

KEEP LIFE IN MOTION

Corporate Governance Report

July 2025







**About Us** 



**Our Governance** 



**Shareholders** 



**Board of Directors** 



**Executive Board** 



**Oversight and control bodies** 





### A B O U T U S

automotive consumption ecosystem with smart and sustainable/ solutions

FRAS
B3 LISTED N1



INDUSTRIAL COMPLEXES

12

2025



INTERNATIONAL OPERATIONS

15

2025



\* RANDONCORP

### MORE THAN JUST A CONTROLLING GROUP

Joining Randoncorp enables Frasle Mobility to access synergies, markets, and advantages across its operations, driving stronger results and adding value throughout its stakeholder network



\$ <u>\*</u>

MPLOYEES NET REVENUE

7,500 R\$ 5.7 to 6.1 bn \*/

2025

2025



### Our GOVERNANCE structure



Sérgio Montagnolli

Comercial IAM e Marketing

Diretor Executivo

Guilherme Rigo Adami

Diretor-executivo Braking, R&D e Euro Ásia

Conselho Fiscal Wladimir Omiechuk Jaime Marchet Joilson Ferreira



**SÉRGIO DE CARVALHO CEO FRASLE MOBILITY** 



**ANDERSON PONTALTI** COO FRASLE MOBILITY\*



**GUILHERME ADAMI** 



**HEMERSON** SOUZA



**MARCELO TONON** 



**SÉRGIO MONTAGNOLI** 

**EXECUTIVE DIRECTOR** 

**EXECUTIVE DIRECTOR** 

Braking D&P Euro Asia

**EXECUTIVE DIRECTOR** 

Noth America M&A and IR

**EXECUTIVE DIRECTOR** 

Ride & Comfort Supply Chain

Brazil IAM

\*As disclosed on the Material Fact dated March 20, 2025, Anderson Pontalti will take over as CEO of Frasle Mobility as of September 01, 2025.

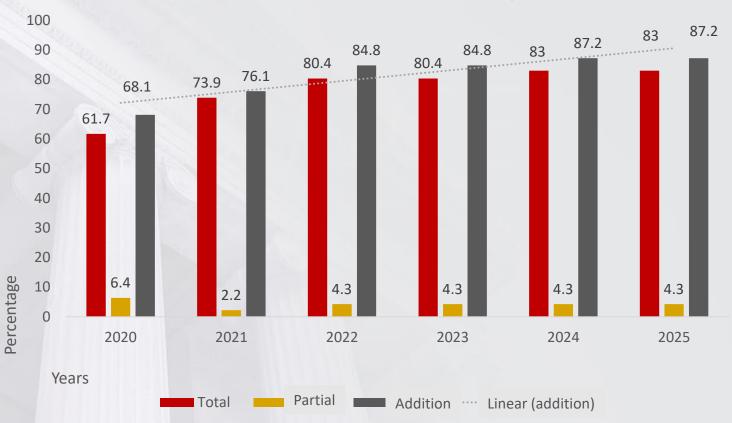
Marcelo Tonon

Diretor executivo Ride & Comfort, Supply Chain

Marketing

### Our evolution GOVERNANCE









### Shareholders

RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
1.1.1. The Company's share capital must be composed exclusively of common shares.	Yes	Explanation not required
1.2.1. Shareholders' agreements must not bind the voting rights of any officer or member of the oversight and control bodies.	N/A	
1.3.1. The Executive Board must use the meeting to communicate how the Company is being run; accordingly, management must publish a manual to facilitate and encourage participation in general meetings.	Yes	Explanation not required
1.3.2. Minutes must allow full understanding of the discussions held at the meeting, even if drawn up in summary form, and must include the identification of shareholders' votes.	Yes	Explanation not required
1.4.1. The Board of Directors must provide a critical analysis of the advantages and disadvantages of the defensive measures, their characteristics, and, above all, their triggering mechanisms and pricing parameters, if applicable, and provide an explanation.	N/A	
1.4.2. Provisions hat prevent the removal of such measures from the Bylaws - so-called "entrenched clauses" – must not be used.	N/A	
1.4.3. If the Bylaws requires a public tender offer whenever a shareholder or a group of shareholders directly or indirectly acquires a significant interest in the voting capital, the pricing rule must not impose substantial premiums above the shares' economic or market value.	N/A	





RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
1.5.1. The Company's Bylaws must establish that:  (i) any transaction involving the direct or indirect transfer of controlling interest must be accompanied by a public tender offer made to all shareholders, under the same price and conditions obtained by the selling shareholder;  (ii) management must issue an opinion on the terms and conditions of corporate reorganizations, capital increases, and other transactions that result in a change of control, indicating whether such transactions ensure fair and equitable treatment to the Company's shareholders.	Partially	The Company fully complies with the practice recommended under item "i", as its Bylaws establish that the direct or indirect transfer of control may only take place under the precedent or resolutive condition that the acquirer undertakes to launch a public tender offer for the shares held by the other Company shareholders, whether voting non-voting, at a minimum price equal to 100% of the price paid per voting share forming part of the controlling block.  Regarding item "ii," there is no specific requiring the Board to issue an opinion on transactions that result in a change of control.  Nontheless, the Company understands that, even without a specific statutory provision, should such a situation arise, the CEO may request that the Board members express their opinion on the proposal.
1.6.1. The Bylaws must provide that the Board of Directors shall issue an opinion on any public tender offer involving shares or securities convertible into or exchangeable for shares issued by the Company. This opinion must include, among other relevant information, management's recommendation on whether to accept the offer and its assessment of the Company's economic value.	No	Although the Bylaws do not include such a provision, since the Board of Directors is chaired by a member appointed by the controlling shareholder, it will be up to him, under the duty of care, to bring the matter before the Board of Directors. The Brazilian Corporation Law provides for the duties and responsibilities of management in the exercise of their roles, including the duty of care, the duty of loyalty, and the exercise of their powers in pursuit of the Company's corporate purpose and in its best best interest.





RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
1.7.1. The Company must prepare and disclose a profit allocation policy defined by the Board of Directors. Among other elements, this policy must provide for the frequency of dividend payments and the benchmark to be used in determining the corresponding amount (such as percentages of adjusted net income and free cash flow, among others).	Yes	Explanation not required
1.8.1. The Bylaws must clearly and precisely identify the public interest that justified the creation of the state-owned company, in a dedicated chapter.	N/A	
1.8.2. The Board of Directors must monitor the Company's activities and establish policies, mechanisms, and internal controls to assess any costs incurring in serving the public interest, as well as any potential reimbursement to the Company or to the other shareholders and investors by the controlling shareholder.	N/A	





RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
<ul><li>2.1.1. Without prejudice to other legal, statutory, or Code-prescribed duties, the Board of Directors must:</li><li>(i) define the Company's business strategies, taking into account the social and environmental impacts of its activities, with a view to ensuring the Company's long-term sustainability and value creation;</li></ul>	Yes	The Company adopts the recommended practices, as described below:  (i) The Board of Directors is responsible for defining the Company's general business guidelines and deciding on strategic matters.  It is within its authority to approve key projects, taking into account their impact on the Company as well as the long-term sustainability of the business.  The Board's annual thematic agenda includes the approval and review of the strategic plan, which incorporates the ESG plan. The Board also monitors the related programs and initiatives, with the aim of assessing their social, environmental, and governance impacts, in line with the Company's published ESG commitments.  The Executive Board periodically reports to the Board of Directors on business performance and progress in implementing the Strategic Plan, with a view to ensurig the Company's continuity and long-term value creation.
(ii) periodically assess the Company's exposure to risks and the effectiveness of its risk management systems, internal controls, and compliance program, and approve a risk management policy algned with the Company's business strategies;		(ii) The Board of Directors regularly monitors key corporate risks using the Corporate Risk Map and addresses them systematically through the adoption of preventive or mitigating measures. The Company also has a Fiscal Council that oversees the risk management process and operates under a three-lines-of-defense model. The first line of defense is composed of those responsible for executing operational and business processes, who also establish the Company's controls; the second line of defense includes the Corporate Risk Management and Compliance funcionts, which provide support and report directly to the Board of Directors; the third line of defense conssits of the Corporate Internal Audit function, which conducts independent assessments and reports to the Board of Directors.



