

**INTERNAL REGULATIONS OF THE FISCAL COUNCIL OF  
JBS S.A.**

**CHAPTER I**

**PURPOSE**

**Article 1.** These internal regulations ("Regulations") are intended to establish rules for the proper functioning of the Fiscal Council of JBS S.A. ("Company"), gathering its basic organizational principles and defining its responsibilities and attributions, in compliance with the Company's Bylaws and Law No. 6,404 dated December 15, 1976, as amended ("Law No. 6,404/76"), observing good corporate governance practices, and, in particular, those set forth by the Novo Mercado Listing Regulations of B3 S.A. - Brasil, Bolsa, Balcão.

**CHAPTER II**

**COMPOSITION**

**Article 2.** The Fiscal Council, which shall operate permanently, is composed of at least 3 (three) and at most 5 (five) sitting and alternate members in equal number, shareholders or not, elected by the Shareholders' Meeting, and shall have a joint term of office of 1 (one) year, with reelection permitted.

**Paragraph 1.** The members of the Fiscal Council shall take office by signing the instrument of investiture drawn up in the proper book and by the prior subscription of the Term of Consent of the Members of the Fiscal Council, pursuant to the provisions of the Novo Mercado Listing Regulations of B3 S.A. - Brasil, Bolsa, Balcão.

**Paragraph 2.** The members of the Fiscal Council shall be replaced in their absences and impediments by their respective alternates.

**Paragraph 3.** If a position in the Fiscal Council becomes vacant, the respective alternate member shall hold such position; should there be no alternate member, the Shareholders' Meeting shall be called to elect a member for the vacant position.

**Article 3.** The members of the Fiscal Council shall elect their Chair at their first meeting.

## **CHAPTER III**

### **POWERS**

**Article 4.** The Fiscal Council is the body responsible for supervising the management acts of the Company's managers, aiming at protecting the best interests of the Company and its shareholders, meeting the requirements of the Company's corporate purpose.

**Article 5.** Observing the powers provided for by law and the Company's Bylaws, it is incumbent upon the Fiscal Council to:

- (a)** supervise, through any of its members, the actions of members of management and to verify the fulfillment of their legal and statutory duties;
- (b)** issue an opinion on the Management Annual Report, including any additional information deemed necessary or useful for the resolution of the Shareholders' Meeting;
- (c)** issue an opinion on proposals of the management bodies to be submitted to the Shareholders' Meeting regarding changes to the capital stock, issuance of debentures or subscription warrants, investment plans or capital budgets, distribution of dividends or interest on own capital, transformation, merger, consolidation or spin-off;
- (d)** report, through any of its members, any discovered errors, fraud or crimes to the Company's management bodies and, if they do not take the necessary measures to protect the interests of the Company, to report such information to the Shareholders' Meeting and suggest useful measures;
- (e)** call the Annual Shareholders' Meeting if the management bodies delay the call for more than 1 (one) month, and the extraordinary meeting whenever serious or urgent reasons occur, and include on the agenda of the Meetings the matters deemed necessary;
- (f)** analyze, at least on a quarterly basis, the balance sheet and other financial statements periodically prepared by the Company as well as the budget execution reports;
- (g)** examine the Company's financial statements for the fiscal year and issue an opinion on them;
- (h)** resolve on the Internal Regulations of the Fiscal Council;

- (i) request the presence of the Company's independent auditors at the meetings, for eventual clarifications regarding the financial statements and opinions; and
- (j) perform the duties described above during the liquidation of the Company, in light of the special provisions that govern it.

**Sole Paragraph.** The duties of Fiscal Council members cannot be delegated and the duties and powers conferred by the legislation applicable to the Fiscal Council cannot be conferred upon another body of the Company.

