

NATURA COSMÉTICOS S.A.

Corporate Taxpayer ID (CNPJ/MF): 71.673.990/0001-77

Publicly Held Company

Registry (NIRE): 35.300.143.183

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

On August 27, 2018, at 3:00 p.m., the Board of Directors of NATURA COSMÉTICOS S.A. ("Company") convened, with the attendance of all its members and presided over by Mr. Guilherme Peirão Leal, at the Company's registered office located in the city of São Paulo, State of São Paulo, at Avenida Alexandre Colares, nº 1.188, Vila Jaguara, Zip Code 05106-000

CALL NOTICE AND ATTENDANCE: Call notice was waived in view of the attendance of all members of the Board of Directors of the Company.

PRESIDING BOARD: Mr. Guilherme Peirão Leal, Chairman; Mr. Moacir Salzstein, Secretary.

AGENDA: In accordance with Article 20, XX, of the Company's Bylaws, to consider and vote on the following matters:

1) ninth (9th) issuance of simple, non-convertible and unsecured debentures, in up to three (3) series, by the Company, for public distribution with restricted placement efforts, pursuant to Rule 476 issued by the Brazilian Securities and Exchange Commission (CVM), on January 16, 2009 ("Issuance", "Restricted Offering", "Debentures", "CVM Rule 476", respectively), in the total amount of one billion reais (R\$1,000,000,000.00);

2) authorization for the Company's Board of Executive Officers to practice any act required to carry out the Issuance and Restricted Offering, including engaging the service providers and financial institutions responsible for managing and intermediating the Restricted Offering and discussion, negotiation and definition of the terms and conditions of Debentures to be established in the respective indenture ("Indenture"); and

(3) ratification of all acts already carried out by the Company's Board of Executive Officers related to the aforementioned decisions.

After examining the matters on the agenda, the directors approved, by unanimous vote and without reservations:

1) Carrying out the Issuance and the Restricted Offering, with the following main characteristics and conditions:

(i) **Total Issuance Amount:** the total Issuance amount shall be up to one billion reais (R\$1,000,000,000.00), on the Issuance Date (as defined below);

(ii) **Series Number:** the Issuance shall be carried out in up to three (3) series (“First Series Debentures”, “Second Series Debentures” and “Third Series Debentures,” respectively), under a communicating vessels system. The Debentures to be allocated in each of the series will be defined based on the Bookbuilding Procedure (as defined below) and on the Company's interests in terms of allocation. In case of exercise of the firm guarantee (as defined herein), the provisions of item (xiii) below will apply. There shall be no minimum or maximum number of Debentures and no minimum or maximum number for the allocation between series. There is a possibility of either of the series not being issued, in which case all Debentures shall be issued in the remaining series, in accordance with the terms established at the end of the Bookbuilding Procedure;

(iii) **Number of Debentures:** one hundred thousand (100,000) Debentures shall be issued, and the number of Debentures to be issued in each series of the Issuance to be determined through a communicating vessels system, based on the demand from investors for the Debentures, to be determined after the conclusion of the Bookbuilding Procedure and based on the Company's interest in terms of allocation. In case of exercise of the firm guarantee (as defined herein), the provisions of item (xiii) below will apply;

(iv) **Nominal Unit Value:** the nominal unit value of the Debentures shall be of ten thousand reais (R\$10,000), on the Issuance Date (“Nominal Unit Value”);

(v) **Issuance Date:** for all legal purposes and effects, the issuance date of the Debentures shall be September 21, 2018 (“Issuance Date”);

(vi) **Convertibility, Type and Method:** the Debentures shall be simple, registered, book-entry, non-convertible into shares of the Company, without the issuance of provisory or final certificates;

(vii) **Type:** the Debentures shall be unsecured, in accordance with Article 58, Paragraph 4 of Brazilian Corporation Law, with no additional security interest or personal guarantee;

(viii) **Proof of Ownership:** the Company shall not issue Debenture certificates. For all legal purposes, the ownership of the Debentures shall be substantiated by the statement of the deposit account of the Debentures issued by the Bookkeeping Agent (as defined below). Furthermore, in the case of Debentures electronically deposited at B3 S.A. – Brasil, Bolsa, Balcão – Cetip UTVM Segment (“B3 – Cetip UTVM Segment”), the statement issued by the B3 – Cetip UTVM Segment on behalf of the respective holder of the Debentures shall be recognized as proof of ownership (“Debentureholder”);