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
(iii) define the Company's values and ethical principles, and ensure that transparency is maintained in its relationships with all stakeholders;		(iii) The Companhia reaffirms its commitment to responsible business conduct by promoting an ethical culture and respect for human rights across all its operations. This commitment is formalized in the Randoncorp Code of Ethical Conduct, which outlines the principles and values to be followed by employees, management, and business partners.  To ensure the dissemination and reinforcement of this culture, the Company has implemented the Randoncorp Integrity Program (ID Randoncorp), which aims to promote, guide, and monitor ethics and integrity in all respects of the business. This program is supported by several policies applied to all companies within the Randoncorp economic group, including the Compliance Policy, Anti-Corruption Policy, Disciplinary Measures Policy, and the Code of Ethical Conduct. These documents establish strict mechanisms to prevent corruption and bribery.
(iv) review the corporate governance system annually, with a view to improving it.		(iv) The Company conducts regular reviews of its Governance system. The Company continuously seeks to enhance its practices and currently complies with Level 1 Corporate Governance standards of B3. Notable initiatives include the implementation of the ID Randoncorp Integrity Program, the ongoing adoption and dissemination of new corporate policies through staff training, the publication of its ESG Ambition and public commitments, the creation of a dedicated Governance Department, the publication of its Sustainability Report, and the implementation of virtual meetings. Recent developments also include the creation of the People Committee, which advises the Board of Directors, as well as other operational committees reporting to the Executive Office, such as the ESG, Ethics, and Brand & Reputation Committees.  The Bylaws, Board of Directors' Charter, and the policies mentioned in this item are available at https://ri.fraslemobility.com/estatutos-codigos-e-politicas/



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
<ul><li>2.2.1 The Bylaws must establish that:</li><li>(i) the Board of Directors shall be composed predominantly of external members, with at least one-third being independent members;</li><li>(ii) the Board of Directors must annually assess and disclose which members are considered independent, as well as indicate and justify any circumstances that may compromise their independence.</li></ul>	Yes	Explanation not required
<ul><li>2.2.2. The Board of Directors must approve a nomination policy that establishes:</li><li>(i) that the procedure for nominating Board of Directors members, including the involvement of other company bodies in the process;</li><li>(ii) that the composition of the Board of Directors must take into account the availability of its members to perform their duties, as well as diversity in terms of knowledge, experience, behavior, cultural background, age group, and gender.</li></ul>	Yes	The Company has a Nomination Policy for Members of the Board of Directors, Advisory Committees, and Executive Board, which outlines general guidelines and principles for nominating members to the Board of Directors, Advisory Committees, and Executive Board. The policy is aligned with best practices in corporate governance and reinforces the sustainability of the Company's leadership succession process, in line with its purpose and strategic direction. According to the Policy, nominations must aim to ensure diversity and complementarity of knowledge, esperience, skills, competencies, and profiles, while also considering the availability of time of potential nominees.  Regarding the Board of Directors members, candidates may be nominated by shareholders or by the Company's Management. The People Committee is responsible for evaluating potential candidates based on eligibility criteria and will submit its recommendation to the Board of Directors, which will then define the candidates to be included in the Management Proposal to be submitted to the Shareholders at the General Meeting. The Policy is available at https://ri.fraslemobility.com/estatutos-codigos-e-politicas/



