

**NATURA COSMÉTICOS S.A.**

CNPJ/MF nº 71.673.990/0001-77

Publicly Held Company

NIRE 35.300.143.183

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
HELD ON JANUARY 21, 2014**

On January 21, 2014, at 5 p.m., at the Company's head office located in the city of São Paulo, State of São Paulo, at Avenida Alexandre Colares, 1188, Vila Jaguara, Zip Code 05106-000, all the members having Mr. Plínio Villares Musetti as chairman of the meeting of the Board of Directors of **NATURA COSMÉTICOS S.A.**, in order to discuss and vote, pursuant Article 16 of Instruction 358/2002 of the Securities and Exchange Commission of Brazil (CVM) and the Article 20, I of the company's by-laws, the Policy on the Disclosure of Material Information and Safeguarding of Confidentiality.

After the agenda was discussed, the Board of Directors approved, unanimously and with no disclaimer, the new Policy on the Disclosure of Material Information and Safeguarding of Confidentiality (Appendix A), which replaces the previous version approved by the Board of Directors' meeting held on April 26, 2004.

As there were no further matters to be discussed, these minutes were read, approved and executed by all present. Signatures: Plínio Villares Musetti, Chairman of the Meeting; Board: Antonio Luiz da Cunha Seabra, Guilherme Peirão Leal, Pedro Luiz Barreiros Passos, Luiz Ernesto Gemignani, Julio Moura Neto, Marcos de Barros Lisboa, Raul Gabriel Beer Roth, Roberto Oliveira de Lima; and Moacir Salzstein Secretary of the Meeting.

I hereby certify that the present is a true copy of the minutes drawn on proper book.

São Paulo, January 21, 2014

**MOACIR SALZSTEIN**  
Secretary of the Meeting

**Appendix A**

**NATURA COSMÉTICOS S.A.**

**POLICY ON THE DISCLOSURE OF MATERIAL INFORMATION AND  
SAFEGUARDING OF CONFIDENTIALITY**

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## NATURA COSMÉTICOS S.A.

### **POLICY ON THE DISCLOSURE OF MATERIAL INFORMATION AND SAFEGUARDING OF CONFIDENTIALITY**

#### **1. Objectives**

This Policy, which was drafted in accordance with Instruction 358/2002 of the Securities and Exchange Commission of Brazil (CVM), establishes the rules and guidelines that must be observed by the Investor Relations Officer and Disclosure Committee of the Company and by the other Persons Bound by this Policy with regard to the treatment, safeguarding of confidentiality and disclosure of information to the market.

Any doubts regarding the provisions of this Policy, the applicable rules issued by the CVM and/or on the need to disclose or not certain information to the public must be clarified with the Investor Relations Officer of the Company.

#### **2. Definitions**

Whenever mentioned in this Policy, the terms listed below shall have the following meaning:

**Statutory Directors:** are the members of the Board of Directors and the executive officers stipulated in the bylaws.

**Material Fact or Event:** The following are considered Material Facts or Events, in accordance with CVM Instruction 358/2002: (a) any decision by the controlling shareholder or resolution taken by the Meeting of Shareholders or the management bodies of the Company; or (b) any other fact or event of a political, administrative, technical, business, economic or financial nature that has occurred or is related to the business of the Company that could significantly influence: (i) the price quote of securities; (ii) decisions by investors to buy, sell or hold Securities; or (iii) decisions by investors to exercise any rights inherent to their capacity as holders of Securities issued by the Company or instruments underlying said Securities.

Provided they can produce any of the above effects, the following are examples of potentially material facts or events:

- a) the signing of agreements or contracts involving the transfer of control of the Company, even if under conditions precedent or subsequent;
- b) the transfer of control of the Company, including through the execution, amendment or rescission of shareholders' agreements;
- c) the execution, amendment or rescission of a shareholders' agreement in which the Company is a party or intervening party or that has been registered in the appropriate book maintained by the Company;
- d) the admission or departure of a partner who maintained with the Company any agreement or collaboration of a financial, technological or administrative nature;
- e) authorization for the trading of securities issued by the Company in any domestic or foreign market;
- f) the decision to cancel the registration as a publicly traded company;
- g) a merger, consolidation or spin-off involving the Company or related companies;
- h) the conversion or dissolution of the Company;
- i) changes in the formation of the assets of the Company;
- j) changes in accounting criteria;
- k) the renegotiation of debts;
- l) approval of a stock option plan;
- m) changes to the rights and benefits of the securities issued by the Company;
- n) stock splits or reverse splits or the distribution of bonus shares;
- o) the acquisition of shares in the Company for holding in treasury or cancellation, and the subsequent sale of shares acquired in this way;
- p) the profit or loss of the Company and the distribution of earnings;
- q) the execution or termination of an agreement or the failure of its execution when the expectation of its execution is public knowledge;
- r) the approval, alteration or abandonment of a project or a delay in its implementation;

- s) the start, resumption or suspension of the production or sale of a product or rendering of services;
- t) the discovery, change or development of the technology or resources of the Company;
- u) changes in the projections disclosed by the Company;
- v) the filing for or admission of bankruptcy, court supervised or out-of-court reorganizations or the filing of any lawsuit that could affect the economic and financial situation of the Company.

**Stock Exchange:** the BM&FBovespa - Securities, Commodities and Futures Exchange and any other stock exchange or organized over-the-counter market in which the securities of the Company are admitted for trading.

**Affiliated Companies:** companies over which the Company exerts significant influence, in accordance with Federal Law 6,404/76.

**Company:** Natura Cosméticos S.A.

**Disclosure Committee:** as defined in Chapter 4.

**Ethics Committee:** an internal committee of the Company formed by members from the Financial and Institutional Affairs and People departments that is responsible for upholding the Code of Conduct of the Company.

**Notice to the Market:** instrument through which the Company discloses: (i) under the scope of this Policy, any information that is not conceptually a Material Fact or Event in accordance with CVM Instruction 358/2002, but which the Investor Relations Officer deems useful to inform to investors and market participants, even if such disclosure is not required by the legislation and regulations in force; (ii) the notifications provided by CVM Instruction 358/02 that are not characterized as a Material Fact or Event; and (iii) the clarifications provided by the Company with regard to consultations made by the CVM or the Stock Exchange, which, as per the understanding of the Investor Relations Officer, should not be provided in the form of a Material Fact or Event.

**CVM:** the Securities and Exchange Commission of Brazil.

**EBITDA:** the operating income of the Company before financial, income tax and social contribution, depreciation and amortization effects.

**Power of Control:** the power effectively used to direct the corporate activities and guide the functioning of the bodies of the company, directly or indirectly, whether by fact or by operation of law. There exists a presumption of ownership of control in relation to the person or Group of Shareholders who hold shares that assures them an absolute majority of the votes of shareholders present in the last three shareholders' meetings of the Company even if they do not hold shares that give them an absolute majority of the voting capital. Derivatives of the word "Control," such as "Subsidiaries" and "Parent Companies," for example, should have the same meaning.

**Persons Bound by this Policy:** (i) the direct and indirect Controlling Shareholders of the Company; (ii) the Statutory Directors; (iii) the members of the Audit Board, if installed, of the advisory Committees to the Board of Directors and of any other bodies with technical or advisory functions created pursuant to the bylaws; (iv) any person hired directly or indirectly by the Company who, by virtue of their current or prior position or function at the Company, its Subsidiaries or Affiliated Companies has access to information that could potentially result in a Material Fact or Event; and (v) other persons who the Company deems appropriate to sign the Declaration of Agreement.

**Policy:** the Policy on the Disclosure of Material Information and Safeguarding of Confidentiality of the Company.

**Declaration of Agreement:** instrument formally binding the Persons Bound by this Policy to the Policy (Appendix I).

**Security(ies):** any securities and contracts issued by the Company or securities underlying them that are considered securities by Federal Law 6,385/76 and other applicable rules.

### **3. Duties and Responsibilities of the Investor Relations Officer**

The responsibilities of the Investor Relations Officer are:

- a) to disclose and notify to the CVM and the Stock Exchange, immediately after taking cognizance of and analyzing, any Material Fact or Event that has occurred or is related to the Company;
- b) to disclose to the CVM and the Stock Exchange any Notice to the Market in situations deemed necessary;
- c) to strive for the broad and immediate dissemination of the Material Fact or Event simultaneously in all the markets in which the Securities issued by the Company are admitted for trading; and
- d) to provide to the appropriate authorities, when duly requested, additional clarifications to the disclosure of the Material Fact or Event or Notice to the Market.

