



TIM S.A.
Publicly-Held Company
CNPJ/ME nº 02.421.421/0001-11
NIRE 333.0032463-1

INTERNAL RULES OF THE BOARD OF DIRECTORS

I – OBJECT OF THE BYLAWS

Art. 1 - These Internal Rules ("Rules") regulate the functioning of the Board of Directors ("Board"), of the committees linked to it, as well as the relationship between the Board and the other corporate bodies of the Company, pursuant to the provisions of the Bylaws ("Bylaws"), of the Novo Mercado Listing Rules ("Novo Mercado Rules"), published by B3 S.A. – Brasil, Bolsa, Balcão ("B3"), the Information Disclosure and Securities Trading Policy, the Company's Code of Ethics and Conduct and the legislation in force.

II - MISSION OF THE BOARD OF DIRECTORS

Art. 2 - The Board of Directors, a collegiate decision-making body, exercises the senior management of the Company and its mission is to protect and value the Company's assets and maximize the return on investments. The Board must be fully aware of the company's values, purposes and beliefs of the shareholders, ensuring its improvement.

III - SCOPE AND OBJECTIVES

Art. 3 - The Board shall establish the general orientation of the Company's business and decide on strategic issues, aiming to accomplish the following guidelines:

- (i)** promote and observe the corporate purpose of the Company and its subsidiaries;
- (ii)** ensure the interests of shareholders, without losing sight of other stakeholders;
- (iii)** to ensure the Company's continuity, within a long-term perspective and sustainability, incorporating considerations of economic, social, environmental and good corporate governance, in the definition of business and operations;
- (iv)** adopt an agile management structure made up of qualified professionals with an unblemished reputation;
- (v)** formulate guidelines for the management of the Company and its subsidiaries, which will be reflected in the annual budget;
- (vi)** ensure that the strategies and guidelines are effectively implemented by the Board, without, however, interfering in operational matters; and



(vii) prevent and manage situations of conflict of interest or divergence of opinions, so that the interests of the Company always prevail.

IV – COMPOSITION, MANDATE AND INVESTITURE

Art. 4 - According to what is defined in the Bylaws, the Board is composed of at least 5 (five) and at most 19 (nineteen) members, all with a term of office of 2 (two) years, reelection being allowed.

Paragraph 1 - The members of the Board of Directors are elected and dismissed by the Shareholders Meeting, and the Board of Directors itself shall choose its Chairman from among its members.

Paragraph 2 - The Board of Directors shall be composed of at least two (2) independent Directors, or twenty percent (20%), whichever is greater, as defined in the Novo Mercado Rules, and the Director(s) elected by means of the option provided for in Article 141, §§ 4 and 5 of Law 6,404/76, and in Article 16, §3 of Novo Mercado Rules, shall also be considered independent. The Board of Directors may also be composed of external members, as defined by the Instituto Brasileiro de Governança Corporativa (“IBGC”).

Paragraph 3 - When, as a result of compliance with the percentage referred to in the above paragraph, a fractional number of Directors results, rounding shall be carried out to the next higher whole number, pursuant to the Novo Mercado Rules.

Paragraph 4 - The qualification as Independent Director shall be resolved in the Shareholders’ Meeting that elects the members of the Board of Directors and expressly recorded in its Minutes. The decision of the Shareholders’ Meeting regarding the qualification and election of the Independent Director shall be based on: (i) the statement, forwarded to the Board of Directors by the candidate appointed as Independent Director, representing that he/she attends the independence criteria provided by the Novo Mercado Rules, including the respective justification, if verified some of the situations provided for in its Article 16, § 2º; and (ii) the declaration of the Company's Board of Directors, included in the management's proposal of the Shareholders’ Meeting in which the Directors’ election will be deliberated upon, regarding the candidate's compliance with the independence criteria provided by the Novo Mercado Rules.

Paragraph 5 - The positions of Chairman of the Board of Directors and Chief Executive Officer or main executive officer of the Company shall not be held by the same manager cumulatively.

Paragraph 6 - A Director shall have a spotless reputation; and except as waived by the Shareholders' Meeting, the following may not be elected: (I) those who hold positions in companies that might be considered competitors to the Company; or (II) those who have or represent conflicting interest with the Company.

Paragraph 7 - Voting rights may not be exercised by the Director, nor may the Director have access to information or participate in a meeting of the Board of Directors, in the event that the impediment matters indicated in Paragraph 6 arise due to a supervening or unknown event at the time of his/her election. In the event that the conflicting Director does not voluntarily



comply with the procedures set forth herein, the Board of Directors shall submit the above mentioned situation for deliberation by the Shareholders' Meeting. The provisions of this paragraph 7 do not apply to related party transactions, which are governed by the Company's Bylaws.