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
2.3.1. The CEO must not hold the position of Chair of the Board of Directors.	Yes	Explanation not required
2.4.1. The Company must implement an annual performance evaluation process for the Board of Directors and its committees, as collective bodies, for the Chair of the Board of Directors, for each Board member individually, and for the governance department, if applicable.	Partially	The Company conducts a periodic, collective assessment of the effectiveness of the Board of Directors. The process is conducted internally and includes questions related to attendance, participation in the discussion of agenda items, contribution to the decision-making process, and commitment to Board responsibilities. After the responses are calibrated, actions plans are discussed to improve areas identified for development.
2.5.1. The Board of Directors must approve and keep up to date a succession plan for the CEO, the preparation of which must be coordinated by the Chair of the Board of Directorsdirectors.	No	The Company does not currently have a formal succession plan for the CEO. Under the Bylaws, it is the responsibility of the Board of Directors to appoint the members of the Executive Board, including the CEO.  The Executive Board is responsible for managing the business and meets regularly to make joint decisions. This collaborative process strengthens the preparedness of the Executive Officers, facilitating appointments by the Board of Directors if a succession becomes necessary. Additionally, the CEO and the Managing Director are both members of the Randoncorp Executive Committee, which contributes to a systematic view and to the continuity of executive management without significant impact in the event of a succession.



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
2.6.1. The Company must have a structured onboarding program for new Board of Directors members, ensuring they are introduced to key personnel and facilities, and that essential topics for understanding the Company's business are addressed.	Yes	The Board of Directors has an Onboarding Program aimed at providing information and tools to support the integration of its members into the business environment, the Company's culture, and its governance dynamics, thereby enhancing their effectiveness as Board members. The Program includes: (i) access to materials about the Company and its context, such as regulatory documents, earnings presentations, among others; (ii) structured meetings and interactions to become acquainted with key executives and discuss strategic topics of relevance; (iii) visits to key Company sites, enabling direct engagement with local leadership and exposure to business-specific challenges.
2.7.1. Board member compensation must be proportional to their responsibilities, duties, and time commitment. It should not be based on attendance fee, and any variable compensation must not be tied to short-term results.	Yes	Explanation not required
2.8.1. The Board of Directors must have a charter that defines its responsibilities, duties, and operating rules, including: (i) the duties of the Chair of the Board of Directors; (ii) rules for replacing the Chair in cases of absence or vacancy; (iii) measures to be taken in situations of conflicts of interest; and (iv) adequate advance notice for the delivery of meeting materials with appropriate depth.	Yes	Explanation not required



RECOMMENDED PRACTICE	RESPONSE	J U S T I F I C A T I O N
2.9.1. The Board of Directors must establish an annual calendar with dates for regular meetings, with no fewer than six or more than twelve per year, and schedule extraordinary meetings as needed. This calendar must include a thematic annual agenda with key topics and scheduled discussions.	Yes	Explanation not required
2.9.2. Board meetings must regularly include closed sessions for external Board members only, without the presence of executives and other guests, to allow for alignment and discussion of potentially sensitive matters.	No	The Board of Directors' Charter does not provide for regular closed sessions exclusively for external members.  However, when a topic involves any potential conflict of interest or discomfort for Board members affiliated with the controlling group, meetings are held exclusively with external members, who handle the matter independently.
2.9.3. Board meeting minutes must be clearly written and record the decisions made, the attendees, any dissenting votes, and abstentions.	Yes	The minutes of the Board of Directors' meetings record attendees, matters submitted for resolution, decisions made, and, when applicable, dissenting votes and abstentions, as also provide for the Board of Directors' Internal Charter.





# Executive Board

RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
<ul> <li>3.1.1. Without prejudice to its legal and statutory duties and other practices outlined in this Code, the Executive Board must: <ol> <li>(i) implement the risk management policy and, when necessary, propose revisions to it to the Board of Directors, based on changes in the risks the Company is exposed to;</li> <li>(ii) implement and maintain effective mechanisms, processes, and programs for monitoring and disclosing financial and operational performance, as well as the Company's socal and environmental impacts.</li> </ol> </li> </ul>		Explanation not required
3.1.2. The Executive Board must have its own charter outlining its structure, operations, roles, and responsibilities.	Yes	Explanation not required
3.2.1. There must be no reserved executive or management positions for direct appointment by shareholders.	Yes	Explanation not required
3.3.1. The CEO must be formally evaluated by the Board of Directors based on the achievement of the Company's financial and non-financial performance goals established by the Board.	No	The Company does not have a specific procedure for evaluating the CEO. This position is assessed based on its deliverables and as part of the broader executive evaluation, which follows a market-recognized methodology.  The Randoncorp People Committee (corporate level), when reviewing evaluations for reporting, may consider expanding its analysis to eventually propose the implementation of this recommended practice.



