

Audit Committee Internal Regulations
of Orizon Valorização de Resíduos S.A.

SUMMARY

1. **PURPOSE, APPLICABILITY, AND BASIS**3

2. **AUTHORITY**3

3. **MEMBERSHIP**4

4. **OPERATING PROCEDURES**5

5. **MEETINGS**.....6

6. **PERFORMANCE ASSESSMENT**7

7. **COMPENSATION**7

8. **AUDIT COMMITTEE COORDINATOR**.....8

9. **GENERAL**.....8

10. **EFFECTIVENESS**9

1. PURPOSE, APPLICABILITY, AND BASIS

1.1. These “*Audit and Risk Management Committee Internal Regulations of Orizon Valorização de Resíduos S.A.*” (“Internal Regulations”) approved by the meeting of the Board of Directors of **Orizon Valorização de Resíduos S.A.** (the “Company”) held on January 28, 2021, govern the proceedings of the Audit Committee of the Company (the “Audit Committee”), as well as establish its responsibilities and duties, subject to (i) the corporate governance guidelines set forth in the bylaws of the Company, as amended from time to time (the “Bylaws”), (ii) the “*Code of Ethics*” of the Company (the “Code of Ethics”), and (iii) the “*Novo Mercado Listing Regulations*” of B3 S.A. – Brasil, Bolsa, Balcão (the “Novo Mercado Regulations”).

1.1.1. In case of any conflict between the provisions of these Internal Regulations and those of the Bylaws of the Company, the provisions of the Bylaws shall prevail.

1.1.2. These Internal Regulations shall apply to the Audit Committee as a body and, whenever applicable, to each of its members.

1.2. The Audit Committee is an advisory body with operational independence, which is subject and reports to the Board of Directors of the Company, and operates independently from the Executive Board.

1.2.1. The provisions of the Code of Ethics of the Company shall apply to the members of the Audit Committee.

1.3. The purpose of the Audit Committee is to supervise: (i) the quality and integrity of financial reports; (ii) compliance with legal, corporate, and regulatory rules; (iii) the adequacy of risk management, internal audit and internal controls processes; (iv) the activities of independent auditors; and (v) the treatment of denounces on potential non compliance with the law and the legal provisions applicable to the Company, in addition to the internal regulations and codes.

1.3.1. As the Audit Committee is an advisory body to the Board of Directors, its decisions constitute recommendations to the Board of Directors, and such recommendations shall be accompanied by an analysis supporting such resolution.

1.3.2. In the performance of its responsibilities, the Audit Committee shall maintain an effective relationship with the Board of Directors, the Executive Board, the Ethics Committee, the internal audit, internal controls, risk and compliance areas, and, when installed, the Fiscal Council of the Company.

2. AUTHORITY

2.1. The Audit Committee shall have authority, among other matters, to:

(a) Issue an opinion on the hiring and removal of independent audit services;

- (b) Review any quarterly information, interim statements, and financial statements;
 - (c) Monitor the activities of the internal audit, and internal control, risk and compliance areas of the Company;
 - (d) Review and monitor the risk exposures of the Company and ensure their management in accordance with the “*Risk Management Policy of Orizon Valorização de Resíduos S.A.*”;
 - (e) Review, monitor, and recommend to management the correction or improvement of any internal policies of the Company, including its related-party transaction policy; and
 - (f) receive internal and external denunciations, as per Section 4.3 below, particularly, the reception and handling of information about any failure to comply with the law and the legal provisions applicable to the Company, in addition to the internal regulations, codes, and other internal rulings, in addition to providing the necessary protection to providers and the confidentiality of information, in all cases, in compliance with the Code of Ethics.
- 2.2. For the performance of its duties, the Audit Committee shall have operational autonomy and a dedicated budget within limits approved by the Board of Directors in accordance with the Bylaws of the Company.
- 2.2.1. The Company shall annually disclose a summary report of the Audit Committee covering the meetings held and the main matters discussed and highlighting any recommendations made by the Audit Committee to the Board of Directors.
- 2.2.2. The Audit Committee shall submit a brief report on its activities, on a quarterly basis, to the Board of Directors, and the minutes of the Board to be disclosed shall mention such report.

