
**COMPENSATION POLICY
OF MEMBERS OF THE BOARD OF DIRECTORS,
ADVISORY COMMITTEES AND BOARD OF EXECUTIVE OFFICERS OF
SANTOS BRASIL PARTICIPAÇÕES S.A.**

Approved at
the Board of Directors Meeting
held on August 19, 2021.

**COMPENSATION POLICY OF MEMBERS OF THE BOARD
OF DIRECTORS, ADVISORY COMMITTEES AND
STATUTORY BOARD OF EXECUTIVE OFFICERS¹ OF
SANTOS BRASIL PARTICIPAÇÕES S.A.**

1. PURPOSE

1.1. Purpose. This Compensation Policy of members of the Board of Directors, Advisory Committees and Board of Executive Officers (when established) ("Compensation Policy") of Santos Brasil Participações S.A. ("Company"), approved at the Board of Directors Meeting held on August 19, 2021, defines the strategy of compensation and benefits for members of the Board of Directors, Advisory Committees and the Statutory Board of Executive Officers ("Managers" and "Governance Bodies") of the Company, in accordance with the market best practices to attract, encourage, recognize and retain qualified professionals according to their strategic interests and the performance of their business activities.

2. COMPENSATION OF MEMBERS OF THE COMPANY'S GOVERNANCE BODIES

2.1. Purpose of Compensation. This Compensation Policy establishes the appropriate professional, economic and financial incentives designed to attract, retain and motivate talented and highly skilled executives in order to: balance the short- and long-term objectives; align the interests of executives and shareholders; link the compensation to business results; and create a culture of long-term sustainable value.

2.2. Compensation Principles. The principles guiding this Compensation Policy are:

- (i) attract, reward, retain and encourage Managers to conduct their business in a sustainable manner, observing the appropriate limit risks and in alignment with the interests of shareholders;
- (ii) grant compensation based on criteria that value performance and enable the recognition and valuation of individual performance; and
- (iii) ensure the maintenance of standards compatible with responsibilities of each position and competitive in relation to the benchmark labor market, establishing guidelines to fix the compensation and the benefits granted to Managers.

2.3. Powers for Approval of Compensation of Managers. Annually, the Shareholders Meeting will fix the overall compensation of Managers, and the Board of Directors is responsible for distributing the amount among the Company's Managers, in accordance with article 152 of the Brazilian Corporations Law and the Bylaws of the Company. The compensation of Fiscal Council members is established by the Shareholders Meeting electing them, in accordance with paragraph 3 of article 162 of the Brazilian Corporations Law and the Bylaws of the Company.

3. DESCRIPTION OF ELEMENTS OF COMPENSATION OF THE GOVERNANCE BODIES OF THE COMPANY

3.1. Elements of Compensation. The Company adopts the following forms of compensation for members of its Governance Bodies, applicable (and/or that can be applied) differently to each Governance Body: (i) annual fixed compensation, divided into salary or compensation for work (*pro labore*), as well as direct and indirect benefits, as applicable; (ii) variable compensation based on bonus, as short-term incentive; and (iii) variable share-based compensation, as long-term incentive, divided into Stock Options of the Company, Performance Shares and Matching Shares.

3.1.1. Fixed Compensation:

3.1.1.1. Fixed Salary or *Pro Labore*: it is the fixed compensation of Executive Officers paid on a monthly basis to remunerate and bind the Executive Officers within the market practices and parameters.

3.1.1.2. Package of Direct and Indirect Benefits: these are benefits granted to Executive Officers, such as healthcare, private pension plan, life insurance and food voucher, designed to remunerate and bind the Executive Officers within the market practices and parameters.

3.1.2. Variable Compensation:

3.1.2.1. Bonus: the purpose is to remunerate and bind statutory and other executive officers to the Company's short-term results and objectives, within the market practices and parameters.

3.1.3. Variable Compensation Based on Company Shares:

3.1.3.1. Stock Option Plan:

3.1.3.2. the purpose is to bind the statutory and other executive officers to the Company's long-term results and objectives, within the market practices and parameters.

3.1.3.3. Performance Shares:

3.1.3.4. the purpose is to remunerate and bind statutory and other executive officers to the Company's long-term results and objectives, within the market practices and parameters.

