

HIDROVIAS DO BRASIL S.A.

(“Company”)

CNPJ/ME No. 12.648.327/0001-53

NIRE 35.300.383.982

A Publicly-Held Company

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

HELD ON OCTOBER 21, 2021

- 1. Date, Time and Place:** On October 21, 2021, at 1:00 p.m., at the Company’s headquarters at the City of Sao Paulo, State of Sao Paulo, at Rua Gilberto Sabino, nº 215, 7º floor, Pinheiros, CEP 05425-020 (“Meeting”).
- 2. Call Notice and Attendance:** Confirming the attendance by all members of the Board of Directors and in accordance with the terms of article 23 of the Company’s Bylaws the Meeting was duly installed.
- 3. Presiding Members:** Chairman: Bruno Pessoa Serapião; and Secretary: Teresa Cristina Meyer Pires Faleiro.
- 4. Agenda:** To appreciate and/or to resolve on: **(i)** the revision of the Internal Regulation of the Non-Statutory Audit Committee of the Company; and **(ii)** the revision of the Risk Management Policy of the Company.
- 5. Presentation:** The members of the Executive Office of the Company who attended the Meeting made available presentations related to the topics of the agenda, about other matters and with a summary of the financial and operational information of the Company (“Supporting Material”). Messrs. Ricardo Antonio Weiss and Antonio Mary Ulrich, members of the Non-Statutory Audit Committee of the Company, clarified that such Committee, at a meeting held on September 22, 2021, appreciated and recommended to the Board of Directors the approval of the revision of the Internal Regulation of the Non-Statutory Audit Committee, as per item (i) of the agenda of the Meeting. After the presentations, the Board of Directors discussed and clarified their doubts about the material provided and the presentations made, with no further questions or objections regarding what was presented and clarified.

6. Resolutions: The members of the Board of Directors of the Company, pursuant to the attendees' unanimous vote and without restrictions or reservations, resolved:

(i) **to approve** the revision of the Internal Regulation of the Non-Statutory Audit Committee of the Company, which will be effective with the proposed wording, which copy is available in the **Annex I**, all in accordance with the terms and conditions of the Supporting Material;

(ii) **to approve** the revision of the Risk Management Policy of the Company, which will be effective with the proposed wording, which copy is available in the **Annex II**, all in accordance with the terms and conditions of the Supporting Material.

The members of the Executive Office of the Company and of its subsidiaries, as the case may be, are hereby authorized to take all measures and to carry out all acts deemed necessary to implement the decisions approved herein.

7. Closing: As there was nothing else to discuss, the Meeting was suspended by the necessary time to the drawn up of the minutes that, after being read and approved, were signed by all Directors in attendance, being its disclosure authorized.

8. Presiding Members: Chariman – **Bruno Pessoa Serapião**; Secretary – **Teresa Cristina Meyer Pires Faleiro**. **Board of Directors Members:** Bruno Pessoa Serapião, Felipe Andrade Pinto, Marcelo Antonio Gonçalves Souza, Márcia Maria Ferraresi, Roberto Lucio Cerdeira Filho, Antonio Mary Ulrich, Ricardo Antonio Weiss, Marcus Vinicius Menoita Nogueira and Denys Monteiro.

I certify this is a true copy of the original drawn up in a proper book.

Sao Paulo, October 21, 2021.

Teresa Cristina Meyer Pires Faleiro
Secretary of the Meeting

ANNEX I

INTERNAL REGULATION OF THE NON-STATUTORY AUDIT COMMITTEE

1. PURPOSE OF THE INTERNAL REGULATION

This Internal Regulation aim to regulate the activities of the Non-Statutory Audit Committee ("**Committee**") of Hidrovias do Brasil S.A. ("**Company**"), its functioning, rights and duties of the Audit Committee Members ("**Members**") and the relationship with the other bodies and committees of the Company.

2. AUDIT COMMITTEE PURPOSE

The Committee is a collective advisory body linked to and created by the Company's Board of Directors. The Committee reports directly to the Board of Directors, with operational autonomy and its own budget approved annually by the Board of Directors. Its purpose is to supervise the quality and integrity of financial reports, adherence to legal, statutory and regulatory standards, the adequacy of processes related to risk management and the activities of the internal and independent auditors, acting in compliance with Act No. 6.404, dated December 15, 1976, as amended, of the Company's Articles of Incorporation, of the New Market Regulation of B3 S.A. – Brasil, Bolsa, Balcão ("**New Market Regulation**"), the Code of Best Corporate Governance Practices of the IBGC, the Brazilian Code of Corporate Governance, and the respective instructions and guidelines of the Brazilian Securities Commission ("**CVM**"), without prejudice to other legal and regulatory rules that may apply to it.