3. MEMBERSHIP

- 3.1. The Audit Committee shall be formed by at least three (3) members appointed by the Board of Directors, of whom:
- (a) At least one (1) shall be an independent member as defined in the Novo Mercado Regulations; and
 - (b) At least one (1) shall have recognized experience in corporate accounting matters, in accordance with the regulations issued by the Brazilian Securities Commission which provide on the registration and exercise of independent audit activities in the securities market and define the duties and responsibilities of managers of audited entities in their relationship with independent auditors.
- 3.1.1. The same member of the Audit Committee may accumulate both characteristics referred to in lines “a” and “b” of Section 3.1 above, considering that none of the

members should be a controlling shareholder of the Company, or an office of the Company, of its direct or indirect controlling shareholder, or of controlled, affiliated or joint venture companies, or have any relationship of subordination to the aforementioned persons..

3.1.2. The participation of officers of the Company or officers of its subsidiaries, controlling shareholder, affiliates, or companies under common control as members of the Audit Committee is prohibited.

3.2. The election of Audit Committee members shall follow the criteria set forth in the “*Appointment Policy for Board of Directors, Committees and Executive Board Members of Orizon Valorização de Resíduos S.A.*” (“Appointment Policy”).

3.2.1. The members of the Audit Committee elected by the Board of Directors shall have a unified term of office of one (1) year, reelection being permitted. The election of members of the Audit Committee shall be held annually at the first meeting of the Board of Directors following the annual shareholders’ meeting of the Company.

3.2.2. The position of member of the Audit Committee cannot be delegated and shall be exercised in compliance with the duties of loyalty and diligence, as well as avoiding any conflict situations that may affect the best interests of the Company and of its shareholders.

3.2.3. The members of the Audit Committee shall be impartial in the performance of their activities and shall, above all, be proactive in their pursuit of continual efficiency of the compliance and ethics mechanisms of the Company, as well as in their compliance with the rules and principles set forth in applicable law, in the Bylaws, in the Code of Ethics of the Company, in these Internal Regulations, and in domestic and international business compliance best practices, subject to the features of the Company and its business.

4. OPERATING PROCEDURES

4.1. Each year, the Audit Committee shall approve a schedule of activities for the corresponding fiscal year.

4.2. With due regard to the financial amount approved in the annual budget of the Company, the Audit Committee may call specialists and hire external consultants to review and discuss topics under its responsibility, in which case it shall ensure the integrity and confidentiality of their work.

4.2.1. The work of external consultants shall not relieve the Audit Committee of its responsibilities.

4.3. The Audit Committee shall receive a quarterly report from the Ethics Committee about denounces of violations of the Code of Ethics, policies and procedures, or any legal and

normative rulings applicable to the Company.

4.3.1. The Audit Committee shall require from the Whistleblowing Channel's manager, that is, the independent outsourced company contracted for this purpose, the anonymity of the complainant and his/her protection, as described in the Code of Ethics of the Company.

4.3.2. The Ethics Committee shall also report the investigation works conducted, the results obtained, and the treatment given to denounces to the Audit Committee. The Audit Committee shall be responsible for monitoring and requiring that any appropriate and necessary measures to investigate any facts and information underlying the denounces are met.

5. MEETINGS

5.1. The Audit Committee shall hold regular meetings at least quarterly, in order to report its activities to the Board of Directors, or special meetings, whenever called by the Audit Committee Coordinator, or upon written request of any member of the Audit Committee.

5.1.1. Notices of meetings of the Audit Committee shall be given in writing by email, at least ten (10) days in advance of the date of the respective meeting, specifying the time and place and preferably including the agenda. Additionally, any proposal and all necessary documentation relating to the agenda shall, preferably, be made available to members of the Audit Committee no later than five (5) days in advance of the meeting. Notice formalities may be waived whenever all the members of the Audit Committee are present at the meeting or upon the prior written agreement of the absent members.

5.1.2. When all members of the Audit Committee are present at the special meetings, any formalities and advanced notices described herein shall be waived.

5.1.3. In case of any matters requiring urgent consideration, the meeting of the Audit Committee may be called on shorter notice than described above.

5.1.4. A meeting may be opened if a majority of the members of the Audit Committee are in attendance.

5.1.5. In the absence of a minimum quorum of two (2) members, a new meeting shall be called, which may be opened with any quorum, according to the urgency required for the matter to be addressed.

