

TOTVS S.A.
Corporate Taxpayers' Id. (CNPJ) No. 53.113.791/0001-22
Company Registry (NIRE) No. 35.300.153.171

MINUTES OF THE BOARD OF DIRECTORS' MEETING
HELD ON DECEMBER 22, 2021

1. DATE, TIME, AND PLACE: meeting held on December 22, 2021, at 8:30 am, at the Company's headquarters located at Avenida Braz Leme, 1000, Casa Verde district, Sao Paulo City, State of Sao Paulo (Brazil).

2. CHAIR AND SECRETARY: Chairman: Mr. Laércio José de Lucena Cosentino; Secretary: Ms. Têssie Massarão Andrade Simonato.

3. CALL AND ATTENDANCE: call notice was duly carried out pursuant to article 18, paragraph 1 of the Bylaws of TOTVS. All members of the Board of Directors (the "Board") were present, namely: Messrs. Laércio José de Lucena Cosentino, Eduardo Mazzilli de Vassimon, Gilberto Mifano, Guilherme Stocco Filho, and Mauro Rodrigues da Cunha, and Misses Maria Letícia de Freitas Costa and Sylvia de Souza Leão Wanderley.

Also present as guests: Dennis Herszkowicz, CEO of the Company who attended the entire meeting, and the following people who attended part of the meeting: Gilsomar Maia Sebastião, Chief Financial and Investor Relations Officer, and Misses Izabel Cristina Branco, Vice President of People, Ana Karolyna Guedes Schenk, Executive Director of M&A, Regiane Domingos das Neves, Financial Controller Executive Manager. Mr. Gabriel Grosso Salis, Corporate Governance Lawyer, was present as listener.

4. AGENDA: (I) Presentation of the measures requested in relation to topics from previous meetings; (II) Report on the work of the People and Compensation Committee ("CGR"); (III) Report on the work of the Governance and Nomination Committee ("CGI"); (IV) Report on the work of the Statutory Audit Committee ("CAE"); (V) Report on the work of the Strategy Committee; (VI) Report from the Chief Executive Officer; (VII) Executive Session.

5.I. PRESENTATIONS, DISCUSSIONS, AND RESOLUTIONS

Starting the proceedings, the Chairman of the Board declared the meeting established and gave the floor to the meeting Secretary who informed the agenda topics to be addressed, and presented the status of the actions requested in previous meetings.

5.II. Report of the CGR (People and Compensation Committee)

After the report was made on the works performed by the People and Compensation Committee, which counted on the favorable opinion of this Board, after discussions, the Board approved unanimously and without reservations:

(a) the goals of the Company's Statutory Board of Officers for the fiscal year 2022;

The Board also approved, with the favorable opinion of the Committee, by a majority of votes, considering the inability of Mr. Laércio Cosentino:

(b) the goals of the Chairman of the Board of Directors for the 2022-2024 term of office.

5.III. Report of the CGI (Governance and Nomination Committee)

A report was made on the work performed by the Governance and Nomination Committee, including the approval of the annual agenda of the Board of Directors and Advisory Committees for the fiscal year 2022.

5.IV. Report of the CAE (Statutory Audit Committee)

After submitting the report on the work performed by the Statutory Audit Committee, which counted on the favorable opinion of this Committee, after discussions, the Board approved unanimously:

(a) the proposal to state and pay interest on stockholders' equity for the 2nd Semester of 2021 ("JCP"), in the amount of BRL79,050,179.65 (seventy-nine million, fifty thousand, one hundred and seventy-nine Reals and sixty-five cents), which will be charged to the mandatory dividends for the current fiscal year, under Articles 38 and 39 of the Company's Bylaws. All shareholders holding shares issued by the Corporation on the base date of December 28, 2021, will be entitled to such interests on stockholders' equity ("JCP"). Trading of the Company's shares starting on December 29, 2021, such day included, will be carried out *ex-rights*. Such JCPs (interests on stockholders' equity) will be paid on May 20, 2022, with no monetary restatement or remuneration.

