



RANDOM S.A. IMPLEMENTOS E PARTICIPAÇÕES

CNPJ 89.086.144/0001-16

Publicly-Held Company

Board of Directors

Internal Regulations

1. PURPOSE

These Internal Regulations ("Regulations") lay down the operation of the Board of Directors ("Board"), as well as the relationship between the Board and the other governing bodies, in compliance with the provisions of the Corporate Bylaws ("Bylaws") and the legislation in force.

2. SCOPE OF ACTION AND OBJECTIVES

The Board shall establish the general rules of the Company's business and formulate strategies so as to **(i)** promote and achieve the corporate purpose of the Company and its controlled companies; **(ii)** to ensure the interests of shareholders, without losing sight of other stakeholders; **(iii)** to ensure the continuity of the Company within a long-term and sustainable perspective; **(vi)** adopt an agile management structure, making sure that strategies and guidelines are effectively implemented by the Executive Board, without interfering in operational matters; **(v)** prevent and manage situations of conflict of interest or divergence of opinions, so that the interest of the Company may always prevail.

3. COMPOSITION AND OPERATION

- 3.1.** The Board of Directors shall be composed of 3 (three) to 9 (nine) members. The number of members shall always be an odd number, among which one Chairman and up to two Vice-Chairmen;
- 3.2.** The members of the Board of Directors shall be elected by the General Meeting and removed by it at any time, with a term of office of 2 (two) years, being allowed their re-election.
- 3.3.** The investiture of each Board member is subject to his/her signing of the Instrument of Investiture drawn up in the Minutes Book of the Board of Directors, as provided for by Law, Certificate of Good Standing subject to penalty under the Law, in its own instrument, and receipt, as a user, of a password and training for access and use of the Governance Portal. .
- 3.4.** At the first meeting after the Board members take office, the Board of Directors will choose, among its peers, the Chairman and up to two Vice-Chairmen;
- 3.5.** In the event of inability, vacancy or absence of the Chairman of the Board of Directors, the Chairman shall be replaced in his/her functions by the Vice-Chairman in office.
 - 3.5.1.** In case the two Vice-Chairmen are in office, the function of Chairman will be chosen upon election by the Board members.

- 3.6.** Any of the Board members may indicate another Board member to replace him/her in his/her temporary impediment or absence.
- 3.7.** In the event of a Board vacancy, the remaining members of the Board of Directors may elect a deputy member to complete the term of office of the replaced member. In case of vacancy, the Board member will lose his/her access to the Governance Portal.

4. MEETINGS

4.1. Venue and Periodicity

- 4.1.1. Meetings of the Board of Directors will be held at the Company's headquarters or elsewhere, provided that, in the latter case, there is the consent of the majority of its members.
- 4.1.2. The Board of Directors shall meet at least once a quarter and, extraordinarily, where necessary.
- 4.1.3. The annual calendar shall establish the dates of the ordinary meetings and shall be approved at the beginning of each financial year, which shall include at least 6 (six) annual meetings.

4.2. Call Notice

- 4.2.1. The meetings shall be convened by its Chair or by any of the Board members by written communication, issued at least 3 (three) days before the date of the meeting through the Governance Portal or by electronic mail. The call notice shall include the venue, date, time and meeting's agenda, except in the event of urgency, when the deadline may be reduced.
- 4.2.2. The meeting agenda will highlight the matters to be deliberated by the Board and the topics intended for presentation only.
- 4.2.3. The supporting documentation of the matters to be discussed shall accompany the Call Notice, or shall be made available to the Board members prior to the date of the meeting.
- 4.2.4. Regular/ordinary meetings will be those to which all members attend, regardless of any preliminary formalities or provided that everyone expresses their agreement in not going through such formalities.

4.3. Installation, Deliberation and Quorum

- 4.3.1. For the meetings of the Board of Directors to take place and validly deliberate, the presence of the majority of its members holding office will be required. It will be considered as "present" the member who has submitted his/ her vote in writing. Written votes that have been sent by e-mail will be accepted and the members who have participated in the meeting by conference call or videoconference will be considered as present to the meeting.