The Committee is not a Company's deliberative body, but only an advisory body to the Board of Directors. Thus, its recommendations and opinions, as well as the proposed measures, constitute non-binding recommendations to be forwarded to the Board of Directors, and such recommendations must be accompanied by the analysis supporting its resolutions.

In carrying out its responsibilities, the Committee will maintain an effective relationship with the Board of Directors, the Executive Board, the internal and independent auditors and, when opened, with the Company's Fiscal Council.

3. POWERS

It is incumbent upon the Committee, among other matters:

- To give an opinion on the engagement and dismissal of the independent auditor.

- To supervise the activities of the independent auditors, in order to assess his or her annual work plan, his or her independence, the quality of services provided.
- To evaluate the Company's quarterly accounting information, interim statements and annual financial statements, issuing the respective opinion, as applicable.
- To monitor the activities of the internal audit and the areas of internal controls and risks of the Company.
- To evaluate and monitor, as reported by management and other executives, the Company's risk exposures.
- To evaluate, monitor and recommend to management the correction or improvement of the Company's internal policies;
- To evaluate and monitor, based on the management report and the internal audit area, the adequacy of transactions with related parties carried out by the Company and its respective disclosures.
- To receive and handle information about non-compliance with legal and normative provisions applicable to the Company, in addition to internal regulations and codes also establishing specific procedures to protect the provider and the confidentiality of information.
- To prepare and publish a summarized annual report containing a description of the meetings held, its activities, the main issues discussed and highlighting the recommendations made to the Board of Directors; and
- To receive, at least once a year, a report from the Ethics Committee, containing the allegations of greater relevance, including and mainly those that may involve members of senior management.

The Committee will report its activities on a quarterly basis to the Board of Directors, through its Coordinator or any of its Members, in person, by teleconference, videoconference, letter, electronic mail (e-mail) or by any other means of communication, whether electronic or not, and the minutes of the Board shall be disclosed, indicating the aforementioned report.

4. COMPOSITION

The Committee will be composed of at least three (3) Members, chosen by the Board of Directors, as follows:

- a) at least one (1) independent member of the Board of Directors, as defined by the New Market Regulation; and
- b) at least one (1) Member with recognized experience in corporate accounting matters,

pursuant to the regulations issued by the Brazilian Securities and Exchange Commission that provides for the registration and exercise of independent auditing activities within the scope of the securities market and defines the duties and the responsibilities of the administrators of the audited entities and in the relationship with the independent auditors.

The same Committee Member may accumulate both of the characteristics referred to in items a) and b) above.

It is forbidden the participation, as Committee Members, of directors of the Company, of directors of its controlled companies, of its controlling shareholders, of affiliates or companies with common control, pursuant the New Market Regulation and guidelines of B3 in this respect.

The Committee Members, elected by the Board of Directors, will have unified terms of office of two (2) years, and may be re-elected, being its removal possible at any time. One of the Members will be designated as Committee Coordinator ("**Coordinator**"), appointed by the Board of Directors upon his or her election or re-election.

The role of a Committee Member cannot be delegated, and must be performed in compliance with the principles of loyalty and diligence, as well as in a way to avoid any conflicting situations that may affect the interests of the Company and its shareholders. In the event of vacancy of any Member, including the Coordinator, the Board of Directors shall appoint the respective substitute until, at the latest, the second meeting of the Board of Directors that will be held immediately after the respective vacancy.

At the end of their term, the Committee Members will remain in their positions until the term of their substitutes, unless otherwise resolved by the Board of Directors.

The Committee Members must maintain an impartial stance when performing its activities and, above all, must be proactive in seeking constant efficiency of the mechanisms of compliance and ethics of the Company, as well as respect the rules and principles established in the applicable legislation, in the Company's Bylaws, in the Code of Ethics of the Company, in this Internal Regulation and in the national and international practices of compliance, respecting the characteristics of the Company. The duties and responsibilities of the administrators provided in the legislation and regulations in force, where applicable, are applicable to the Committee Members.