# Executive Board

RECOMMENDED PRACTICE	RESPONSE	J U S T I F I C A T I O N
3.3.2. The results of the evaluations of other executive officers, including the CEO's proposals regarding goals to be set, as well as decisions on retention, promotion, or dismissal, must be presented, discussed, and approved at Board of Directors' meetings.	No	Executive Board members are evaluated annually through a 360-degree review by their direct managers, peers, and subordinates. The process assesses behavioral competencies, alignment with the desired leadership profile, and performance results based on established goals.  The calibrated results of these evaluations are shared with the Board of Directors.
3.4.1 Executive Board compensation must be established through a compensation policy approved by the Board of Directors, using a formal and transparent process that considers associated costs and risks.	Yes	The Company has a Compensation Policy approved by the Board of Directors that outlines the guidelines for compensation of the Statutory Executive Board. This Policy ensures that management compensation is not tied to indicators that could encourage excessive risk-taking beyond prudent levels aligned with the Company's short-, medium- and long-term strategies. The Policy is available on the Company's Investor Relations website, <a href="https://ri.fraslemobility.com/estatutos-codigos-e-politicas/">https://ri.fraslemobility.com/estatutos-codigos-e-politicas/</a> .



### Executive Board

RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
3.4.2 Executive Board compensation must be performance-based, with medium-and long-term goals clearly and objectively tied to long-term value creation for the Company.	Yes	Executive Board compensation is aligned with the Company's short-, medium-, and long-term interests. Fixed compensation is set around the market median, allowing for a significant portion of total compensation to be tied to short- and long-term incentives. Fixed compensation may be adjusted based on merit and/or market misalignment, supported by annual salary surveys and performance evaluations. Any adjustment must be approved by the Board of Directors. Variable compensation includes profit-sharing, short- and long-term incentive, and retention bonuses. Starting with the 2025-2027 cycle, the long-term incentive may be reduced by up to 7.5% of the performance-based amount if the Company fails to maintain ESG indicators outlined in its 2020 public commitments. Executive Board compensation details are available in section 8 of the Reference Form at <a href="https://ri.fraslemobility.com/publicacoes-cvm/">https://ri.fraslemobility.com/publicacoes-cvm/</a> .
3.4.3 The incentive structure must align with risk limits defined by the Board of Directors and ensure that no individual both makes and oversees decisions. No one should decide on their own compensation.	Yes	Executive Board compensation (fixed and variable) is proposed by the Board of Directors and approved at the Annual General Meeting, as provided for in Brazilian Corporation Law and the Company's Bylaws. No Executive Officer has decision-making power over their compensation.  The short- and long-term incentive structure comply with this guideline, as described in the Compensation Policy and in section 8 of the Reference Form, available at <a href="https://ri.fraslemobility.com">https://ri.fraslemobility.com</a> .





RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
<ul> <li>4.1.1 The statutory audit committee must:</li> <li>(i) support the Board of Directors in monitoring and overseeing the quality of financial statements, internal controls, risk management, and compliance;</li> <li>(ii) be mostly comprised of independent members and coordinated by an independent member;</li> <li>(iii) include at least one independent member with proven experience in corporate accounting, internal controls, finance, and auditing; and</li> <li>(iv) have its own budget to hire external experts on accounting, legal, or other matters as needed.</li> </ul>	No	The Company does not have a Statutory Audit Committee. However, it relies on Randoncorp's corporate areas of Risk Management and Compliance (GRC) and Internal Audit, which report directly to the Board of Directors, and it hired independent auditors for accounting processes, following a five-year rotation rule. GRC and Internal Audit report administratively to Randoncorp's CFO and functionally to the Board of Directors.  Functional reporting ensures independence and freedom from interference that could limit their scope, while administrative reporting is used for the approval of necessary financial and human resources.  Additionally, the Company has had a permanent Fiscal Council since 2000. Its members contribute to the oversight of internal controls, risk management, accounting records, and the accuracy of financial reporting.
4.2.1 The Fiscal Council must have its own internal charter describing its structure, operations, work program, roles, and responsibilities, without hindering individual member actions.	Yes	Explanation not required
4.2.2 Fiscal Council meeting minutes must follow the same disclosure rules as those of the Board of Directors.	Yes	Explanation not required



