	Description of other committees	Description of other positions/roles	Date of election	Was elected by the controlling shareholder	Date of beginning of the first term of office
Other Committees		Committee Member (Effective)	04/05/2024	1 year	People and Management Committee		04/05/2024	Yes	06/23/2022

## 7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
<b>Position</b>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
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	Grandfather or Grandmother (2nd degree by blood relation)
Financial Vice-President and Effective member of the Board of Directors				
<b>Note</b>				
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 offspring of Sra. Maria Consuelo Saraiva Leão Dias Branco.				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
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	Grandfather or Grandmother (2nd degree by blood relation)
Substitute Member of the Board of Directors				
<b>Note</b>				
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 offspring of Mrs. Maria Consuelo Saraiva Leão Dias Branco.				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				

## 7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
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	Grandfather or Grandmother (2nd degree by blood relation)
Vice-Chairperson of the Board of Directors (effective) and Industrial Vice-President - Mills				
<b>Note</b> 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 offspring of Sra. Maria Consuelo Saraiva Leão Dias Branco.				
<b>Manager of issuer or subsidiary</b>			07.206.816/0001-15	
Maria Consuelo Saraiva Leao Dias Branco	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS		
Chairperson of the Board of Directors				
<b>Related person</b>				
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	Grandfather or Grandmother (2nd degree by blood relation)
Vice President of Management, Development and Sustainability; Substitute Member of the Board of Directors and Member of the ESG Committee and People and Management Committee				
<b>Note</b> 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 offspring of Sra. Maria Consuelo Saraiva Leão Dias Branco.				
<b>Manager of issuer or subsidiary</b>			07.206.816/0001-15	
Maria Consuelo Saraiva Leao Dias Branco	272.898.853-68	M DIAS BRANCO S.A. INDUSTRIA E COMERCIO DE ALIMENTOS		
Chairperson of the Board of Directors				
<b>Related person</b>				
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	Grandfather or Grandmother (2nd degree by blood relation)
Company's Chief Executive Officer and Substitute Member of the Board of Directors and Member of the People and Management Committee				
<b>Note</b> 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 offspring of Sra. Maria Consuelo Saraiva Leão Dias Branco.				
<b>Manager of issuer or subsidiary</b>				



7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
Position				
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				
Related person				
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Grandfather or Grandmother (2nd degree by blood relation)
CEO				
Note				
Manager of 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				
Related person				
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Grandfather or Grandmother (2nd degree by blood relation)
Industrial Officer				
Note				
Manager of 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				
Related person				
Maria das Graças Dias Branco da Escóssia	273.184.433-72	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Grandfather or Grandmother (2nd degree by blood relation)
Chief Financial Officer				
Note				

7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
Position				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	JASMINE INDUSTRIA E COMERCIO DE ALIMENTOS LTDA.	81.727.414/0008-95	Grandfather or Grandmother (2nd degree by blood relation)
Management, Development and Sustainability Officer				
<b>Note</b>				
<hr/>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	LATINEX IMPORTACAO E EXPORTACAO DE ALIMENTOS LTDA (DIRECT INTEREST)	05.540.409/0001-14	Grandfather or Grandmother (2nd degree by blood relation)
CEO				
<b>Note</b>				
<hr/>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	LATINEX IMPORTACAO E EXPORTACAO DE ALIMENTOS LTDA (DIRECT INTEREST)	05.540.409/0001-14	Grandfather or Grandmother (2nd degree by blood relation)
Industrial Officer				
<b>Note</b>				

7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
Position				
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<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
Maria das Graças Dias Branco da Escóssia	273.184.433-72	LATINEX IMPORTACAO E EXPORTACAO DE ALIMENTOS LTDA (DIRECT INTEREST)	05.540.409/0001-14	Grandfather or Grandmother (2nd degree by blood relation)
Chief Financial Officer				
<b>Note</b>				
<hr/>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	LATINEX IMPORTACAO E EXPORTACAO DE ALIMENTOS LTDA (DIRECT INTEREST)	05.540.409/0001-14	Grandfather or Grandmother (2nd degree by blood relation)
Management, Development and Sustainability Officer				
<b>Note</b>				
<hr/>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO Logística	262.329.013-04	Terminal de Trigo do Rio de Janeiro - S.A.	18.245.532/0001-54	Grandfather or Grandmother (2nd degree by blood relation)
Chairperson of the Board of Directors				

7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
Position				

Note

Manager of 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
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Chairperson of the Board of Directors

Related person

Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	DARCEL S.A.	Grandfather or Grandmother (2nd degree by blood relation)
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Officer

Note

Manager of 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
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Chairperson of the Board of Directors

Related person

FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	DARCEL S.A.	Grandfather or Grandmother (2nd degree by blood relation)
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Officer

Note

Manager of 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
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Chairperson of the Board of Directors

Related person

Maria das Graças Dias Branco da Escóssia	273.184.433-72	DARCEL S.A.	Grandfather or Grandmother (2nd degree by blood relation)
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Officer

Note

7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
Position				
<hr/>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	DARCEL S.A.		Grandfather or Grandmother (2nd degree by blood relation)
Officer				
<b>Note</b>				
<hr/>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	CACAMA S.A.		Grandfather or Grandmother (2nd degree by blood relation)
Officer				
<b>Note</b>				
<hr/>				
<b>Manager of issuer or subsidiary</b>				
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				
<b>Related person</b>				
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	CACAMA S.A.		Grandfather or Grandmother (2nd degree by blood relation)
Officer				
<b>Note</b>				
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7.5 Family relationships

Name	CPF	Corporate name of the issuer or subsidiary	CNPJ	Type of relationship with the manager of the issuer or subsidiary
Position				
Manager of 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				
Related person				
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	CACAMA S.A.		Grandfather or Grandmother (2nd degree by blood relation)
Officer				
Note				
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Manager of 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				
Related person				
Maria das Graças Dias Branco da Escóssia	273.184.433-72	CACAMA S.A.		Grandfather or Grandmother (2nd degree by blood relation)
Officer				
Note				
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## 7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			

### Fiscal Year 12/31/2022

#### Issuer Manager

Maria Regina Saraiva Leão Dias Branco  
Vice President of Management and Development and Substitute  
Member of the Board of Directors and  
Member of ESG Committee and People and Management Committee

235.899.653-04

Control

Direct Controller

#### Related person

Dias Branco Adm. e Participações Ltda.  
Equity interest

07.886.385/0001-85

#### Note

#### Issuer Manager

Maria Regina Saraiva Leão Dias Branco  
Vice President of Management and Development and Substitute  
Member of the Board of Directors and  
Member of ESG Committee and People and Management Committee

235.899.653-04

Control

Supplier

#### Related person

Praia Centro Hotéis, Viagens e Turismo Ltda.  
Equity interest

07.415.391/0001-54

#### Note

Hotel Services

#### Issuer Manager

Maria Regina Saraiva Leão Dias Branco  
Vice President of Management and Development and Substitute  
Member of the Board of Directors and  
Member of ESG Committee and People and Management Committee

235.899.653-04

Control

Debtor

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Related person</b>			
Terminal Portuário Cotegipe S.A. Equity interest	40.561.649/0001-04		
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
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<b>Issuer Manager</b>			
Maria Regina Saraiva Leão Dias Branco Vice President of Management and Development and Substitute Member of the Board of Directors and Member of ESG Committee and People and Management Committee	235.899.653-04	Control	Supplier
<b>Related person</b>			
Companhia Industrial de Cimento Apodi Equity interest	10.260.249/0004-32		
<b>Note</b>			
Materials used in civil construction			
-----			
<b>Issuer Manager</b>			
Maria Regina Saraiva Leão Dias Branco Vice President of Management and Development and Substitute Member of the Board of Directors and Member of ESG Committee and People and Management Committee	235.899.653-04	Control	Supplier
<b>Related person</b>			
IDIBRA Participações S.A Equity interest	06.258.768/0001-46		
<b>Note</b>			
Provision of services in civil construction			
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<b>Issuer Manager</b>			



7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
Maria das Graças Dias Branco da Escóssia Effective member of the Board of Directors and Financial Vice-President	273.184.433-72	Control	Direct Controller
Related person			
Dias Branco Adm. e Participações Ltda. Equity interest	07.886.385/0001-85		
Note			
Issuer Manager			
Maria das Graças Dias Branco da Escóssia Effective member of the Board of Directors and Financial Vice-President	273.184.433-72	Control	Supplier
Related person			
Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest	07.415.391/0001-54		
Note			
Hotel Services			
Issuer Manager			
Maria das Graças Dias Branco da Escóssia Effective member of the Board of Directors and Financial Vice-President	273.184.433-72	Control	Debtor
Related person			
Terminal Portuário Cotegipe S.A. Equity interest	40.561.649/0001-04		
Note			
Provision of services in the unloading of wheat and other services			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Effective member of the Board of Directors and Financial Vice-President			
<b>Related person</b>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<b>Note</b>			
Materials used in civil construction			
<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Effective member of the Board of Directors and Financial Vice-President			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Provision of services in civil construction			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEO DIAS BRANCO	272.898.853-68	Control	Direct Controller
Chairperson of the Board of Directors			
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
<b>Note</b>			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<u>Issuer Manager</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors			
<u>Related person</u>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity interest			
<u>Note</u>			
Hotel Services			
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<u>Issuer Manager</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Debtor
Chairperson of the Board of Directors			
<u>Related person</u>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity interest			
<u>Note</u>			
Provision of services in the unloading of wheat and other services			
-----			
<u>Issuer Manager</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors			
<u>Related person</u>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<u>Note</u>			
Materials used in civil works			
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<u>Issuer Manager</u>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier

## 7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b>			
Chairperson of the Board of Directors			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Provision of services in civil construction			
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<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Direct Controller
Effective member (Vice-Chairperson) of the Board of Directors and Industrial Vice-President - Mills			
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
<b>Note</b>			
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<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective member (Vice-Chairperson) of the Board of Directors and Industrial Vice-President - Mills			
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity interest			
<b>Note</b>			
Hotel Services			
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<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Debtor
Effective member (Vice-Chairperson) of the Board of Directors and Industrial Vice-President - Mills			
<b>Related person</b>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
Equity interest			
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective member (Vice-Chairperson) of the Board of Directors and Industrial Vice-President - Mills			
<b>Related person</b>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<b>Note</b>			
Materials used in civil construction			
<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective member (Vice-Chairperson) of the Board of Directors and Industrial Vice-President - Mills			
<b>Related person</b>			
AET - Engenharia e Soluções Tecnológicas Avançadas Ltda.	12.304.942/0001-42		
Equity interest			
<b>Note</b>			
Provision of maintenance and installation of equipment services			
<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective member (Vice-Chairperson) of the Board of Directors and Industrial Vice-President - Mills			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Participação Societária			
Equity interest			
<b>Note</b>			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b>			
Provision of services in civil construction			
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<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEO DIAS BRANCO	262.329.013-04	Control	Supplier
Effective member (Vice-Chairperson) of the Board of Directors and Industrial Vice-President - Mills			
<b>Related person</b>			
WEF ENGENHARIA E AUTOMAÇÃO LTDA	37.986.200/0001-75		
Equity interest			
<b>Note</b>			
<hr/>			
<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO	220.794.163-91	Control	Direct Controller
Substitute Member of the Board of Directors			
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
<b>Note</b>			
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<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO	220.794.163-91	Control	Supplier
Substitute Member of the Board of Directors			
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity interest			
<b>Note</b>			
Hotel Services			
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<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO	220.794.163-91	Control	Debtor

## 7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b>			
Substitute Member of the Board of Directors			
<b>Related person</b>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity interest			
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
-----			
<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Substitute Member of the Board of Directors			
<b>Related person</b>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<b>Note</b>			
Materials used in civil works			
-----			
<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Substitute Member of the Board of Directors			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Materials used in civil works			
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<b>Issuer Manager</b>			
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			
<b>Related person</b>			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b> Dias Branco Adm. e Participações Ltda. Equity interest <b>Note</b>	07.886.385/0001-85		
<hr/>			
<b>Issuer Manager</b> Francisco Ivens de Sá Dias Branco Júnior Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer <b>Related person</b> Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest <b>Note</b> Hotel Services	155.400.143-91	Control	Supplier
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<b>Issuer Manager</b> Francisco Ivens de Sá Dias Branco Júnior Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer <b>Related person</b> Terminal Portuário Cotegipe S.A. Equity Interest <b>Note</b> Provision of services of wheat unloading and other services	155.400.143-91	Control	Debtor
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<b>Issuer Manager</b> Francisco Ivens de Sá Dias Branco Júnior Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer <b>Related person</b> Companhia Industrial de Cimento Apodi 32 Equity Interest <b>Note</b>	155.400.143-91	Control	Supplier
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<b>Issuer Manager</b> Francisco Ivens de Sá Dias Branco Júnior Alternate member of the Board of Directors; effective member of the People and Management Committee and Chief Executive Officer <b>Related person</b> Companhia Industrial de Cimento Apodi 32 Equity Interest <b>Note</b>	10.260.249/0004-		



7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
Materials used in civil works			
<hr/>			
<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Junior	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			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Provision of services in civil construction			
<hr/>			
<b>Issuer Manager</b>			
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			
<b>Related person</b>			
LDB Transportes de Cargas Ltda	09.411.448/0001-72		
Equity interest			
<b>Note</b>			
Cargo transportation services			
<hr/>			
<b>Issuer Manager</b>			
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			
<b>Related person</b>			
LDB Logistica e Transporte Ltda	16.906.199/0001-51		
Equity interest			
<b>Note</b>			
Cargo transportation services			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			

