

CLOSED HEARING No. 1/2025-DIE

Novo Mercado Listed Companies – Chairman of the Board of Directors, Chief Executive Officer and Investor Relations Director

Re.: **Novo Mercado Evolution**

Introduction

Novo Mercado is B3 S.A. – Brasil, Bolsa, Balcão (“B3”) special listing segment with the highest corporate governance requirements related to transparency, board of directors, minority shareholders’ rights, supervision and control, among others, and currently has the largest number of listed companies¹.

The last Novo Mercado structural reform took place throughout 2017 leading to the Novo Mercado Regulation (“RNM” or “Regulation”) in force since January 2, 2018. B3 understands that it is important to review its rules, from time to time, based on the experience of concrete cases and on international debate and practices.

Therefore, between May 2 and August 2, 2024, B3 held public consultation No. 01/2024-DIE and between October 10 and November 11, 2024, it held public consultation No. 02/2024-DIE regarding the proposed evolution of the Regulation, with the purpose of collecting contributions from market players, companies, investors, regulators, associations, and other stakeholders.

During this period, B3 had more than 60 interactions, including individual and collective meetings with more than 120 companies listed on Novo Mercado, as well as associations and investors, to discuss details of the submitted proposals.

¹ In February 2025, 403 companies were listed in B3’s main market, broken down as follows: 190 on Novo Mercado, 21 on Level 2, 24 on Level 1, and 168 on Basic (Source: <https://ri.b3.com.br/en/> Operational Figures > Listed > Item 4: Solutions for Issuers).

At the end of the process, 76 written opinions were received – 58 in the first phase² and 18 in the second³ - and were published in full on B3 portal⁴.

B3 publicly thanks everyone who participated in the public consultation phase, highlighting that the comments were assessed and contributed significantly to the rule improvement process.

Pursuant to the provisions of Art. 76 of the RNM, B3 is currently promoting the holding of a Closed Hearing with the Novo Mercado companies regarding the proposed changes to the Regulation.

This Closed Hearing notice is divided into the following:

- Sections 1, 2 and 3 address the Basic Regulation and blocks A and B, respectively, with a brief explanation about the set of matters submitted for voting in each block.
- Section 4 provides additional comments on the matters submitted for voting.
- Section 5 provides the deadlines to be granted for companies to adapt to the amended Regulation.
- Section 6 provides guidelines for companies to participate in this Closed Hearing.
- Section 7 provides guidance on the next steps.

In addition to the abovementioned sections, this notice contains four annexes. As **Annex 1**, B3 presents a draft of the Basic Regulation, covering all proposed

² 30% Club Chapter Brazil, Abrasca, Abrdn, Absolutto Partners, ACE Governance, Mr. Alexandre Cristiano de Paula, Aliant e Brasanitas, Allos S.A., Amec, Anbima, Ancord, Mr. Antonio Zoratto Sanvicente, Apimec, AW Advogados, Banco do Brasil S.A., BB Asset, Brasil Capital, Brazilian Arbitration Committee (CBAr), Cescon Barrieu, Conima, Dynamo Administração de Recursos Ltda., Cosan Group, Research Group, Development and Reponsibility Company (EDResp) of the Law School at Universidade Federal de Juiz de Fora (UFJF), Mr. Eduardo Cysneiros, Engie Brasil Energia S.A., Mr. Germano Gonzaga Lima do Vale Filho, HRSA, IBGC, Ibracon, Ibri, ICGN, JBS S.A., JGP, Mr. John Alexandre Auton, Mr. Laelson Gomes de Oliveira, Marisa Lojas S.A., Lojas Quero-Quero S.A., M. Dias Branco S.A., Machado Meyer, Mr. Renato Chaves, Mr. Manuel Sobral, Mattos Filho, Mr. Mauro Cunha, Natura & Co Holding S.A., Norges Bank Investment Management (NBIM), Orizon Valorização de Resíduos S.A., Paranapanema S.A., Ms. Patrícia Pellini, Previ, Mr. Ricardo Ribeiro da Silva, SPX Capital, Mr. Tiago Isaac, Tozzini Freire, Vale S.A., Verde Asset, and Mr. Waldemir Bulla, William Hottz Schuindt and Willian Duarte.

³ Abrasca, Abrdn, Amec, Apimec, Banco Votorantim S.A., Banco do Brasil S.A., BB Seguridade Participações S.A., Cescon Barrieu, IBGC, Ibracon, Ibri, Mattos Filho, Mayer Brown, Norges Bank Investment Management (NBIM), Previ, Lojas Renner S.A., and Ms. Isabella Saboya and Carolina Soares Moreira.

⁴ Available at: https://www.b3.com.br/pt_br/regulacao/regulacao-de-emissores/atuacao-normativa/revisao-dos-regulamentos-dos-segmentos-especiais-de-listagem.htm (in Portuguese only).

amendments, except for the topics that will be voted on separately (blocks A and B). To facilitate visualization, all suggestions for inclusions made in the wording of the draft are highlighted in **blue**, while suggestions for exclusions are identified by a simple strikethrough and highlighted in **red**. Furthermore, changes and additions included after the second public consultation are highlighted in **yellow shade** for greater clarity.

Annex 2 brings voting Block A, which addresses the topic of Novo Mercado Warning (Art. 51) and **Annex 3** brings voting Block B, which addresses the topic of reliability of financial statements (Art. 23)⁵.

Annex 4 provides details on the topics that are part of the Basic Regulation, as well as voting blocks A and B, considering the breakdown of matters as mentioned in sections 1, 2 and 3.

⁵ In the event of approval of block A and non-approval of blocks B and/or C, the articles of the basic regulation will be renumbered.

Table of Contents

1. Basic Regulation	5
1.1 Board of Directors	5
1.2 Further topics	5
2. Block A	6
2.1 Novo Mercado Warning	6
3. Block B	8
3.1 Reliability of Financial Statements	8
4. Further comments	9
5. Adaptation period	10
6. Instructions for Closed Hearing	11
6.1 Participation	11
6.2 Voting	11
6.3 Term	12
7. Next steps	12
ANNEX 1 – BASIC REGULATION	13
ANNEX 2	56
ANNEX 3	58
ANNEX 4	59

1. Basic Regulation

1.1 Board of Directors

The proposal regarding the board of directors encompasses three topics which, due to broad acceptance, did not undergo any changes after the second public consultation was held:

- (i) Limited participation in boards of directors (overboarding);
- (ii) Limit of terms of office for independent directors; and
- (iii) Minimum number of independent directors.

Of the 18 responses received in the second public consultation, 13 addressed the topic of overboarding, 7 addressed tenure limits for independent directors and 9 addressed minimum number of independent directors.

Among these responses, a question was raised about how the proposed tenure limit for independent directors would be in line with the provision that establishes that board members elected by separate vote will be considered independent (Art. 16, Paragraph 3 of Annex 2)⁶.

Therefore, B3 proposes a small change to this provision to make it clear that the director elected by separate vote will also be subject to the 12-year term to be considered independent, given that the central foundation for this governance measure is the time in role, regardless of the shareholder who elected that person.

As such, the separate election of a person serving the company for more than 12 years will continue to be permitted, but in this case they will not be counted as independent.

Finally, the adaptation period for the three topics will be the first ordinary general meeting ("OGM"), when the general election of the board of directors occurs, to be held as of January 1, 2028.

1.2 Further topics

B3 maintains the proposals set out in the second public consultation in relation to the other topics, which include arbitration, statutory audit committee ("CAE"),

⁶ Art. 16 (...) Paragraph 3 In companies with a controlling shareholder, directors elected by separate vote will be considered independent.

quarterly meetings between the audit committee and independent auditor, obligation to draw up minutes, possibility of a single whistleblower channel, disclosure of complaints, express provision for joining Novo Mercado, anonymity, change in the deadline for amendments to come into effect, extension of deadline for defense and appeal, disclosure of the initiation of sanctioning processes, composition of CAE, dosimetry of penalties, and regulatory adaptations.

With regard to the topic of increasing penalties in the sanctioning process, B3 withdrew the proposal that was submitted in the second public consultation to replace the Extended National Consumer Price Index ("IPCA") with an annual positive variation of the Interbank Deposit Rate ("DI"), taking into account the arguments presented in the responses against the change.

Regarding the non-obligation to disclose the minutes of the CAE – despite the obligation to draw them up –, Abrasca questioned the disclosure established in Art. 24, paragraph 2 of Annex 2⁷, considering that the disclosure requirement would remain provided for in the regulation draft. It should be clarified, however, that the minutes specified in such provision are the ones of the board of directors meeting, which should not be confused with the CAE meeting.

Furthermore, regarding the disclosure of complaints – provided for in Art. 35 of the Basic Regulation – companies may include the information in item 5.5 of the Reference Form or, if preferred, inform in this item in which document it was done.

Finally, some respondents expressed their wish to proceed with the topics of clawback rule and malus clause. As explained in the notice for the second public consultation, B3 reinforces that it intends to proceed with educational action, promoting studies on these topics and preparing guidelines for the market with best compensation practices.

2. Block A

2.1 Novo Mercado Warning

Regarding the Novo Mercado Warning proposal, 16 of the 18 responses in the second public consultation addressed this topic. Based on them, as well as on the meetings held, B3 proposes the following changes:

⁷ Paragraph 2 The audit committee must report its activities at least quarterly to the company's board of directors, and the minutes of the board of directors' meeting must be disclosed, indicating the aforementioned reporting.