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
4.3.1 The Company must have a policy, approved by the Board of Directors, for hiring non-audit services from its independent auditors. This policy must prohibit engagements that may compromise auditor independence. The Company must not hire any firm as independent auditor if it provided internal audit services to the Company within the last three years.	Yes	Explanation not required
4.3.2 The independent audit team must report to the Board of Directors, through the audit committee, if such committee exists. The audit committee must monitor the auditors' independence and effectiveness, evaluate their annual work plan, and submit it for approval by the Board of Directors.	Yes	Explanation not required
4.4.1 The Company must have an internal audit function reporting directly to the Board of Directors.	Yes	The corporate Internal Audit function reports directly to the Board of Directors and is led by a management-level professional. Its mission is to protect and add value to the Company's risk management, internal control, integrity, and governance processes, based on values such as independence, ethics, professionalism, cooperation, and innovation.  Its purpose is to conduct independent and objective analysis and advisory activities to ensure operational effectiveness, through evaluations of risk management, internal administrative controls, and governance processes.



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
4.4.2 If the internal audit function is outsourced, it must not be performed by the same firm that audits the Company's financial statements. No service provider should be hired for internal audit if it provided independent audit services to the Company within the past three years.	Yes	Explanation not required
4.5.1 The Company must adopt a risk management policy, approved by the Board of Directors, which defines the risks to be mitigated, tools to be used, risk management structure, and an assessment of operational and control adequacy. It must also define guidelines for acceptable risk limits.	Yes	The Company adopts Randoncorp's corporate Risk Management Policy, approved by the Board of Directors, which defines the guidelines, strategies, and responsibilities for corporate risk management.  There is a formal corporate procedure describing the risk management methodology, based primarily on the COSO ERM framework.  Every two years, a formal corporate risk context assessment is conducted. The most recent was in 2023. The Policy is available on the Investor Relations website at <a href="https://ri.fraslemobility.com/estatutos-codigos-e-politicas/">https://ri.fraslemobility.com/estatutos-codigos-e-politicas/</a> .



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
4.5.2 The Board of Directors must ensure that management has mechanisms and internal controls in place to understand, assess, and manage risks, maintaining them within acceptable limits. This includes a compliance program to ensure adherence to laws, regulations, and internal/external standards.	Yes	The corporate Risk and Compliance department is responsible for continuously monitoring corporate risks and the Integrity Program (ID Randoncorp), keeping both management and the Board of Directors informed about risk indicators and mitigation responses.  Risk appetite and tolerance are defined by the Randoncorp Executive Committee, which includes the Company's CEO and COO, based on internal and external risk factor evaluations. Risks are classified using impact and likelihood assessments to define controls for strategic, financial, operational, and compliance risks. The Board of Directors is responsible for evaluating and approving the corporate risk map, ensuring the effectiveness of management systems, and monitoring risk oversight carried out by designated risk owners.
4.5.3 The Executive Board must evaluate the effectiveness of risk management, internal control systems, and the compliance program at least annually and report the results to the Board of Directors.	Yes	Risk management and internal controls are reviewed at least annually by the Randoncorp Executive Committee. On a monthly basis, risk owners assess the indicators under their responsibility. The Integrity Program (ID Randoncorp) is evaluated quarterly by the Executive Committee, focusing on ethics and compliance.  Reports are periodically submitted to the Board of Directors, which may provide feedback or recommend improvements when necessary.





RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
5.1.1 The Company must have a conduct committee, endowed with independence and autonomy and directly linked to the Board of Directors, responsible for implementing, disseminating, training, reviewing, and updating the code of conduct and the reporting channel, as well as conducting investigations and proposing corrective measures related to violations of the code of conduct.	Yes	The Randoncorp Ethics Committee is an operational and executive body responsible for supporting the implementation of the Integrity Program across all Randoncorp companies, encouraging executive commitment and sponsoring the actions of the compliance management system.  The Integrity Program represents continued progress in Randoncorp's governance evolution and is composed of the Code of Ethical Conduct, corporate policies, the ethics channel, integrity due diligence, and communication initiatives to strengthen the ethical culture. It is the responsibility of the Board of Directors to resolve on the Randoncorp Code of Ethical Conduct and Corporate Policies for maintaining the Integrity Program.
5.1.2 The code of conduct, drafted by the Executive Board with support from the conduct committee and approved by the Board of Directors, must: (i) regulate the Company's internal and external relations, expressing the expected commitment of the Company, its Board members, executive officers, shareholders, employees, suppliers, and stakeholders to the adoption of appropriate standards of conduct; (ii) manage conflicts of interest and provide for the abstention of any member of the Board of Directors, audit committee, or conduct committee, if applicable, who is in a conflict of interest situation; (iii) clearly define the scope and extent of actions aimed at investigating situations involving the use of insider information (e.g., use of insider information for commercial purposes or to gain advantages in securities trading); (iv) establish that ethical principles guide contract negotiations, amendments to the Bylaws, as well as policies that direct the entire Company, and set a maximum value for third-party goods or services that administrators and employees may accept free of charge or with benefits.	Yes	Explanation not required



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
5.1.3 The reporting channel must operate with independence, autonomy, and impartiality, following operational guidelines defined by the Executive Board and approved by the Board of Directors. It must be managed independently and impartially, ensure user anonymity, and promptly promote the necessary investigations and measures. This service may be outsourced to a third party with proven capabilities.	Yes	The Ethics Channel, the Company's official reporting channel, is managed by an independent and specialized firm. It is open to all audiences via telephone and website, ensuring confidentiality and proper handling of each report, allowing for anonymous submissions. Reports are initially analyzed by the independent firm, which provides recommendations and forwards them to the Corporate Risk and Compliance Management area, which then conducts investigations according to a risk matrix based on the type of report.
5.2.1 The Company's governance rules must ensure the separation and clear definition of functions, roles, and responsibilities assigned to all governance agents. They must also define the decision-making authorities of each body, with the aim of minimizing potential conflicts of interest.	Yes	The Company's and its subsidiaries' governance guidelines are established in corporate policies that define roles, responsibilities, and decision-making authorities. The Charters of the Board of Directors and Executive Board, the Related Party Transactions Policy, and the Code of Ethical Conduct contain clear rules on conduct in case of conflicts of interest. Access <a href="https://ri.fraslemobility.com/estatutos-codigos-e-politicas/">https://ri.fraslemobility.com/estatutos-codigos-e-politicas/</a>
5.2.2 The Company's governance rules must be made public and require that any person who is not independent regarding the matter under discussion or resolution by the management or oversight bodies must promptly declare their conflict of interest or personal interest. If not, the rules must allow another person, aware of the conflict, to raise it. Once a conflict is identified regarding a specific matter, the person involved must withdraw, including physically, from the discussions and resolutions. This temporary withdrawal must be recorded in the meeting minutes.	Yes	The Bylaws, Charters, and Corporate Policies define the roles, responsibilities, and other relevant information regarding conflicts of interest within the Company. The rules establish that, as soon as a conflict of interest or personal interest is identified, the involved party must withdraw from the process, discussions, and deliberations, removing themselves from the meeting until the matter is resolved. The declaration of a conflict of interest or personal interest and the withdrawal must be recorded in a specific meeting minute. All governance documents mentioned above are available on the Company's wesite at: <a href="https://ri.fraslemobility.com/estatutos-codigos-e-politicas/">https://ri.fraslemobility.com/estatutos-codigos-e-politicas/</a> .