(ix) **Use of Proceeds:** the funds obtained by the Company from the Restricted Offering will be used to refinance its debt;

(x) **Remuneration:** the Nominal Unit Value of the Debentures shall not be restated for inflation. From the First Subscription and Payment Date (as defined herein) or the

immediately prior Remuneratory Interest Payment Date of the respective series, as applicable, to the date of its effective payment, the Nominal Unit Value of Debentures shall be subject to remuneratory interest, to be defined in accordance with the Bookbuilding Procedure and, in any case, limited to: (i) (a) 100% of the average daily rates of Interbank Deposits (DI) for one day, "*over extragrupo*", expressed as a percentage per annum, based on two hundred and fifty-two (252) Business Days, calculated and published daily by B3 – Cetip UTVM Segment in its daily bulletin available on its website (<http://www.cetip.com.br>) ("DI Rate"), plus spread of zero point nine percent (0.90%) p.a., based on two hundred and fifty-two (252) business days; or (b) one hundred and twelve percent (112%) of the cumulative variation of the DI Rate, the higher between the two for the Debentures of the First Series ("Remuneratory Interests of the First Series"). The determination between the provisions in items (a) and (b) of this item (i) will be made two (2) business days prior to the Bookbuilding Procedure; (ii) (a) one hundred percent (100%) of the cumulative variation of the DI Rate, plus a spread of one percent (1.00%) p.a. , based on two hundred and fifty-two (252) business days; or (b) one hundred and thirteen percent (113%) of the cumulative variation of the DI Rate, the higher between the two for the Debentures of the Second Series ("Remuneratory Interests of the Second Series"). The determination between the provisions in items (a) and (b) of this item (ii) will be made two (2) business days prior to the Bookbuilding Procedure; and (iii) (a) one hundred percent (100%) of the cumulative variation of the DI Rate, plus a spread of one point one five percent (1.15%) p.a. , based on two hundred and fifty-two (252) business days; or (b) one hundred and fourteen percent (114%) of the cumulative variation of the DI Rate, the higher between the two for the Debentures of the Third Series ("Remuneratory Interests of the Third Series", and, jointly with the Remuneratory Interests of the First Series and the Remuneratory Interests of the Second Series, the "Remuneratory Interests"). The determination between the provisions in items (a) and (b) of this item (iii) will be made two (2) business days prior to the Bookbuilding Procedure. The Remuneratory Interests will be calculated based on two hundred fifty-two (252) Business Days, calculated exponentially and cumulatively, *pro rata temporis* per business day transpired from the First Subscription and Payment Date (inclusive) or the immediately prior Remuneratory Interest Payment Date, for each series. Remuneratory Interest will be paid at the end of each Capitalization Period (as defined herein), in accordance with the formula to be established in the Indenture. For the purposes of these minutes, "Capitalization Period" is, for the first Capitalization Period, the period from the First Subscription and Payment Date to the first Remuneratory Interest Payment Date and, for other Capitalization Periods, the period from the Remuneratory Interest Payment Date to the subsequent Remuneratory Interest Payment Date. Each Capitalization Periods succeeds the previous one without interruption, through the Maturity Date. Without prejudice to any payments due in view of the early maturity of the obligations arising from the Debentures, in accordance with the terms to be established in the Indenture, Remuneratory Interests will be paid semiannually, as of the Issuance Date, the first of which will be due on March 21, 2019 and the others on the 21st of each March and September through the respective Maturity Dates (each payment date a "Remuneratory Interest Payment Date");

(xi) **Term and Maturity Date:** the First Series Debentures shall have a term of two (2) years, as from the Issuance Date, maturing on September 21, 2020 (“First Series Maturity Date”), the Second Series Debentures shall have a term of three (3) years, as from the Issuance Date, maturing on September 21, 2021 (“Second Series Maturity Date”), and the Third Series Debentures shall have a term of for four (4) years, as from the Issuance Date, maturing on September 21, 2022 (“Third Series Maturity Date” and, jointly with the First Series Maturity Date and the Second Series Maturity Date, the "Maturity Dates");