Fiscal Year 12/31/2021

Issuer Manager

Francisco Ivens de Sá Dias Branco Júnior  
CEO

155.400.143-91

Control

Direct Controller

Related person

Dias Branco Adm. e Participações Ltda.  
Equity interest

07.886.385/0001-85

Note

Issuer Manager

Francisco Ivens de Sá Dias Branco Júnior  
CEO

155.400.143-91

Control

Supplier

Related person

Praia Centro Hotéis, Viagens e Turismo Ltda.  
Equity interest

07.415.391/0001-54

Note

Hotel Services

Issuer Manager

Francisco Ivens de Sá Dias Branco Júnior  
CEO

155.400.143-91

Control

Debtor

Related person

Terminal Portuário Cotegipe S.A.  
Equity interest

40.561.649/0001-04

Note

Provision of services of wheat unloading and other services

Issuer Manager

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier
Related person			
Companhia Industrial de Cimento Apodi Equity interest	10.260.249/0004-32		
Note			
Materials used in civil works			
Issuer Manager			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier
Related person			
IDIBRA Participações S.A Equity interest	06.258.768/0001-46		
Note			
Provision of services in civil construction			
Issuer Manager			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier
Related person			
LDB Transportes de Cargas Ltda Equity interest	09.411.448/0001-72		
Note			
Cargo transportation services			
Issuer Manager			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Related person</b>			
LDB Logistica e Transporte Ltda	16.906.199/0001-51		
Equity interest			
<b>Note</b>			
Cargo transportation services			
-----			
<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Direct Controller
Effective Member of the Board of Directors			
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
<b>Note</b>			
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<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Effective Member of the Board of Directors			
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity interest			
<b>Note</b>			
Hotel Services			
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<b>Issuer Manager</b>			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Effective Member of the Board of Directors			
<b>Related person</b>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity interest			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Note</b> Provision of services in the unloading of wheat and other services			
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<b>Issuer Manager</b> FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO Effective Member of the Board of Directors			
<b>Related person</b> Companhia Industrial de Cimento Apodi Materials used in civil works			
<b>Note</b>			
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<b>Issuer Manager</b> FRANCISCO MARCOS SARAIVA LEO DIAS BRANCO Effective Member of the Board of Directors			
<b>Related person</b> IDIBRA Participações S.A Equity interest			
<b>Note</b> Materials used in civil works			
<hr/>			
<b>Issuer Manager</b> Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development			
<b>Related person</b> Dias Branco Adm. e Participações Ltda. Equity interest			
<b>Note</b>			
<hr/>			
<b>Issuer Manager</b>			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b>			
Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development	235.899.653-04	Control	Supplier
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest	07.415.391/0001-54		
<b>Note</b>			
Hotel Services			
<b>Issuer Manager</b>			
Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development	235.899.653-04	Control	Debtor
<b>Related person</b>			
Terminal Portuário Cotegipe S.A. Equity interest	40.561.649/0001-04		
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
<b>Issuer Manager</b>			
Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development	235.899.653-04	Control	Supplier
<b>Related person</b>			
Companhia Industrial de Cimento Apodi Equity interest	10.260.249/0004-32		
<b>Note</b>			
Materials used in civil construction			
<b>Issuer Manager</b>			
Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development	235.899.653-04	Control	Supplier

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Provision of services in civil construction			
<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Indirect Subsidiary
Industrial Vice-President - Mills			
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
<b>Note</b>			
<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Industrial Vice-President - Mills			
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity interest			
<b>Note</b>			
Hotel Services			
<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Debtor
Industrial Vice-President - Mills			
<b>Related person</b>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity interest			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Note</b> Provision of services in the unloading of wheat and other services			
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<b>Issuer Manager</b> FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO Industrial Vice-President - Mills	262.329.013-04	Control	Supplier
<b>Related person</b> Companhia Industrial de Cimento Apodi Equity interest	10.260.249/0004-32		
<b>Note</b> Materials used in civil construction			
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<b>Issuer Manager</b> FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO Industrial Vice-President - Mills	262.329.013-04	Control	Supplier
<b>Related person</b> AET - Engenharia e Soluções Tecnológicas Avançadas Ltda. Equity interest	12.304.942/0001-42		
<b>Note</b> Provision of maintenance and installation of equipment services			
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<b>Issuer Manager</b> FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO Industrial Vice-President - Mills	262.329.013-04	Control	Supplier
<b>Related person</b> IDIBRA Participações S.A Equity interest	06.258.768/0001-46		
<b>Note</b> Provision of services in civil construction			
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7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO Chairperson of the Board of Directors	272.898.853-68	Control	Direct Controller
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda. Equity interest	07.886.385/0001-85		
<b>Note</b>			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO Chairperson of the Board of Directors	272.898.853-68	Control	Supplier
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest	07.415.391/0001-54		
<b>Note</b>			
Hotel Services			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO Chairperson of the Board of Directors	272.898.853-68	Control	Debtor
<b>Related person</b>			
Terminal Portuário Cotegipe S.A. Equity interest	40.561.649/0001-04		
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO Chairperson of the Board of Directors	272.898.853-68	Control	Supplier

## 7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b>			
<b>Related person</b>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<b>Note</b>			
Materials used in civil works			
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<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Provision of services in civil construction			
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<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Direct Controller
Financial Vice-President			
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
<b>Note</b>			
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<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Financial Vice-President			
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity interest			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Note</b>			
Hotel Services			
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<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia Financial Vice-President	273.184.433-72	Control	Debtor
<b>Related person</b>			
Terminal Portuário Cotegipe S.A. Equity interest	40.561.649/0001-04		
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
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<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia Financial Vice-President	273.184.433-72	Control	Supplier
<b>Related person</b>			
Companhia Industrial de Cimento Apodi Equity interest	10.260.249/0004-32		
<b>Note</b>			
Materials used in civil construction			
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<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia Financial Vice-President	273.184.433-72	Control	Supplier
<b>Related person</b>			
IDIBRA Participações S.A Equity interest	06.258.768/0001-46		
<b>Note</b>			
Materials used in civil construction			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Fiscal Year 12/31/2020</b>			
<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Direct Controller
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda. Equity interest	07.886.385/0001-85		
<b>Note</b>			
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<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest	07.415.391/0001-54		
<b>Note</b>			
Hotel Services			
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<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Debtor
<b>Related person</b>			
Terminal Portuário Cotegipe S.A. Equity interest	40.561.649/0001-04		
<b>Note</b>			
Provision of services of wheat unloading and other services			
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7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier
<b>Related person</b>			
Companhia Industrial de Cimento Apodi Equity interest	10.260.249/0004-32		
<b>Note</b>			
Materials used in civil works			
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<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier
<b>Related person</b>			
IDIBRA Participações S.A Equity interest	06.258.768/0001-46		
<b>Note</b>			
Provision of services in civil construction			
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<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Júnior CEO	155.400.143-91	Control	Supplier
<b>Related person</b>			
LDB Transportes de Cargas Ltda Equity interest	09.411.448/0001-72		
<b>Note</b>			
Cargo transportation services			
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<b>Issuer Manager</b>			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
CEO			
Related person			
LDB Logistica e Transporte Ltda	16.906.199/0001-51		
Equity interest			
Note			
Cargo transportation services			
Issuer Manager			
Francisco Ivens de Sá Dias Branco Júnior	155.400.143-91	Control	Supplier
CEO			
Related person			
LDB Logistica e Transporte Ltda	16.906.199/0001-51		
Equity interest			
Note			
Cargo transportation services			
Issuer Manager			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Direct Controller
Effective Member of the Board of Directors			
Related person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
Note			
-			
Issuer Manager			
FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO	220.794.163-91	Control	Supplier
Effective Member of the Board of Directors			
Related person			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b> Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest <b>Note</b> Hotel Services	07.415.391/0001-54		
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<b>Issuer Manager</b> FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO Effective Member of the Board of Directors	220.794.163-91	Control	Debtor
<b>Related person</b> Terminal Portuário Cotegipe S.A. Equity interest <b>Note</b> Provision of services in the unloading of wheat and other services	40.561.649/0001-04		
<hr/>			
<b>Issuer Manager</b> FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO Effective Member of the Board of Directors	220.794.163-91	Control	Supplier
<b>Related person</b> Companhia Industrial de Cimento Apodi Equity interest <b>Note</b> Materials used in civil works	10.260.249/0004-32		
<hr/>			
<b>Issuer Manager</b> FRANCISCO MARCOS SARAIVA LEAO DIAS BRANCO Effective Member of the Board of Directors	220.794.163-91	Control	Supplier
<b>Related person</b> IDIBRA Participações S.A Equity interest	06.258.768/0001-46		

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Note</b> Materials used in civil works			
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<b>Issuer Manager</b> Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development			
	235.899.653-04	Control	Direct Controller
<b>Related person</b> Dias Branco Adm. e Participações Ltda. Equity interest			
	07.886.385/0001-85		
<b>Note</b> -			
<hr/>			
<b>Issuer Manager</b> Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development			
	235.899.653-04	Control	Supplier
<b>Related person</b> Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest			
	07.415.391/0001-54		
<b>Note</b> Hotel Services			
<hr/>			
<b>Issuer Manager</b> Maria Regina Saraiva Leão Dias Branco Vice President of Administration and Development			
	235.899.653-04	Control	Debtor
<b>Related person</b> Terminal Portuário Cotegipe S.A. Equity interest			
	40.561.649/0001-04		
<b>Note</b> Provision of services in the unloading of wheat and other services			
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7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
<b>Issuer Manager</b>			
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	Control	Supplier
Vice President of Administration and Development			
<b>Related person</b>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<b>Note</b>			
Materials used in civil construction			
-----			
<b>Issuer Manager</b>			
Maria Regina Saraiva Leão Dias Branco	235.899.653-04	Control	Supplier
Vice President of Administration and Development			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Provision of services in civil construction			
-----			
<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Direct Controller
Industrial Vice-President - Mills			
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
<b>Note</b>			
-			
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<b>Issuer Manager</b>			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
Industrial Vice-President - Mills			
Related person			
Praia Centro Hotéis, Viagens e Turismo Ltda.		07.415.391/0001-54	
Equity interest			
Note			
Hotel Services			
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Issuer Manager			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO		262.329.013-04	
Industrial Vice-President - Mills		Control	
Debtor			
Related person			
Terminal Portuário Cotegipe S.A.		40.561.649/0001-04	
Equity interest			
Note			
Provision of services in the unloading of wheat and other services			
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Issuer Manager			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO		262.329.013-04	
Industrial Vice-President - Mills		Control	
Supplier			
Related person			
Companhia Industrial de Cimento Apodi		10.260.249/0004-32	
Equity interest			
Note			
Materials used in civil construction			
-----			
Issuer Manager			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO		262.329.013-04	
Industrial Vice-President - Mills		Control	
Supplier			
Related person			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
Note			
Provision of services in civil construction			
Issuer Manager			
FRANCISCO CLAUDIO SARAIVA LEAO DIAS BRANCO	262.329.013-04	Control	Supplier
Industrial Vice-President - Mills			
Related person			
AET - Engenharia e Soluções Tecnológicas Avançadas Ltda.	12.304.942/0001-42		
Equity interest			
Note			
Provision of maintenance and installation of equipment services			
Issuer Manager			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Direct Controller
Chairperson of the Board of Directors			
Related person			
Dias Branco Adm. e Participações Ltda.	07.886.385/0001-85		
Equity interest			
Note			
Issuer Manager			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors			
Related person			
Praia Centro Hotéis, Viagens e Turismo Ltda.	07.415.391/0001-54		
Equity interest			
Note			

7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
Hotel Services			
<hr/>			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Debtor
Chairperson of the Board of Directors			
<b>Related person</b>			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity interest			
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
<hr/>			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors			
<b>Related person</b>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<b>Note</b>			
Materials used in civil works			
<hr/>			
<b>Issuer Manager</b>			
MARIA CONSUELO SARAIVA LEAO DIAS BRANCO	272.898.853-68	Control	Supplier
Chairperson of the Board of Directors			
<b>Related person</b>			
IDIBRA Participações S.A	06.258.768/0001-46		
Equity interest			
<b>Note</b>			
Provision of services in civil construction			
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<b>Issuer Manager</b>			

## 7.6 Relationship of subordination, service provision or control

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
<b>Position/Role</b>			
MARIA CONSUELO SARAIVA LEO DIAS BRANCO Chairperson of the Board of Directors	272.898.853-68	Control	Direct Controller
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda. Equity interest	07.886.385/0001-85		
<b>Note</b>			
<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia Financial Vice-President	273.184.433-72	Control	Direct Controller
<b>Related person</b>			
Dias Branco Adm. e Participações Ltda. Equity interest	07.886.385/0001-85		
<b>Note</b>			
-			
<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia Financial Vice-President	273.184.433-72	Control	Supplier
<b>Related person</b>			
Praia Centro Hotéis, Viagens e Turismo Ltda. Equity interest	07.415.391/0001-54		
<b>Note</b>			
Hotel Services			
<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia Financial Vice-President	273.184.433-72	Control	Debtor
<b>Related person</b>			

Identification	CPF/CNPJ	Type of relationship of the Manager with related person	Type of related person
Position/Role			
Terminal Portuário Cotegipe S.A.	40.561.649/0001-04		
Equity interest			
<b>Note</b>			
Provision of services in the unloading of wheat and other services			
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<b>Issuer Manager</b>			
Maria das Graças Dias Branco da Escóssia	273.184.433-72	Control	Supplier
Financial Vice-President			
<b>Related person</b>			
Companhia Industrial de Cimento Apodi	10.260.249/0004-32		
Equity interest			
<b>Note</b>			
Materials used in civil construction			
-----			
<b>Issuer Manager</b>			
	273.184.433-72	Control	Supplier

7.6 Relationship of subordination, service provision or control

Maria das Graças Dias Branco da Escóssia  
Financial Vice-President

**Related person**

IDIBRA Participações S.A  
Equity interest

06.258.768/0001-46

**Note**

Materials used in civil construction

## **7.7 Management's agreements/insurance**

According to paragraph 4 of article 9 of the Bylaws, the Company may contract insurance to protect the assets of the Company and of its Directors and Officers against possible losses caused by conflicts or demands derived from acts of management in or out the capital market. The Company may further hire, at its expenses, attorneys and other professionals that are required to the defense of the Directors and Officers in demands caused by acts practiced in the Company's management, even if such conflicts arise after the expiration of the managers' terms of office.