- (i) Extend the deadline for companies to respond to the request to 48 hours, considering the response given by Abrasca and Lojas Renner S.A. that the 24-hour deadline would be too short. B3 emphasizes that this is a minimum deadline and that more time may be granted depending on the complexity of the specific case.
- (ii) Due to a suggestion made by Mattos Filho, B3 incorporated the following proposal into Art. 51 of Annex 2: In the event of the “possibility of material error in financial information”, the warning may be removed after correction of the error via quarterly information (“ITR”), and not only through the submission of financial statements (“FSs”), on the condition that the submission of the quarterly information must be accompanied by an express statement by the independent auditor on the correction, since the special review report – which accompanies the ITR – does not have the same scope as the independent auditors’ opinion that accompanies the FSs.

Furthermore, Lojas Renner S.A. stated in its response that the hypothesis of a modified opinion is not clear. In view of this, B3 clarifies that, according to the Brazilian Accounting Standard – NBC TA 705, a modified opinion includes a “qualified opinion”, “adverse opinion” or “abstention of opinion” on the FSs.

Art. 52 of Annex 2, which provided for the possibility of consulting the opinion of experts when making the decision to issue the warning, had the objective of clarifying B3’s scope, despite this being a procedure that can be adopted regardless of any regulatory provision.

However, due to the reduction to only four objective hypotheses described in Art. 51 of Annex 2, B3 removed Art. 52, since its provision is not justified in a scenario where its use would be scarcer.

Finally, at the meetings held, some companies expressed doubts about the procedure to issue the warning. Therefore, it should be noted that, following the decision to issue the warning by the B3 Executive Board – which will occur after an opportunity for opinions has been granted – B3 will notify the company, via an official letter, so that it can disclose the information to the market.

It will be up to the company to decide, based on the applicable legislation and regulations, whether it will disclose the information as a material fact or as a notice to the market. After receiving the official letter, the company will have 24

hours – or until the opening of the next trading session – to make such disclosure. The same procedure will occur when the warning is withdrawn.

3. Block B

3.1 Reliability of Financial Statements

The topic of reliability of FSs was addressed in 13 of the 18 responses received in the second public consultation.

Two opposing arguments came up in the responses: the potential unreasonable increase in the directors' accountability while such accountability was already set out in the Reference Form ("FRe") and in the FSs.

The proposed provision is inspired by Section 404 of the Sarbanes-Oxley Act ("SOX 404"), which was enacted in 2002 in the United States in response to several accounting scandals in organizations across that country. Within that context, improving corporate governance, reporting and accountability was understood as a mitigating measure to prevent new fraud cases.

Since 2018, the RNM requires listed companies to have oversight and control structures in place. In fact, the declaration of accountability regarding the effectiveness of the areas is characterized as a further step on the path taken by more developed economies for over 20 years. It should be noted at this point that we are not talking about infallibility, but rather about these structures' effectiveness.

Regarding the claim that the declaration is already included in the FRe, B3 clarifies that some companies do indeed include a declaration of accountability in their document that might meet, in whole or in part, the Novo Mercado requirements. However, this declaration is currently optional, and several other companies do not include a declaration that meets all the requirements set out in the proposal and they do not state, for example, that internal controls are effective.

With the aim that the same path be followed by Brazil and starting from companies listed in the main special corporate governance segment, B3 also proposes that if a company has a corporate governance statutory officer (Chief Governance Officer – "CGO"), whose responsibilities include accountability for the company's internal controls, this person must also make the declaration, cumulatively with the CEO and the CFO.

Furthermore, considering that the declaration may be made in the management report that accompanies the FSs, in the FRe, or in any other public document, the submission deadlines will follow the table below:

Document	Deadline
Financial Statement	Up to 3 months after the closing of the fiscal year
Reference Form	Up to 5 months after the closing of the fiscal year
Any other public document	Up to 5 months after the closing of the fiscal year

Companies may make the declaration in item 5.5 of the Reference Form; if they prefer to include the declaration in another item of the Reference Form or in another document, they may make this indication in item 5.5.

Finally, Ibracon, in its response, presented the need for the declaration to have a clear and defined format. B3 believes that each company should be able to prepare declarations which, in meeting the minimum rule requirement, should highlight the particularities of its field of activity and its business segments. Without prejudice to this, B3 will disclose, in due course, a sample of the declaration.

4. Further comments

Among the 18 responses received in the second public consultation, B3 welcomed suggestions on topics not covered in the submitted proposals. Some of these contributions are listed below and they will not be the subject of this Closed Hearing, given the current progress phase on topics for the evolution of the segment.

Apimec suggested improving articles 30 and 31 of Annex 2 to include holding a public meeting with analysts and other stakeholders to present the company's projects and prospects. Amec also suggested topics related to improving the rules for public takeover bids, withdrawal from Novo Mercado and differentiated treatment for dispersed capital companies.

Ms. Isabella Saboya presented proposals that address the criteria for board members' independence, coordination of the personnel committee, and the remuneration and evaluation of the board of directors and its committees.

B3 understands that the rules need to evolve to keep up with market developments and increasing complexity. However, relevant changes should be made in phases to avoid too many reforms over a short period of time, which would create an excessive burden on companies and the market in general. Therefore, B3 appreciates the contributions and understands that they will be of great value in the future, through studies or guidance on the topics.

5. Adaptation period

To ensure that companies have sufficient time to adapt, the following deadlines are proposed for companies that are already listed or are soon to be listed to comply with the new rules:

Rule	Adaptation deadline
CEO's and CFO's declaration of accountability and assessment of the effectiveness of internal control structures	<p>Listed companies From the first fiscal year following the entry into force of the Regulation.</p> <p>New companies From the first fiscal year following the listing</p>
Statutory amendment to provide for a Statutory Audit Committee, as well as its subjection to the RNM (arts. 6 and 24 of Annex 2)	<p>Listed companies Up to the OGM to be held in the fiscal year following the entry into force of the Regulation</p>
Participation limit in boards of directors	<p>Listed companies First OGM with full election of the board of directors to be held as of January 1, 2028</p>
Tenure limit for independent directors	
Minimum number of independent directors	
Disclosure of complaints received through the whistleblower channel	<p>Listed companies At the latest, from the mandatory annual update of the Reference Form of the year following the start of the Regulation term.</p>

For example, in the case of the proposed declaration for listed companies, if the Regulation comes into effect in 2025, the first subsequent fiscal year will be from January 1, 2026 to December 31, 2026 – considering a standard fiscal year – so that the declaration must be disclosed by March 31, 2027, if it is made together with the FSs, or by May 31, 2027, if it is included in the FRe or in any other public document.

With regard to the disclosure of complaints and also considering that the Regulation comes into effect in 2025, the deadline would be by the mandatory update of the FRe for 2026, namely, by May 31, 2027 for companies with the fiscal year corresponding to the calendar year.

Proposals not included in the table above will enter into force on the same date as the new Regulation comes into effect.

Companies that apply for entry after the new Regulation comes into effect must comply with the rules of the segment, except for the provisions in the table above.

6. Instructions for Closed Hearing

6.1 Participation

The 190 companies listed on Novo Mercado on March 14, 2025 may participate in the Closed Hearing.

Pursuant to Art. 77, paragraph 2 of the Regulation, **assessment and approval of the opinion by the board of directors is mandatory**, and the minutes of the meeting must be disclosed, with a full transcription of the content of the opinion.

6.2 Voting

Voting in this Closed Hearing will be done via the link <https://assembleia.ten.com.br/066165417>.

Instructions for using the system will be available on the same link, as well as any updates to the system or additions to the voting step-by-step process.

Additional information can be obtained from the Market Development for Issuers team, by phone on +55 11 2565-5370 or by email at sre@b3.com.br.

6.3 Term

Responses to the proposal must be submitted between **April 1, 2025** and **June 30, 2025**. However, between the publishing date of this Hearing and the start of voting (**March 17, 2025 and March 31, 2025**) companies will have a period of 2 weeks, totaling over 3 months for notification and voting.

Responses submitted after the voting period of the Closed Hearing shall not be considered in the vote count.

7. Next steps

If approved in a Closed Hearing, the changes to the Regulation will be submitted for consideration by B3's and CVM's competent bodies. Once the changes have been consolidated and duly approved, the companies will be notified of: (i) the final content of the Regulation; and (ii) the effective date of the new rules.

Additional information can be obtained from the Market Development for Issuers team, by phone on +55 11 2565-5370 or by email at sre@b3.com.br.

ANNEX 1 – BASIC REGULATION

CONSOLIDATED REGULATION WITH REVISION MARKS, EXCEPT FOR MATTERS RELATED TO BLOCKS “A” AND “B”

TITLE I: INTRODUCTION

SOLE CHAPTER: PURPOSE

Art. 1 This Regulation governs the activities of:

I - B3, as the entity that manages the stock market:

a) in verifying compliance by companies with the minimum requirements for entry, continuous **listing** and **delisting** from **Novo Mercado**; and

b) in supervising the obligations set forth herein and the application of any sanctions.

II - **companies** in observance of the minimum requirements for **entry**, continuous listing and **delisting** from **Novo Mercado**.

Art. 2 This Regulation is complemented by circular letters and other normative documents published by B3.

Art. 3 The terms generally used in the financial and capital markets, the legal, economic and accounting terms, as well as technical terms of any nature used herein have the meanings generally accepted in Brazil.