#### **CHAPTER IV**

### **INTERNAL AND ADMINISTRATIVE ORGANIZATION OF THE FISCAL COUNCIL**

#### **Section I - The Chair of the Fiscal Council**

**Article 6.** It is incumbent upon the Chair of the Fiscal Council to:

- (a) call and preside over the meetings of the Fiscal Council, submitting the agenda to the other members, pursuant to these Regulations and any amendments;
- (b) assess and define the matters to be discussed at the meetings, including matters to be resolved on the agenda;
- (c) guide the work, keeping the debates in order, and resolve issues of order raised during the meetings;
- (d) authorize the resolution of matters not included in the meeting agenda;
- (e) count the votes and announce the results of the Fiscal Council meetings;
- (f) forward, to whom it is entitled, the resolutions of the Fiscal Council;
- (g) comply with and enforce compliance with the Regulations and other legal or regulatory provisions governing the operation of the Fiscal Council;
- (h) appoint a reporting member for the examination of judicial, administrative or any other proceedings involving the Company;
- (i) authorize the presence at meetings of people who, by themselves or due to the bodies they represent, can provide clarifications relevant to the matters on the agenda,

who may be present at meetings during the time in which the subject of their specialty that gave rise to their invitation or in relation to which they must give an opinion is under discussion;

(j) represent the Fiscal Council at meetings where it is called upon to participate by legal provision or at the request of any other body of the Company's management;

(k) appoint the Secretary, who will be responsible for preparing the Minutes of the Fiscal Council Meetings;

(l) sign the official correspondence of the Fiscal Council.

## **Section II - Secretary of the Fiscal Council**

**Article 7.** The Fiscal Council shall have a Secretary, who will be responsible for:

(a) acting as secretary at the Fiscal Council meetings, in compliance with the provisions of Article 6, item "k" above;

(b) organizing, under the guidance of the Chair, the agenda of matters to be dealt with at each meeting, gathering the necessary documents;

(c) distributing the agenda and documents and taking notes of the resolutions of the Fiscal Council to be recorded in the minutes;

(d) drawing up the minutes of Fiscal Council meetings, which shall be registered in the proper book, and distribute copies of the minutes to the Fiscal Council members, upon their respective approval, in compliance with the provisions of Article 6, item "k" above;

(e) issuing and receiving the relevant documentation related to the Fiscal Council, as well as filing the documents presented to the Fiscal Council;

(f) preparing the correspondence to be signed by the Chair of the Fiscal Council and other members of the Fiscal Council;

(g) taking administrative support measures for the Fiscal Council which are necessary to comply with the provisions of these Regulations and the legislation in force;

(h) arranging for the calling of Fiscal Council members for meetings, pursuant to Article 12 of these Regulations;

- (i) arranging for tickets, accommodation, transportation and requesting reimbursement of expenses necessary for any Fiscal Council members' business-related travel;
- (j) arranging for the binding, registration and updating of the Book of Minutes and Opinions of the Fiscal Council with the Board of Trade;
- (k) performing other activities requested by the Chair of the Fiscal Council.

## **CHAPTER V**

### **GENERAL RESPONSIBILITIES OF THE MEMBERS OF THE FISCAL COUNCIL**

**Article 8.** It is incumbent upon each member of the Fiscal Council, individually, and always in the Company's best interests, to:

- (a) attend Fiscal Council meetings and, in the event of being prevented from attending such meetings, inform the Chair of the Fiscal Council within at least 5 (five) days before said meeting, so that the respective alternate is summoned in a timely manner;
- (b) issue opinions on the matters received for examination, under the terms provided for in the applicable legislation;
- (c) take part in discussions and voting, scrutinizing the matters, when deemed necessary, during the discussion and before voting;
- (d) present a vote declaration, written or oral, or, at the member's discretion, register the divergence or reservation, as the case may be;
- (e) request clarifications or information from the Company's management bodies, as well as the preparation of special financial or accounting statements, provided that those pertain to the member's supervisory attributions;
- (f) request clarifications or information from independent auditors and the verification of specific facts; and
- (g) exercise the legal attributions inherent to the role of member of the Fiscal Council.