(xii) **Amortization of Principal:** the Nominal Unit Value of the Debentures shall be amortized on the respective Maturity Dates of each series;

(xiii) **Distribution:** the Debentures shall be the subject of public distribution with restricted placement efforts, in accordance with CVM Rule 476, on a firm commitment basis for distribution of all Debentures, with the intermediation of financial institutions of the securities distribution system (“Underwriters”). The firm commitment is individual, instead of a joint obligation, of the Underwriters and follows the terms and conditions to be defined in the respective agreement for the coordination, placement and public distribution with restricted efforts, to be entered into by and between the Underwriters and the Company (“Distribution Agreement”). The Debentures shall be offered exclusively to professional investors, as defined in Article 9 of CVM Rule 539, of November 13, 2013, as amended, as well as Articles 2 and 3 of CVM Rule 476 (“Professional Investors”). The firm guarantee for any of the series may be exercised at the exclusive discretion of the Underwriters;

(xiv) **Distribution, Trading and Electronic Custody:** the Debentures shall be deposited for: (a) distribution in the primary market through the MDA - Asset Distribution Module (“MDA”), managed and operated by B3 – Cetip UTVM Segment, with distribution settled financially through B3 – Cetip UTVM Segment; and (b) trading in the secondary market through CETIP21 – Títulos e Valores Mobiliários, managed and operated by B3 – Cetip UTVM Segment, with distribution and trading settled financially and the Debentures electronically deposited at B3 – Cetip UTVM Segment. However, the Debentures may only be traded in the regulated securities market between qualified investors, as defined in Article 9-B of CVM Rule 539, of November 13, 2013, as amended (“Qualified Investors”), and after ninety (90) consecutive days as from the date of each subscription or acquisition by Professional Investors, as provided for in articles 13 and 15 of CVM Rule 476, and once it is verified that the Company complied with its obligations established in Article 17 of CVM Rule 476. The trading of Debentures must always comply with the applicable legal and regulatory provisions. In accordance with Article 13, Item II, of CVM Instruction 476, in case of exercise of the firm guarantee, the lock-out period of ninety (90) days for trading on the Debentures in regulated securities markets among Qualified Investors will not apply;

(xv) **Bookbuilding Procedure:** In accordance with the terms to be established in the Placement Agreement, the bookbuilding procedure shall be adopted, to be organized by the Underwriters, reserves not permitted and with no minimum or maximum lots, in accordance with Article 3 of CVM Rule 476, to verify, together with the Professional Investors, demand for the Debentures to determine: (i) the number of Debentures to be

allocated in each of the series; and **(ii) Remuneratory Interest** of the respective series ("Bookbuilding Procedure"). The result of the Bookbuilding Procedure shall be ratified through an amendment to the Indenture;

(xvi) **Subscription and Payment Term and Type:** the Debentures shall be subscribed at their Nominal Unit Value plus the Remuneratory Interest of the respective series, calculated *pro rata temporis*, from the First Subscription and Payment Date to the effective subscription and payment date. The Debentures shall be fully paid, at sight, in local currency, upon subscription, in accordance with the settlement rules and procedures applicable to B3 – Cetip UTVM Segment; for the purposes of the Indenture, "First Subscription and Payment Date" means the date when the first subscription and payment of the Debentures of the respective series occurs;

(xvii) **Payment Place:** the payments to which the Debentureholders are entitled to, as well as the payments related to any other amounts owed under the terms to be defined in the Indenture, shall be made on the same date as they are due, using the procedures adopted by B3 – Cetip UTVM Segment, in the case of Debentures electronically deposited at B3 – Cetip UTVM Segment. The payments for Debentures not deposited at B3 – Cetip UTVM Segment shall be made by the Settlement Bank of the Debentures or at the Company's registered office, if applicable;

(xviii) **Guarantee:** the Debentures shall not be secured by any real or personal guarantee;

(xix) **Early Redemption and Extraordinary Amortization:** the Company may not carry out the early redemption or extraordinary amortization of the Debentures;