5. MEETINGS

The Committee will meet on a regular basis every three months on dates and places to be established by the Coordinator. The ordinary meetings must necessarily precede the meetings of the Board of Directors that will deliberate on the Company's quarterly accounting information and financial statements. . At these meetings, at least the following items must be appreciated, without prejudice to the other responsibilities of the Committee.

- Quarterly information, intermediate and financial statements presented by a person in charge of the Company and by the external audit; and
- The work results carried out by the internal audit, validating its plans and guiding its performance.

Ordinary meetings must be convened by the Coordinator or by any Member of the Committee, on his or her own initiative or by request of the management or other executives of the Company, at least seven (7) days in advance, with clear definition of the scope of the meeting and previously sending all Members the materials to be used at the meeting. Extraordinary meetings may be convened whenever determined by the Coordinator or by written request from any Committee Member, for the appreciation of urgent matters or when required under circumstances. The extraordinary meetings of the Committee may be convened with at least three (3) days in advance.

These meetings will be convened by means of personal notification, via letter with delivery protocol or notice of receipt, by e-mail addressed to each the Members of the Audit Committee, or by any other electronic means or not, and such call will be considered effective on the date of its receipt, if by letter or any other electronic means or not, or on the date the message is sent, if by e-mail.

These call notices may be waived whenever all Committee Members attends the meeting.

Matters, guidelines, discussions, recommendations and opinions of the Committee will be recorded at the minutes of its meetings, which will be signed by the Committee Members present, and which must contain the relevant points of the discussions, the list of those present, mentioning the justified absences, the measures requested and any points of disagreement between the Members. The minutes of the meeting will be validly signed by electronic means, a copy of which will be kept on file at the Company's Governance Web Portal and at the Company's main place of business, together with an original signed copy thereof. The meetings will be installed with the attendance of the majority of the Committee Members and will be chaired by the Coordinator,

except in the cases in which the Coordinator appoints another Member to chair the work. In the absence of a minimum quorum, a new meeting will be convened, subject to the rules of the call notice above, and will be held with any quorum, according to the urgency required for the matter to be discussed. Recommendations, opinions, and reports of the Committee will be approved by majority vote of the Members attending the respective meetings. Any matter that is not specified on the agenda may not be brought up for discussion, unless all the Committee Members are attending the meeting and agree to include such matter on the agenda.

It is allowed the participation in the ordinary and extraordinary meetings of the Committee by means of a telephone conference system, video conference or any other means of communication that allows the identification of the Committee Member and simultaneous communication with all other people attending the meeting. Furthermore, the Members may sign the respective minutes of the meeting by electronic means. In addition, will be considered present at the meeting the Committee Members who express their vote by delegation in favor of another Member, by an anticipated written vote or by vote expressed by letter, electronic mail (e-mail) or by any other means of communication.

The Committee Coordinator, on his or her own initiative or at the request of any other Member, may convene to participate in the meetings, internal and external employees of the Company, of the Board of Directors, external consultants, as well as any other persons who hold relevant information or whose matters, included in the agenda, are relevant to his or her area of expertise.

6. COORDINATOR

Coordinator's responsibilities:

- To convene, install and preside the Committee meetings.
- To prepare, organize, elaborate and send the agendas of meetings, as well as distribute the necessary information for the resolutions of the meeting agenda.
- To put in vote matters discussed for forwarding the recommendation made to the Board of Directors, including the analyzes, opinions and reports prepared in the scope of the discussions, as applicable; and
- To convene, on behalf of the Committee, for the officers, employees, consultants, auditors, members of other bodies and committees to attend the meeting, if necessary.

In his or her absence or temporary impediment, a Member appointed by the Committee itself may replace the Coordinator.

7. COMPENSATION

The compensation of the Committee Members will be determined by the Board of Directors and will be compatible with their responsibilities, the time dedicated to their functions, their competence and professional reputation.

8. MISCELLANEOUS.

This Internal Regulation shall reflect the provisions of the Company's Bylaws and in the event of a conflict between the provisions set forth in such documents, the provisions of the Bylaws shall prevail.

This Internal Regulation may only be amended by resolution of the Board of Directors due to any changes in the pertinent legislation, in the Bylaws and/or in other policies and/or regulations of the Company, in the regulatory frameworks of the stock market, in the system and/or corporate governance guidelines of the Company or for any other reason that the Board of Directors of the Company deems necessary.