3.1.3.5. Matching Shares:

3.1.3.6. the purpose is to remunerate and bind statutory and other executive officers to the Company's long-term results and objectives, within the market practices and parameters.

4. COMPENSATION APPLICABLE TO MEMBERS OF THE BOARD OF DIRECTORS

4.1. Compensation of the Board of Directors. The compensation of members of the Board of Directors will be a total amount and annually fixed by the Shareholders Meeting, to be paid in twelve installments, which will also approve, whenever and as applicable, the share of profits that they are entitled to, provided the total amount does not exceed the annual compensation of managers or one tenth of profits, with the lower of the limits prevailing. The Board of Directors will distribute this compensation among its members during a meeting.

4.1.1. The compensation of members of the Board of Directors is composed of monthly fixed fees. The annual fixed compensation is the salary or *pro labore*, designed to remunerate and bind the Directors within market practices and parameters.

5. COMPENSATION APPLICABLE TO MEMBERS OF ADVISORY COMMITTEES

5.1. Compensation of Advisory Committees. Members of Advisory Committees can be remunerated as determined by the Board of Directors, within the overall annual amounts fixed for the Board of Directors.

6. COMPENSATION APPLICABLE TO MEMBERS OF THE STATUTORY BOARD OF EXECUTIVE OFFICERS

6.1. Compensation of Executive Officers. The compensation of Executive Officers is established as an overall amount annually by the Shareholders Meeting, which also establishes, as applicable, the share of the Executive Officers in the profits of the Company.

6.1.1. The compensation of Executive Officers consists of: (i) annual fixed compensation, divided into salary or compensation for work (*pro labore*), as well as direct and indirect benefits; (ii) variable compensation, equivalent to bonus in cash; and (iii) share-based compensation, divided into Stock Options, Performance Shares and Matching Shares, for the purpose of remunerating and binding the Executive Officers within market practices and parameters.

6.1.2. The *pro labore* amount paid in twelve installments, as well as profit sharing, will be divided among the Executive Officers by a resolution of the Board of Directors and recorded in the company's books.

6.1.3. Senior cadre employees, elected by the Board of Directors to the position of Executive Officer, while exercising their position will have their employment agreement suspended and will start receiving fees and any profit sharing, as well as other compensation and benefits applicable to the Statutory Board Of Executive Officers, as established in these Bylaws.

6.1.4. The compensation of Executive Officers is established by the Board of Directors and deliberated at the Shareholders Meeting based on an annual executive compensation survey conducted by a specialized firm whose methodology must especially take into consideration market guidelines,

parameters and conditions of publicly held companies of similar size or complexity as the Company's, especially companies in the infrastructure sector, as well as the characteristics, responsibilities and description of positions of the Board of Executive Officers. In case of variable compensation, the corporate, collective and/or individual performance targets, as well as financial goals based on EBITDA budgeted for the year are established. As a long-term incentive and an instrument to align interests, the Executive Officers of the Company may receive stock options under the Stock Option Plan (long-term incentive plan for executives), as well as shares established in the Performance Shares and Matching Shares Programs.

7. METHODOLOGY FOR CALCULATING AND ADJUSTING ELEMENTS OF COMPENSATION

7.1. Adjustment of Compensation. Since the Company is a publicly held company listed on the Novo Mercado segment and its managers are highly specialized professionals with recognized skills and reputation, the compensation policy of the Company considers the individual merits and amounts practiced by the market, based on a comparison of companies of similar size, especially those listed on B3, including in the Company's industry. The compensation of the Fiscal Council is established according to the criteria set in article 162, paragraph 3, of the Brazilian Corporations Law.

8. GENERAL PROVISIONS

8.1. Application and Validity. The implementation and due application of this Compensation Policy will be monitored by the People and Compensation Committee. This Compensation Policy comes into effect on the date of its approval by the Board of Directors.

8.2. Amendments and Clarifications. This Policy may be amended upon approval by the Board of Directors of the Company whenever it understands necessary and/or by virtue of amendments to laws and regulations or corporate governance documents of the Company. Any doubt about this Compensation Policy or the application of any of its provisions must be submitted directly to the Chairman of the People and Compensation Committee, who will provide due clarifications or guidance.

8.3. Disclosure. The entire Compensation Policy must be disclosed by the Company on its investor relations website and on the CVM website.