TITLE II: NOVO MERCADO

CHAPTER I: REQUIREMENTS FOR ENTRY AND CONTINUOUS LISTING ON NOVO MERCADO

Section I: General Provisions

Art. 4 For **listing** into **Novo Mercado** and continuous listing on the segment, **companies** must abide by the timetables, obligations and procedures set forth in the **issuers'** regulation ~~for the listing of issuers and the admission of securities to trading contained in the issuers' manual~~, and comply with all the obligations herein.

Art. 5 **Listing** on **Novo Mercado** is effected by the signature of an agreement between the **company** and B3 for participation in **Novo Mercado**.

Section II: Bylaws

Art. 6 The **company** must include in its bylaws:

- I - a clause that expressly requires the compliance of the **company** and its shareholders, including controlling shareholders, officers, members of the fiscal council, **the statutory audit committee and, if applicable, the statutory committee referred to in Art. 24 (IV), §“d”, herein** with the provisions herein; and
- II - all other bylaw provisions expressly mentioned herein.

Art. 7 The bylaws must not contain any clauses that:

- I - limit the number of votes held by any shareholder or group of shareholders to less than 5% (five per cent) of the capital stock, except in cases of privatization or limits required by any laws or regulations applicable to the **company's** activities; and
- II - prevent shareholders from voting in favor of the elimination or amendment of any bylaw provisions, or imposing burdens on them for doing so.

Section III: Capital Stock

Art. 8 The **company's** capital stock must consist exclusively of common (voting) shares.

Sole paragraph. This rule does not apply to cases of privatization involving a special class of preferred shares aiming at ensuring enhanced voting rights, provided that they are non-transferable and are held by the privatizing entity or its subsidiaries and affiliates, provided such rights have been submitted to prior analysis by B3.

Section IV: Free Float

Art. 9 For the purposes of this Regulation, **free float** means all shares issued by the **company** other than those held by the controlling shareholder, any related persons or officers of the **company**, and treasury stock.

Sole paragraph. The special class of non-transferable preferred shares with enhanced voting rights owned solely by the privatizing entity and its subsidiaries and affiliates also constitutes an exception.

Art. 10 The **company** must maintain a **free float** corresponding to at least:

- I - 20% (twenty per cent) of capital stock; or
- II - 15% (fifteen per cent) of its capital stock, provided its Average Daily Trading Volume (ADTV) remains equal to or greater than R\$20,000,000.00 (twenty million Brazilian Reais), considering the trades performed in the previous 12 (twelve) months, pursuant to the provisions of Art. 9486.

§1 In the event of **listing** on **Novo Mercado** concurrently with a public offering, the percentage indicated in Art. 10 (I) is reduced ~~the company may maintain~~ in the first 18 (eighteen) months, ~~a free float corresponding to~~ to at least 15% (fifteen per cent) of its capital stock ~~only if provided that:~~

- I - the market value of the **free float** resulting from the public offering equals or exceeds R\$2,000,000,000.00 (two billion Brazilian Reais);
- II - the market value of the **free float** resulting from the public offering is below R\$2,000,000,000.00 (two billion Brazilian Reais) and equals or exceeds R\$1,500,000,000.00 (one billion and five hundred million Brazilian Reais), provided that (a) the company's bylaws sets forth a reduction of the quorum required for the exercise of certain rights by minority shareholders, on the terms to be defined during the analysis period for entry into Novo Mercado and (b) one (1) independent director is elected in addition to the number determined after the calculation provided in Art. 15; or
- III - the market value of the **free float** resulting from the public offering is below R\$1,500,000,000.00 (one billion and five hundred million Brazilian Reais) and equals or exceeds R\$1,000,000,000.00 (one billion Brazilian Reais), provided that (a) the company's bylaws sets forth a reduction of the quorum required for the exercise of certain rights by minority shareholders, on the terms to be defined during the analysis period for entry into Novo Mercado, (b) one (1) Independent Director is elected in addition to the number determined after the

calculation provided in Art. 15 and (c) a liquidity improvement measure is implemented, on the terms to be defined during the analysis period for entry into Novo Mercado.

§2 In the event of §1, for the company to maintain free float in a percentage corresponding to at least 15% (fifteen percent) of the capital stock ~~At the end of the eighteenth (18) month~~, the ADTV must be equal to or greater than R\$20,000,000.00 (twenty million Brazilian Reais) until the end of the 18th (eighteenth) month, which, once reached, must remain equal to or greater than this amount for 6 (six) consecutive months.

Art. 11 Temporary maintenance of a **free float** corresponding to a percentage below the minimum stipulated herein is automatically authorized for a period of 18 (eighteen) months starting from non-compliance due to:

- I - failure to achieve the ADTV required of **companies** authorized to maintain a **free float** corresponding to at least 15% (fifteen per cent) of their capital stock;
- II - partial or total subscription of a capital increase by the controlling shareholder of the **company** that has not been fully subscribed by shareholders with preemptive rights or priority, or that has not had a sufficient number of interested parties in the respective public offering;
- III - the holding of a Public Tender Offer (**PTO**):
 - a) at a fair price; or
 - b) as a result of transfer of **control**.

§1 In the event of a voluntary **PTO** that does not comply with item III of this article, the **company** must comply with the caption of 0.

§2 At the end of the 18th (eighteenth) month, **free float** must correspond to:

- I - 20% (twenty per cent) of the capital stock; or

II - 15% (fifteen per cent) of the capital stock if ADTV has reached R\$20,000,000.00 (twenty million Brazilian Reais) in the previous 12 (twelve) months.

§3 For the purposes of §2 (II) above, the ADTV must have remained consistently in the range of R\$20,000,000.00 (twenty million Brazilian Reais) for 6 (six) consecutive months

Section V: Shareholding Dispersion

Art. 12 In public share offerings, the **company** must make best efforts to achieve shareholding dispersion via one of the following procedures, which must be specified in the offering prospectus:

- 1 - guaranteed access for all interested investors; or
- 2 - distribution to individuals and non-institutional investors of at least 10% (ten per cent) of the total amount of shares offered.

Sole paragraph. The caption of this article does not apply to ~~restricted-effort~~ [automatic procedure](#) public offerings [with restriction of the target audience](#).

Section VI: Pre-Operational Companies

Art. 13 Public offerings of shares issued by pre-operational companies must be open only to qualified investors, as defined in specific rules issued by CVM.

Sole paragraph. Pursuant to the exclusions stipulated in the rules issued by CVM governing registered public offerings, [whether common or automatic](#), and public offerings with a registration waiver, trading between investors not considered qualified may take place when the **company** reports operating

revenue based on its annual financial statements, individual or consolidated, drawn up in accordance with CVM's rules and audited by independent auditors registered with CVM.

Section VII: Management

Subsection I – Composition and Term of Office

Art. 14 The **company's** bylaws must provide for a unified term of office of at most 2 (two) years, once reelection is permitted, for the members of its board of directors.

Art. 15 The **company's** bylaws must require that at least two (2) members of its board of directors, or 30% (thirty percent) ~~20% (twenty per cent)~~, shall be independent directors, whichever is greater.

Sole paragraph. If calculation of the percentage referred to in the caption of this article results in a fractionary number, the **company** must round it up to the next highest whole number.

Subsection II – Independent Directors

Art. 16 Board members shall be considered **independent** based on their relationships with:

- I - the **company**, its direct or indirect controlling shareholder, and its executive officers; and
- II - subsidiaries, affiliates and joint ventures.

§1 Board members shall not be considered **independent** if:

- I - they are direct or indirect controlling shareholders in the **company**;

- II - their voting rights at meetings of the board of directors are bound by a shareholder agreement whose scope includes matters relating to the **company**;
- III - they are a spouse, partner or direct or collateral first- or second-degree relative of the controlling shareholder or of any executive officer of the **company** or the controlling shareholder;
- IV - they have been an employee or executive officer of the **company** or its controlling shareholder in the past 3 (three) years; and
- V - they have been an **independent director** of the **company** for 12 (twelve) years or more, without remaining away as provided for in §4 herein.

§2 For the purposes of deciding whether board members are **independent**, the situations described below must be analyzed in order to verify whether they entail loss of independence due to the characteristics, magnitude and extent of the relationship:

- VI - are they a first- or second-degree relative of the controlling shareholder or of any executive officer of the **company** or the controlling shareholder?
- VII - have they been an employee or executive officer of the **company** or any of its subsidiaries, affiliates or joint ventures in the past three (3) years?
- VIII - do they have a business relationship with the **company**, its controlling shareholder, or a subsidiary, affiliate or joint venture?
- IX - do they hold a position in a firm or entity that has a business relationship with the **company** or with its controlling shareholder, whereby they have decision-making power regarding the activities of the firm or entity?

X - do they receive any compensation from the **company**, its controlling shareholder, or a subsidiary, affiliate or joint venture other than the compensation relating to their position as a member of the board of directors or committees of the **company**, its controlling shareholder, or its subsidiaries, affiliates and joint ventures, excluding income from shares in the **company** and benefits from supplementary pension plans?

XI - have they founded the **company** and do they have significant influence over it?

§3 In **companies** with a controlling shareholder, board members elected by separate ballot will be considered **independent directors**, provided that the maximum term of 12 (twelve) consecutive months has been observed, without remaining away from the company as provided for in §4 herein.

§4 The period provided for in §1 (V) will be

I - started from the first term of the independent director in the company, considering only the period after the company's listing on Novo Mercado; and

II - restarted if the **independent director** remains away from the **company** for 2 (two) consecutive years or more.

§5 Board members who complete the period provided for in §1 (V) may remain as non-independent members of the board of directors.