The Company must keep at its registered office and at the disposal of CVM, for the period of five (5) years, a detailed annual report prepared by the Committee, containing all the meetings held by the Committee,.

This Internal Regulation enters into force on the date of its approval and will remain in force for undefined period..

Omissions of this Internal Regulation and any questions regarding interpretation will be resolved by the Board of Directors, in the form of the law, in the Company's Bylaws and, where applicable, in the New Market Regulation.

ANNEX II

RISK MANAGEMENT POLICY **OF HIDROVIAS DO BRASIL GROUP**

1. PURPOSE

This "Risk Management Policy", approved at a Board of Directors' meeting of HIDROVIAS DO BRASIL S.A., has the purpose of defining the guidelines for the unified risk management process, as well as guiding the processes of identification, analysis, evaluation, treatment, communication and monitoring of the Company's risks. In addition to strengthening the risk management culture, and preparing the Company to face uncertainties and favor the attainment of the strategic business objectives.

2. APPLICATION

This Policy applies to the Company and its subsidiaries, and must be observed:

- by the Company shareholders and its subsidiaries; and
- by all directors and alternate directors of the Company and its subsidiaries.

3. TERMS AND DEFINITIONS

The terms and expressions listed below, when used in this Policy, shall have the following meanings:

- **“Causer of the Loss”**: people, equipment failure, service failure, or natural cause, internal or external, malicious or unintentional that expose themselves to hazards or exploit existing vulnerabilities.
- **“Threat”**: Indication of unfavorable, or harmful, events. If realized it becomes an event, or fact.
- **“Risk Appetite”**: The maximum level to which the Company is willing to expose itself in relation to risk(s) to meet its objectives and add value to stakeholders. The Board of Directors defines the Company's risk appetite that translate according to the level of criticalness, presented in graphic form through a *heatmap* that combines the risk impact and the probability of risks, considering the ruler established.
- **“Risk Category”**: A way of grouping and identifying risks which can be classified as Strategic, Financial, Operational and Regulatory.
- **“Risk Class”**: definition used to distinguish the risks by subjects.
- **“Committees”**: the advisory committees to the Board of Directors, statutory and non-statutory, and the working groups with defined objectives.

- **“Company”**: Hidrovias do Brasil S.A.
- **“Board of Directors”**: the Company's Board of Directors.
- **“CVM”**: Brazilian Securities and Exchange Commission.
- **“Management”**: the Company's Management.
- **“Risk Owner”**: responsible for managing the degree of exposure to certain risk(s), as well as implementing and monitoring the action plan to mitigate the materialization of the risk that is under his/her responsibility, in case of the degree of risk exposure disagree with the Company's definitions.
- **“Effect”**: is a deviation from what is expected - positive and/or negative.
- **“Risk/Hazard Factor”**: is every source with the potential to cause harm.
- **“Uncertainty”**: is the state, even if partial, of the deficiency in the information related to an event, its understanding, knowledge, consequence, or its probability of occurring or not occurring.
- **“Goals”**: can have different aspects (such as financial, safety, and environmental goals) and can apply at different levels, such as strategic, organization-wide, project, or process.
- **“Policy”**: mean this *“Risk Management Policy”*.
- **“Regulation”**: Imposed and documented conditions for the execution of an activity. This requirement does not necessarily have to be defined in company policies, but can also be regulated in standards, customer contractual requirements, internal procedures, or even a legal requirement.
- **“B3's New Market Regulation”**: B3 Novo Mercado Listing Regulation.
- **“Risk”**: is the effect of uncertainty on the goals – ISO 31000:2018.
- **“Stakeholders”**: an interested or intervening party.
- **“Vulnerability”**: flaw or weakness in structure, system, process, procedure, or design, that causes harm. Can be explored by internal or external, malicious or benevolence, agent(s).

4. REFERENCES

- ISO 31000:2018 - *Risk Management Guidelines*

5. RISK MANAGEMENT PROCESS

5.1. INTRODUCTION

The Corporate Risk Management aims to support the decision-making, planning, and execution of the strategy, providing relevant information to the Company's leaders and managers, so that they are aware of the level of exposure to risks and define actions to reduce uncertainties and business resilience. This policy create standardized concepts and guidelines concerning risk management.