**Sole Paragraph.** Before the end of voting and announcement of results at any Fiscal Council meeting, any Member who has already cast his/her vote

may request that the Chair of the Fiscal Council record the reconsideration of the vote, registering this circumstance and the new vote cast in the minutes.

## **CHAPTER VI**

### **REQUIREMENTS FOR EXERCISING THE POSITION OF MEMBER OF THE FISCAL COUNCIL**

**Article 9.** The following are requirements for exercising the position of member of the Fiscal Council:

- (a) must be an individual residing in the Country;
- (b) must have an unblemished reputation;
- (c) must not be disqualified by special law, nor have been convicted of bankruptcy, fraud, nonfeasance, bribery, concussion, embezzlement, a crime against the popular economy, public faith or property, or criminal penalty that prohibits, albeit temporarily, access to public positions;
- (d) must not be disqualified by an act of the Brazilian Securities and Exchange Commission - CVM;
- (e) must not be a member of management bodies and an employee of the Company or of a subsidiary or belonging to the same group, or a spouse or relative up to the third degree of an administrator of the Company;
- (f) must have graduated from a higher education program or have exercised, for a minimum period of 3 (three) years, the position of company administrator or Fiscal Council member;
- (g) must be able to analyze and issue opinions on the Company's financial statements;  
and
- (h) must observe the other requirements set forth in Articles 147 and 162 of Law No. 6,404/76.

**Paragraph 1.** The requirements determined by law for filling the positions of Fiscal Council Member will be stated in the respective "Book of Minutes and Opinions" of the Fiscal Council, once its members take office.

**Paragraph 2.** In locations where there are not enough qualified persons to perform the function, the judge shall exempt the Company from meeting the requirements established herein, pursuant to Article 162, paragraph 1, of Law No. 6,404/76.

## **CHAPTER VII**

### **DUTIES AND RESPONSIBILITIES OF THE MEMBERS OF THE FISCAL COUNCIL**

**Article 10.** In the exercise of the duties vested on them, the members of the Fiscal Council shall:

- (a)** perform their functions respecting the duties of loyalty and diligence prescribed by law, within the legal limits, contributing to the defense of the interests of the Company and of all shareholders, without distinction, as well as avoiding any conflict situations that may affect the Company's interests;
- (b)** have received copies of the minutes of the Board of Directors or Executive Board meetings, accounting or financial reports, as well as clarifications and information;
- (c)** when requested, attend Board of Directors or Executive Board meetings, providing the necessary support and reasoning for the decisions of the Board of Directors or the Executive Board, as the case may be;
- (d)** attend Board of Directors and Executive Board meetings where matters on which they must issue an opinion are resolved;
- (e)** at least one of them, attend the Shareholders' Meetings and respond to requests for information made by the shareholders;
- (f)** keep confidential the information not yet disclosed to the market, obtained by virtue of the position.

## **CHAPTER VIII**

### **PROHIBITIONS**

**Article 11.** The members of the Fiscal Council are prohibited from participating directly or indirectly in the trading of securities issued by the Company or related to them, in compliance with the provisions of the Company's Securities Trading Policy:

- (a)** before the disclosure to the market of a material act or fact that occurred in the Company's business, pursuant to the Company's Material Act or Fact Disclosure Policy;
- (b)** within 15 (fifteen) days before the disclosure of the quarterly information (ITR) and annual information (DF) required by CVM;

(c) if there is an intention to promote a merger, full or partial spin-off, consolidation, conversion or corporate reorganization involving the Company; or

(d) during the process of acquisition or sale of shares issued by the Company, exclusively on the dates on which the Company is trading.

## **CHAPTER IX**

### **MEETINGS**

**Article 12.** The Fiscal Council shall meet whenever necessary, and it will be responsible for all the attributions that are entrusted to it by law, when convened by its Chair or half of the other members in office.

**Paragraph 1.** The meetings will be called in writing, via e-mail, at least 5 (five) business days before the date of the meeting, with the call notice specifying the matters to be dealt with at the meeting, but which shall be waived in case of attendance of all of its members.