Paragraph 8 - The terms of office of the Directors shall be extended until the instatement of their elected successors.

Art. 5 - They are conditions for taking office as Board Member:

(i) to sign a statement of non-impediment made under the penalties of the Law and in a specific instrument, which will be filed at the Company's headquarters;

(ii) to sign the term of office, which shall include his/her submission to the arbitration clause, referred to in article 49 of the Company's Bylaws, drawn up in the Board's Minutes Book, as the case may be, and as defined by Law; and

(iii) sign the statement which will include his/her submission to the terms of the Policies and the Company's Code of Ethics and Conduct.

V – ATTRIBUTIONS OF THE BOARD OF DIRECTORS

Art. 6 - As defined in Article 22 of the Company's Bylaws and Article 142 of Law No. 6,404/76, it is incumbent on the Board:

(i) to approve and to follow up the Company's annual budget and the Company's goals actions plan and business strategy plan for the period covered by the budget of the Company and of its controlled companies;

(ii) to decide on the issuance of shares and convertible debentures, within the limits of the authorized capital stock as per Article 7 of the Company's By-laws, as well as non-convertible debentures, and the Board of Directors may also exclude the preemptive rights or reduce the term for its exercise in the issuance of shares and convertible debentures which are placed for sale in the Stock Exchange or by public subscription or exchange for shares in a public tender offer for the acquisition of control under the terms set forth by law and the applicable legislation;

(iii) to authorize the issue of commercial papers for public offering;

(iv) to decide, when so empowered by the Shareholders' Meeting, on the conditions for the issue of debentures, the maturity date and conditions, amortization or redemption, the date and conditions for interest payment, profit sharing and refund premium, if any, and the form of subscription or placement, as well as the other types of debentures;

(v) to authorize the purchase of shares issued by the Company, for the purposes of cancellation or holding them in treasury and subsequent sale;

(vi) to decide on the approval of a program of depository receipts issued by the Company;



(vii) to decide on the purchase or sale, in whole or partially, by the Company or by its controlled companies, of interest in the capital stock of other companies, as well as of participation in joint venture that requires the incorporation of a new company;

(viii) to authorize the Exchange of shares and other securities, as well as the waiver of preemptive rights to the subscription of shares, debentures convertible into shares or subscription bonus issued by the controlled companies;

(ix) to authorize the incorporation or liquidation of subsidiary companies or controlled companies;

(x) to authorize the Company, as well as its controlled companies and affiliates, to enter into, amend or terminate shareholders' agreements;

(xi) to decide on the submission to the Shareholders' Meeting of loan agreements, management agreements and technical support services agreements between the Company or its controlled companies, on one side, and the controlling shareholder or its controlled companies, affiliated, under the same control or the controlling companies of the latter, or parties related to the Company, on the other side, subject to the provisions in Article 10, item x, of the Company's By-Laws;

(xii) to decide on the execution of agreements of any nature, except for those mentioned in Article 10, item x, of the Company's By-laws, between the Company or its controlled companies, on one side, and the controlling shareholder or its controlled companies, affiliated or under the same control or the controlling companies of the latter, or parties related to the Company, on the other side, involving amounts equal to or exceeding R\$ 50,000,000.00 (fifty million Reais), after prior assessment of the Company's Statutory Audit Committee to the effect that the terms and conditions of the agreement in question are in compliance with standards normally adopted in the market for transactions of the same nature between independent parties;

(xiii) to decide on the execution of agreements by the Company or by its controlled companies of loans, financing or other transactions implying indebtedness to the Company or its controlled companies, whose total value is higher than R\$500,000,000.00 (five hundred million Reais). Letter of bank guarantees or guarantees of any nature, hired by the Company or its controlled companies, to ensure judicial or administrative proceedings, are excepted;

(xiv) to decide on the execution of agreements by the Company, or by its controlled companies, for the purchase of assets or services, whose total value exceeds R\$500,000,000.00 (five hundred million Reais);

(xv) to decide on the sale, donation, assignment, or encumbrance of any assets or rights classified in the non-current assets of the Company or its subsidiaries or controlled companies, whose original acquisition value, or in its absence, the market value, exceeds R\$50,000,000.00 (fifty million Reais);