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
5.2.3 The Company must have mechanisms for managing conflicts of interest in voting matters submitted to the general meeting, to receive and process allegations of conflicts of interest, and to annul votes cast in conflict, even if this occurs after the meeting.	Yes	The Company's Bylaws establish that any person not independent regarding the matter under discussion or resolution at the general meeting must promptly declare their conflict of interest or personal interest (direct or indirect). If not, another person may declare the conflict if they are aware of it. Once the conflict is identified regarding a specific matter, the person involved shall be excluded from the discussions and deliberations. This temporary withdrawal or voluntary abstention must be recorded in the meeting minutes.
5.3.1. The Bylaws must define which related-party transactions must be approved by the Board of Directors, excluding any members with potentially conflicting interests.	Yes	Explanation not required
5.3.2. The Board of Directors must approve and implement a related-party transactions policy that includes, among other rules:  (i) a provision that, before approving specific transactions or guidelines for engaging in transactions, the Board of Directors must request from the Executive Board market alternatives to the proposed related-party transaction, adjusted for the risk factors involved;  (ii) prohibition of forms of compensation for advisors, consultants, or intermediaries that create conflicts of interest with the Company, its administrators, shareholders, or shareholder classes;  (iii) prohibition of loans to the controlling shareholder and administrators;  (iv) situations in which related-party transactions must be supported by independent valuation reports, prepared without the participation of any parties involved in the transaction, whether bank, law firm, specialized consulting firm, etc., based on realistic assumptions and information validated by third parties;  (v) that corporate restructurings involving related parties must ensure equitable treatment for all shareholders.	Yes	The Company has a Related Party Transactions Policy, compliant with this item, available on the IR website <a href="https://ri.fraslemobility.com/estatutos-codigos-e-politicas/">https://ri.fraslemobility.com/estatutos-codigos-e-politicas/</a> .  The Policy aims to ensure that any related-party transactions and other situations involving potential conflicts of interest are conducted in accordance with the Company's interests, under strictly commutative conditions or with appropriate compensatory payment and transparent to shareholders and the market in general.



RECOMMENDED PRACTICE	RESPONSE	JUSTIFICATION
5.4.1. The Company must adopt, through a Board resolution, a securities trading policy for its issued securities which, in addition to complying with CVM regulations, establishes controls that allow monitoring of transactions and investigation and punishment of those responsible in case of policy violations.	Yes	The Company has a Policy for Disclosure of Information and Securities Trading, which aims to: (i) establish procedures related to the disclosure of material acts or facts; (ii) establish good conduct standards to be followed by Covered Persons; (iii) ensure compliance with laws and rules preventing insider trading practices; and (v) establish rules and guidelines to be followed by the Company's Investor Relations Officer to ensure compliance with best practices in trading securities issued by the Company.  The Policy can be accessed at <a href="https://ri.fraslemobility.com/estatutos-codigos-e-politicas/">https://ri.fraslemobility.com/estatutos-codigos-e-politicas/</a>
5.5.1. To ensure greater transparency regarding the use of company resources, a policy on voluntary contributions, including those related to political activities, must be adopted and approved by the Board of Directors and executed by the Executive Board, containing clear and objective principles and rules.	Yes	The corporate Sponsorship and Donation Policy, approved by the Board of Directors, aims to establish guidelines and criteria for managing sponsorships and donations, with or without tax incentives.  The Policy can be consulted on the Company's Investor Relations website: https://ri.fraslemobility.com/estatutos-codigos-e-politicas/.
5.5.2. The policy must stipulate that the Board of Directors is responsible for approving all disbursements related to political activities.	Yes	Explanation not required
5.5.3. The policy on voluntary contributions for state-controlled companies or those with recurring and significant commercial relationships with the State must prohibit contributions or donations to political parties or individuals connected to them, even if permitted by law.	N/A	

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