The Investor Relations Officer must simultaneously disclose to the CVM, the Stock Exchanges and capital market agents the Material Fact or Event through any means of communication, including the media or in meetings of trade associations, investors, analysts or with selected publics, in Brazil or abroad.

The Persons Bound by this Policy are responsible for keeping the Investor Relations Officer of the Company fully informed about significant business developments and events at the Company that could be considered a Material Fact or Event.

### **4. Disclosure Committee:**

The Company will have a Disclosure Committee, which will be responsible for advising and issuing recommendations to the Investor Relations Officer of the Company on the treatment to be given to any information submitted for its analysis and its need for disclosure to the public.

The Disclosure Committee will be formed by four (4) members, namely, the Investor Relations Officer of the Company, who will preside over it, the Corporate Affairs Officer, the Legal Officer and the Investor Relations Manager.

The decision of the Investor Relations Officer of the Company on the relevance of the information and its classification as a Material Fact or Event or the need for its disclosure through a Notice to the Market will consider the context and the dimension of the Company's businesses, after the analysis and recommendation by the Disclosure

Committee, which can seek guidance from other areas of the Company or from external entities (auditors, lawyers or other external consultants).

The duties of the Disclosure Committee are:

- a) to assist in managing the Policy, decide on doubts relating to the interpretation of its wording, review it periodically and strive for its compliance.
- b) to discuss and draft non-binding recommendations to the Investor Relations Officer with regard to the disclosure or safeguarding of confidentiality of the Material Facts or Events or Notices to the Market, depending on the individual case and in accordance with the criteria defined in this Policy, giving an opinion, if applicable, on the method and content for disclosure to capital market agents;
- c) to analyze market rumors and speculations about the Company and issue an opinion on the relevance and form of response and/or communication to the market, weighing if the rumors and speculations may be characterized as signs of information leaks related to the Material Fact or Event;
- d) to monitor the control of access to information based on its degree of materiality;
- e) to assist in monitoring the price quotes of securities to verify the existence of any leak and enable timely measures to be taken to ensure the market remains duly informed;
- f) to analyze official questionings from regulatory authorities and assist the Investor Relations Officer in preparing the responses.

## **5. Procedure for the Disclosure of Material Facts or Events or of Notices to the Market**

The Company must disclose and communicate Material Facts or Events or Notices to the Market to the CVM and the Stock Exchange, while also striving to ensure their broad and immediate dissemination simultaneously in all markets where the Securities issued by it are admitted for trading in an equitable manner, while striving to respond in a timely manner to all legitimate requests for information.

The disclosure and communication of the Material Fact or Event or the Notice to the Market must be made immediately after the Investor Relations Officer takes cognizance of and analyzes the information, in the following manner:

- a) to the CVM and the Stock Exchange, through the Regular and Special Information System (IPE), in a written document, in Portuguese, describing the acts and/or facts that occurred, indicating whenever possible the amounts involved and other clarifications that may be required; and

- b) to other capital market agents, through the electronic channel for contact with investors, with publication in Portuguese ([www.natura.net/investidor](http://www.natura.net/investidor)) and English ([www.natura.net/investor](http://www.natura.net/investor)), clearly and precisely and in language that is accessible to the market and whose content must at least be identical to that submitted to the CVM.

In case of a Material Fact or Event, the disclosure to the market must also be made:

- a) through publication in two (2) high-circulation newspapers typically used by the Company, if so required by law.

### **5.1. Suspension of Trading**

The Material Fact or Event or Notice to the Market must preferably be disclosed before the start or after the close of trading on the Stock Exchange. If trading in Securities issued by the Company occurs simultaneously in markets in different countries, the disclosure must be made observing the hours of the Brazilian Stock Exchange (BM&FBovespa).

If it is imperative that the disclosure of the Material Fact or Event be made during trading hours, the Investor Relations Officer may request the suspension of trading on the Stock Exchange in the Securities issued by the Company or those underlying them for the time necessary for the appropriate dissemination of the Material Fact or Event.