(xvi) to decide on the granting of secured or personal guaranty by the Company in favor of third parties, controlled companies included, over the amount of R\$50,000,000.00 (fifty million



Reais), except for any guarantees in favor of (i) employees of the Company or its controlled companies with respect to residential rental agreements, in the event of relocation at the request of the Company; and (ii) controlled or affiliated companies with respect to rental agreements for establishments, stores or commercial points;

(xvii) to authorize the execution by the Company, or by its subsidiaries or controlled companies, of agreements, judicial or extrajudicial, Conduct Adjustment Agreement or any similar instruments, which result in the assumption of financial obligations, to do or not to do, the donation of goods or services, and / or the waiver of rights, whenever the total amount involved exceeds R\$50,000,000.00 (fifty million Reais), and whose main objective is (i) to avoid the filing of new lawsuits, (ii) to remove or suspend the application of penalties and/or the imposition of restrictions by the competent authorities, or (iii) to close litigations in progress;

(xviii) to decide on policies or equivalent documents, to be observed by all officers, members of the Fiscal Council, of the Statutory Audit Committee, and employees of the Company, and of its controlled companies, related to: (a) functional conduct guided by ethical and moral standards (Code of Ethics and Conduct of the Company); (b) the Company's sustainability practices; (c) management compensation; (d) appointment of members of the Board of Directors, its advisory committees, and the Board of Officers; (e) risk management; (f) transactions with related parties; (g) conflict of interests; and (h) trading in the Company's securities;

(xix) to decide on the performance of non-profit acts, for the benefit of employees or the community whenever the value involved is greater than R\$2,000,000.00 (two million Reais);

(xx) to approve the Company's supplementary pension plan and that of its controlled companies;

(xxi) to elect and dismissing, at any time, the Officers, including the Chief Executive Officer, determining their specific titles, duties and scopes of authority in compliance with the provisions of the Company's By-laws, and also approving the assignment of new duties to Officers and any amendment to the composition and the duties of the members of the Board of Officers;

(xxii) to divide the total global remuneration amount established by the Shareholders' Meeting among the Directors and Officers of the Company, as the case may be;

(xxiii) to approve its internal rules, as well as the internal rules of its advisory committees;

(xxiv) to approve the Board of Officers' internal rules, with its respective organizational structure;

(xxv) to appoint the Company's representatives in the management of its controlled companies;

(xxvi) to elect or to dismiss the independent auditors responsible for providing audit services on the Company's financial statements, after assessment and opinion issued by the Statutory Audit Committee;



(xxvii) to render an prior and grounded opinion for or against any tender offer for the acquisition of shares issued by the Company to be disclosed until fifteen (15) days prior to the publication of the tender offer call notice that shall address, at least,; (i) the convenience and opportunity of the tender offer regarding the interest of the overall shareholders also related to the price and potential impacts for the liquidity of shares; (ii) the repercussions of the tender offer on the Company's interests; (iii) the strategic plans disclosed by the offeror with regard to the Company; (iv) the options to the acceptance of the tender offer for the acquisition of shares available in the market; and (v) other points the Board of Directors consider pertinent, as well as the information required by the applicable rules set forth by CVM;

(xxviii) to decide on any subject or proposal to be submitted to the Shareholders' Meeting and to resolve on its convening, whenever it is necessary;

(xxix) to review, annually, the corporate governance program, in order to improve it;

(xxx) to decide on independent auditors' annual work plan, after prior assessment of the Statutory Audit Committee of the Company;

(xxxi) to express its opinion on the management report, the financial statements and the proposal for the allocation of net income for the year;

(xxxii) supervise the management of the Officers, examine, at any time, the Company's books, documents and papers, to request information on agreements executed or about to be executed, and on any other acts, obtaining copies whenever deemed necessary;

(xxxiii) to establish different levels of approval for the Board of Officers and along the hierarchical line of the Company's administrative organization, always observing the provisions of the Company's Bylaws;

(xxxiv) to decide the cases not provided for in the Company's By-laws and to perform other duties not assigned to another body by law or by Company's By-laws; and

(xxxv) to perform any other activities assigned to it by the Shareholders' Meeting.

Sole Paragraph - The Board may authorize the hiring of specialists and experts to better discuss matters subject to its deliberation or even the committees established by it, within the limits of the approved annual budget.