## 7.8 Other relevant information

Our Company, which has been listed on B3's Novo Mercado since 2006, adopted an indicator called iMDB – M. Dias Branco Corporate Governance Index, which helps the company to direct efforts to improve and measure progress in the 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 comprises a Board of Directors, elected by the Shareholders' Meeting; three advisory committees to the Board of Directors – ESG, People and Management and Audit Committees; a Statutory Board, elected by the Board of Directors for a three-year term; and the Governance Department.

The Board of Directors is responsible for the business guidance, including the long-term strategy. It currently comprises six board members, where 50% are independent members. Since 2014, the positions of Chief Executive Officer and Chairperson of the Board of Directors have been held by different individuals.

As part of the restructuring process implemented in 2021, with the support of an external consultancy, two vice-presidencies were created in the Company: Supply Chain and Legal, Governance, Risks and Compliance.

### Governance Forums

The Company has a Corporate Governance Department, which acts as an interface between the Executive Board (Statutory and Executive), the Board of Directors and its advisory committees.

We currently have eight committees (Ethics, Occupational Health and Safety, Sustainability, Image Management, Audit, People and Management and ESG), three of which (Audit, People and Management and ESG) provide direct advice to the Board of Directors.

The **Audit Committee**, made up 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** focuses on issues pertaining to people and management; appointment, succession and compensation of members of the Board of Directors and the Statutory Board; definition of benefits and goals and talent development and retention programs; and establishment of management practices supportive of meritocracy.

The **ESG Committee** is focused on improving internal controls and mechanisms of its environmental, social and governance agenda, including the Company's sustainable development, ensuring compliance with applicable laws and best market practices.

## 8.1 Compensation policy or practice

**a. Objectives of the compensation policy or practice, informing if the compensation policy was formally approved, the body responsible for approval, date of approval and, if the issuer publishes the policy, the page on the World Wide Web where the document can be consulted**

The Company's Management Compensation 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 are entitled to a fixed monthly compensation, as monthly payment, whose amount shall be determined considering, among other factors, responsibilities, time dedicated to the roles performed, their skills and their professional reputation. Subject to the limit established by the Shareholders' Meeting, the Board of Directors is responsible for, at its discretion, establishing the individual compensation of its members upon recommendation by the People and Management Committee. Members of the Board of Directors who are already part of the Company's Statutory Board may not be entitled to additional compensation for acting as a director. Currently, the members of the Board of Directors are not entitled to receive variable compensation.

### **Statutory Board:**

The members of the Company's Statutory Board shall be entitled to a fixed monthly compensation, as monthly payment or salary, the amount of which shall be determined according to the position held by the professional, their representativeness and the amounts consistent with market practices, in the segment in which the Company operates, always considering the skills, knowledge and abilities of each professional. As a variable compensation, 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 controlling block, a long-term incentive program with restricted stock options, based on performance criteria. There is no compensation or benefit linked to the occurrence of any particular corporate event.

### **Non-Statutory Board:**

The Company's compensation to the members of its non-Statutory Board is based on market practices, identified through surveys and inquiries encompassing companies of similar size or characteristics, and involves an alignment between the results obtained and a proper compensation to the Officers. The compensation practice aims at hiring and ensuring the permanence of highly qualified professionals in the Company's management. The compensation policy for its members is based on current legislation, as all of them are hired under labor laws (CLT). The Company offers the Executive Officers a profit sharing program (PSP), according to corporate, sectorial and individual performance indicators, and a long-term incentive program (LTI), with the granting of restricted shares, also based on performance criteria. The compensation policy does not allow any compensation or benefits linked to the occurrence of any particular corporate event.

### **Fiscal Council:**

The Company does not have a Fiscal Council in operation. When the Fiscal Council was in operation, until April 2009, there was no compensation for its members.

## 8.1 Compensation policy or practice

### Committees:

*Audit Committee, ESG Committee and People and Management Committee*

The members of the Company's Committees shall be entitled to a fixed monthly compensation, as monthly payment, the amount of which shall be determined by the Board of Directors according to the market practices, in the segment in which the Company operates, always considering the skills, knowledge and abilities of each professional. Members of the Committees who are employees or administrators of the Company may not be entitled to additional compensation for exercising the activities at the Committees. Committee members shall not be entitled to any type of variable compensation or benefit.

*Executive Committee, Ethics Committee, Sustainability Committee, Occupational Health and Safety Committee and Image Management Committee*

There is no additional compensation for the members of the Company's Executive Committee, Ethics Committee, Sustainability Committee, Occupational Health and Safety Committee and Image Management Committee.

### **b. practices and procedures adopted by the board of directors to define the individual compensation 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

Compensation and benefits area The Company annually hires a database survey from a reputable market compensation consulting firm, and, based on the results of this survey, the opportunities for adjustments are analyzed.

People and Management Committee: formulates recommendations on levels, amounts and adjustments of the individual compensation of the members of the Company's Board of Directors and Statutory Board.

Board of Directors: analyzes and decides on the proposal recommended by the People and Management Committee.

ii. criteria and methodology used to determine individual compensation, indicating whether studies are used to verify market practices, and, if so, the comparison criteria and scope of these studies

Compensation is determined based on a salary table, where we assess the salary positioning as compared to the market, the internal salary equity and the level of complexity of the position/role.

iii. how often and how does the board of directors assess the adequacy of the issuer's compensation policy

Adjustments to the compensation policy are reported annually to the People, Management and Sustainability Vice-Presidency and are based on salary surveys and analyzes of market practices in line with our business. The last update took place in May/2022.

## 8.1 Compensation policy or practice

### c. breakdown of compensation, indicating:

i. description of the various elements that make up the compensation, including, for each of them:

#### - Its objectives and alignment with the short, medium and long term interests of the issuer

##### Board of Directors

- Monthly payment - corresponds to the monthly compensation and aims to offer the fixed consideration for the performance of the responsibilities of the position.

##### Statutory Board

- Salaries or monthly payment - correspond to the monthly compensation 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 and dental care and etc., and aims to promote better quality of life conditions to its professionals, thereby resulting in their engagement in the pursuit of the organization's results.
- Variable compensation – i) profit sharing (PSP): profit sharing (PSP): aims to provide a stricter alignment of each manager's performance with the corporate and sector results intended by the Company; and, ii) a long-term incentive program (LTI), with the granting of restricted shares, based on performance criteria, for Officers hired as of 2019: the goal is to create a sense of "ownership", encourage high and sustainable levels of performance, ensure the competitiveness of the total compensation package, and the retention of key leaders.

##### Non-Statutory Board

- Salaries - correspond to the monthly compensation 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 and dental care and etc., and aims to promote better quality of life conditions to its professionals, thereby resulting in their engagement in the pursuit of the organization's results.
- Variable compensation – i) profit sharing (PSP): profit sharing (PSP): aims to provide a stricter alignment of each manager's performance with the corporate and sector results intended by the Company; and, ii) a long-term incentive program (LTI), with the granting of restricted shares: the goal is to create a sense of "ownership", encourage high and sustainable levels of performance, ensure the competitiveness of the total compensation package, and the retention of key leaders.

##### Audit Committee, ESG Committee and People and Management Committee

- Monthly payment - corresponds to the monthly compensation and aims to offer the fixed consideration for the performance of the responsibilities of the independent members of the Committee.
- Others - correspond to amounts related to social security.

## 8.1 Compensation policy or practice

### Executive Committee, Ethics Committee, Sustainability Committee, Occupational Health and Safety Committee and Image Management Committee

- These committees are comprised by Company's professionals who do not receive any additional compensation for participating in the Committee.

It should be noted that the short, medium and long-term alignment to the Company's interests is based on the fact that compensation, in compliance with market parameters, encourages the maintenance of the best talent, remains compatible with the responsibilities assigned to each manager, and encourages the delivery of results and the achievement of corporate objectives in accordance with the Company's strategic plan.

#### - Its proportion in total compensation in the last 3 fiscal years

##### Fiscal Year - 2022

	Salary and Monthly payment	Benefits	Other	Variable compensation	Total compensation
Board of Directors	82.84%	0.64%	16.57%	-	100.00%
Audit Committee	84.14%	-	15.86%	-	100.00%
Statutory Board	42.35%	2.78%	9.23%	45.64%	100.00%
Non-Statutory Board	61.70%	8.80%	14.88%	14.62%	100.00%

##### Fiscal Year - 2021

	Salary and Monthly payment	Benefits	Other	Variable compensation	Total compensation
Board of Directors	82.84%	0.59%	16.57%	-	100.00%
Audit Committee	90.70%	-	9.30%	-	100.00%
Statutory Board	53.19%	3.20%	11.84%	31.77%	100.00%
Non-Statutory Board	57.36%	9.84%	11.39%	21.41%	100.00%

##### Fiscal Year - 2020

	Salary and Monthly payment	Benefits	Other	Variable compensation	Total compensation
Board of Directors	82.60%	0.88%	16.52%	-	100.00%
Audit Committee	91.52%	-	8.48%	-	100.00%
Statutory Board	53.38%	3.53%	11.06%	32.03%	100.00%
Non-Statutory Board	58.13%	9.14%	5.03%	27.70%	100.00%

#### - Its calculation and adjustment methodology

The adjustment of the fixed compensation of the Board of Directors and the members of its advisory committees, the Statutory Board and the Non-Statutory Board is made on an annual basis, following the same adjustment parameter defined in the collective bargaining agreements entered into with the labor unions at the Company's headquarters. The variable compensation of the Statutory and non-Statutory Boards is defined based on goals and

## 8.1 Compensation policy or practice

performances to be achieved.

### - Main performance indicators considered therein, including, where applicable, indicators linked to ESG issues

Board of Directors: the Company has no performance indicators for determining the compensation elements of the Board of Directors;

Statutory Board: for salary or monthly payment, and the direct and indirect benefits, the Company has no mechanisms of performance indicators. In terms of profit sharing (PSP), in its strategic planning, the Company annually sets goals to be achieved, which will be the basis for the corporate goals, as well as the variable compensation criteria applicable when achieving such goals, subject to the limit of salary multiples approved by the Board of Directors. In the composition of the PSP payment, the Statutory officers' sectorial indicators that are directly related to the Strategic Sustainability Agenda are assessed, with public targets allocated to ESG pillars, and can be consulted on the Company's website. Regarding the long-term incentive program (LTI) with the granting of restricted shares (for officers hired as of 2019), the number of shares to be effectively converted into full ownership by the plan participant shall depend on the Company's performance in terms of share appreciation - TSR (total shareholder return)

Non-Statutory Board: for salary and direct and indirect benefits, the Company has no mechanisms of performance indicators. For profit sharing, in its strategic planning, the Company annually sets objectives to be achieved, which shall be the basis for the corporate goals, as well as the variable compensation criteria applicable when achieving such goals, under the terms agreed and defined on periodical basis with the unions of each professional category/state. In the composition of the PSP payment, the Non-Statutory officers' sectorial indicators that are directly related to the Strategic Sustainability Agenda are assessed, with public targets allocated to ESG pillars, and can be consulted on the Company's website. In addition, in the Performance Management Program, the assessment of Skill: Sustainable Results, reveals the level of commitment of each executive with responsible decisions and practices related to the preservation of the environment, social agenda and governance (ESG). Regarding the long-term incentive program (LTI) with the granting of restricted shares, the number of shares to be effectively converted into full ownership by the plan participant shall depend on the Company's performance in terms of share appreciation - TSR (total shareholder return)

Advisory committees to the Board of Directors: The Company has no mechanisms of performance indicators for determining the compensation elements of the Audit Committee.

Strategic and Corporate Performance Committee: there is no compensation for the members of the Company's strategic committee.

ii. reasons for the composition of the compensation

Compensate the professionals according to the responsibilities of the position, market practices and level of competitiveness of the Company.

iii. existence of members not compensated by the issuer and the reason for this fact

Boards of Directors: Statutory Officers that make up the Board of Directors do not receive specific compensation for that purpose, as per the possibility provided for in the Company's Management Compensation Policy.

Advisory committees: the Statutory and non-Statutory Officers who make up the committees do not receive specific compensation for this purpose, as provided for in the Company's Management Compensation Policy.

## 8.1 Compensation policy or practice

**d. existence of compensation supported by subsidiaries, controlled companies or direct or indirect controllers**

There is no compensation supported by subsidiaries, controlled companies or direct or indirect controllers of the Company.

**e. existence of any compensation or benefit linked to the occurrence of a particular corporate event, such as the disposal of the issuer's corporate control.**

There is no compensation or benefit linked to the occurrence of any particular corporate event.