The effectiveness of Corporate Risk Management is related to its integration in Corporate Governance and in all the Company's activities, including decision-making. This requires support from stakeholders, especially from the Top Management.

The periodicity of the Risk Management process will be annual and recurrent in the Company.

5.2. SETTING THE CONTEXT

The setting of the internal and external context of the risks will be carried out in accordance with the understanding of the business environments, the sector, and the markets in which Hidrovias do Brasil S.A. operates.

In this step, the context is examined, which may include, but is not limited to:

- External context:
 - Social, cultural, political, legal, regulatory, financial, technological, economic, and environmental factors, at international, national, regional, or local levels;
 - Key drivers and trends affecting the Company's objectives;
 - Contractual relations and commitments.
- Internal context:
 - Vision, mission and values;
 - Governance model and organizational structure;
 - Strategy, goals and policies;
 - Organizational culture;
 - Capabilities understood in terms of resources and knowledge (e.g. capital, time, people, intellectual property, processes, systems, and technologies);
 - Data, information systems and information flows.

This step is important to understand the risks inherent to the business, as well as the tendency to vary exposure to existing risks that are influenced mainly, but not exclusively, by external factors.

5.3. RISK ASSESSMENT PROCESS

The risk assessment process consists of identifying, discussing, and evaluating business risks. For a better understanding of the causes, consequences, and probabilities, the risks are rated

at departmental level and later consolidated in the Corporate Risk Map. This favors the decision-making process by:

- Prioritization of the risk treatment actions;
- Defining the risk treatment strategy to match the Company's risk appetite.

5.3.1. RISK IDENTIFICATION

The stage of identifying and registering the risk is carry out after the contextualization of the internal and external factors that are relevant to the understanding of HIDROVIAS DO BRASIL S.A.'s exposure to risks. This step shall be carried out in a collaborative and systematic way, through meetings with the Company's leaders and managers, so it can be provided a realistic view of Corporate Risks, according to their knowledge of the operations, available historical data and points of view.

In order to establish the same line of communication and identify the internal processes and goals of each department, the interviews carried out will capture:

- Department Aims and Goals;
- Departmental Processes;
- Description of Risks (known and/or new);
- Type of Risk Classes (Occupational Safety, Security, Environmental, Technology, Organizational, Image, Regulatory, Financial)
- Management of Origin;
- Area of Origin;
- Risk Owners;
- Compliance Regulations (Legislation, norms, contractual clauses, etc.).

The objective of this step is to understand and record the risks that can influence positively or negatively the attainment of the strategic objectives or even the continuity of the business.

Despite being related to a wide risk assessment process, the risk identification can occur at any time and must be timely analyzed by the Company's Risk Management, so that it can be rated with the related managers whether there is a need for immediate discussion of the topic with the Company's Top Management.

5.3.2. Risks Analysis

The analysis stage is aimed at establishing a comprehensive picture of the risk, its adequate description, as well as additional records of existing controls and/or initiatives that can mitigate the respective Corporate Risk, as well as detailing and recording the related Risk Factors.

The risk analysis provides adequately structured information for risk assessment, objectively supporting the understanding of probability and impact of the materialization of uncertain events, considering the Company's current structure of controls, risk barriers and organizational culture.

5.3.3. Risk Assessment

The purpose of risk assessment is to understand how the identified risks can affect the business of HIDROVIAS DO BRASIL S.A. and what their probability of materialization is, based on the metrics defined and approved by the Board of Directors.

This step is carried out according to the knowledge and points of view of the Company's leaders and managers, and can be done with qualitative or quantitative techniques.

During the assessment, the Company's risks are prioritized according to the scales defined for probability and impact in case of materialization.

5.3.3.1. Risk Matrix Methodology

a) **The Degree of impact** must be rated taking into account five levels (mild, moderate, severe, critical, and catastrophic), according to the result of the observation and point of view of the interviewee regarding the possible consequences. It can be changed if not provided consequences are identified.

b) **The Degree of probability** must be classified according to the scale: very low, low, medium, high, very high. This is the result of the interviewee's observation and point of view regarding the acceptable number of events compared to how many occur in practice, the comparison between the current number of events and the historical average, or even events that are possible to materialize.

c) **Corporate Risk Map - Probability vs Impact:** Use of the probability and impact method of the analyzed and assessed risk, giving the necessary qualitative focus to measure the risk within the Matrix. The risk classification executed in a matrix, used to visualize the risks through a heat map, and the respective impact and probability indexes:

5.3.3.2. Risk Speed

Seeking to facilitate the understanding of the immediacy of each theme for the Company, will be used a speed scale to position the corporate risks in relation to the period in which they could materialize. The speed will take into account the immediate materialization of the risk on the short, medium and long term scales.