VI - DUTIES OF THE MEMBER OF THE BOARD OF DIRECTORS

Art. 7 - It is the duty of every Board Member, in addition to those provided for in Law, in the Company's Bylaws, in the Novo Mercado Rules and in other applicable rules:

(i) to attend the meetings of the Board, previously prepared, being active and diligent and evaluating the documents made available;

(ii) to maintain confidentiality of any and all information to which he/she has access as a result of the exercise of his/her position, as well as require the same confidential treatment of the



professionals who advise him/her, using it only for the exercise of his/her duties as Director, under penalty of being held liable for contributing to its improper disclosure;

(iii) to refrain from attending the Board of Directors' meeting, as well as to obtain access to information related to matters in which it has or represents a conflicting interest with the Company;

(iv) to declare, prior to the resolution, that, for any reason, he/she has a particular or conflicting interest with the Company in relation to the subject matter submitted to it, abstaining from its discussion and vote; and

(v) to ensure the adoption of good corporate governance practices by the Company.

VII – CHAIRMAN OF THE BOARD OF DIRECTORS

Art. 8 - The Chairman of the Board has the following attributions, without prejudice to others that may confer on him/her the Bylaws and the Law:

(i) to ensure the effectiveness and good performance of the Board;

(ii) to substantiate the convening acts of the Shareholders' Meeting;

(iii) to call the meetings of the Board;

(iv) to ensure the effectiveness of the monitoring and evaluation system, by the Board, of the Company, of the Board itself and of the Board of Officers;

(v) to reconcile the activities of the Board with the Company's interests, its shareholders and other stakeholders;

(vi) to organize and to coordinate, with the collaboration of the Secretariat of the Board, the agenda, after hearing the other Directors and the Chief Executive Officer and, if it is appropriate, the other Directors and specialized committees, if established;

(vii) to coordinate the activities of other Directors;

(viii) to ensure that the Directors receive full and timely information regarding the items of the agenda;

(ix) to submit to the Board proposal for the apportionment of the Management compensation, prepared with the support of the Compensation Committee;

(x) to propose to the Board, after consultation with the committees, the Board's annual budget, including related the hiring of external professionals;

(xi) to chair the Board's meetings;



(xii) to propose to the Board the corporate annual calendar, which shall, necessarily, define the dates of the events listed in Law No. 6,404/76;

(xiii) to ensure that the Board is informed of the main legislative and regulatory changes which affect the Company and its corporate bodies, and to include Directors in initiatives aimed at adding to their knowledge the reality and dynamics of the market;

(xiv) to propose to the Board the appointment of its Secretary, preferably not Director; and

(xv) to organize and to coordinate a structured integration program for the new Board's members, so that they may be introduced to the main people of the Company and to their facilities. In this program, will be addressed issues that are essential to understand the Company's business.

VIII – BOARD MEMBERS' REPLACEMENT

Art. 9 - The members of the Board of Directors will be replaced in their absence or impediment, by a duly constituted proxy, as long as the other member is in the Board.

IX - OPERATING RULES OF THE BOARD OF DIRECTORS

IX.1 – Board of Directors' Meetings

IX.1.1 Annual calendar of ordinary meetings

Art. 10 - At the beginning of each financial year, the Chairman shall propose the annual calendar of ordinary meetings, which shall be a minimum of 6 (six) and a maximum of 12 (twelve). The first shall occur until March of each year at which time the following topics shall be resolved, as a minimum:

(i) the annual calendar of meetings, providing for a thematic annual agenda with relevant subjects and their respective discussion dates;

(ii) the Company's annual budget, including the budget of the Board itself, as well as the companies controlled by it, as well as the goals and business strategy plan foreseen for the budget period; and

(iii) the formal evaluation of the performance results of the Company, of the Board, of the Board of Officers and of each manager, individually.

Paragraph 1 - The frequency of meetings shall be determined in such a way as to ensure the effectiveness of the Board's operation, always avoiding attendance less than monthly.

Paragraph 2 - The annual meetings calendar may provide for exclusive meetings for Board's members, who are understood as external, on dates and agendas to be defined by such members.



IX.1.2 Convening Mode

Art. 11 - The Board meets, ordinarily, at least 6 (six), and at most 12 (twelve) times a year and, extraordinarily, upon call by its Chairman, or by any 2 (two) Directors, or by the Company's Chief Executive Officer.

Sole Paragraph - The call notices shall be made by letter or e-mail delivered at least 7 (seven) days in advance, except in the event of urgent manifestation, at the sole discretion of the Chairman of the Board, and the call notice shall contain the agenda

IX.1.3 Meeting Place

Art. 12 – The Board’s meetings, whether ordinary or extraordinary, shall preferably be held at the Company's headquarters, in the Board of Directors' meeting room.