**8.2 Total compensation by body****Total compensation forecast for current Fiscal Year 12/31/2023 - Annual Amounts**

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	7.00	8.00	0.00	15.00
No. of paid members	5.00	8.00	0.00	13.00
<b>Annual fixed compensation</b>				
Salary or Monthly payment	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 compensation	Fixed compensation classified in "Other" refers to the contribution to social security.	Fixed compensation classified in "Other" refers to the contribution to social security.		
<b>Variable compensation</b>				
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 compensation		Variable compensation classified in "Others" refers to social security charges levied on long-term incentives.		
<b>Post-employment</b>	0.00	0.00	0.00	0.00
<b>Cessation of office</b>	0.00	0.00	0.00	0.00
<b>Based on shares (including options)</b>	0.00	5,002,515.02	0.00	5,002,515.02
<b>Note</b>			There is no prospect for the Fiscal Council's convening for 2023.	
Total compensation	3,086,810.05	41,913,189.95	0.00	45,000,000.00



**Total compensation for Fiscal Year on 12/31/2022 - Annual Amounts**

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	7.00	8.00	0.00	15.00
No. of paid members	5.00	8.00	0.00	13.00
<b>Annual fixed compensation</b>				
Salary or Monthly payment	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 compensation	Fixed compensation classified in "Other" refers to the contribution to social security.	Fixed compensation classified in "Other" refers to the contribution to social security.		
<b>Variable compensation</b>				
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 compensation		Variable compensation classified in "Others" refers to social security charges levied on long-term incentives.		
<b>Post-employment</b>	0.00	0.00	0.00	0.00
<b>Cessation of office</b>	0.00	0.00	0.00	0.00
<b>Based on shares (including options)</b>	0.00	3,120,553.60	0.00	3,120,553.60
<b>Note</b>			The Fiscal Council was not in operation in 2022.	
Total compensation	2,876,803.40	39,303,865.83	0.00	42,180,669.23

**Total compensation for Fiscal Year on 12/31/2021 - Annual Amounts**

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	6.00	6.00	0.00	12.00
No. of paid members	4.00	6.00	0.00	10.00
<b>Annual fixed compensation</b>				
Salary or Monthly payment	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 compensation	Variable compensation classified in "Others" refers to social security charges levied on long-term incentives.	Fixed compensation classified in "Other" refers to the contribution to social security.		
<b>Variable compensation</b>				
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 compensation		Variable compensation classified in "Others" refers to social security charges levied on long-term incentives.		
<b>Post-employment</b>	0.00	0.00	0.00	0.00
<b>Cessation of office</b>	0.00	0.00	0.00	0.00
<b>Based on shares (including options)</b>	0.00	2,071,679.28	0.00	2,071,679.28
<b>Note</b>			The Fiscal Council was not in operation in 2021.	
Total compensation	2,534,327.26	20,987,362.73	0.00	23,521,689.99

**Total compensation for Fiscal Year on 12/31/2020 - Annual Amounts**

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	6.00	6.00	0.00	12.00
No. of paid members	4.00	6.00	0.00	10.00
<b>Annual fixed compensation</b>				
Salary or Monthly payment	1,771,480.18	12,796,349.03	0.00	14,567,829.21
Direct and indirect benefits	20,112.38	846,040.79	0.00	866,153.17
Participation in committees	112,022.91	0.00	0.00	112,022.91
Other	376,700.59	2,651,848.97	0.00	3,028,549.56
Description of other fixed compensation	Fixed compensation classified in "Other" refers to the contribution to social security.	Fixed compensation classified in "Other" refers to the contribution to social security.		
<b>Variable compensation</b>				
Bonus	0.00	0.00	0.00	0.00
Profit sharing	0.00	6,698,215.31	0.00	6,698,215.31
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Description of other variable compensation				
<b>Post-employment</b>	0.00	0.00	0.00	0.00
<b>Cessation of office</b>	0.00	0.00	0.00	0.00
<b>Based on shares (including options)</b>	0.00	978,854.52	0.00	978,854.52
<b>Note</b>			The Fiscal Council was not in operation in 2020.	
Total compensation	2,280,316.06	23,971,308.62	0.00	26,251,624.68

### 8.3 Variable compensation

Fiscal Year: 12/31/2023

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	7.00	8.00	0.00	15.00
No. of paid members	0.00	8.00	0.00	8.00
IN RELATION TO BONUS				
Minimum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00
Maximum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00
Amount provided for in the compensation plan, if the goals are achieved				
Amount effectively recognized in the fiscal year				
IN RELATION TO PROFIT SHARING				
Minimum amount provided for in the compensation plan	0.00	9540085.92	0.00	9,540,085.92
	0.00	11925107.40	0.00	11,925,107.40
Maximum amount provided for in the compensation plan	0.00	11925107.40	0.00	11,925,107.40
	0.00	0.00	0.00	0.00
Amount provided for in the compensation plan, if the goals are achieved				
Amount effectively recognized in the fiscal year				

Fiscal Year: 12/31/2022

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	7.00	8.00	0.00	15.00
No. of paid members	0.00	8.00	0.00	8.00
IN RELATION TO BONUS				
Minimum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
Amount provided for in the compensation plan, if the goals are 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 compensation plan	0.00	8603574.78	0.00	8,603,574.78
Maximum amount provided for in the compensation plan	0.00	10754468.48	0.00	10,754,468.48
Amount provided for in the compensation plan, if the goals are achieved	0.00	10754468.48	0.00	10,754,468.48
Amount effectively recognized in the fiscal year	0.00	14024789.23	0.00	14,024,789.23

Fiscal Year: 12/31/2021

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	6.00	6.00	0.00	12.00
No. of paid members	0.00	6.00	0.00	6.00
IN RELATION TO BONUS				
Minimum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
Amount provided for in the compensation plan, if the goals are 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 compensation plan	0.00	5570039.10	0.00	5,570,039.10
Maximum amount provided for in the compensation plan	0.00	6962548.88	0.00	6,962,548.88
Amount provided for in the compensation plan, if the goals are achieved	0.00	6962548.88	0.00	6,962,548.88
Amount effectively recognized in the fiscal year	0.00	4328794.24	0.00	4,328,794.24

Fiscal Year: 12/31/2020

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	6.00	6.00	0.00	12.00
No. of paid members	0.00	6.00	0.00	6.00
IN RELATION TO BONUS				
Minimum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
Maximum amount provided for in the compensation plan	0.00	0.00	0.00	0.00
Amount provided for in the compensation plan, if the goals are 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 compensation plan	0.00	6241251.02	0.00	6,241,251.02
Maximum amount provided for in the compensation plan	0.00	7801563.78	0.00	7,801,563.78
Amount provided for in the compensation plan, if the goals are achieved	0.00	7801563.78	0.00	7,801,563.78
Amount effectively recognized in the fiscal year	0.00	6698215.31	0.00	6,698,215.31

## 8.4 Share-based compensation plan

For share-based compensation plan for the board of directors and the Statutory Board, in force in last fiscal year and planned for the current fiscal year, describe:

### a. general terms and conditions

The following will be considered eligible participants: (a) all statutory officers (employees); (b) all executives at the non-statutory officer level; and (c) up to 20% of the executives at the managerial level considered to be key talents, under the terms of the Company's Performance Management Program, provided they have signed the adhesion agreement for participating in the program.

### b. approval date and responsible body

Approved on 04.30.2021 by the Extraordinary Shareholders' Meeting.

### c. maximum number of shares covered

The shares granted pursuant to this Plan may not exceed one percent (1.0%) of the total number of Company's shares over the entire effective term.

### d. maximum number of options to be granted

Not applicable.

### e. Conditions for acquiring shares

At each annual concession, the beneficiary shall be entitled to the number of shares corresponding to determined multiple of his/her monthly salaries in effect at the time of each grant, subject to the terms and conditions set forth in the respective Instrument of Adhesion (private instrument entered into between the Company and the Beneficiary, whereby the beneficiary shall adhere to the terms and conditions of the Plan). For the managerial level, the reference multiple shall be three (3) salaries; for the non-statutory officer level, the multiple shall be seven (7) salaries, while for the statutory officer (under labor laws - CLT) level, it shall be twelve (12) salaries.

As a pre-requisite for joining the plan, potential beneficiaries are required to invest ten percent (10%) of the net PSP (after deduction of income tax portion) for the year prior to the grant, to be converted into shares in immediate possession of the beneficiary, blocked for sale for two (02) years ("Shares Acquired").

For the shares granted by the company ("Restricted Shares"), there shall be a vesting period of three (3) years as from the date of each annual grant, at the end of which the ownership of the shares shall be transferred to the executive, if the performance criteria are met, as follows.

After the vesting period is over, the quantity of units to be effectively converted into shares held by the participant shall be calculated as a function of the incremental TSR (Total Shareholder Return) versus the variation of the Broad National Consumer Price Index - IPCA for the period. A final conversion factor shall also be considered, with a floor of 50% (initial performance) and a ceiling of 150% (outstanding performance). After applying the conversion factor, the executive shall have full ownership of the amount of shares earned, with the consequent right to receive benefits thereafter.

Additionally, to ensure the full alignment of interests between executives and shareholders regarding the distribution of earnings during the entire plan calendar, after the three-year vesting period, a retroactive calculation shall also be made of the earnings related to the vesting period, considering the number of shares effectively earned by the executive, and

## 8.4 Share-based compensation plan

an additional amount of shares shall be paid corresponding to the calculated amount (rounding the calculated amount of shares down to the next smaller integer amount).

Half of the total Restricted Shares granted may not be sold by the executive for a period of one (01) year after the end of the vesting period. For avoidance of doubts, the other half of the Restricted Shares may be traded by the executive shortly after the end of the vesting period and subsequent effective receipt of the shares.

At the Company's discretion, for potential beneficiaries hired as from 2021, the first year of the grant shall be that of their hiring and the investment pre-requisite for this first period shall not be required, therefore there are no Shares Acquired in the first year of grant. Restricted Shares shall be granted in the proportion to the months of their hiring and the amount for setting the share price shall be the same as for the other beneficiaries in the reference year.

### **f. criteria for setting share strike price**

Average share price of the last forty (40) trading sessions prior to the grant date.

### **g. criteria for setting share acquisition or exercise term**

Grants shall be held annually for a period of four (4) years of the effective term of the plan, always in May, after the payment of the PSP for the previous year. For potential beneficiaries hired as of 2021, the first grant of Restricted Shares shall be on the date of hiring.

### **h. form of settlement**

For the purpose of complying with the grant under the Plan, the Company may, at the discretion of the Board of Directors, issue new shares within the authorized capital limit or sell treasury shares.

### **i. restrictions on the transfer of shares**

Shares Acquired by the beneficiary shall be blocked for sale for two (02) years. For the shares granted by the company ("Restricted Shares"), there shall be a vesting period of three (3) years as from the date of each annual grant, at the end of which the ownership of the shares shall be transferred to the executive, if the performance criteria are met, as follows.

After the vesting period is over, the quantity of units to be effectively converted into shares held by the participant shall be calculated as a function of the incremental TSR (Total Shareholder Return) versus the variation of the Broad National Consumer Price Index - IPCA for the period. A final conversion factor shall also be considered, with a floor of 50% (initial performance) and a ceiling of 150% (outstanding performance). After applying the conversion factor, the executive shall have full ownership of the amount of shares earned, with the consequent right to receive benefits thereafter.

Additionally, to ensure the full alignment of interests between executives and shareholders regarding the distribution of earnings during the entire plan calendar, after the three-year vesting period, a retroactive calculation shall also be made of the earnings related to the vesting period, considering the number of shares effectively earned by the executive, and an additional amount of shares shall be paid corresponding to the calculated amount (rounding the calculated amount of shares down to the next smaller integer amount).

## 8.4 Share-based compensation plan

Half of the total Restricted Shares granted may not be sold by the executive for a period of one (01) year after the end of the vesting period. For avoidance of doubts, the other half of the Restricted Shares may be traded by the executive shortly after the end of the vesting period and subsequent effective receipt of the shares.

At the Company's discretion, for potential beneficiaries hired as from 2021, the first year of the grant shall be that of their hiring and the investment pre-requisite for this first period shall not be required, therefore there are no Shares Acquired in the first year of grant. Restricted Shares shall be granted in the proportion to the months of their hiring and the amount for setting the share price shall be the same as for the other beneficiaries in the reference year.

### **j. criteria and events that, when materialized, will cause the suspension, alteration or extinction of the plan**

Plan Amendment: the Company's Shareholders' Meeting shall be the sole responsible for amending the Plan, as well as creating new performance plans or incentives backed by the granting of options. In addition, any significant legal change regarding the regulation of corporations, publicly-held companies, labor law and/or the tax effects of a stock option plan may lead to the full revision of the Plan, which shall be submitted to the Shareholders' Meeting. .

Plan Extinction: the Plan may be terminated at any time by decision of the Company's Shareholders' Meeting or upon occurrence of the following events: (i) corporate reorganization of the Company, such as merger, consolidation or split, in which the remaining company is not M. Dias Branco (ii) dissolution or liquidation of the Company; (iii) cancellation of its publicly-held company registration; (iv) expiration of its term; or (v) shareholders' resolution to terminate the Plan.  
There is no forecast for the suspension of the Plan.

### **k. effects of the exit of the manager from the issuer's bodies on their rights provided for in the share-based compensation plan**

#### **TERMINATION**

In the event the executive is dismissed or requests termination during the term of the plan:

#### **Executive portion (arising from invested PSP):**

Shares shall be available for sale irrespective of the type of termination.

#### **Company portion (arising from the company grant):**

Restricted shares on grace period:

In the event of termination by the company's initiative, a portion of the shares, to be calculated in proportion to the grace period already fulfilled in number of months (pro-rata), shall be transferred to the former executive.

In the event of dismissal by initiative of the executive or for cause, the company's share shall be lost.



## 8.4 Share-based compensation plan

### RETIREMENT

If the executive retires or is dismissed already retired during the term of the plan:

If the retired executive has been at least for 10 uninterrupted years at the service of the company and formally notifies the board of directors of his or her termination at least 6 months in advance, those shares in grace period shall be accelerated.

If the retired executive does not meet both of the above requirements simultaneously (10 years at the company and prior notice of at least Proposed Design) and leaves the company on his or her own initiative, there shall be a pro-rata reduction of the shares in grace period (i.e. a portion, to be calculated proportionally to the grace period already fulfilled in number of months).