## **6. Exceptions to Immediate Disclosure**

The Company may, by decision of its controlling shareholders or Statutory Directors, temporarily refrain from publicly disclosing the Material Fact or Event when said disclosure could put the legitimate interests of the Company at risk.

At the request of the Statutory Directors, any shareholder or on its own initiative, the Company may consult the CVM about the obligation to disclose to the public any Material Fact or Event that could put its legitimate interests at risk.

If the CVM decides that the Material Fact or Event must be disclosed and determines that the Company must disclose it to the Stock Exchanges and the market, the Investor Relations Officer must immediately arrange for its disclosure.

In any case, the controlling shareholders and Statutory Directors of the Company who have knowledge of the Material Fact or Event are obliged, either directly or through the Investor Relations Officer, to disclose immediately the Material Fact or Event in the following circumstances:

- a) the information escapes the control of the Company and its bodies, as well as of those who originally had knowledge of it; or
- b) atypical fluctuations in the quote, price or trading volume of the Securities issued by the Company or those underlying them.

## **7. Obligation to Safeguard Confidentiality**

The Persons Bound by this Policy must maintain confidential any Material Fact or Event that has not yet been disclosed and to which they have access by virtue of the position they hold and must also ensure that their subordinates and third parties with whom they have a relationship of trust do the same.

Knowledge of the material information that is a potential Material Fact or Event must be communicated to those who absolutely must have knowledge of it, by virtue of their position or function, and to the appropriate extent. The Persons Bound by this Policy must not discuss the undisclosed Material Fact or Event in public places.

The Persons Bound by this Policy who inadvertently or without authorization communicate, either personally or through third parties, Material Facts or Events before they have been disclosed must immediately report said fact to the Investor Relations Officer in order for the appropriate measures to be taken.

The Persons Bound by this Policy who leave the Company or no longer participate in the business or project involving the Important Information continue to be required to maintain confidentiality until said information is disclosed to the CVM, the Stock Exchange and the market.

Any breaches of this Policy verified by Persons Bound by this Policy must immediately be reported to the Company, in person to the Investor Relations Officer.

## **8. Declaration of Agreement with this Policy**

The Persons Bound by this Policy must adhere to the Policy by signing the Declaration of Agreement at the time of their admission, election, promotion or transfer or if they become aware of information that could potentially result in a Material Fact or Event.

The Disclosure Committee will indicate, for each Department of the Company, the positions that are subject to adherence to this Policy. The Department responsible for the operation or business that originates the Material Fact or Event must indicate the other employees and third parties that must adhere to this Policy.

## **9. Breaches of this Policy**

If there is any suspected breach of this Policy, the Disclosure Committee must analyze the case and, if it deems necessary, recommend an investigation by the Ethics Committee.

The Persons Bound by this Policy responsible for the breach of any provision therein undertake to indemnify the Company and/or other Persons Bound by this Policy, fully and without limitation, for all the damages directly or indirectly resulting from said breach.

## **10. Amendments**

Any amendments to this Policy must compulsorily be reported to the CVM and to the Stock Exchange.

## **11. Duration**

This Policy will come into effect on the date of its approval by the Board of Directors and will remain in effect indefinitely until a resolution to the contrary is passed.

**APPENDIX I**  
**Model Declaration of Agreement**

**POLICY ON THE DISCLOSURE OF MATERIAL INFORMATION AND**  
**SAFEGUARDING OF CONFIDENTIALITY**

**DECLARATION OF AGREEMENT**

I, [*name and identification*], [*function or job title*], DECLARE that I am aware of the terms and conditions of the Policy on the Disclosure of Material Information and Safeguarding of Confidentiality of NATURA COSMÉTICOS S.A., which was drafted in accordance with CVM Instruction 358/2002 and approved by its Board of Directors on [*date*].

Through this instrument, I formalize my adherence to this Policy and undertake to disseminate its objectives and to comply with all its terms and conditions.

I also DECLARE that I am aware that any breach of the provisions of CVM Instruction 358, which regulates the subject matter of the Policy on the Disclosure of Material Information and Safeguarding of Confidentiality, constitutes a serious infraction for the purposes of Article 11, Paragraph 3 of Federal Law 6,385/76.

São Paulo, [*date*]

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[*name - signature*]