5.3.3.3. Risk Classification

The understanding of the probability and impact of corporate risk materialization will be carried out during the analysis and assessment stage. Lastly, the classification of risks into "very high", "high", "average" and "low" will be carried out, depending on the correlation between the two variables, according to the heat map.

5.4. Risk Treatment

In the treatment stage, HIDROVIAS DO BRASIL S.A will elaborate, plan and implement options to treat the risks, reducing the probability or impact of this risk, until it reaches a level acceptable to the company.

The actions for risk treatment are:

- **Avoid the risk:** Decide not to start or continue with the activity that gives rise to the risk. Choose to eliminate the source of the risk;
- **Mitigate the risk:** Reduce the probability and/or impact of risk materialization. Choose to create action plans that minimize potential risk exposure;
- **Transfer or share the risk (Partnerships and/or Insurance):** Reduce risk impact through contracts and insurance with third parties. Choose to reduce the risks impacts by transferring or sharing the risk, either in part or in full with a third party;
- **Accept the risk:** Become obligated of the risk in order to pursue an opportunity or strategic objective. Choose to continue operating with the current structure, processes, and/or controls, observing the cost-benefit ratio of the mitigation actions for a certain risk.

For effective implementation of the selected treatment, action plans shall be proposed to put forth clearly how the risk response will be carried out, so that the costs and benefits are understood by those involved and progress in relation to the plan can be monitored.

The action plans shall be integrated into the management plans and processes of HIDROVIAS DO BRASIL S.A, involving the stakeholders in a timely manner. Action plans basically shall have two focuses:

- **Mitigation** Initiative or project of preventive nature, aiming to reduce the probability of risk materialization through actions taken by the Risk Owner or by multidisciplinary working groups. The objective is to reduce weaknesses and vulnerabilities in business processes or in the corporate strategy that may affect the generation of value by the Company;
- **Contingency:** Initiative or project for the Company's prompt response, which aims to reduce the impacts of the materialization of risks in the organization through strategies for crisis management, business continuity, and business recovery. As well as in the establishment of contracts and insurance for risk sharing.

After defining the treatment of action plans to respond to risks, it is important to understand and align the Residual Risk, meaning, the criticality of exposure to the respective risk that remains after the treatment is completed. The Residual Risk must be validated by the Executive Board and if it is not in agreement with the remaining exposure, additional actions must be taken by the risk owner.

5.5. Communication and Consultation

The goal of this step is to inform the relevant stakeholders in understanding the risk the basis on which decisions are made and the reasons why specific actions are required.

Communication seeks to promote awareness and understanding of the risk, while consultation involves getting feedback and information to aid decision making.

The communication and consultation with appropriate external and internal stakeholders takes place throughout the entire risk management process. This is intended to ensure that different points of view are properly considered and to provide sufficient information to facilitate risk oversight and decision making, in addition to create a sense of inclusion and ownership among those affected by the risk.

5.6. Monitoring and Critical Analysis

The goal of the monitoring and critical analysis stage is to assess the effectiveness of the risk management process through evaluations and ongoing observation and verification activities. This way, with this follow-up it is possible for HIDROVIAS DO BRASIL S.A. to understand changes in the level of performance expected in relation to that realized. For the effectiveness of the risk management process, the identified and prioritized risks shall be monitored and analyzed periodically, based on best practices.

6. RISK MATRIX PRESENTATION

The Matrix will be presented with the following risk categories:

Strategic Risks: Associated with the Company's strategic decisions to achieve its business objectives, and/or arising from a lack of ability or capacity to protect itself or adapt to changes in the business environment.

Operational Risks: Resulting from the lack of consistency and adequacy of the information, processing and operations control systems, as well as from failures in the management of resources and internal controls or frauds that make the exercise of the company's activities improper.

Financial: Associated with planning, decisions, and financial structure (including market aspects, credit, liquidity, financial management, macroeconomics, among others).