Art. 17 The general shareholders meeting will decide whether a person nominated to sit on the board of directors is **independent** and may base its decision on:

I - a declaration submitted to the board of directors in which the nominee attests to compliance with the independence criteria established herein and presents the appropriate justification in the event of any of the situations specified in **Erro! Fonte de referência não encontrada.** (2); and

- II - the view expressed by the **company's** board of directors in management's proposal to the general shareholders meeting that elects directors and officers regarding the candidate's compliance or non-compliance with the independence criteria.

Sole paragraph. The procedure established in this article does not apply to board nominees:

- I - who fail to comply with the advance notice requirement for inclusion of candidates on the ballot, as stipulated by CVM in its distance voting rules;
- II - elected by separate ballot in **companies** with a **controlling shareholder**.

Subsection III – Assessment of Management

Art. 18 The **company** must structure and disclose a process of assessment of the board of directors, its committees, and executive officers.

§1 The assessment process must be disclosed in the **company's** Reference Form, including information on:

- II - the scope of the assessment: by individual, by governing body, or both;
- III - the procedures used to perform the assessment, including participation by other bodies of the **company** or outside consultants, as applicable;
- IV - the methodology used and any changes made compared with previous years.

§2 The assessment must be performed at least once during management's term of office.

Subsection IV – Remuneration

Art. 19 The **company** must disclose the highest, lowest and average annual fixed and variable remuneration paid to members of the board of directors, executive committee and fiscal council in the last fiscal year.

Subsection V – Accumulation of Positions

Art. 20 The **company**, **regardless of its size**, must stipulate in its bylaws that the positions of chair of the board of directors and chief executive officer must not be accumulated by any one person.

~~**Sole paragraph.**—This rule will not apply in the event of vacancy, in which case the company must:~~

~~I—disclose the accumulation of positions due to vacancy not later than the business day following its occurrence;~~

~~II—disclose within 60 (sixty) days of the vacancy the measures taken to end the accumulation of positions; and~~

~~III—end the accumulation within one year.~~

Art. 21 The company must establish in its bylaws that the members of its board of directors may not hold positions on more than 5 (five) boards of public companies.

§1 The limit number of boards decreases to 2 (two) when a member of the board of directors holds a position on the company's executive committee and to 1 (one) when a board member holds the position of CEO or main executive of the company, excluding, for the purposes of calculating the limit, the position of the CEO or main executive on the board of directors of the company itself.

§2 Each position of chair of the board of directors counts as if the director were a member of 2 (two) boards for the purposes of determining the limit provided for in the caption of this article.

§3 For the purposes of calculating the limit provided for in the caption of this article and in §1 and §2, the positions will be counted as a single position when held on boards of directors and management of companies that:

I - are controlling shareholders, subsidiaries or are under common control;

II - have consolidated annual financial statements; or

III - are part of the same company group, as set forth in Law No. 6,404/1976.

§4 The positions of alternate members of the boards of directors of public companies are not counted for the purposes of calculating the limit provided for in the caption of this article, until the moment in which they begin to participate in board of directors' meetings.

Subsection VI – Opinion on PTO

Art. 22 ~~Art. 21~~ The **company's** board of directors must prepare and disclose a reasoned opinion on any **PTO** involving the **company's** shares not more than 15 (fifteen) days after the publication of the **PTO** notice, stating its views at least:

I - on the desirability and timeliness of the **PTO** in accordance with the **company's** interests and those of its shareholders, including with regard to the price and to the potential impact on the liquidity of its stock;

II - on the strategic plans disclosed by the offering shareholder with regard to the **company**; and

III - on any alternatives to acceptance of the **PTO** available in the market.

Sole paragraph. The board's opinion must include its informed judgment for or against acceptance of the **PTO** and must point out that each shareholder is responsible for a final decision regarding acceptance.

Subsection VII – Disclosure of management report on internal controls

Art. 23 [Provision to be voted on separately in Annex 3 (Block B)]

Section VIII: Supervision and Control

Art. 24 ~~Art. 22~~ The **company** must have a statutory audit committee, which may be statutory ~~or non-statutory~~, and must

I - be an advisory body to the **company's** board of directors with operational autonomy and its own budget approved by the board to cover its operating costs and expenses;

II - have its own bylaws, approved by the board of directors, with a detailed description of its functions and operating procedures;

III - have a chairperson whose activities must be defined in its bylaws;

IV - be responsible for:

a) issuing an opinion on the engagement or dismissal of independent outside auditors;

b) appraising the company's quarterly financial filings, interim financial statements, and annual financial statements;

- c) overseeing the activities of the **company's** internal auditing and internal control departments;
- d) appraising and monitoring the **company's** risk exposures, unless there is another committee that specifically deals with risks and observes §6 below;
- e) appraising and monitoring the **company's** internal policies, including its policy on related-party transactions, and recommending corrections or enhancements;
- f) having the means to receive and treat information on non-compliance with the laws and regulations applicable to the **company**, and with its internal rules and codes, including provision for specific procedures to protect whistleblowers and assure the confidentiality of such information.

V - be composed of at least 3 (three) members:

- a) at least one of whom must be an independent member of the **company's** board of directors, in accordance with the definition of an independent director established herein;
- b) at least one of whom must have recognized experience in business accounting pursuant to the rules issued by CVM that govern the registration and practice of independent auditing activities in the securities market and define the duties and responsibilities of the management of audited entities in their relations with independent auditors;
- c) one of whom may accumulate the qualifications described in the previous two items, (a) and (b).

§1 The **company** must publish annually a summarized report by the audit committee outlining the meetings held and the main subjects discussed, and highlighting the recommendations made by the committee to the **company's** board of directors.

§2 The ~~non-statutory~~ audit committee must report on its activities to the **company's** board of directors **at least** every quarter, and the minutes from the board meeting in question must be published, mentioning the audit committee's report.

§3 Executive officers of the **company**, **or the committee provided for in item "d" (IV) of this article**, its subsidiaries, its controlling shareholder, its affiliates or joint ventures, **and any persons under them** may not sit on the audit committee, ~~whether or not it is statutory.~~

§4 The audit committee must meet at least quarterly with the independent auditor.

§5 All meetings and interactions of the audit committee – or, if applicable, of the statutory committee provided for in item "d" (IV) of this article – must be recorded in minutes and filed at the company's headquarters.

§6 The committee provided for in item "d" (IV) of this article must be created by the bylaws linked to the board of directors, must have at least 1 (one) independent director of the company and must have its own internal regulations.

Art. 25 ~~Art. 23~~ The **company** must have its own internal auditing department:

- I - whose activities are reported to the board of directors directly or through the audit committee;
- II - with duties and responsibilities approved by the board of directors;
- III - with a structure and budget deemed sufficient to perform its duties, according to an assessment carried out by the board of directors or by the audit committee at least once a year;
- IV - that is in charge of assessing the quality and effectiveness of the **company's** risk management, control and governance processes.

Sole paragraph. As an alternative to the establishment of its own internal auditing department, the **company** may engage independent auditors registered with CVM to perform this role.

Art. 26 ~~Art. 24~~ The **company** must implement compliance, internal control and corporate risk management functions, all of which must be kept separate from its operational activities.

Sole paragraph. For the purposes of this provision, the activities of the legal, controlling, internal auditing and investor relations departments, among others, are considered non-operational.

Section IX: Regular and Periodic Disclosures

Art. 27 ~~Art. 25~~ The **company** must prepare and disclose the bylaws of its board of directors, advisory committees and fiscal council, if it has one.

Sole paragraph. The bylaws of the board of directors must stipulate that the board include in management's proposal to the general shareholders meeting held to elect directors and officers its opinion regarding:

- I - whether each candidate for election to the board complies with the nomination policy; and
- II - whether each candidate is considered an **independent board member**, based on the provisions hereof and the declaration mentioned in **Erro! Fonte de referência não encontrada.**

Art. 28 ~~Art. 26~~. The **company** must disclose, in compliance with the provisions of the regulations issued by CVM that provide for the disclosure and use of information on material acts or facts relating to public companies, the resignation and dismissal of any member of the board of directors or statutory officers not later than the business day following that on which the **company** is notified of the resignation, or the dismissal is approved,

Art. 29 ~~Art. 27~~ The **company** is required to disclose the following information in English concurrently with the respective disclosure in Portuguese:

- I - Material facts;

- II - Information about dividends and other distributions in notices to shareholders or market notices; and
- III - Earnings releases.

Sole paragraph. If disclosure of a material fact involves information that is outside the **company's** control or if there are abnormal fluctuations in its share price, quotation or trading volume, disclosure in English may occur up to a business day after disclosure in Portuguese.

Art. 30 ~~Art. 28~~ The **company** must hold a public presentation on the information disclosed in its quarterly earnings results or financial statements within 5 (five) business days of their release.

Sole paragraph. The public presentation may be conducted face to face or via teleconference, videoconference or any other means that enables stakeholders to participate remotely.

Art. 31 ~~Art. 29~~ The **company** is required to disclose by December 10 of each year, its annual calendar for the subsequent year containing at least the dates of the following events:

- I - disclosure of complete annual financial statements and standardized financial statements (DFP);
- II - disclosure of quarterly reports (ITR);
- III - the annual general shareholders meeting (AGM);
- IV - disclosure of the reference form.

Sole paragraph. Should the **company** decide to change the date of any such event outlined in the caption of this article, it must update the annual calendar prior to the holding of the event in question.