5.1.6. Any recommendations, conclusions, and opinions of the Audit Committee shall be approved by a majority vote of the members present at the respective meetings.

5.1.7. The meetings of the Audit Committee shall be held preferably at the headquarters of the Company; provided that they may be held at a different place if all members so deem convenient and agree upon in advance in writing.

- 5.1.8. Participation in regular and special meetings of the Audit Committee by means of conference call, videoconferencing, or any other means of communication enabling the identification of each member of the Audit Committee and simultaneous communication with all other persons attending the meeting shall be permitted. In this case, the members of the Audit Committee shall be deemed present at the meeting and shall subsequently sign the corresponding minutes.
- 5.1.9. The Audit Committee may call members of the controlling shareholder, internal and external collaborators of the Company, and any other persons who hold relevant information or whose area of expertise is relevant to the matters listed in the agenda, to attend its meetings.
- 5.1.10. Any matters, directions, discussions, recommendations, and opinions of the Audit Committee shall be recorded in the minutes of its meetings, which shall be signed by the members of the Audit Committee present and shall include any relevant points of discussion, a list of attendants, mention of any justified absences, any measures requested, and any points of disagreement between members.

6. PERFORMANCE ASSESSMENT

- 6.1. In order to continuously increase its effectiveness, the Audit Committee shall conduct, at least once each one (1) year, its self-assessment, the assessment of its operating process, and the individual assessment of its members.
- 6.1.1. Any member of the Audit Committee who has been in office for at least two (2) regular meetings since the last assessment shall be eligible to participate in the assessment process, as either assessor or assessee.
- 6.1.2. The assessment process shall be under the responsibility of the Audit Committee Coordinator.
- 6.1.3. The consolidated results of the assessments shall be made available to all members of the Audit Committee and of the Board of Directors. The results of individual assessments shall be made available to each individual concerned, to the Audit Committee Coordinator, and to the Chairman of the Board of Directors of the Company.

7. COMPENSATION

- 7.1. The compensation of the Audit Committee shall be established in advance by the Board of Directors of the Company, subject to the “*Executive Compensation Policy of Orizon Valorização de Resíduos S.A.*”

8. AUDIT COMMITTEE COORDINATOR

8.1. The Board of Directors shall elect a Coordinator from among the members of the Audit Committee, who shall be responsible for representing, organizing, and coordinating its activities (the “Audit Committee Coordinator”). This person shall be an independent member of the Board of Directors, as defined in the Novo Mercado Regulations.

8.2. The Audit Committee Coordinator shall have exclusive authority to:

- (a)** Call, install, and preside over any meetings of the Audit Committee and appoint a secretary, who shall be in charge of preparing the minutes of the meetings;
- (b)** Represent the Audit Committee in its relationship with the Board of Directors, with the Executive Board of the Company, and with its internal and external audits and internal bodies and committees and sign, when necessary, any correspondence, invitations, and reports addressed to them;
- (c)** Call, on behalf of the Audit Committee, any meeting participants, as the case may be; and
- (d)** Comply with and enforce these Internal Regulations.

8.2.1. In his absence or temporary impediment, the Audit Committee Coordinator may be replaced by a member appointed by the Audit Committee itself, as long as the latter complies with all requirements and parameters provided for herein, as well as the Appointment Policy of the Company.

8.2.2. The Audit Committee Coordinator or, in his absence or impediment, another member of the Audit Committee appointed by him, accompanied by other members of the Audit Committee when necessary or appropriate, shall:

- (a)** Meet with the Board of Directors, whenever called by the latter, at least quarterly, to, among any other relevant matters, report on the activities of the Audit Committee; and
- (b)** Attend the annual shareholders’ meeting of the Company.

9. GENERAL

9.1. These Internal Regulations may only be amended by a resolution of the Board of Directors or by changes in the relevant laws, in the Bylaws, in the capital market regulatory framework, or in the corporate governance system of the Company.

9.2. Any omissions in these Internal Regulations and any doubts regarding their interpretation shall be decided at a meeting of the Board of Directors of the Company.

10. EFFECTIVENESS

10.1. These Internal Regulations shall be effective on the date of their approval, may only be amended by a resolution of the Board of Directors of the Company, and may be viewed at ri.orizonvr.com.br.

* * * *