(xx) **Early Maturity:** the trustee shall consider the early maturity of all obligations related to the Debentures and demand payment, by the Company, of the Nominal Unit Value plus Remuneratory Interest, calculated *pro rata temporis* from the First Subscription and Payment Date or the Remuneratory Interest Payment Date immediately prior, as applicable, to the effective payment date, as well as of the other charges due and not paid until the early maturity date, as determined by law, upon the occurrence of any of the early maturity events described in the Indenture and in accordance with the terms and conditions to be established in the Indenture;

(xxi) **Scheduled Renegotiation:** the Debentures shall not be subject to scheduled renegotiation;

(xxii) **Late Charges and Interests:** without prejudice to the Remuneratory Interest of the Debentures, in the event of the late payment of any amount owed to the Debentureholders, the amounts overdue shall be subject to: (i) non-compensatory late charge of two percent (2%) on the amount owed and not paid; and (ii) late interest calculated *pro rata temporis* from the default date to the effective payment date, at the rate of one percent (1%) per month, on the amount owed and not paid, regardless of notification or judicial or extrajudicial notice, as well as the expenses incurred with collection;

(xxiii) **Extension of Terms:** the terms for the payment of any obligation by either party, including by the Debentureholders, provided for and arising from the Indenture, related

to the payment of the subscription price, shall be considered extended to the first (1st) subsequent business day if the due date falls on a day when the banks are not opened in the city of São Paulo, State of São Paulo, national holidays, Saturdays or Sundays, with no increase in the amounts payable, except when payment is to be made through B3 – Cetip UTVM Segment, in which case the term shall be extended only if the payment date falls on a national holiday, Saturday or Sunday;

(xxiv) **Settlement Bank and Bookkeeping Agent:** the settlement bank of the Issuance shall be Itaú Unibanco S.A., a financial institution with headquarters in the City of São Paulo, State of São Paulo, at Praça Alfredo Egydio de Souza Aranha, nº 100, Torre Olavo Setúbal, Zip Code 04.344-902, Corporate Taxpayer ID (CNPJ/MF) no. 60.701.190/0001-04 ("Settlement Bank"), and the bookkeeping agent of the Issuance shall be Itaú Corretora de Valores S.A., a financial institution with headquarters in the city of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, nº 3.400, 10º andar, CEP 04538-132, Corporate Taxpayer ID (CNPJ/MF) no. 61.194.353/0001-64 ("Bookkeeping Agent"), with these definitions including any other institution that may replace the Settlement Bank and/or the Bookkeeping Agent; and

(xxv) **Other characteristics and approval of the Indenture:** the other characteristics and conditions of the Debentures Issue shall be established in the Indenture.

2) Authorizing the Company's Board of Executive Officers to practice any act and to enter into any agreements and instruments required to carry out the Issuance and Restricted Offering, including, but not limited to: (a) discussing, negotiating and defining the terms and conditions of the Indenture; (b) engaging the Settlement Bank, the Bookkeeping Agent and the Underwriters; (c) engaging any other provider of services related to the Issuance, the Restricted Offering or the Debentures, including, but not limited to the trustee, the rating agency and the legal advisors; and (d) negotiating, entering into and executing all documents related to the issuance of the Debentures and the Restricted Offering, including, but not limited to, the Indenture, the Distribution Agreement, the amendment to the Indenture to ratify the result of the Bookbuilding Procedure, and any amendments to such documents that come to be executed from time to time, as well as carrying out any acts required to formalize, make effective and manage the decisions taken in this meeting.

3) (3) Ratifying all acts already carried out by the Company's Board of Executive Officers related to the aforementioned decisions and the Issuance.

There being no further matters to address, these minutes were read, approved and signed by all directors. Signatures: Guilherme Peirão Leal, Chairman of the meeting and Co-Chairman of the Board of Directors; Antonio Luiz da Cunha Seabra, Co-Chairman of the Board of Directors; Pedro Luiz Barreiros Passos, Co-Chairman of the Board of Directors; Roberto de Oliveira Marques, Executive Chairman of the Board of Directors; Carla Schmitzberger, director; Silvia Freire Dente da Silva Dias Lagnado, director; Gilberto Mifano, director; Fábio Colletti Barbosa, director; Peter Bryce Saunders, director and Moacir Salzstein, secretary of the meeting.

I certify that this is an excerpt from the minutes drawn up in the Company's records.

Moacir Salzstein
Secretary of the Meeting