Regulatory Risks: Associated with the regulatory environment arising from noncompliance with laws, misconduct, and the guiding documentation. Additionally, the risks observed and classified according to the aforementioned categories will also be divided into subcategories, enabling a better understanding of their causes and, consequently, allowing risks to be more adequately identified and monitored.

7. ROLES AND RESPONSIBILITIES

The company understands that, for an adequate risk management, the participation of all employees is fundamental, in order to reach the level of effectiveness of this policy. To do this, each area needs to know its roles so that the main risks are properly addressed and monitored.

7.1. BOARD OF DIRECTORS

- Discuss the structure of the Risk Management area;

- Approve the Risk Management Policy;
- Approve the Risk Management Work Plan;
- Approve the risk authority levels, which define the responsibilities for approving and handling risks;
- Define acceptable exposure level of risk tolerance and risk appetite;
- Approve the risk appetite;
- Follow up on the results of the risk management process;
- Define the organization's risk profile;
- Periodically evaluate the corporate risk map and mitigating actions reported by the Management;
- Oversee the prioritized risks and their respective response plans;
- Follow up on the evolution of the risk mitigation action plans.

7.2. AUDIT COMMITTEE

- Review the Risk Management Policy;
- Review the Risk Management Work Plan;
- Establish the structure of the Risk Management area;
- Validate the portfolio of strategic risks;
- Monitor the degree of Risk Appetite and update it when necessary;
- Report to the Board of Directors on the management of strategic risks (change in impact, probability, other characteristics);
- Prioritize the recommendations of the Risk Management area and submit them to the Board of Directors.

7.3. RISK MANAGEMENT AREA

- Communicate and train employees on risk management;
- Elaborate and implement the Risk Management Area process (based on Policy, Work Plan and Manual);
- Propose and periodically review the criteria for risk assessment, mapping, and classification;
- Act in monitoring trends and external elements that can bring risks to the organization;
- Schedule meetings for risk analysis;
- Coordinate the activities of risk indicator management and risk action plans;
- Monitor the progress of the implementation of action plans and risk indicators;
- Advise the Audit Committee on risk-related matters;

- Propose the Risk Officer for each risk;
- Assist the Risk Officer in creating the indicators, exposure levels, and risk response plan;
- Manage risk system with the aim of consolidating the results of risk assessments;
- Perform monitoring and critical risk analysis;
- Define risk management guidelines, such as frequency of risk management meetings and reports.

7.4. RISK OFFICER

- Perform technical review of risk, risk factors, assessment, final risk criticality, and mitigation actions;
- Elaborate and update the risk sheets whenever necessary;
- Develop indicators for priority risks;
- Break down the recommendations into action plans;
- Implement and monitor risk action plans;
- Define the people responsible for the stages of the action plans;
- Define the deadlines for completing the stages of the action plans;
- Follow up on execution of the activities;
- Make periodic reports of information or changes in the risk sheets to the Risk Management Area;
- Communicate the Risk Management area when identifying new risks and/or events that are relevant, as well as their evolution;
- Carrying out internal monitoring of the processes for which they have responsibility, as well as communicating in case of emerging risks.

7.5. INTERNAL CONTROLS

- Analyze and evaluate the internal flows of the company's processes, identifying needs and opportunities for improvement, with the aim of mitigating the company's known risks;
- Provide guidance on process Risk Management, taking into account the control environment;
- Keeping the Administration up to date as on the Company's control environment.

7.6. INTERNAL AUDIT

- Report to the Audit Committee on objective assessments of the effectiveness of risk management;
- Periodically check whether the risk management and internal controls structure is

operating effectively;

- Assess whether the most relevant risks are being adequately managed;
- Insert in the audit plan the processes linked to priority risks;
- Test the effectiveness of the mitigating controls associated with the risks.

8. UPDATE OF THIS POLICY

The Board of Directors will update this Policy when necessary due to changes in the Bylaws or in the Novo Mercado Listing Regulation, or any law, regulation or provision, whether by the CVM [Securities and Exchange Commission], the B3 or any other regulatory entity, that alters the provisions listed here in relation to the Company.

9. TERM

This Policy takes effect on the date of its approval and can only be modified by decision of the Company's Board of Directors, and can be consulted at <https://ri.hbsa.com.br/>.