If the retired executive is dismissed at the initiative of M. Dias Branco without cause: There shall be a full acceleration of the grace periods only if the executive has more than 10 completed and uninterrupted years at the Company's service.

If this requirement is not met, there shall be a pro-rated reduction of the grace period (i.e. a portion to be calculated in proportion to the grace period already fulfilled in number of months).

### DEATH

If the executive dies during the term of the plan:

In the event of the participant's death, any portions of shares in grace period arising from the company's grant shall be reduced in proportion to the grace period already completed in full number of months, and their ownership transferred to the legal heirs.

### SHARES ON GRACE PERIOD IN THE EVENT OF WITHDRAWAL

In all cases of withdrawal of the participant in which there is no full loss of shares in grace period arising from to the portion of the company, except in the event of death, the final multiplier factor shall be calculated considering the largest possible number of years, with no fractional calculations within the current year. For any lots in the first grace year, a final multiplier factor of 100% shall be assumed.

**8.5 Share-based compensation (Stock Options)****Fiscal Year: 12/31/2023**

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	7.00	8.00	0.00	15.00
No. 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	----
<b>WEIGHTED AVERAGE STRIKE PRICE OF EACH OF THE FOLLOWING GROUPS OF OPTIONS</b>				
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 Board	Fiscal Council	Total
Total number of members	7.00	8.00	0.00	15.00
No. 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	----
<b>WEIGHTED AVERAGE STRIKE PRICE OF EACH OF THE FOLLOWING GROUPS OF OPTIONS</b>				
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 Board	Fiscal Council	Total
Total number of members	6.00	6.00	0.00	12.00
No. 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	----
<b>WEIGHTED AVERAGE STRIKE PRICE OF EACH OF THE FOLLOWING GROUPS OF OPTIONS</b>				
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: 12/31/2020**

	Board of Directors	Statutory Board	Fiscal Council	Total
Total number of members	6.00	6.00	0.00	12.00
No. 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	----
<b>WEIGHTED AVERAGE STRIKE PRICE OF EACH OF THE FOLLOWING GROUPS OF OPTIONS</b>				
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, 2022, there was no outstanding option held by any member of the board of directors and of the Statutory Board.

**8.8Options exercised and shares delivered**

Not applicable.

## 8.9 Potential dilution due to the granting of shares

\*\*To avoid duplicity, the amounts computed as compensation of the members of the board of directors shall be deducted from the compensation of the officers who are also part of that body.

	Board of Directors	Statutory Board
Fiscal Year 2023		
Total number of members	NA	8
No. of paid members	NA	4
Potential dilution in case of granting of all shares to beneficiaries	NA	1,435,617.40
	Board of Directors	Statutory Board
Fiscal Year 2022		
Total number of members	NA	8
No. of paid members	NA	3
Potential dilution in case of granting of all shares to beneficiaries	NA	1,331,812.79
	Board of Directors	Statutory Board
Fiscal Year 2021		
Total number of members	NA	6
No. of paid members	NA	2
Potential dilution in case of granting of all shares to beneficiaries	NA	906,390.54
	Board of Directors	Statutory Board
Fiscal Year 2020		
Total number of members	NA	6
No. of paid members	NA	2
Potential dilution in case of granting of all shares to beneficiaries	NA	263,745.08

## 8.10 Granting of shares

<b>Fiscal Year 2022</b>	<b>Board of Directors</b>	<b>Statutory Board</b>
Total number of members	-	<b>8</b>
No. of paid members	-	<b>4</b>
Grant Date	NA	05/31/22
Number of shares granted	NA	239,791
Maximum term for delivery of shares	NA	36 months
Restriction period for the transfer of shares	NA	-
Fair value of 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

<b>Fiscal Year 2021</b>	<b>Board of Directors</b>	<b>Statutory Board</b>
Total number of members	-	<b>6</b>
No. of paid members	-	<b>2</b>
Grant Date	NA	05/31/21
Number of shares granted	NA	98,307
Maximum term for delivery of shares	NA	36 months
Restriction period for the transfer of shares	NA	-
Fair value of 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

<b>Fiscal Year 2020</b>	<b>Board of Directors</b>	<b>Statutory Board</b>
Total number of members	-	<b>6</b>
No. of paid members	-	<b>2</b>
Grant Date	NA	05/31/20
Number of shares granted	NA	66,214
Maximum term for delivery of shares	NA	36 months
Restriction period for the transfer of shares	NA	-
Fair value of shares on the grant date	NA	R\$ 30.80
multiplying the number of shares granted by the fair value of the shares on the grant date	NA	2,039,391.20

**8.11 Shares Delivered****Fiscal Year: 12/31/2022**

	Board of Directors	Statutory Board	Fiscal Council
Total number of members	7.00	8.00	0.00
No. of paid members	0.00	3.00	0.00
Number of shares	0	36124	0
Weighted average strike price	0.00	0.00	0.00
Weighted average market price of acquired shares	0.00	24.49	0.00
Multiplying the total number of shares acquired by the difference between the weighted average strike price and the weighted average market price of the acquired shares	0.00	-884676.76	0.00

**Fiscal Year: 12/31/2021**

	Board of Directors	Statutory Board	Fiscal Council
Total number of members	6.00	6.00	0.00
No. of paid members	0.00	0.00	0.00
Number of shares	0	0	0
Weighted average strike price	0.00	0.00	0.00
Weighted average market price of acquired shares	0.00	0.00	0.00
Multiplying the total number of shares acquired by the difference between the weighted average strike price and the weighted average market price of the acquired shares	0.00	0.00	0.00

**Fiscal Year: 12/31/2020**

	Board of Directors	Statutory Board	Fiscal Council
Total number of members	6.00	6.00	0.00
No. of paid members	0.00	0.00	0.00
Number of shares	0	0	0
Weighted average strike price	0.00	0.00	0.00
Weighted average market price of acquired shares	0.00	0.00	0.00
Multiplying the total number of shares acquired by the difference between the weighted average strike price and the weighted average market price of the acquired shares	0.00	0.00	0.00



## 8.12 Pricing of shares/options

### a. pricing model

Not applicable, considering that it is a Long-Term Incentive Program, as shares are restricted.

### b. data and assumptions used in the pricing model, including the weighted average share price, strike price, expected volatility, option term, expected dividends and risk-free interest rate.

Not applicable, due to the clarifications made in item 8.4.

### c. Method used and assumptions made to incorporate the expected effects of early exercise

Not applicable, due to the clarifications made in item 8.4.

### d. method for determining the expected volatility

Not applicable, due to the clarifications made in item 8.4.

### e. if any other characteristic of the option was incorporated into the measurement of its fair value

Not applicable, due to the clarifications made in item 8.4.

**8.13 Shares held by body**

	<b>Qty. of common shares*</b>	<b>%</b>
Controlling Shareholders	227,797,941	67.2%
Board of Directors	14,311,305	4.2%
Statutory Board	27,408,666	8.1%
Treasury Shares	2,819,146	0.8%
Free Float	66,662,942	19.7%
<b>Total</b>	<b>339,000,000</b>	<b>100.0%</b>

\* Position on 12/31/2022.

## **8.14 Pension plans**

There are no pension plans in force granted by the Company to members of the board of directors and statutory officers.

## 8.15 Minimum, average and maximum compensation

### Annual amounts

	Statutory Board			Board of Directors		
	12/31/2022	12/31/2021	12/31/2020	12/31/2022	12/31/2021	12/31/2020
<b>Number of members</b>	8.00	6.00	6.00	7.00	6.00	6.00
<b>No. of paid members</b>	8.00	6.00	6.00	5.00	4.00	4.00
<b>Amount of the highest compensation</b>	6,640,325.03	4,202,363.38	4,868,891.02	979,461.86	933,959.26	814,107.67
<b>Amount of the lowest compensation</b>	3,603,750.14	2,976,286.54	3,480,470.76	413,161.41	436,464.00	527,699.10
<b>Average amount of compensation</b>	4,912,983.23	3,497,893.79	3,995,218.10	575,360.68	633,581.82	570,079.02

### Note

Statutory Board	
<b>12/31/2022</b>	Note: (i) The compensation of the members of the Statutory Board who are also part of the Board of Directors is covered in the Statutory Board; (ii) Members of the Statutory Board with the highest and lowest individual compensation held their positions during the 12 months of fiscal year 2021; (iii) The compensation of the Statutory Board was considered to be the sum of the monthly payment/salary, direct/indirect benefits, others, and profit sharing;
<b>12/31/2021</b>	Note: (i) The compensation of the members of the statutory Board of Directors who are also members of the Board of Directors is listed in the Statutory Board; (ii) Members of the Statutory Board with the highest and lowest individual compensation held their positions during the 12 months of fiscal year 2021; (iii) The sum of monthly payment/salary, direct/indirect benefits, others and profit sharing is accounted for as compensation of the Statutory Board.
<b>12/31/2020</b>	Note: (i) The compensation of the members of the statutory Board of Directors who are also members of the Board of Directors is listed in the Statutory Board; (ii) Members of the Statutory Board with the highest and lowest individual compensation held their positions during the 11 months of fiscal year 2020; (iii) The sum of monthly payment/salary, direct/indirect benefits, others and profit sharing is accounted for as compensation of the Statutory Board.

Board of Directors	
<b>12/31/2022</b>	Note: (ii) For the calculation of the average amount of individual compensation of the board of directors, the sum of the compensation of directors was divided by four, which is the average number of members of the board of directors receiving compensation; and two of the members of the board of directors did not receive compensation for the entire period.
<b>12/31/2021</b>	Note: (ii) For the calculation of the average amount of individual compensation of the board of directors, the sum of the compensation of directors was divided by four, which is the average number of members of the board of directors receiving compensation; and two of the members of the board of directors did not receive compensation for the entire period.
<b>12/31/2020</b>	Note: (ii) For the calculation of the average amount of individual compensation of the board of directors, the sum of the compensation of directors was divided by four, which is the average number of members of the board of directors receiving compensation; and two of the members of the board of directors did not receive compensation for the entire period.

## **8.16 Compensation/indemnity mechanisms**

There are no insurance policies contracted for compensation or indemnity instruments to administrators in the event of dismissal or retirement.

## 8.16 Compensation/indemnity mechanisms

### Fiscal Year 2023

	Board of Directors	Statutory Board
% Compensation of managers - related parties	38.5%	50.9%

### Fiscal Year 2022

	Board of Directors	Statutory Board
% Compensation of managers - related parties	34.0%	47.6%

### Fiscal Year 2021

	Board of Directors	Statutory Board
% Compensation of managers - related parties	36.9%	62.8%

### Fiscal Year 2020

	Board of Directors	Statutory Board
% Compensation of managers - related parties	35.7%	64.0%

There was no fiscal council in operation in fiscal years 2022, 2021 and 2020.

## **8.18 Compensation - Other positions**

No member of the Board of Directors, Statutory Board or Fiscal Council received compensation from the Company for any services not related to the position they hold, whether for consulting, advisory services or commissions in the last three fiscal years.

## **8.19 Compensation recognized of the parent company/subsidiary**

Controllers, direct or indirect, companies under joint control and the Company's subsidiaries did not compensate members of the board of directors, nor the Statutory Board and any other management body in the last three fiscal years.



**8.20 Other relevant information**

Not applicable, since all relevant information has already been presented in the previous topics.

9.1 / 9.2 Identification and compensation

Does the company have an auditor?	YES		
CVM Code	418-9		
Auditor Type	National		
Name/Company Name	KPMG ASSURANCE SERVICES LTDA		
CPF/CNPJ	06.240.429/0001-32		
Period of service provision	01/01/2022		
Description of services contracted	Assurance of the 2021 sustainability report		
Total amount of compensation of independent auditors, broken down by service	63,183.67		
Justification of replacement	Not applicable.		
Reason presented by the auditor in case of disagreement with the issuer's justification	Not applicable.		
Name of the technical person in charge	Period of service provision	CPF	Address

Does the company have an auditor?	YES		
CVM Code	418-9		
Auditor Type	National		
Name/Company Name	KPMG Auditores Independentes		
CPF/CNPJ	57.755.217/0017-96		
Period of service provision	02/04/2022		
Description of services contracted	Assurance of the sustainability report		
Total amount of compensation of independent auditors, brokendown by service	Other services in 2022: a) Limited assurance of the sustainability report (R\$ 63 thousand).		
Justification of replacement	Not Applicable		
Reason presented by the auditor in case of disagreement with the issuer's justification	Not Applicable		
Name of the technical person in charge	Period of service provision	CPF	Address

Does the company have an auditor?	YES		
CVM Code	418-9		
Auditor Type	National		
Name/Company Name	KPMG Auditores Independentes		
CPF/CNPJ	57.755.217/0017-96		
Period of service provision	04/01/2022		
Description of services contracted	Auditing and issuing a report on the individual and consolidated financial statements of M. Dias Branco S.A. Indústria e Comércio de Alimentos ("the Company") for the year ended December 31, 2022.		
Total amount of compensation of independent auditors, brokendown by service	624,139.94		
Justification of replacement	Not Applicable		
Reason presented by the auditor in case of disagreement with the issuer's justification	Not Applicable		
Name of the technical person in charge	Period of service provision	CPF	Address

Does the company have an auditor?	YES		
CVM Code	418-9		
Auditor Type	National		
Name/Company Name	KPMG Auditores Independentes		
CPF/CNPJ	57.755.217/0017-96		
Period of service provision	04/15/2022		
Description of services contracted	Audit of 2022 Financial Statements		
Total amount of compensation of independent auditors, breakdown by service	Audit of 2022 Financial Statements: a) Fees related to external audit services (R\$ 560 thousand)		
Justification of replacement	Not Applicable		
Reason presented by the auditor in case of disagreement with the issuer's justification	Not Applicable		
Name of the technical person in charge	Period of service provision	CPF	Address

Does the company have an auditor?	YES		
CVM Code	418-9		
Auditor Type	National		
Name/Company Name	KPMG Auditores Independentes		
CPF/CNPJ	57.755.217/0017-96		
Period of service provision	01/01/2023		
Description of services contracted	Assurance of 2022 sustainability report		
Total amount of compensation of independent auditors, breakdown by service	69,970.85		
Justification of replacement	Not applicable.		
Reason presented by the auditor in case of disagreement with the issuer's justification	Not applicable.		
Name of the technical person in charge	Period of service provision	CPF	Address

Does the company have an auditor?	YES		
CVM Code	418-9		
Auditor Type	National		
Name/Company Name	KPMG Auditores Independentes		
CPF/CNPJ	57.755.217/0017-96		
Period of service provision	04/01/2023		
Description of services contracted	Auditing and issuing a report on the individual and consolidated financial statements of M. Dias Branco S.A. Indústria e Comércio de Alimentos ("the Company") for the year ended December 31, 2023.		
Total amount of compensation of independent auditors, breakdown by service	672,424.00		
Justification of replacement	Not applicable.		
Reason presented by the auditor in case of disagreement with the issuer's justification	Not applicable.		
Name of the technical person in charge	Period of service provision	CPF	Address

### **9.3 Independence and conflict of interests of auditors**

In 2022, other services were provided by the contracted auditing firm, KPMG Auditores Independentes, consisting of the audit of the integrated annual report. Management recognizes that said services did not jeopardize the independence of the auditors.