- 4.3.2. Decisions shall be made by a majority of the votes cast by the Board members present to the meeting, but, where possible, they will be made through a consensus process.
- 4.3.3. On an extraordinary basis, meetings of the Board of Directors may be held virtually, through the Governance Portal, teleconference, or by electronic mail. In this case, the material relating to the resolutions and the minutes of the meeting will be made available, in advance, for the analysis of the Board Members, who shall forward any suggestions and their votes, so that the minutes approved may be drawn up in the Minutes Book and signed by most Directors.

4.4. Minutes of the Meetings

- 4.4.1. Each meeting shall be recorded in the Minutes Book, containing the date, place, name of the Board Members and Board resolutions. They shall be clearly drafted, record all decisions made and any abstentions from vote due to conflicts of interest.
- 4.4.2. The minutes of the meeting shall be read and approved and shall be signed by all the Board members present to the meeting;
- 4.4.3. The minutes shall be forwarded by the Chair to the other Board members, participants of the meetings and to the Supervisory Board members, according to Law;
- 4.4.3. If the matters are deliberated as provided for in 4.3.3 of these Board Regulations, minutes shall be recorded containing the votes cast through the Governance Portal or in writing. The Minutes shall be signed by the majority of the Board Members.

4.5. Attendance to the Meetings

- 4.5.1. When it deems it necessary, the Board, through its Chairman, may request the Executive Board, the Independent Auditors, the Supervisory Board and any other bodies of the Company to participate in the meeting and/ or for their advice.
- 4.5.2. The use of the above-mentioned advisory, whether internal or external to the Company, shall be limited exclusively to the period in which the matter whose advice is being provided is being examined and deliberated.
- 4.5.3. The members of the Supervisory Board shall attend the meetings of the Board of Directors whose agenda contains matters under their jurisdiction.

4.6. Executive Secretariat

At the service of the Board of Directors there will be an Executive Secretariat, whose duties will be:

- (i) Organize the agenda of the topics to be discussed, based on requests from the Board of Directors members and after consulting the directors, and submit it to the Chairman of the Board for further distribution;
- (ii) Issue the Call Notice for the Board of Directors` Meetings, informing the Board members - and any participants - of the place, date, time and Meeting`s agenda;
- (iii) Provide secretariat support to the meetings, prepare and draw up the respective minutes and other documents in the Company`s proper book and collect the signatures of all the

Board members participating in it, in addition to recording, in writing, the attendance of any invited guests; and

- (iv) File the minutes and resolutions taken by the Board in the competent bodies and arrange for their publication in the official press media and in a large-circulation newspaper, when applicable.

5. BOARD OF DIRECTORS RESPONSIBILITIES AND DUTIES

5.1. It is up to the Board of Directors:

- a. Establish the general guidelines of the Company's business, its subsidiaries and controlled companies, considering the impacts of the Company's activities on society and on the environment, aiming at the Company's perpetuity and the creation of long-term value;
- b. Approve development plans, as well as the investments required for their implementation.
- c. Approve annual and multiannual operating and/or investment budgets;
- d. Oversee, on a permanent basis, the development and performance of the Company;
- e. Establish the administrative structure of the Company and approve its Internal regulations;
- f. Elect and remove Directors of the Company, setting their respective tasks;
- g. Oversee the Directors' management, and examine, at any time, the books and documents of the Company, request information on the agreements that have been signed, or that are about to be signed, and any other acts;
- h. Fix and allocate, within the limits annually established by the Annual General Meeting, the remuneration of directors, when a global amount has been voted, as well as the employees' profit sharing;
- i. Establish pension plans and benefits for the Company's employees and administrators;
- j. Convene ordinary and extraordinary general meetings in the cases provided for by law or when it deems necessary to do so;
- k. Express its opinion on the Management Report, the financial statements and accounts of the Board of Directors;
- l. Resolve on the payment of dividends, including interim dividends and interest on capital payable to shareholders;
- m. Express its opinion on the forwarding, to the General Meeting, of any proposal to the Executive Board, including capital increase, profit allocation and statutory changes whenever it deems appropriate;
- n. Authorize the creation and shutdown of any affiliates/branches of the Company, highlighting, where appropriate, the required capital;
- o. Choose and dismiss the independent auditors;
- p. Authorize the acquisition of shares issued by the Company for cancellation or to be held in treasury until later disposal;
- q. Express itself on any acts or contracts that the Executive Board submits for its approval;
- r. Authorize capital increases within the authorization limit established in the Bylaws and resolve on the issue of promissory notes for public distribution;
- s. Bring to its decision any matter it deems important for the guidelines of the Company's business, respecting the responsibilities of the General Meeting;
- t. Authorize the creation, merger, incorporation, spinoff and shutdown of related or controlled companies;