Sole Paragraph – The Board’s members may attend meetings by audio or videoconference, all without prejudice to the validity of decisions taken. Votes will also be accepted by letter, e-mail or registered through the corporate governance system or any other formal means of communication, as long as they are received by the Chairman or his/her substitute until the respective meeting.

IX.1.4 Presence of third parties

Art. 13 - The Chairman may invite, in order to participate of the Board’s meetings, any member of the Board of Officers, other officers of the Company, as well as third parties who may contribute with opinions or recommendations related to matters to be resolved by the Board of Directors. These guests shall not have the right to vote.

IX.1.5 Submission of documentation

Art. 14 - The Secretary or, in his/her absence, the Chairman of the Board or who his/her designate, up to of 7 (seven) days prior to each Board’s meeting, shall, as a rule, forward information on matters to be resolved at the meeting, unless there are specific situations which require different deadlines.

Sole Paragraph - The matters submitted to the Board will be instructed with the proposal and/or manifestation of the Board of Officers or of the competent corporate bodies of the Company and of legal opinion, when necessary for the examination of the matter.

IX.1.6 The Secretary of the Board of Directors

Art. 15 - The Board shall have, to assist directly in its work, a Secretary with the following attributions:



- (i) to organize the agenda, based on requests from Directors and on consultation with Officers, and to submit it to the Chairman for further distribution;
- (ii) to inform the Directors, sending the call notice signed by the Chairman of the Board, the agenda of each ordinary meeting, at least 7 (seven) days prior, unless explicitly urgent, and the subject matter of the agenda at least, unless of urgent manifestation, of 5 (five) days;
- (iii) to act as secretary of the meetings, prepare and draw up the respective minutes and other documents in the proper corporate book and to collect the signatures of all the Directors who participated in it, as well as record the attendance of any guests;
- (iv) to archive the minutes and deliberations taken by the Board in the competent corporate bodies and to arrange for their publication in the official press and in a widely circulated newspaper, if applicable;
- (v) to provide the information requested by the Directors;
- (vi) to inform the Directors about the processing of the matters placed in due diligence; and
- (vii) to keep under his/her custody and responsibility the Book of Minutes of Board Meetings and related documents.

Sole Paragraph – The logistic support for the activities inherent to the Secretary of the Board will be provided by the Company's organizational units.

IX.2 - Voting System and Agenda

IX.2.1 Agenda

Art. 16 - The Chairman of the Board, assisted by the Secretary, shall prepare the agenda of the meetings, after hearing the other Directors and the Chief Executive Officer and, as the case may be, the other Officers and Coordinators of the specialized committees.

Paragraph 1 - In the case 2 (two) Directors insist on the inclusion of a certain subject on the agenda, even if previously rejected, the Chairman shall include it.

Paragraph 2- The deliberation of the Board's members shall follow the written form, and shall be received by the Company no later than 2 (two) days after the Chairman's decision concerning not to include the proposal on the agenda, in which case the Chairman shall send a new call notice to the Directors.

Paragraph 3 - The agenda shall be delivered to each Director at least 7 (seven) days in advance of the meeting date, and the documentation necessary for the evaluation of the matters provided for therein shall be delivered at least 7 (seven) days in advance, as a rule, unless specific situations require different deadlines. In the event of an extraordinary meeting, due to the urgency of the call notice, the agenda and documentation will be sent as soon as available.

Paragraph 4 - The Chairman of the Board may include such matters as he/she deems relevant in the agenda for deliberation at that meeting, as provided in article 17, sole paragraph, below.

IX.2.2 Agenda

Art. 17 - Once the installation quorum has been verified, the work will be in the following order:

- (i) announcements by the Chairman and Directors;
- (ii) presentation of the agenda;
- (iii) inclusion and deliberation, as a matter of urgency, of subjects not included on the agenda;
- (iv) discussion and voting on the subjects included on the agenda;
- (v) requests for information and clarification;
- (vi) request to review; and
- (vii) indications, suggestions and recommendations.

Sole Paragraph - The Directors, who consider that any material matter requires urgent evaluation, may request to the Chairman to include it in the agenda, so that it may take place at the same meeting.

IX.2.3 Discussion, Deliberation and Minutes

Art. 18 - After the discussions are over, the Chairman shall take the vote of each Director.

Art. 19 - Sessions shall be adjourned or closed as circumstances require, at the request of any Director, with the approval from the Board.

Sole Paragraph - In the event of adjournment of the meeting, the Chairman shall set the date, time and place for its continuation, waiving the need for a new call notice of the Directors.