The Policy for Extra Audit Services Contracting, available on the Investor Relations website, establishes rules and guidelines for contracting Extra Audit Services by the Company and/or its subsidiaries, in compliance with the applicable legislation in force, in order to ensure that no services are contracted that could jeopardize the independence of the Company's Independent Audit. As a part of the internal policy, all services rendered by the independent audit firm must be reviewed by the audit committee prior to its performance so as to avoid any conflicts of interest.



**9.4 Other relevant information**

Not applicable.

## 10.1 Description of human resources

### Number of employees per gender statement

	Female	Male	Non-binary	Other	Prefer not to answer
Leadership	344	1062	0	0	0
Non-leadership	4238	10516	0	0	0
TOTAL = 16,160	4582	11578	0	0	0

### Number of employees per color or race statement

	Yellow	White	Black	Brown	Indigenous	Other	Prefer not to answer
Leadership	23	573	91	709	4	0	6
Non-leadership	133	3703	1594	9247	46	0	31
TOTAL = 16,160	156	4276	1685	9956	50	0	37

### Number of employees by position and age group

	Under 30 years old	From 30 to 50 years old	Above 50 years old
Leadership	71	1140	195
Non-leadership	3128	9912	1714
TOTAL = 16,160	3199	11052	1909

### Number of employees by position and geographic location

	North	Northeast	Midwest	Southeast	South	Abroad
Leadership	16	919	12	373	86	0
Non-leadership	50	9867	42	3767	1028	0
TOTAL = 16,160	66	10786	54	4140	1114	0

### Number of employees by geographic location and gender

	Female	Male	Non-binary	Other	Prefer not to answer
North	23	43	0	0	0
Northeast	2564	8222	0	0	0
Midwest	9	45	0	0	0
Southeast	1444	2696	0	0	0
South	542	572	0	0	0
Abroad	0	0	0	0	0
TOTAL = 16,160	4582	11578	0	0	0

### Number of employees by geographic location and color or race

	Yellow	White	Black	Brown	Indigenous	Other	Prefer not to answer
North	1	11	4	50	0	0	0
Northeast	121	1898	914	7794	35	0	24
Midwest	0	13	4	36	0	0	1
Southeast	25	1568	704	1821	10	0	12
South	9	786	59	255	5	0	0
Abroad	0	0	0	0	0	0	0
TOTAL = 16,160	156	4276	1685	9956	50	0	37

### Number of employees by geographic location and age group

	Under 30 years old	From 30 to 50 years old	Above 50 years old
North	6	55	5
Northeast	2223	7425	1138
Midwest	5	45	4
Southeast	702	2793	645
South	263	734	117
Abroad	0	0	0
TOTAL = 16,160	3199	11052	1909

## 10.1 Description of human resources

The Company's human resources policy is based on three fundamental assumptions: alignment with business strategy, professionalization and results orientation. Thus, all projects aiming at employee development are strongly linked to the achievement of strategic objectives, seeking to consolidate corporate practices of people management that drive high performance and favor the working environment.

Recruitment and selection processes are performed based on technical and behavioral requirements in line with the values and culture of M. Dias Branco, as well as, on the potential for development of candidates within the company, ensuring a better experience to the candidate and the employee. Talent capture takes place through a technological tool that fosters an assertive selection process, with no unconscious bias, and fluid for our internal and external candidates. The use of the tool, combined with a recruitment and selection policy that encourages diversity and inclusion, provides candidates with a transparent and accessible selection process.

With the digital transformation of the selection process, it was possible to provide increased assertiveness in the profile of the hired candidate and reduce the risks related to the LGPD. In addition, we offer managers and the Human Resources team an automated experience in personnel requisition, recruitment and selection, hiring, and transactional reduction, relying on an integrated process between the tools and a talent bank with more than 900,000 people registered and interested in our opportunities.

In 2022, the Corporate University (CU) invested in training and development actions (T&D) with the aim of training our employees to achieve strategic goals. In all, we performed training actions that generated 440 thousand hours of learning in the year, reaching over 16 thousand professionals, among officers, managers, coordinators, and supervisors, as well as interns, apprentices, and other employees.

We conducted programs for various audiences such as the Management 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), focused on deepening knowledge about strategy and business, as well as improving skills in leadership and people management; Accelerated Development Program (PDA), with coaching and mentoring tools for prioritized leaders; Game of Talents (GoT), focused on developing the organization's core competencies, and the Language Program, focused on accelerating the learning of English for eligible employees.

The training track carried out for interns and apprentices includes technical courses in Excel, Power Bi and behavior, with themes that work on the skills of professionals of the future, according to the World Economic Forum. In 2022, over 14,000 hours of training for interns and SOCIAL PILLAR 115,000 hours for apprentices were created, considering the apprentice's training hours in the learning programs.

We also held a customized training trail for the areas of Logistics (over 51 thousand hours), Supply (over 4 thousand hours), Sales (over 20 thousand hours) and Industry (over 15 thousand hours).

As for the training of employees in Occupational Health and Safety, we carry out normative training according to specific demands in each unit.

It is worth mentioning that the goals of the Corporate Education area are compatible with good market practices. Training sessions are registered with attendance list and reaction, effectiveness and learning evaluations are applied, according to the training hours (the type of evaluation depends on the training type).

## 10.1 Description of human resources

To ensure good communication with employees, we have a Communication team dedicated to disseminating relevant information aligned to the business strategy. In this sense, we have communication channels such as Workplace (corporate social network), Jornal Mural and WhatsApp (leaderships and internal influencers). The first acts as a "communication hub", bringing together all of the Company's communication initiatives. The others work as "satellites", guiding the internal audience to the corporate social network and reinforcing the main campaigns that have been developed.

Furthermore, the Communication area has a program named Papo Aberto (Open Chat), to encourage personal/virtual meetings between employees at different levels, promoting face-to-face communication and engagement, with a positive impact on organizational environment.

Aiming at developing our employees' careers, we hold the Performance Management program, which enables the alignment between individual and strategic objectives, provides subsidies for promotions, selections, trainings, improvements of work processes, consolidation of meritocracy culture, leadership strengthening and improved organizational climate.

In 2022, more than 1,874 employees were included in the Performance Management Program, of which 886 were Specialists and Professionals, 700 Supervisors and Coordinators and 288 Managers. Through this program, we encourage a culture of feedback and we provide development of our employees in a structured way, involving the preparation of Individual Development Plans (IDP). The edition of Career Dialogues was also held, with a schedule of 6 workshops on the various topics involving the construction and protagonism of the employee's career. We had the participation of 1,347 employees.

In the Health, 109 preventive actions were carried out at the units in 2022, focusing on topics such as: chronic diseases; ergonomics; prevention and care against covid-19; mental health; preventing and combating deafness; healthy eating; physical activity; Yellow September; Pink October; Blue November; and Red December.

We also provide labor gymnastics in Eusébio/CE, Fortaleza/CE (wheat mill and special shortening and margarines), Maracanaú/CE, Salvador/BA, Jaboatão dos Guararapes/PE, São Caetano do Sul/SP, and Lençóis Paulista/SP units. And, between the months of June and July, a vaccination campaign against H1N1 was carried out in twenty-seven units, with a total of 2,679 doses.

In August/2022 the Support Room for breastfeeding employees was inaugurated in the Eusébio/CE unit, with the purpose of providing a welcoming and appropriate environment for the collection and storage of her breast milk. The Health Journey event was held with the theme "Caring for health and well-being is also loving yourself", where health actions were carried out such as on-site and online lectures, massage therapy, workplace gymnastics, educational stands, theatrical intervention, among others.

The medical hotline remained active for the purpose of monitoring flu symptoms or reports of contact with covid-19 infected persons, and a total of 2,926 medical examinations were performed, with 1,510 positive test results recorded for covid-19.

The Culture and Climate area is responsible for the Levemente program, the Company's mental health program, aimed at promoting and caring for the mental health of employees through quality of life, wellbeing, and mental health actions applied to the day to day of the company and its teams. Among these actions, we can highlight: psychological care, available free of charge to employees in the online modalities (all units) and face-to-face (only in Fortaleza Plant, Maracanaú, Madureira, Salvador (GMA), Jaboatão dos Guararapes and Bento Gonçalves units) and conversation rounds through meetings held periodically with teams and specific subjects focused on mental health issues. In 2021, over 1,200 employees were sensitized on the subject and, between May and

## 10.1 Description of human resources

September alone, 540 consultations were held. All processes aimed at health and safety follow the General Data Protection Law, and comply with the standards of conduct provided for in the medical and nursing ethics code.

The area is also in charge of the Company's Recognition Programs, aimed at managing employee engagement, which we consider to be a key strategy for attracting and retaining our talent, as well as motivating employees with a focus on alignment with our organizational culture. In this sense, we understand that recognizing the work and delivery of employees has an impact on results, innovation and commitment to the Company's values! Therefore, we have initiatives to promote and encourage recognition and engagement practices. The programs managed by the area are:

**Mandou Bem** (Great Job): M. Dias Branco initiative to recognize employees who embrace our values and make a difference, delivering important results for the Company! The purpose of this action is that leadership recognizes their teams for deliveries that made a difference!

**Líderes que Inspiram** (Leaders who Inspire): This is an initiative that aims to encourage a culture of innovation and strengthen the values of M. Dias Branco, through the recognition of good leadership practices. This recognition takes place over 3 editions a year where, in each of them, the selected leaders present practices they have implemented in their areas and the results achieved.

**Receita de Sucesso** (Success Recipe): Receita de Sucesso is the employee recognition program for length of service at the company. Some of the actions held through this recognition front are:

- **Receita de Sucesso Seal:** Employees who complete 05, 10, 15, 20, 25, 30, 35 and 40 years with the company receive a personalized badge on their profile on Workplace. The seals are granted to employees in the month they complete the stipulated time at the company.
- **Receita de Sucesso Event:** This action is aimed at employees who complete the program's decades (10, 20, 30 and 40 years with the company). In partnership with the units' HR teams, an event is held to recognize and celebrate the history of the eligible employees. Each honoree receives a personalized program kit.

**Team listening:** team listening is held based on the area's needs. The format of this approach is through focused groups with a previously defined audience and based on assumptions about issues that permeate the teams. These sessions ensure the anonymity of the participants' answers and provide a space for welcoming and specialized listening.

**Spokespersons Program:** this is a very important front in monitoring the thermometer of the Company's organizational climate. These are groups of employees who meet monthly with HR mediation to share the main demands of the units in search of solutions that promote the well-being and satisfaction of all employees. Today the program is in place in the units: Eusébio, Jaboatão do Guararapes, São Luís, Teresina, Maracanaú, Queimados, Madureira, GMT, GMP, GME, Lençóis Paulista, Moinho Paraná, Bento Gonçalves, Moinho Dias Branco and Crato.

**Mistura para TODOS** (Mixture for ALL): is the program focused on our pillar of diversity and inclusion of M. Dias Branco and aims to encourage and welcome diversity and promote inclusion in the daily lives of our employees. The program is designed in a FORALL format, i.e., it is based on respect for ALL: No matter the age, No matter the color or race, No matter the gender, No matter the sexual orientation, No matter the origin.

In addition, we seek to influence the VALUING OF DIVERSITY in the company by increasing the number of employees who are part of minority groups, which, according to ISE, we can define as: "a group of people who are socially or historically excluded and/or underrepresented due to

## 10.1 Description of human resources

issues of gender, color/race, age, disabilities, affective-sexual orientation or gender identity, among others."

We moved forward with the publication of our Human Rights, Diversity, and Inclusion Policy, focused on explaining and assisting our employees as to the company's position on these topics, as well as providing, throughout the value chain, the guidelines that guide us and the practices we adopt to protect the rights of all people.

Social Responsibility area implemented the Company's corporate volunteer program, the "Fábrica de Voluntários" (Volunteer Plant), is aimed at inspiring and transforming lives through our volunteer actions, fostering citizenship 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 is achieved through the program's several action fronts, such as participation in events to deliver donations, beach and mangrove cleaning actions, and volunteer and consultative work during working hours at partner institutions. In 2022, a total of 957 hours of volunteer work were performed, with the participation of 153 employees all over Brazil.