Art. 32 ~~Art. 30~~ Not more than 10 (ten) days after the end of each month, the **company** must file with B3 a monthly report based on information provided by the controlling shareholder detailing the direct or indirect ownership of its shares

by the controlling shareholder and related persons, on an individual and consolidated basis. The report must also cover positions in **derivatives** and any other securities referenced to the stock issued by the **company**, including **derivatives** settled in cash.

§1 The report must detail:

- I - the quantity and type of each security;
- II - all trades executed in the period, if any, with the respective prices, where applicable; and
- III - the net position held before and after trading.

§2 B3 must effect full disclosure of the information provided under this article, in consolidated form.

Section X: Company Documents

Art. 33 ~~Art. 31~~ The **company** must prepare and disclose a code of conduct approved by the board of directors, applicable to all employees and officers, and comprising at least the following:

- I - the **company's** principles and values;
- II - clear rules concerning the need for knowledge of and compliance with the applicable laws and regulations, particularly the **company's** rules on protection of confidential information and anti-corruption, as well as its policies;
- III - its duties toward civil society, such as social and environmental responsibility, respect for human rights, and labor relations;

- IV - a channel for the receipt of internal and external complaints regarding breaches of the **company's** code of conduct and policies, and of the laws and regulations applicable to the **company**;
- V - identification of the governing body or department responsible for investigating complaints and an assurance that they will be kept anonymous, [unless the complainant expressly requests identification](#);
- VI - protection mechanisms to prevent reprisals against whistleblowers who report potential violations of the **company's** code of conduct and policies, or of the laws and regulations applicable to the **company**;
- VII - the applicable penalties;
- VIII - provision for regular training of employees regarding the need for compliance with the code; and
- IX - the internal bodies responsible for enforcing the code.

Sole paragraph. The code of conduct may be extensive to third parties, such as suppliers and service providers.

Art. 34 [The company may concentrate, in the same reporting channel, those mechanisms provided for in arts. 24 \(IV\), item "f" and 33 \(IV\) herein, provided that it has means of screening and forwarding to the audit committee or the body responsible for the code of conduct of complaints related to matters within their respective powers.](#)

Sole paragraph. [The complainant must remain anonymous, unless they expressly request identification.](#)

Art. 35 [The company must disclose, in its reference form, annual report, sustainability report, or any other public document, the number of complaints received yearly via complaint channel and the number of sanctions applied.](#)

Art. 36 ~~Art. 32~~ The **company** must prepare and disclose the following policies or equivalent formal documents approved by the board of directors:

- I - compensation policy;
- II - nomination policy for the board of directors, its advisory committees, and the executive committee;
- III - risk management policy;
- IV - related-party transaction policy; and
- V - securities trading policy.

Art. 37 ~~Art. 33~~ The nomination policy for the board of directors, its advisory committees and the executive committee must detail at least:

- I - the criteria for the composition of the board of directors, its advisory committees and the executive committee, such as complementarity of experience, education, availability of time to perform their required duties, and diversity; and
- II - the procedure for nominating members of the board of directors, its advisory committees and the executive committee.

Art. 38 ~~Art. 34~~ The risk management policy must describe at least the procedures, and in each case, those responsible, for identifying, assessing and monitoring risks relating to the **company** or to its industry, such as strategic, operational, regulatory, financial, political, technological, and environmental risks.

Art. 39 ~~Art. 35~~ The stakeholder transaction policy must detail at least:

- I - the criteria to be observed when entering into transactions with stakeholders;
- II - procedures to help identifying individual situations that might involve conflicts of interest and consequently determining voting impediments for the **company's** shareholders or officers;
- III - procedures and officers responsible for identifying stakeholders and classifying transactions as related-party transactions; and

IV - the approval instances for related-party transactions, depending on their value and other relevance criteria.

Art. 40 ~~Art. 36~~ The securities trading policy must stipulate at least the following:

I - that compliance with the policy is mandatory for the **company**, its controlling shareholder, its executive officers, the members of its fiscal council, the members of any technical or advisory bodies established by the bylaws, and all the **company's** employees and contractors with permanent or temporary access to material information;

II - trading blackout dates for shares issued by the **company** and, if applicable, for **derivatives** referenced to them;

III - the procedures and measures adopted by the **company** to prevent infringement of the rules on trading securities issued by it;

IV - The set of parameters applicable to individual investment plans; and

V - The rules applicable to cases involving insider lending of shares issued by the **company**.

Section XI: Transfer of Control

Art. 41 ~~Art. 37~~ The **company's** bylaws must stipulate that direct or indirect transfer of control is allowed only on condition that the acquirer of control undertakes to hold a **PTO** for the shares of all other shareholders to ensure they are offered the same treatment as the seller of control.

§1 For the purposes of this section, **control** and the related terms mean the power effectively exercised by a shareholder to direct corporate activities and guide the functioning of the **company's** governing bodies, whether directly or

indirectly, either *de facto* or by operation of law, irrespective of the equity interest held.

§2 The condition stipulated in the caption of this article applies to the transfer of **control** through a single transaction or a series of successive transactions.

§3 The **PTO** must comply with the conditions and timing established by the applicable laws and regulations and the rules herein.

Art. 42 ~~Art. 38~~ In the event of indirect transfer of **control**, the acquirer must disclose the value attributed to the **company** for the purposes of setting the price of the **PTO**, in addition to a justified demonstration of this value.

Section XII: Arbitration

Art. 43 ~~Art. 39~~ The bylaws must include an arbitration clause stating that the **company**, its shareholders and executive officers, as well as the members of its fiscal council and their alternates, if any, undertake to seek arbitration ~~by the Market Arbitration Chamber and to abide by its rules~~ in order to resolve any disputes that may arise relating to their status as issuer, shareholders, management and fiscal council members, especially in light of the provisions of Law 6.385/76, Law 6.404/76, the **company's** bylaws, the rules issued by the National Monetary Council (CMN), the Central Bank of Brazil (BCB) and CVM, as well as other rules applicable to the securities market in general, the rules herein, other rules and regulations established by B3, and the **Novo Mercado** participation agreement.

Sole paragraph. The arbitration clause referred to in this article must expressly indicate the chamber in which the arbitration will be resolved, which may be the Market Chamber or an alternative chamber previously accredited, pursuant to the criteria approved by B3's board of directors.

Art. 44 ~~Art. 40~~ Executive officers, members of the fiscal council, both effective members and alternates, of the audit committee and, if applicable, of the statutory committee referred to in Art. 24, “d” (IV) herein must not take office unless they sign an undertaking to comply with the arbitration clause in the bylaws, as per the previous article.

CHAPTER II: DELISTING FROM NOVO MERCADO

Section I: General Provisions

Art. 45 ~~Art. 41~~ **Delisting** from **Novo Mercado** pursuant to Sections II and III may be due to:

- I - a decision by the controlling shareholder or the **company**;
- II - failure to discharge the obligations herein;
- III - cancellation of the **company**'s CVM registration as a public company or of its CVM category conversion, in which case the provisions of the applicable laws and regulations must be observed.

Section II: Voluntary Delisting

Art. 46 ~~Art. 42~~ Voluntary **delisting** from **Novo Mercado** will be granted by B3 only if it is preceded by a **PTO** that follows the procedures required by the rules issued by CVM governing tender offers held to cancel registration as a public company.

Art. 47 ~~Art. 43~~ The **PTO** mentioned in Art. 46 must comply with the following requirements:

- I - the offered price must be fair, so that a new appraisal of the **company** may be requested in the manner established by corporation laws;
- II - shareholders who hold more than 1/3 (one-third) of **free float**, or a higher percentage stipulated in the bylaws, must accept the **PTO** or expressly agree to **delist** without a sale of shares.

§1 For the purposes of this article, free float means only the shares held by shareholders who expressly agree with delisting from **Novo Mercado** or enroll for the **PTO** auction, in accordance with the rules issued by CVM governing public tender offers held to cancel registration as a public company.

§2 If the number of willing shareholders reaches one third, pursuant to clause II of this article:

- I - the acceptors of the **PTO** must not be subjected to apportionment in selling their shares, provided that the ownership limit waiver procedures stipulated in the rules issued by CVM for **PTOs** are observed; and
- II - the offeror is obliged for a period of one month starting on the auction date to buy the remaining **free float** at the final price reached in the auction, updated to the date of effective payment as per the terms of the bidding notice and the applicable laws and regulations, which payment must occur within 15 (fifteen) days of the date on which the shareholder exercises this discretion.

Art. 48 ~~Art. 44~~ **Voluntary delisting** from **Novo Mercado** may occur regardless of whether the **PTO** mentioned in Art. 464~~2~~ is held if a waiver is approved by a general shareholders meeting.

§1 The shareholders meeting mentioned in this article, if held on first call, must be attended by shareholders representing at least 2/3 (two-thirds) of **free float**.

§2 If the required quorum as per §1 is not reached, the shareholders meeting may be held on second call with any number of shareholders who own **free float** shares attending.

§3 A decision to waive the obligation to hold a **PTO** must be made by a majority of votes cast by shareholders who own **free float** shares and are present at the meeting.

Section III: Compulsory Delisting

Art. 49 ~~Art. 45~~ Application of the sanction of **compulsory delisting** from **Novo Mercado** depends on the holding of a **PTO** with the same characteristics as the **PTO** arising from **voluntary delisting** from **Novo Mercado**.

Sole paragraph. If the percentage for **delisting** from **Novo Mercado** is not reached after the **PTO** is held, trading in the **company's** shares on the segment may continue for 6 (six) months after the **PTO** without prejudice to the application of a monetary penalty.