- u. Authorize the signing of agreements, acts or contracts between the Company, its shareholders and related legal entities or individual persons;
- v. Authorize the Company to have interests in other companies, as well as to divest or promise to divest equity interests;
- w. Authorize transactions involving the sale/disposal, lien, licensing or use of trademarks, patents and technology;
- x. Authorize the disposal of fixed assets, constitution of real encumbrances, provision of guarantees for the obligations of third parties, as well as acts and contracts, whenever the amount in any of the cases listed in this paragraph exceeds the limits that have been set by the Board of Directors itself to other ranking bodies of the Company;
- y. Resolve on the cases in which the Law does not rule and on any other matters provided for or not in the Company's By-Laws;
- z. Secure the implementation of Internal Audit linked to the Board of Directors, so as to protect assets, promote operational efficiency and ensure the accuracy and quality of the information sent by the Executive Board;
- aa. Periodically assess the Company's exposure to risks and the effectiveness of risk management systems, internal controls and the compliance program, as well as approve a risk management policy that is compatible with business strategies;
- bb. Convene the members of the Supervisory Board, Executive Board and Independent Auditors, for the Shareholders' Meetings;
- cc. Convene, in advance, the members of the Supervisory Board to participate in the meetings in which the following will be discussed: (i) the Management Annual Report; (ii) the Financial Statements for the fiscal year; (iii) the proposals of the Management Bodies relating to capital stock change, issuance of debentures or subscription bonuses, investment plans or capital budgets, proposals for the allocation of dividends, transformation, incorporation, merger or spinoff of the Company;
- dd. Take note of the minutes of the Executive Board meetings;
- ee. Take note of the minutes of the Supervisory Board meetings;
- ff. Disclose the minutes of the meetings that contain resolutions that produce effects before third parties, ensuring that there is no privilege of information.

5.2. It is up to each Board Member:

- a. Attend the meetings of the Board of Directors. Each member shall prepare himself /herself by having examined, in advance, the documents that have been made available to them, and shall participate in the meeting in a diligent way, seeking consensus, regardless of who has appointed him/her;
- b. Not omit from the other Board members any information, documents or clarifications arising from other bodies, or requests received from such other bodies;
- c. Attend public meetings and General Meetings, that is, be present/participate and be willing to clarify shareholders on the Company's matters;
- d. Keep confidential any information of the Company to which they have had access due to their positions in the Company, as well as to require this same confidentiality from the professionals who assist them, using such information only for the exercise of their functions as Board Members, subject to penalties for improper disclosure acts;
- e. Refrain from intervening, either separately or jointly with a third party, in any business with the Company, its subsidiaries and affiliates, controlling shareholder and between the Company and the subsidiaries and affiliates of the administrators and controlling shareholder, as well as in other companies that, along with those

persons, are part of the same group in fact or in law, except when there is prior and specific approval of the Board of Directors; and

- f. Declare, prior to the Board's deliberation, that, for any reason, the Board member has a particular or conflicting interest with that of the Company in any matter subject to their assessment, thus refraining from discussing it and voting;
- g. Participate in the Integration Program according to the terms provided for in this Internal Regulations.