We constantly engage our employees in the Company's Strategic Sustainability Agenda, revisited in 2021, and widely disseminated throughout 2022. Our sustainability agenda is made up of priority topics, indicators, targets and clear governance, in which our leaders play a leading role in achieving results. Throughout 2022, the main leaders involved in the sustainability agenda and other employees involved in the work groups were trained in the various themes involving ESG and enabled important deliveries to bring our result closer to the goals by 2030. As a result, we were included for the third consecutive time in the portfolio of companies in the Corporate Sustainability Index, of B3 and we achieved advances in our score in reporting to CDP Climate, from level B- to B, among other important achievements, such as the evolution of our ESG rating to AA in MSCI rating (Morgan Stanley Capital International), internationally recognized for publishing performance indices of the main stocks and stock exchanges worldwide.

All business areas support the Strategic Sustainability Agenda governance, through practices, programs and projects. Each prioritized topic is addressed through multidisciplinary Working Groups

(GTs) or is part of the scope of activity of a specific area. The results of the initiatives are reported on a regular basis to the Sustainability Committee and at the management level in the monthly Management by Guidelines (GPD) meetings. The approval and reporting of the goals linked to the sustainability themes go through the Sustainability Executive Committee (comprised of five Executive Officers), ESG Committee (comprised of four members from strategic positions in the Company, one of whom is independent) and the Board of Directors (comprised of seven members, three of whom are independent). The Board of Directors is the Company's highest governance body and one of its responsibilities is the monitoring of challenges in priority areas and demands of stakeholders, enabling engagement with key stakeholders, whether through the goals on our sustainability agenda or strategic projects approved and discussed throughout the year.

We disclosed our Sustainability Policy to stakeholders and reinforced our efforts to enforce the principles of the Global Compact and the UN Sustainable Development Goals (SDGs) and, in 2022, we started participating in Brazilian Business Council for Sustainable Development (\*CEBEDS). We also joined the Business Pact for Integrity and Against Corruption, linked to the Ethos Institute, strengthening our commitment to promoting a fairer and more ethical market.

## 10.1 Description of human resources

In March 2023, the Company published its Annual Report referring to fiscal year 2022. The progress on the sustainable agenda requires the company-wide engagement. Therefore, several engagement activities were carried out throughout the year. We list a few:

- Leader Development Program with the theme "Sustainable Leadership";
- Several initiatives to disseminate the Strategic Sustainability Agenda in the press, social media and internal communication vehicles, as well as training events on sustainability;
- Holding the Sustainability Meeting at our manufacturing units to disseminate the topic among leaders and employees, including the launch of podcasts and game about sustainability;
- Holding of the Sustainability and Development Forum, an event open to the public, with the theme "Sustainability: an urgent strategic agenda";
- Holding of the 1st Workshop for Suppliers to capture synergies and address the ESG topic.

### b. number of third parties (total and by groups based on activity performed and geographical location)

	North	Northeast	Midwest	Southeast	South	Abroad	Total
Production	0	869	0	167	45	0	1,081
Commercial	90	761	58	548	67	0	1,524
Logistics	0	1,011	0	1,388	289	0	2,688
Administrative	0	86	0	10	0	0	96
<b>Total</b>	<b>90</b>	<b>2,727</b>	<b>58</b>	<b>2,113</b>	<b>401</b>	<b>0</b>	<b>5,389</b>

### c. Turnover rate

	2020	2021	2022
Turnover Rate	7.86%	8.63%	11.88%
Turnover Rate (Monthly Average)	0.66%	0.72%	0.99%

\*In line with good market practice regarding turnover calculation, as of 2022, we will remove from the data universe the terminations due to restructuring, which consist of positions that no longer exist in the Company, as well as the new openings created in the current year. Different from previous years, this data identification was possible from 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 figures disclosed in item 10.1.



## 10.3 Employee compensation policies and practices

### a. salary and variable compensation policy

The Company adopts a compensation strategy based on three pillars: alignment with strategic business priorities, strengthening results culture and internal/external salary balance (market practices), in order to ensure attractiveness in intaking and retaining talent. Fixed salaries are adjusted annually in accordance with collective agreements or conventions of categories of employees and labor legislation.

The Company also grants salary adjustments through the promotion/merit of employees who stand out in their performance and contribute in a differentiated way to meet the business demands, in line with the Performance Management model and the Policy of Jobs, Careers and Compensation. The guidelines apply irrespective of gender, sexual orientation, ethnicity, race, disability, and age.

The variable monthly compensation is granted to the commercial team, as a way to boost the achievement of the results established in the Strategic and Budgetary Management of the Company. In addition, the Profit Sharing Program (PLR) is implemented in the entire company, encompassing all employees, linked to the achievement of sectorial and corporate goals, with salary multiples aligned with market practices in organizations of similar size, defined according to the nature of the position. In 2017, we implemented the Long-Term Incentive (LTI) for the non-statutory board level and, in 2019, we implemented this incentive also for the member of the statutory board hired under labor laws (CLT) elected in 2019. In 2021, the Long-Term Incentive (LTI) 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 business sustainability and its long-term performance.

### b. benefit policy

The benefits package granted to the Company's employees includes medical and dental care, life insurance, funding for technical and behavioral training, collective transportation or transportation vouchers, meal or meal vouchers, basic food baskets, daycare allowance, subsidy for part of the cost of a monthly plan that allows access to gyms and sports counseling throughout Brazil, paternity leave extended to 15 days and unpaid leave for employees who are absent to develop their career, such as courses abroad.

### c. share-based compensation plans of non-management employees

Not applicable, as the Company does not have share-based compensation plans for non-management employees.

### d. ratio between the highest individual compensation and the median individual compensation of the issuer's employees in Brazil, excluding the highest individual compensation

The ratio of the total annual compensation is considered confidential information, since it has a strategic nature and may impact the attraction and retention of talents, therefore it is not disclosed by M. Dias Branco.

## **10.4 Relations between issuer and unions**

The company has a permanent dialogue with the unions representing the categories in which we operate in the units in Brazil, by holding periodic meetings in which demands for wages, benefits and improvements in work practices are addressed.

Negotiations are conducted by the Human Resources and Legal areas, always considering the external environment (inflation, Gross Domestic Product, country growth, unemployment level and minimum wage adjustment), as well as the business scenario (sales performance and compliance with the budget) to support the decisions of the Executive Board.

No stoppages or strikes occurred in the last 3 fiscal years (2020, 2021 and 2022).

**10.5 Other relevant information**

All relevant information was highlighted in the previous topics.

## 11.1 Rules, policies and practices

The Policy for Related Party Contracting was approved by the Board of Directors on October 28, 2013, and last reviewed on February 10, 2023, aiming to ensure that all decisions involving related parties are taken in view of the interests of the Company and its shareholders, in strict compliance with the legal rules contained in Law 6.404/76 and in the rules issued by Brazilian Securities and Exchange Commission (CVM). This policy applies to all units and is based on the Company's Bylaws, the Brazilian Corporate Law, the Brazilian Exchange and Securities Commission rules on the subject, the Technical Pronouncement of the Accounting Pronouncements Committee - CPC 05, in the rules of the Novo Mercado and in the best Corporate Governance Practices.

According to said policy, the execution of a related party transaction should only be performed when in compliance with some minimum requirements, such as evidencing that the related party effectively has the conditions to sell or provide the intended service under the required quality conditions, when there is documentary evidence that the related party charges prices compatible with the market and that the transaction will not result in losses for the Company, among other requirements.

When the transaction involves a material amount, it must be subject of prior analysis by the Audit Committee, which should verify the advantages of the transaction for the Company. Subsequently, the analysis should be sent to the Board of Directors, which shall expressly make a statement on 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 Company's Chairperson of the Board of Directors is a party in financial agreements in the capacity of guarantor.

The companies over which the Close Family Members hold control, have a relevant equity interest or have significant influence showing changes with the issuer, are the following: 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 have or has had transactions with the issuer.

The Related Party Contracting Policy is available in full on the IR website under the topic Corporate Governance\Other Policies\Policy for Related Party Transactions and Other Situations Involving Conflict of Interest.

The contracted transactions are summarized in item 11.2 of this Reference Form.

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Terminal Portuário Cotegipe S.A.	02/02/2022	12,501.41	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Sale of products manufactured by the Parent Company					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Creditor					
Idibra Participações S.A.	01/28/2022	7,396.20	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Sale of products manufactured by the Parent Company					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Creditor					
Praia Centro Hotéis, Viagens e Turismo Ltda.	01/03/2022	9,240.22	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Sale of products manufactured by the Parent Company					
Surety and insurance	Not applicable					

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Creditor					
LDB Logística e Transporte Ltda.	01/07/2022	1,551.33	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Sale of other goods					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Creditor					
LDB Transporte de Cargas Ltda.	01/05/2022	124,825.26	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Sale of other goods					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Creditor					
Buhler amp; Scherler S.A.	12/19/2022	900,000.00	0.00	0.00	Undetermined	0.000000

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Relationship with the issuer	Related Party					
Agreement object	Purchase of PP&E					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
WEF Engenharia e Automação Ltda.	05/19/2022	291,454.85	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Purchase of PP&E					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
LDB Transporte de Cargas Ltda.	01/31/2022	21,154,194.39	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Cargo transportation service					
Surety and insurance	Not applicable					

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
LDB Logística e Transporte Ltda.	01/03/2022	1,504,255.47	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Cargo transportation service					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
Terminal Portuário Cotegipe S.A.	01/03/2022	8,611,633.41	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Provision of services in the unloading of wheat and other services					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					



11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Tergran - Terminal de Grãos de Fortaleza Ltda.	01/03/2022	9,390,276.81	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Jointly controlled					
Agreement object	Wheat unloading service					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
Praia Centro Hotéis, Viagens e Turismo Ltda	01/14/2022	778,805.92	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Hotel Services					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
Idibra Participações S.A.	01/26/2022	5,100.00	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Agreement object	Provision of Services in Civil Construction					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
AET - Engenharia e Soluções Tecnológicas Avançadas Ltda.	01/11/2022		215,570.16	0.00	0.00	Undetermined
Relationship with the issuer	Related Party					
	Provision of services in maintenance and installation of equipment					
Agreement object						
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
THB CE Consultoria, Gerência de Riscos e Corretagem de Seguros Ltda.	01/27/2022	1,796,392.11	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Provision of advisory or consultancy services					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
WEF Engenharia e Automacao Ltda.	01/12/2022	881,908.85	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Provision of maintenance and installation of equipment services					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
Everest Comércio de Produtos Médicos e Odontológicos Ltda.	01/06/2022	12,525.00	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Provision of maintenance and installation of equipment services					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
Omega Delta 7amp;8 Holding Energia S.A.	10/11/2022	9,839,329.67	0.00	0.00	Undetermined	0.000000

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Relationship with the issuer	Affiliate					
Agreement object	Provision of electricity services					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
Support Administração e Serviços S/S Ltda.	01/03/2022	280,952.70	0.00	0.00	Undetermined	0.000000
Relationship with the issuer	Related Party					
Agreement object	Hotel Services					
Surety and insurance	Not applicable					
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Debtor					
Maria Consuelo Saraiva Leão Dias Branco	12/31/2022	7,776,840.42	7,776,840.42	0.00	until 01/15/2024	0.000000
Relationship with the issuer	Chairperson of the Board of Directors					
Agreement object	Provision of guarantees in parts of the Company's financial agreements					
Surety and insurance	Not applicable					

11.2 Related Party Transactions

Related party	Transaction date	Amount involved	Outstanding balance	Amount	Duration	Interest rate charged
Termination or cancelation	Not applicable					
Nature and reason for operation	Not applicable					
Contractual position of the issuer	Creditor					

## 11.2 Items 'n.' and 'o.'

### **n. Identify measures taken to address conflicts of interest**

All Company's operations, especially those carried out with related parties, were duly submitted to the Management to which they were subordinated, in line with the Company's current practices.

The Company carries out, through its Executive Board, prior analyzes of the conditions of transactions with related parties. In addition, it adheres to corporate governance practices and from the Novo Mercado Regulation and operates in compliance with the Brazilian Corporate Law, which provides, among others, that any shareholder or member of the Board of Directors is impeded from voting on a decision on the matter in which it has conflicting interests with those of the Company.

For addressing conflict of interests, the company has a specific policy with the purpose of establishing rules, guidelines and methods to be complied with to ensure that all decisions involving transactions with Related Parties, as well as other situations with potential conflict of interests, are made in the best interest of the Company and its shareholders. Thus, we have adopted the following measures: (i) the creation of an Ethics Committee, which is the body responsible for advising the Audit Committee on the supervision of reports received through the Ethics Channel, which shall be consulted in all cases of possible conflicts of interest; (ii) monitoring of potential conflicts of interest and compliance with the Company's Code of Ethics by the Audit Committee, a body comprising only independent members; (iii) supervision by the Board of Directors of the relationship between executives and with other stakeholders, mediating and solving impasses and conflicts; and (iv) settlement of conflicts of interest through arbitration, pursuant to chapter X of the Bylaws.

### **o. Evidence the strictly commutative nature of the terms agreed or the proper compensatory payment**

Related-party transactions are in line with market practices and are carried out under conditions satisfactory to the Company's interests, taking into account analyzes made by Management for each transaction. The choice of the company to be engaged also takes into account the commercial conditions and/or applicable technical qualifications.

In the agreements mentioned in item 11.2 there are no interest rates given the nature of such agreements.

The business and transactions between the Company and related parties, currently in force as of the date of publication of this document, are briefly summarized below.