CHAPTER III: CORPORATE REORGANIZATION

Art. 50 ~~Art. 46~~ In the event of corporate reorganization involving transfer of the **company's** shareholder base, the resulting companies must apply for **listing** on **Novo Mercado** within 120 (one hundred and twenty) days of the date of the general shareholders meeting that approves the reorganization.

Sole paragraph. If the reorganization involves resulting companies that do not intend to apply for **listing** on **Novo Mercado**, this structure must be approved by a majority of the **company's** shareholders holding **free float** shares and present at the general shareholders meeting.

CAPÍTULO IV: NOVO MERCADO WARNING

Art. 51 [Provision to be voted on separately in Annex 2 (Block A)]

CHAPTER V: SANCTION APPLICATION PROCESS

Section I: Sanction Application Events

Art. 52 ~~Art. 47~~ B3 is responsible for applying sanctions to the **company** and to its officers and shareholders if any of the following events occur:

- I - non-compliance with requirements and obligations as set forth herein;
and
- II - non-compliance with B3's resolutions relating to the obligations established herein.

Section II: Liability

Art. 53 ~~Art. 48~~ Officers or shareholders may be held liable for non-compliance if deemed to have caused an infringement in accordance with their powers, competencies and obligations, as mandated in the applicable laws and regulations, the **company's** bylaws, or this Regulation.

Sole paragraph. If the infringement derives from a decision or omission by a governing body, all members of the body concerned will be deemed jointly liable save those who have expressed objections in a documented manner.

Section III: Procedure for Applying Sanctions

Art. 54 ~~Art. 49~~ If non-compliance with the obligations established herein or with requirements relating to such obligations is verified, B3 will notify the officer responsible:

- I - specifying the non-compliance;
- II - stating that a sanction application proceeding has been initiated;
- III - granting not less than 15 (fifteen) days from the date of notification for the presentation of a defense; and
- IV - specifying the manner in which the defense is to be presented.

§1 B3's Issuers Regulation Director may, upon justified request, justifiably extend the deadline for presenting a defense.

§2 B3 may disclose to the public the initiation of sanctioning proceedings, when the public interest so requires.

Art. 55 ~~Art. 50~~ On receiving the defense or when the time granted for its presentation has elapsed, B3 will analyze the facts and arguments presented, and may request additional information, depending on the nature and complexity of the infringement.

Art. 56 ~~Art. 51~~ Any decision to apply sanctions, except that of **compulsory delisting** from **Novo Mercado**, will be made by B3's Issuers Regulation Department in a technical meeting held to discuss the facts, the arguments of the defense, and other elements applicable to the case.

Art. 57 ~~Art. 52~~ Any decision to apply the sanction of **compulsory delisting** from **Novo Mercado** will be made by B3.

Art. 58 ~~Art. 53~~ For the purposes of applying the sanctions provided for herein, the following may be considered:

- I - the nature and gravity of the infringement and any mitigating circumstances;
- II - the arguments presented by those involved, where applicable;
- III - the harm done to the market and market **participants**;
- IV - any advantages gained or losses averted;
- V - any action taken to remedy the infringement;
- VI - prior infringements in the 2 (two) years prior to this infringement.

Art. 59 ~~Art. 54~~ The application of a sanction by B3 will be communicated in an official letter, which may establish a deadline for action to remedy the infringement, where applicable.

§1 The application of a sanction by B3 as per this Regulation must be communicated in writing to the party responsible for the infringement, with a copy to the **company**.

§2 Failure to meet the deadline for remedial action will be deemed noncompliance with an obligation to B3 under Art. 52, giving rise to another sanction proceeding.

Section IV: Types of Sanctions

Art. 60 ~~Art. 55~~ Considering the criteria stipulated in Art. 58 hereinabove, B3 may apply any of the following sanctions:

- I - a written warning;

- II - a **fine** in an amount to be set according to the provisions of Art. 58 and the limits established in Art. 61;
- III - public censure published on B3's website and market data feeds;
- IV - suspension of the **company** from **Novo Mercado**;
- V - **compulsory delisting** from **Novo Mercado**.

Subsection I: Fines

Art. 61 ~~Art. 56~~ The application of **fines** will observe the following limits:

- I - from R\$1,439.00 (one thousand, four hundred and thirty-nine Brazilian Reais) to R\$288,878.00 (two hundred and eighty-eight thousand, eight hundred and seventy-eight Brazilian Reais) for non-compliance with B3's requirements regarding the obligations established herein and for non-compliance with the obligations established in Section II: Bylaws, Section V: Shareholding Dispersion, Section VI: Pre-Operational Companies, Section IX: Regular and Sporadic Disclosures, Section X: Company Documents, and Section XII: Arbitration, Chapter I of Title II hereof;
- II - from R\$7,218.00 (seven thousand, two hundred and eighteen Brazilian Reais) to R\$433,316.00 (four hundred and thirty-three thousand, three hundred and sixteen Brazilian Reais) for non-compliance with Section VII: Management and Section VIII (Supervision and Control), Chapter I of Title II hereof;
- III - from R\$14,441.00 (fourteen thousand, four hundred and forty-one Brazilian Reais) to R\$722,197.00 (seven hundred and twenty-two thousand, one hundred and ninety-seven Brazilian Reais) for non-compliance with Section III: Capital Stock and Section IV: Free Float, Chapter I of Title II hereof;

- IV - up to 1/3 (one-third) of the value of **free float** calculated on the basis of the **PTO** price, excluding the shares sold in the **PTO**, in the event of failure to reach a quorum in the **compulsory delisting PTO**;
- V - up to 1/5 (one-fifth) of the value of **free float** calculated on the basis of the weighted average price for the last 12 (twelve) months, or R\$7,222,003.00 (seven million, two hundred and twenty-two thousand and three Brazilian Reais), whichever is greater, for non-compliance Section XI: Transfer of Control of Chapter I and Title II, Chapter III: Corporate Reorganization hereof.

Sole paragraph. The limits set out in the items above will be considered per infringement.

Art. 62 In the dosimetry of the fine penalty, B3 must initially set the base fine, corresponding to 50% of the maximum penalty, subsequently applying the aggravating and mitigating circumstances.

§1 When setting the base penalty, B3 must observe the principles of proportionality and reasonableness, as well as the economic capacity of the offender and the reasons that justify the imposition of the penalty.

§2 B3 may consider mitigating and aggravating circumstances to define the application of other penalties provided for in Art. 61 herein.

Art. 63 The following are mitigating circumstances:

- I - confession of the illegal act or the provision of information regarding its materiality;
- II - the violator's good standing;
- III - regularization of the infringement;
- IV - the good faith of the accused; and

V – the effective adoption of internal mechanisms and procedures for integrity, audit and encouragement to reporting irregularities, as well as the effective application of codes of ethics and conduct.

Sole paragraph. The fine penalty must be reduced by up to 25% (twenty-five percent) for each mitigating factor verified.

Art. 64 The following are aggravating circumstances:

- I - the systematic or repeated practice of irregular conduct;
- II - the high damage caused;
- III - the significant advantage obtained or intended by the violator;
- IV - the existence of relevant damage to the image of the securities market or the segment in which it operates;
- V - committing an infringement through ruse, fraud or simulation;
- VI - compromising or risk of compromising the issuer's solvency;
- VII - violation of fiduciary duties arising from the position, role or function held; and
- VIII - concealment of evidence of the infringement through ruse, fraud or simulation.

Sole paragraph. The fine penalty must be increased by up to 25% (twenty-five percent) for each aggravating factor verified.

Subsection II: Suspension from Novo Mercado

Art. 65 ~~Art. 57~~ Suspension of the **company** from **Novo Mercado** entails:

- I - disclosure by B3 of its application of the sanction of suspending the **company's** listing on **Novo Mercado** via its website and market data feeds;
- II - separate disclosure by B3 of the **company's** stock quotation with the warning “non-compliant with the obligations established in the **Novo Mercado** rules”, via its website and market data feeds;
- III - withdrawal of the **company's** shares from those of B3's indices whose methodology requires the **company's** participation in special corporate governance segments;
- IV - withdrawal by B3 of any identification of the company as belonging to **Novo Mercado** via its website and market data feeds; and
- V - banning the company from using the **Novo Mercado** seal or any other identification item connected to the **Novo Mercado**.

§1 Suspension from **Novo Mercado** will remain in force until the **company** remedies its non-compliance, without prejudice to application of the sanction of **compulsory delisting** from **Novo Mercado**.

§2 Suspension from **Novo Mercado** does not exempt the **company**, its officers, shareholders and fiscal council members from complying with the obligations arising from this Regulation.

Subsection III: Compulsory Delisting Novo Mercado

Art. 66 ~~Art. 58~~ The sanction of **compulsory delisting** of the **company** from **Novo Mercado** entails the obligation to hold a delisting **PTO** pursuant to this Regulation.

Art. 67 ~~Art. 59~~ The sanction of **compulsory delisting** from **Novo Mercado** will be applied only in the event of non-compliance with the obligations stipulated herein for a period of more than 9 (nine) months.

Art. 68 ~~Art. 60~~ The notice communicating application of the sanction of **compulsory delisting** from **Novo Mercado** must specify the maximum time granted for publication of the delisting **PTO** notice.

Section V: Appeal

Art. 69 ~~Art. 64~~ After the decision to apply the sanction has been sent by B3's Issuers Regulation Officer, the party responsible may appeal to B3 within 15 (fifteen) days.