**Paragraph 2.** The members of the Fiscal Council shall receive copies of the documents to be analyzed at the meetings at least 5 (five) business days before the date of said meetings. If the aforementioned copies are not received within the legal period, the Chair of the Fiscal Council may urge the Company's responsible bodies in this regard and demand the documentation.

**Paragraph 3.** The Fiscal Council manifests by the absolute majority of votes, with the presence of the majority of its members.

**Paragraph 4.** Members are allowed to participate in meetings through conference call or video conferencing system, with the subsequent signature of the respective minutes.

**Paragraph 5.** Regardless of any formalities, a meeting will be considered regularly convened when all the members of the Fiscal Council are present.

**Paragraph 6.** In the eventual absence of the Chair of the Fiscal Council, the members present will choose one among themselves to coordinate the meeting.

**Article 13.** The development of the work in the meetings will have the following sequence: (i) verification of the existence of a quorum; (ii) drawing up of minutes to record any absence of a quorum; (iii) reading, voting and signing the minutes of the previous meeting; (iv) communications from the Fiscal Council's Chair and members; (v) examination of the



pending matters book; (vi) discussion and voting on the matters on the agenda; and (vii) other matters of general interest.

**Article 14.** In discussing reports and opinions, the Chair of the Fiscal Council shall grant the floor to the Members who request it, who may, during the discussion, formulate verbal or written requests for measures for the instruction of the matter under debate.

**Sole Paragraph.** Any member of the Fiscal Council who does not consider himself/herself to be sufficiently informed about the matter under discussion may request to examine the document or to bring forward the discussion, provided that the voting has not yet started, and the permission for the members to examine matters will be granted until, at most, the following Fiscal Council meeting.

**Article 15.** In the meetings of the Fiscal Council in which matters require an urgent analysis, the minimum advance notice of 5 (five) business days for the calling and sending of document copies, provided for in the first and second paragraphs of Article 12 above, may be waived provided that all of its members are present at said meetings.

**Article 16.** At the discretion of its members, the Fiscal Council may choose to present an opinion without formally holding a meeting. In this case, the members of the Fiscal Council must receive the necessary documents and information and issue a written opinion.

**Article 17.** All resolutions of the Fiscal Council shall be included in minutes drawn up at the Book of Minutes and Opinions of the Fiscal Council and signed by the Members present. The minutes must include the most relevant points of the discussions, resolutions, vote declarations, list of attending members, possible irregularities and requested measures.

**Article 18.** The Meetings of the Fiscal Council will be held at the Company's headquarters or in its administrative office or, if all its members deem it convenient, at another location.

## **CHAPTER X**

### **COMPENSATION**

**Article 19.** The compensation of the members of the Fiscal Council shall be set by the Shareholders' Meeting that elects them, with due regard for paragraph 3 of Article 162 of Law No. 6,404/76, and shall take into account market practices.

## **CHAPTER XI**

### **GENERAL PROVISIONS**

**Article 20.** Without prejudice to the applicable legal and regulatory rules, the activities of the Fiscal Council shall be governed by Law No. 6,404/76, by the Company's Bylaws and by these Regulations.

**Article 21.** These Regulations may be amended at any time, by resolution of the Company's Fiscal Council, and it is hereby determined that a copy of these Regulations shall be filed at the Company's headquarters and administrative office.

**Article 22** The members of the Fiscal Council shall immediately inform the changes in their shareholding positions in the Company to the Fiscal Council's Secretary, under the conditions and in the manner determined by the CVM, as well as pursuant to the conditions set forth in the Company's Material Act or Fact Disclosure Policy.

**Article 23.** Once elected, the members of the Fiscal Council must sign a Confidentiality Agreement with the Company, thus guaranteeing, during and after the exercise of their term of office, the non-disclosure of any information that they have or will have access to in the exercise of their functions in the Fiscal Council, that is not publicly available, except in compliance with their legal obligations.

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