Art. 20 - The Board of Directors shall act by a majority of votes, with the attendance of the majority of its members, and the Chairman of the Board, in the event of a tie, shall have the casting vote.

Art. 21 - Minutes shall be drawn up for each Board's Meeting, which shall be recorded in the Minutes Book of the Board Meetings and, whenever it contains resolutions intended to produce effects before third parties, shall be filed with the competent Commercial Registry and published.



X - ABSENSE/VACANCY

Art. 22 - In addition to the cases of death, resignation, dismissal and others provided for by law, the position of the Board's member shall be vacant when the Director fails to sign the terms mentioned in the Article 5 of these Internal Rules, within 30 (thirty) days of the election, all without cause, in the judgment of the Board of Directors.

Paragraph 1 - The resignation of the position of the Director shall be made by written communication to the Chairman of the Board, becoming effective thereafter before the Company and, before third parties, after filing the resignation document in the Commercial Registry and its publication.

Paragraph 2 - In the event of a vacancy in the position of Director, including the position of Chairman of the Board of Directors, the other Directors, by decision of the majority of the members, shall appoint a replacement who will remain in office until the Shareholders' Meeting convened to elect the nominated Director, pursuant to paragraph 2, article 20 of the Company's Bylaws.

Paragraph 3 - In the event of absence or temporary impediment of the position of Director, including the position of Chairman of the Board of Directors, for less than 30 (thirty) consecutive days or 90 (ninety) non-consecutive days, the other Directors, by decision of the majority of the members, will appoint a replacement who will remain in office until their return.

Art. 23 - In the event of a vacancy in the position of Officer of the Company, the Board of Directors shall elect the new Officer or appoint the substitute, who shall complete the mandate of the Director replaced.

Sole Paragraph - In the event of absence or temporary impediment of any Officer, the substitute shall be appointed by the Chief Executive Officer or, in his/her impossibility, by decision of the majority of the Board of Officers.

XI - COMMUNICATION BETWEEN THE BOARD OF DIRECTORS AND THE BOARD OF OFFICERS

Art. 24 - In order to facilitate and coordinate communication between the members of the Board of Directors and of the Board of Officers, questions and requests for information from the Board of the Director's members should be sent to the Chairman of the Board, who will forward them to the Company's Chief Executive Officer.

XII - SPECIALIZED COMMITTEES

Art. 25 - The Board, for the better performance of its functions, may create technical and advisory committees, whether permanent or not, whenever it is deemed necessary. The committees may adopt their own rules, as long as they are compatible with these Internal Rules and are previously approved by the Board.



Paragraph 1 - The committees shall be composed only of members of the Board, including independent and/or external members, as provided for in article 4 of these Internal Rules, and each committee shall appoint, by majority, its Chairman.

Paragraph 2 - The meetings of these committees may count on the presence, as invited, therefore, without the right to vote, of the managers, employees, specialists or third parties specially invited or hired, whose contribution is useful to the performance of the discussions.

Paragraph 3 - The committees shall prepare studies on the matters assigned to them and prepare the proposals for discussion and deliberation of the Board. The material required for consideration by the Board should be made available along with the committee's recommendations, and the Board member may request additional information, if it is deemed necessary. Only the Board shall be responsible for taking any decision on matters within its competence.

XIII - INTERACTION WITH THE FISCAL COUNCIL

Art. 26 - The Board of Directors will meet periodically with the Fiscal Council to discuss matters of common interest.

Art. 27 - The Chairman of the Board of Directors will provide the clarifications and information requested by the Fiscal Council regarding its supervisory function.

XIV - BUDGET OF THE BOARD OF DIRECTORS

Art. 28 - The Board will have its own annual budget included in the Company's budget.

Art. 29 - The annual budget of the Board shall include the expenses related to consultations with external professionals to obtain subsidies specialized in relevant matters to the Company, as well as those necessary for the attendance of Directors to the Company's meetings.

XV - GENERAL PROVISIONS

Art. 30 - The omissions of these Internal Rules, doubts on interpretation and eventual modifications of their provisions will be decided at a Board meeting, as provided for in the Company's Bylaws and in these Internal Rules.

Art. 31 - These Internal Rules are effective as of the date of their respective approval by the Company's Shareholders' Meeting and their subsequent updates will be submitted and approved by the Board of Directors, and will be filed at the Company's headquarters, as well as on its website.

(these Internal Rules were approved at the Company's Shareholders' Meeting held on July 29th, 2020)