§1 In the event of an appeal against the decision to apply a **fine**, should the decision be upheld, the amount of the **fine** will be adjusted according to the Extended National Consumer Price Index (IPCA) or any other index created to replace it until the date on which the decision to uphold application of the **fine** is sent.

§2 Appeals against the application of sanctions must be sent to B3's Issuers Regulation Officer.

§3 B3's Issuers Regulation Director may, upon justified request, justifiably extend the deadline for filing an appeal.

Art. 70 ~~Art. 62~~ Decisions made via delegation of powers may be revised or upheld by the Issuers Regulation Officer.

Sole paragraph. Should the Issuers Regulation Officer decide in a technical meeting to uphold the sanction, the appeal will be forwarded to B3 for a final decision.

Art. 71 ~~Art. 63~~ Decisions made by B3 in accordance herewith cannot be appealed.

Art. 72 ~~Art. 64~~ If an appeal is not filed within the timeframe established hereinabove, the decision made by the Issuers Regulation Officer ends the sanction application proceeding and is deemed definitive with respect to B3.

Art. 73 ~~Art. 65~~ For the purposes of Title II, Chapter IV hereof, B3's decisions will be made by its Executive Committee.

TITLE III: GENERAL PROVISIONS

CHAPTER I: DISCLOSURES

Art. 74 ~~Art. 66~~ All information and documents required to be disclosed by the **company** as a result of this Regulation must be sent to B3 through the Empresas.Net system and will be made available on its website.

Art. 75 ~~Art. 67~~ B3 will post information about the application of this Regulation on its website, including:

- I - the imposition of sanctions due to non-compliance with the obligations established herein; and
- II - the granting of special treatment pursuant to this Regulation.

CHAPTER II: ENTRY INTO FORCE

Art. 76 ~~Art. 68~~ This Regulation enters into force on ~~January 2nd, 2018~~ [date to be defined – approximately 30 days after publication].

§1 **Companies listed on Novo Mercado** when this Regulation enters into force:

I - must adapt their bylaws and other documents not later than the ~~annual general shareholders meeting that deliberates on the financial statements for the fiscal year of 2020~~ the first general shareholders meeting for the full election of the members of the board of directors to be held as of 2028 in order to:

- a) provide that the members of its board of directors do not hold positions on more than 5 (five) boards of public companies, subject to the events provided for in §1 and §2 of Art. 21 herein ~~require the board of directors to include at least 2 (two) independent directors;~~
- b) include the maximum term of office for the characterization of a director as independent, pursuant to the provisions of Art. 16, §1 (V) and §3, §4 and §5 herein ~~delete references to the former definition of an independent director or adapt the bylaws to the new definition;~~ and
- c) adapt the provisions on the minimum number of independent members sitting on the board of directors, as provided for in Art. 15 herein. ~~adapt the provisions on transfer of control, delisting from the segment, and arbitration, as well as any other provisions, as applicable, to the rules established herein.~~

II - must ~~also take the following measures not later than the annual general shareholders meeting that deliberates on the financial statements for the fiscal year of 2020:~~ from the mandatory annual update of the reference form for the year following the effective date, disclose the number of complaints received per year via the complaint channel, and the number of sanctions applied:

- ~~a) — adjust the composition of the board of directors to the provisions hereof;~~

- ~~b) — publish the bylaws of the board of directors, its advisory committees and the fiscal council, if any, in accordance herewith;~~
- ~~c) — establish an audit committee and implement the internal auditing, compliance, internal control and risk management functions in accordance herewith;~~
- ~~d) — adapt the code of conduct and insider trading policy to the minimum content required hereby;~~
- ~~e) — draft and publish the other policies mentioned herein; and~~
- ~~f) — structure and publicize a process of assessment of the board of directors, its advisory committees and the executive committee.~~

~~III — must leave unchanged or delete all provisions in the bylaws that:~~

- ~~g) — impose restrictions on shareholders who vote in favor of the deletion or amendment of clauses in the bylaws;~~
- ~~h) — limit the number of shareholder votes to percentages lower than 5% (five per cent) of the capital stock.~~

III - must, by the ordinary general meeting to be held in the fiscal year commenced following the effective date, provide, in the bylaws, for a statutory audit committee, and its subjection to the provisions herein, as per arts. 6 and 24;

IV - must, from the first full fiscal year beginning after the start of this Regulation, submit the declaration provided for in Art. 23 herein.

§2 The **new companies** listed on **Novo Mercado** after the entry into force of this Regulation must, from the first full fiscal year started after the listing, submit the statement set out in Art. 23 herein.

~~Art. 69~~ — The obligation mentioned in ~~Erro! Fonte de referência não encontrada~~, hereinabove does not apply to companies that were already listed on Novo Mercado before this regulation entered into force but had not disclosed the required information owing to a judicial decision, even if the decision was a preliminary injunction.

CHAPTER III: EXCEPTIONS

Art. 77 ~~Art. 70~~ B3's Executive Committee may exceptionally waive any of the obligations established herein, provided that such decision is made by a majority of its members, at the **company's** request, and duly substantiated.

Sole paragraph. This waiver depends on a favorable opinion from B3's Issuers Regulation Department.

Art. 78 ~~Art. 71~~ The **company's** request for an exceptional waiver of an obligation must address:

- I - the facts and grounds, both quantitative and qualitative, as applicable, on which the request is based;
- II - the timeframe requested for fulfillment of the obligation, as applicable;
- III - the plan for fulfillment of the obligation within the requested timeframe, as applicable, including the measures to be taken by the **company** and by its controlling shareholders, if any;
- IV - the history of previous waiver requests.

Sole paragraph. Should the request refer to the obligation of keeping **free float** at a smaller percentage than stipulated herein, then it must also address:

- I - the history of the maintenance of **free float**;

- II - the percentage **free float** that the **company** plans to maintain during the requested period.

Art. 79 ~~Art. 72~~ The request will be reviewed by B3's Issuers Regulation Department, who may require additional information and may hold teleconferences or personal meetings.

Art. 80 ~~Art. 73~~ The Issuers Regulation Department will forward to B3's Executive Committee its opinion on the request for an exceptional waiver, indicating where applicable any measures that could be taken to offset or mitigate temporary non-compliance with the obligation.

Art. 81 ~~Art. 74~~ The decision made by B3's Executive Committee must take the following factors into account:

- I - the nature of the obligation;
- II - the history of previous requests, and of non-compliance with the obligations stipulated herein and with the rules governing the listing of issuers;
- III - the efforts undertaken by the **company** and by its controlling shareholders to fulfill the obligation;
- IV - the timing of the request presented by the **company**;
- V - any gains or losses for shareholders, the market and its **participants**;
- VI - the mitigating measures taken by the **company** and the **controlling shareholders**;
- VII - the healthy, fair, regular and efficient functioning of the organized markets managed by B3; and
- VIII - the image and reputation of **Novo Mercado** and of B3 as an operator of organized securities markets.

Sole paragraph. Should the request refer to the obligation to keep **free float** at a lower percentage than stipulated herein, the decision made by B3's Executive Committee must also take into account:

- I - the possibility that shareholders will exercise their rights; and
- II - liquidity and the impact on stock prices.

Art. 82 ~~Art. 75~~ If B3's Executive Committee grants an exceptional waiver of any obligations, the **company** must publish a material event notice outlining the grounds for the request, the decision made by the Executive Committee, including the time allowed for fulfillment of the obligation, as applicable, and B3's grounds for granting special treatment.

§1 If the request refers to the obligation of keeping **free float** at a lower percentage than stipulated herein, the material fact notice must also include the minimum **free float** to which the **company** is committed during the requested period.

§2 Denial of a waiver of any obligation is final and cannot be appealed.

CHAPTER IV: AMENDMENTS

Art. 83 ~~Art. 76~~ Material amendments to this Regulation may be made by B3 only after holding a closed hearing with the **companies** listed on **Novo Mercado** and provided that opposition is not expressed by more than 1/3 (one-third) of the participants in the hearing.

Art. 84 ~~Art. 77~~ The notice convening the closed hearing must be sent to the heads of investor relations at the **companies** concerned, stipulating:

- I - the time allowed for responding to the notice, which must be not less than 30 (thirty) days; and
- II - how **companies** are to participate in the **closed hearing**.

§1 Failure to respond in the time allowed will be taken as consent to the changes proposed by B3.

§2 Each **company's** response to the notice must be reviewed and approved by B3's Board of Directors, and the minutes from the board meeting must be published, including a transcription of the complete contents of the response.

Art. 85 ~~Art. 78~~ All responses to the notice and the voting map must be posted in full on B3's website not later than 30 (thirty) days after the end of the closed hearing.

Art. 86 ~~Art. 79~~ B3 must notify the **companies** at least 30 (thirty) days prior to the date on which any material changes made hereto enter into force.

Sole paragraph. B3 may reduce or may not use the deadline in this article if the change makes the rules herein more flexible or does not require adaptations by companies.

CHAPTER V: UNFORESEEN EVENTS

Art. 87 ~~Art. 80~~ If any provision hereof is deemed invalid or unenforceable owing to an amended legal or regulatory decision, it must be replaced by another provision with similar contents and purpose.

Sole paragraph. The invalidity or unenforceability of one or more items will not affect the other provisions hereof.

Art. 88 ~~Art. 81~~ If any provision hereof is wholly or partly included in a future legal or regulatory decision or another regulation issued by B3 and applicable to all listed **companies**, B3 may amend this Regulation with the purpose of excluding the provision without having to observe the procedure for amendment established herein, depending on the materiality of the topic.