5.3. It is up to the Chairman of the Board of Directors or to the Vice-Chairmen, while exercising their duties, to:

- a. Conduct and coordinate the works of the Board of Directors and the activities of the other Board members;
- b. Open and chair the meetings of the Board of Directors and General Meetings;
- c. Appoint, among those present at the meeting, the member who will act as secretary of the Board;
- d. Convene the General, Ordinary and Extraordinary Meetings, in the cases provided for by law or when it deems appropriate;
- e. Act in a democratic and impartial manner, ensuring the effectiveness and good performance of the Board;
- f. Reconcile the activities of the Board with the interests of the Company, its shareholders and other stakeholders;
- g. Organize, along with the CEO, at the election time of a new member of the Board, an integration and training program for the new member so as the new Board member may get acquainted with the Company's activities and obtain information about it; and
- h. At his/her own initiative or at the request of any Board member, convene Directors and/or employees of the Company to attend meetings and provide clarification or information on the matters under consideration, whenever they deem necessary.

6. INTEGRATION OF THE BOARD OF DIRECTORS MEMBERS

6.1. The Integration/Training Program for new members of the Board of Directors is aimed at presenting the Company's and its subsidiaries' business, facilities and organizational structure to the new Board member, in order to prepare and adjust him/her to the organizational culture, work philosophy and methodology, thus giving him/her better opportunity to contribute and support the Company while exercising his/her functions;

6.2. The Integration Program will follow the steps below:

- a) The provision, by the Company, of normative documents of the Company, such as Bylaws, Code of Ethical Conduct, Internal Regulations of the Board of Directors, calendar of meetings, shareholding corporate structure, among others;
- b) The provision, by the Board member, of his/her personal documents and the information required for his/her respective registration for the purpose of remuneration and payment of charges;



- c) The Company's institutional presentation with regard to the operational, financial and governance aspects;
- d) The holding of in-person meetings with the Chairman of the Board of Directors, the Chief Executive Officer, and, if applicable, with any of the Vice-Chief Executive Officers, with the purpose of getting acquainted with the Company's management structure;
- e) Guided visits to the main plants of Randon Companies.

6.3. The Integration/Training Program shall take place as soon as possible, as of the date on which the new Board Member takes office. The in-person actions will be customized according to the availability of the new Board member;

6.4. It is the responsibility of the members of the Board of Directors and Executive Board of the Company to ensure the implementation of the Integration Program, and the Legal, Investor Relations and Human Resources areas shall comply with all the scheduled steps.

7. GENERAL PROVISIONS

- 7.1. The Board members, in addition to carrying out the legal duties that are inherent to their position, shall adhere to high ethical standards in the conduct of their duties and promote good corporate governance practices in the Company;
- 7.2. Every Board member shall inform the Board of Directors, in whole and in advance, about any conflict of interest, real or potential, direct or indirect, which he/she may have. Every Board member with any conflict of interest may not participate in any discussion or vote on any issue related to such conflict of interest;
- 7.3. These Internal Regulations shall be in force as of the moment they are approved by the Board of Directors and may be amended when the need arises of doing so;
- 7.4. The rules contained in these Internal Regulations shall reflect those contained in the Company's Bylaws and shall not be in conflict with the provisions contained in the Corporations Act.

These Internal Regulations were approved at The Board of Directors Meeting no. 646, of August 6, 2009, and were revised and consolidated at the Meeting No. 864 of the Board of Directors of October 29, 2018, and Meeting no. 886, of November 7, 2019, and revised again and restated at the Meeting of No. 899, of June 3, 2020..

Caxias do Sul, June 3, 2020.

David Abramo Randon

Alexandre Randon



Ruy Lopes Filho

Pedro Ferro Neto

Willian Ling