### ***Provision of services of wheat unloading and other services***

Tergran - Terminais de Grãos de Fortaleza Ltda., a company jointly controlled, renders wheat unloading service to the Company under market prices and conditions. Under the same conditions, there are also transactions for wheat unloading contracted between the Company and Terminal Portuário Cotegipe S.A., a company not controlled nor affiliated to 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 hold a direct or indirect material shareholding.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

## 11.2 Items 'n.' and 'o.'

### ***Supply of products manufactured by the Parent Company***

The Company sells products to the companies Ildibra Participações S.A., Praia Centro Hotéis, Viagens e Turismo Ltda. and Terminal Portuário Cotegipe S.A., as of January 3, 2022, under prices and conditions in line with those of the market. The companies are not controlled nor affiliated to 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 direct or indirect material interest.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Cargo transportation***

The Company engages cargo transportation service from LDB Transporte de Cargas Ltda. and LDB Logística e Transporte Ltda., companies neither controlled nor affiliated to the Company, but of which Mr. Francisco Ivens de Sá Dias Branco Junior is a partner. As usual in this type of agreement, the Company does not enter into formal contracts to carry out such operations, but contracts them on demand, formalized through bill of lading. The amount of the operations is determined through specific negotiation with the aforementioned company and also compared with the market transportation prices, through the National Cargo Transportation Cost Index - INCTL, which is accepted as benchmarking for this type of service.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Purchase of products and other goods***

The Company purchases products and other goods from Latinex Importação e Exportação de Alimentos Ltda., which is a Company's subsidiary.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Supply of other goods***

The Company sells other goods to companies LDB Transporte de Cargas Ltda. and LDB Logística e Transporte Ltda., under prices and conditions appropriate to those of the market. The companies are neither controlled nor affiliated with the Company, but Mr. Francisco Ivens de Sá Dias Branco Junior is a partner.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Purchase of PP&E***

The Company purchases items of 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 neither controlled nor affiliated with the Company, but Mr. Francisco Cláudio Saraiva Leão Dias Branco is a partner.

## 11.2 Items 'n.' and 'o.'

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Sale of PP&E***

The Company sells items of property, plant and equipment to the companies Jasmine Indústria e Comércio de Alimentos Ltda. and Latinex Importação e Exportação de Alimentos Ltda., which are controlled by the Company.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Provision of advisory or consultancy services***

The Company hires advisory and consulting services from THB CE Consultoria, Gerência de Riscos e Corretagem de Seguros Ltda., which is neither controlled nor affiliated with the Company.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Provision of electricity services***

The Company contracts electric energy services from Omega Delta 7&8 Holding Energia S.A., which is an affiliate of the Company.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Hiring of hotel services***

The Company hires hotel services to its employees and service providers from Praia Centro Hotel Viagens e Turismo Ltda. and Support Administração e Serviços S/S Ltda. Praia Centro Hotel Viagens e Turismo Ltda. is neither controlled nor affiliated to 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 direct or indirect material interest. The contracting of the service is done by independent tourism agency.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Provision of services in maintenance and installation of equipment***

The Company hires equipment maintenance and installation services from the companies WEF Engenharia e Automação Ltda., AET – Engenharia e Soluções Tecnológicas Avançadas Ltda. and Everest Comércio de Produtos Médicos e Odontológicos Ltda. WEF Engenharia e Automação Ltda. and AET – Engenharia e Soluções Tecnológicas Avançadas Ltda. are neither controlled nor 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 or affiliated with the Company.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.



## 11.2 Items 'n.' and 'o.'

### ***Provision of services in civil construction***

The Company hires civil construction services from Idibra Participações Ltda., a company neither controlled nor affiliated to 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 hold a direct or indirect material interest.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

### ***Provision of guarantees***

Ms. Maria Consuelo Saraiva Leão Dias Branco, Chairperson of the Board of Directors, is the guarantor of most of such agreements. In part of these instruments, some of the statutory directors also appear as guarantors, together with Mrs. Maria Consuelo.

With regard to the amounts involved in 2022 and balances as of December 31, 2022, see item 11.2.

**11.3 Other relevant information**

All relevant information was highlighted in the previous topics.

12.1 Information on share capital

Capital Type	Paid-in capital	
Date of authorization or approval	Term of payment	Capital amount
03/26/2021		2,597,656,478.44
Qty. of common shares	Qty. of preferred shares	Total qty. of shares
339,000,000	0	339,000,000

## **12.2 Foreign issuers - Rights and rules**

Not applicable, as the Company is a domestic corporation and all the securities issued by it are held in Brazilian market.

## 12.3 Other securities issued in Brazil

<b>Security Identification of the Security</b>	<b>Debentures</b> Debentures will be subject to private placement, without the intermediation of institutions that are part of the securities distribution system and/or any sales effort.
<b>Issuance date</b>	03/15/2021
<b>Maturity date</b>	03/13/2031
<b>Quantity</b>	523,024
<b>Total amount</b>	523,024,000.00
<b>Restriction to trading</b>	Yes
<b>Description of restriction</b>	Private Placement
<b>Hypothesis and calculation Of redemption value</b>	The Issuer may, at its sole discretion, carry out, at any time, an offer for the early redemption of all Debentures of the First Series and/or Debentures of the Second Series, 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 provided for in the Issuance Deed 'Early Redemption Offer'. The Issuer will carry out the Early Redemption Offer through communication directed to the Debenture Holder and the CRA Trustee at the addresses set forth in Clause Nine below 'Communication of Early Redemption Offer of the Debentures', in which the terms and conditions of the Early Redemption Offer will be described, including: (a) the proposed value for the early redemption of the Debentures, which must necessarily be equivalent to the entirety of the Updated Unit Nominal Value, plus the Remuneration of the respective series, calculated pro rata temporis on the Unit Nominal Value, from the Date of First Integration or the last Payment Date of the Remuneration 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 deadline for the Debenture Holder's response to the Issuer regarding the quantity of Debentures that will adhere to the Early Redemption Offer, a deadline that must be at least 15 (fifteen) days and at most 30 (thirty) days from the date of the Communication of Early Redemption Offer of the Debentures 'Adhesion Deadline'; (d) the effective date for the early redemption and payment of the Debentures, which must occur within a period of at least 40 (forty) Business Days counted from the date of the Communication of Early Redemption Offer of the Debentures; (e) whether the actual early redemption of the Debentures by the Issuer is conditioned on the adherence of all or a minimum number of Debentures to the Early Redemption Offer; (f) whether the Early Redemption Offer will relate to part or all of the Debentures of the First Series and/or Debentures of the Second Series; (g) whether the Early Redemption Offer will relate to Debentures of all series or only one or two Series; and (h) other necessary information for the Debenture Holder's decision-making and the operationalization of the early redemption of the Debentures within the scope of the Early Redemption Offer.

**Features of debt securities**

Debentures will be subject to private placement, without the intermediation of institutions that are part of the securities distribution system and/or any sales effort to investors, through the signature of the Subscription Bulletin, according to the model in Annex III to this Indenture ("Subscription Bulletin") to be signed by the Debenture Holder. Debentures represent agribusiness credit rights as: (i) the proceeds from the Resource Allocation Schedule will be fully and exclusively allocated to the acquisition of Inputs, characterized as "agricultural products" for the purposes of the first paragraph of article 23, of the Law 11.076, dated December 30, 2004, as amended, ("Law 11.076") since its origin is essentially agricultural cultivation and production; and (ii) the Inputs will be acquired by the Issuer directly from people who carry out cultivation and production activities, i.e., who are characterized as "rural producers" under the terms of article 165 of Normative Instruction of the Brazilian Revenue Service no. November 13, 2009 ("IN RFB 971"), as verified by the Issuer and the Trustee of the CRAs and listed in Annex I of the Indenture, based on supply agreements in force.

**Terms for changing rights vested by such securities**

-

**Other relevant features**

-

Security	Debentures
<b>Identification of the security</b>	Debentures will be subject to private placement, without the intermediation of institutions that are part of the securities distribution system and/or any sales effort.
<b>Issuance date</b>	03/15/2021
<b>Maturity date</b>	03/13/2028
<b>Quantity</b>	288,620
<b>Total amount</b>	288,620,000.00
<b>Restriction to trading</b>	Yes
<b>Description of restriction</b>	Private Placement
<b>Hypothesis and calculation Of redemption value</b>	The Issuer may, at its sole discretion, carry out, at any time, an offer for the early redemption of all Debentures of the First Series and/or Debentures of the Second Series, 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 provided for in the Issuance Deed 'Early Redemption Offer'. The Issuer will carry out the Early Redemption Offer through communication directed to the Debenture Holder and the CRA Trustee at the addresses set forth in Clause Nine below 'Communication of Early Redemption Offer of the Debentures', in which the terms and conditions of the Early Redemption Offer will be described, including: (a) the proposed value for the early redemption of the Debentures, which must necessarily be equivalent to the entirety of the Updated Unit Nominal Value, plus the Remuneration of the respective series, calculated pro rata temporis on the Unit Nominal Value, from the Date of First Integration or the last Payment Date of the Remuneration 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 deadline for the Debenture Holder's response to the Issuer regarding the quantity of Debentures that will adhere to the Early Redemption Offer, a deadline that must be at least 15 (fifteen) days and at most 30 (thirty) days from the date of the Communication of Early Redemption Offer of the Debentures 'Adhesion Deadline'; (d) the effective date for the early redemption and payment of the Debentures, which must occur within a period of at least 40 (forty) Business Days counted from the date of the Communication of Early Redemption Offer of the Debentures; (e) whether the actual early redemption of the Debentures by the Issuer is conditioned on the adherence of all or a

minimum number of Debentures to the Early Redemption Offer; (f) whether the Early Redemption Offer will relate to part or all of the Debentures of the First Series and/or Debentures of the Second Series; (g) whether the Early Redemption Offer will relate to Debentures of all series or only one or two Series; and (h) other necessary information for the Debenture Holder's decision-making and the operationalization of the early redemption of the Debentures within the scope of the Early Redemption Offer.

**Features of debt securities**

Debentures will be subject to private placement, without the intermediation of institutions that are part of the securities distribution system and/or any sales effort to investors, through the signature of the Subscription Bulletin, according to the model in Annex III to this Indenture ("Subscription Bulletin") to be signed by the Debenture Holder. Debentures represent agribusiness credit rights as: (i) the proceeds from the Resource Allocation Schedule will be fully and exclusively allocated to the acquisition of Inputs, characterized as "agricultural products" for the purposes of the first paragraph of article 23, of the Law 11.076, dated December 30, 2004, as amended, ("Law 11.076") since its origin is essentially agricultural cultivation and production; and (ii) the Inputs will be acquired by the Issuer directly from people who carry out cultivation and production activities, i.e., who are characterized as "rural producers" under the terms of article 165 of Normative Instruction of the Brazilian Revenue Service no. November 13, 2009 ("IN RFB 971"), as verified by the Issuer and the Trustee of the CRAs and listed in Annex I of the Indenture, based on supply agreements in force.

**Terms for changing rights vested by such securities**  
**Other relevant features**

-  
-

**12.3 Other securities issued in Brazil**



12.4 Number of securities holders

Security	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 are admitted to trading at the Novo Mercado of B3 SA - Brasil, Bolsa, Balcão ("B3") under the ticker "MDIA3" since October 2006.

## 12.6 Trading in foreign markets

### **Justification for non-fulfilling 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 non-fulfilling the table:**

The Company does not have securities issued abroad.

## **12.8 Allocation of proceeds from public offerings**

Not applicable, since the Company, its subsidiaries and the controlling shareholder have not made any public offering in the last three fiscal years.

**12.9 Other relevant information**

All relevant information relating to this item was shown above.

13.0 Identification

Name of the person responsible for the content of the form  
Position of person in charge

Francisco Ivens de Sá Dias Branco Júnior  
CEO

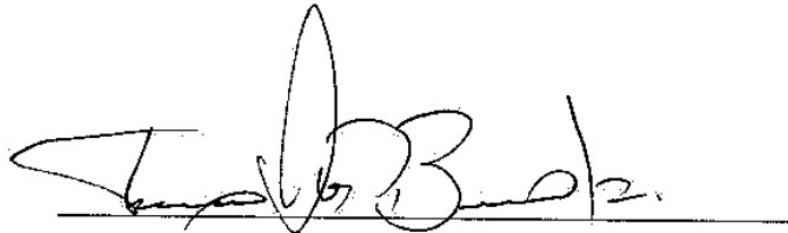
Name of the person responsible for the content of the form  
Position of person in charge

Gustavo Lopes Theodozio  
Investor Relations Officer

### 13.1 Statement from 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, hereby states that:

- a) He has reviewed the Reference Form;
- b) All information contained in the form complies with the provisions of CVM Resolution No. 80, particularly articles. 15 to 20;
- c) the information contained therein is a true, accurate and complete portrait the activities of the issuer and the risks inherent to its activities.



Francisco Ivens de Sá Dias Branco Júnior  
CEO  
M. Dias Branco S.A. Ind. E Com. De Alimentos

*HPBR*  
Henrico Persau Benício Rodrigues  
Jurídico - M. Dias Branco



## 13.2 Statement from the Investor Relations Officer

**Gustavo Lopes Theodozio**, Investor Relations Officer of M. Dias Branco S.A. Ind. E Com. De Alimentos hereby states that:

- a) He has reviewed the Reference Form;
- b) All information contained in the form complies with the provisions of CVM Resolution No. 80, particularly articles. 15 to 20;
- c) the information contained therein is a true, accurate and complete portrait the activities of the issuer and the risks inherent to its activities.



Gustavo Lopes Theodozio  
Investor Relations Officer  
M. Dias Branco S.A. Ind. E Com. De Alimentos



**13.3 Statement from the Chief Executive Officer/Investor Relations Officer**

Not applicable, since the Chief Executive Officer and the Investor Relations Officer have already provided their individual statements in items 13.1 and 13.2 of this Reference Form.