CHAPTER VI: OBLIGATIONS AFTER DELISTING FROM NOVO MERCADO

Art. 89 ~~Art. 82~~ **Delisting** from **Novo Mercado** does not exempt the **company**, its directors and officers, its controlling shareholder or its other shareholders from fulfilling obligations and meeting requirements and provisions stemming from the **Novo Mercado** participation agreement, **arbitration clause**, arbitration rules and the rules established by Regulation that originate from facts prior to the **delisting**.

Art. 90 ~~Art. 83~~ If control of the **company** is transferred within 12 (twelve) months following its **delisting** from **Novo Mercado**, the **seller** and **acquirer** of control must jointly and severally offer the shareholders who owned shares in the **company** on the date of **delisting** or **PTO** settlement for **delisting** from **Novo Mercado**:

- I - Acquisition of their shares for the price and on the terms obtained by the seller, duly updated; or
- II - Payment of the difference, if any, between the **PTO** price accepted by former shareholders, duly updated, and the price obtained by the controlling shareholder in selling its own shares.

§1 The rules governing the obligations established by this article are the same as those applicable to the transfer of **control**.

§2 The **company** and its controlling shareholder must note in the **company's** share registry any encumbrance on the shares held by the controlling shareholder that obliges the acquirer of control to comply with the rules stipulated in this article within 30 (thirty) days of divestment of the shares.

CHAPTER VII: NON-LIABILITY

Art. 91 ~~Art. 84~~ The provisions hereof do not entail any liability to B3 regarding, including, but not limited to, the **company**, its controlling shareholders and other shareholders, members of its board of directors, officers, members of its fiscal council, members of committees or other bodies that advise the board of directors, employees or representatives; nor do they mean that B3 will defend the interests of those who may ultimately be injured by:

- I - abusive or illegal acts performed by the **company**, its shareholders, including the controlling shareholder, its directors and officers, or the members of its fiscal council; or
- II - the provision of false or misleading information or the omission of information by the **company**, its shareholders, including the controlling shareholder, the members of its board of directors, executive committee and fiscal council, its employees or its representatives.

Art. 92 ~~Art. 85~~ **Listing on Novo Mercado** should not be construed as a recommendation to invest in listed **companies** by B3 and does not imply a judgment by or any liability to B3 regarding the quality or accuracy of any information disclosed by them, the risks inherent in their activities, the actions and conduct of their shareholders, boards of directors, officers, fiscal councils, committees or other bodies that advise the boards mentioned in this Regulation, employees and representatives, or their economic and financial standing.

CHAPTER VIII: FINAL PROVISIONS

Art. 93 ~~Art. 86~~ The value in local currency of the ADTV established for the purpose of compliance with the requirement of keeping **free float** at a specified minimum percentage of capital stock may be adjusted by B3 in accordance with ADTV for the bottom quartile of the securities that make up the Ibovespa Index, considering the last 5 (five) theoretical portfolios in the index or any other index created to replace it.

Sole paragraph. B3 may update the minimum value in local currency of the **free float** from public offerings held for **listing on Novo Mercado** pursuant to 0 (sole paragraph) hereof, in order to keep it consistent with ADTV adjusted in accordance with this article.

Art. 94 ~~Art. 87~~ The maximum value of the **finest** established herein will be adjusted for inflation every 12 (twelve) months in line with the change in the Extended National Consumer Price Index (IPCA) or any other index created to replace it.

§1 The proceeds from **finest** will become the property of B3, which will invest them in activities associated with the regulatory and institutional development of the securities market. The use of these funds must be publicly disclosed every year by B3.

§2 Failure to pay a **fine** on time will incur an additional **fine** corresponding to 2% (two per cent) of the principal plus interest at 1% (one per cent) per month

Art. 95 ~~Art. 88~~ **Listing on Novo Mercado** and the inclusion of an arbitration clause in a listed **company's** bylaws do not preclude action by the Brazilian Exchange and Securities Commission within the limits of its powers, in accordance with Law 6,385/76.

ANNEX 2

BLOCK A

CHAPTER IV: NOVO MERCADO WARNING

Art. 51 B3 may issue a warning related to a given company upon becoming aware of one of the following situations:

- I - disclosure of a material fact that demonstrates the possibility of material error in financial information, as defined by Brazilian accounting standards, including those related to fraud;
- II - delay of more than 30 (thirty) days in the delivery of financial information, in relation to the deadline set out in the regulation;
- III - independent auditors' report with modified opinion; or
- IV - disclosure of a material fact indicating the request for court-supervised reorganization in Brazil or equivalent procedures in foreign jurisdictions.

§1 B3 will allow a period of at least 48 hours for the company to submit additional documents or clarifications, prior to the decision on issuing the warning.

§2 The decision to issue a warning about a given company will be made by B3's Executive Board.

§3 After issuing a warning about a given company, B3 may, if applicable, initiate a sanctioning process, in accordance with Art. 55 herein.

§4 The warning issued by B3 does not exempt the company, its officers, shareholders, including controllers, members of the fiscal council, the audit committee and the committee provided for in Art. 24 (IV), "d",

herein, from complying with the obligations arising from this Regulation.

§5 The company will remain “under warning” until:

a) item (I) of this article, 1 (one) annual financial statements are submitted with the correction of accounting errors, **or quarterly financial statements (ITR) are disclosed accompanied by an express opinion from independent auditors on the correction made;**

b) Item (II) of this article, overdue financial information is submitted;

c) item (III) of this article, the independent auditors’ report is submitted without a modified opinion;

d) item (IV) of this article, court-supervised or out-of-court reorganization, or equivalent procedure in foreign jurisdictions, is terminated and the company's usual activities are resumed;

§6 When issuing **or withdrawing** a warning about a given company, B3 will notify it to disclose the information to the market **in 24 hours or until the opening of the next trading session.**

~~**Art. 52—B3 may consult the opinion of external experts with the goal of obtaining support for its decision to issue a warning on a given company.**~~⁸

⁸ Art. 52 is not included in this RNM; it was only included in Public Consultations No. 01/2024-DIE and No. 02/2024-DIE.

ANNEX 3

BLOCK B

Subsection VII – Disclosure of management report on internal controls

Art. 23 The company must disclose annually, in the management report accompanying the company's financial statements, in the reference form, or in a separate public document, a statement by the CEO (or main executive) and the CFO (or executive responsible for the financial statements) as follows:

- I - regarding the responsibility for establishing and maintaining an adequate internal control structure; and
- II - assessment of the effectiveness of internal control structures for drafting financial statements.

§1 In companies where there is a statutory officer responsible for internal control areas, this officer must also provide the statement described in this article, together with the CEO and the CFO.

§2 The maximum period to comply with the provisions of the caption in this article will be, in the case of a separate public document, the period to update the company's reference form.

ANNEX 4

Block	Topic	Article in Annex 2	Item in Public Consultation No. 01/2024	Item in Public Consultation No. 02/2024
(Basic Regulation)	Overboarding	Art. 21	Item 2.2.1	Item 1.2.1
	Tenure limit for independent directors	Art. 16, §1, V, and §3, §4 and §5	Item 2.2.2	Item 1.2.2
	Minimum number of independent directors	Art. 15	Item 2.2.3	Item 1.2.3
	Flexibility of the Arbitration Chamber	Art. 43	Item 2.5	Item 1.5
	Dosimetry of penalties	Art. 61, 62, 63 and 64	Item 2.4.2	Item 1.4
	Statutory Audit Committee (CAE)	Art. 24	Item 3.1.1	Item 2.4
	Quarterly meetings between the CAE and independent auditors	Art. 24, §4	Item 3.1.2	Item 2.4
	Obligation for the CAE to draw up minutes	Art. 24, §5	Item 3.1.3	Item 2.4
	Composition of the CAE	Art. 24, §3	---	Item 2.3
	Disclosure of sanctioning process	Art. 54, §2	---	Item 1.1
	Possibility of absorption of CAE's activities by the Risk Committee	Art. 6, I Art. 24, IV, d Art. 24, §6 Art. 44	Item 3.1.4	Item 2.4
	Express provision for adherence to Novo Mercado	Art. 6, I Art. 44	Item 3.1.5	Item 2.4
	Possibility of a single whistleblower channel	Art. 34, caption	Item 3.2.1	Item 2.4

Block	Topic	Article in Annex 2	Item in Public Consultation No. 01/2024	Item in Public Consultation No. 02/2024
	Possibility of waiving anonymity	Art. 33, V Art. 34, sole paragraph	Item 3.2.2	Item 2.4
	Disclosure of complaints	Art. 35	Item 3.2.3	Item 2.1
	Change in deadline for changes to come into effect	Art. 86, sole paragraph	Item 3.3	Item 2.4
	Possibility of extending deadline for defense and appeal	Art. 54, §1 Art. 69, §3	Item 3.4	Item 2.4
	Liquidity rules	Art. 10, §1 and §2	Item 3.5.1	Item 2.4
	Revocation of ICVM 476	Art. 12, sole paragraph and Art. 13, sole paragraph	Item 3.5.2	Item 2.4
	Independence criteria	Art. 16, §2, VI	Item 3.5.3	Item 2.4
	Accumulation of positions	Art. 20	Item 3.5.4	Item 2.4
	Regulatory adaptation	Art. 4	---	---
	Adaptation period	Art. 76	---	---
Block A	Novo Mercado Warning	Art. 51	Item 2.1	Item 1.1
Block B	Reliability of Financial Statements	Art. 23	Item 2.3	Item 1.3