(b) the execution of the 3rd Amendment to the "General Terms for Software Development and Licensing" by and between the Company and its subsidiary Supplier Administradora de Cartões de Crédito S.A., subject to the criteria provided for in the Policy on Transactions between Related Parties of the Company;

(c) the provision of a guarantee by the Company, in its capacity of Collateral Agent, in favor of its subsidiary Supplier Administradora de Cartão de Crédito S.A., in an "Agreement to Issue Purchase Card on the Supplier's System" to be executed with the company's strategic partner subsidiary at arm's length and at market prices, subject to the criteria provided for in the Company's Policy on Transactions between Related Parties;

(d) the renewal of the "Distribution Agreement" executed between the Company and Gooddata Corporation, subject to the criteria set forth in the Company's Policy on Transactions between Related Parties.

The Board also approved, unanimously and with no reservations, with the favorable opinion of this Committee and the Governance and Nomination Committee:

(e) the review of the Policy on Transactions between Related Parties, which will become effective as of the date hereof, pursuant to Exhibit I hereto;

(f) the Indemnity Policy, which will become effective as of the present date under Exhibit II hereto.

5.V. Report of the CE (Strategy Committee)

After the report was made on the works performed by the Strategy Committee, which counted on the favorable opinion of this Board, after discussions, the Board approved unanimously and without reservations:

(a) the budget of the controlled companies Consinco S.A., Wealth Systems Informática Ltda., Tail Target Tecnologia da Informação Ltda., RD Gestão e Sistemas S.A., and Supplier Administradora de Cartões de Crédito S.A., under article 19, subparagraph 'vii', of the Company's Bylaws.

5. VI. Report from the CEO

The Chief Executive Officer submitted his report on the key matters in progress, the monitoring indicators of the Board, as well as the results of November 2021.

5. VII. Executive Session

The members met in an executive session.

6. APPROVAL AND SIGNATURE OF THE MINUTES: There being no further business to address, the Chairman called the meeting to a close. These minutes were read and approved with no reservations by all those present. We certify that this is a free translation of the original minutes drawn up in the Company's records.

Sao Paulo, December 22, 2021.

Chair and Secretary:

Laércio José de Lucena Cosentino
Chairman

Téssie Massarão Andrade Simonato
Secretary

Board members present:

Laércio José de Lucena Cosentino

Eduardo Mazzilli de Vassimon

Gilberto Mifano

Guilherme Stocco Filho

Maria Letícia de Freitas Costa

Mauro Rodrigues da Cunha

Sylvia de Souza Leão Wanderley

EXHIBIT I
POLICY ON TRANSACTIONS BETWEEN RELATED PARTIES

1. Subject

The purpose of this Policy on Related Party Transactions (“Policy”) is to establish guidelines, rules and procedures to govern decisions involving transactions between TOTVS and its Related Parties, as well as situations involving any entity of the TOTVS Group in which there may be actual or potential Conflict of Interest, ensuring the necessary transparency to its stockholders and the market in general in the relations between the Company and its Related Parties, as well as the strict alignment of interests, always according to the best Corporate Governance practices.

2. Scope

This Policy applies to any entity of the TOTVS Group and to the transactions made by them with the individuals and/or legal entities described in the definition of Related Parties below, in which a situation of actual or potential Conflict of Interest is identified, as well as to all administrators, TOTVERS and Subsidiaries of the Company and their other Related Parties. The principles of this Policy regarding the terms and conditions of Related Party Transactions shall be observed, as applicable, by each entity of the TOTVS Group in the relationship with their respective Related Parties.

3. References

Technical Pronouncements CPC 05 (R1) and 18 (R2) of the Accounting Pronouncement Committee: pronouncement regarding Related Party disclosures.

CVM Resolution 642/10: sanctions the Technical Pronouncement CPC 05(R1).

TOTVS Bylaws: the regulation or set of internal standards that govern the respective rules of the entity reporting the information, i.e., TOTVS S.A.

CVM Instruction 480/09: regulates the registration of securities issuers approved for trading on regulated securities markets.

Law No. 6404/76 – Brazilian Corporate Law: regulates joint-stock companies.

CVM Guidance Opinion No. 35: addresses fiduciary duties of the managers in the merger, incorporation and incorporation of shares transactions involving the parent company and its subsidiaries or companies under common control.

Internal Regulations of the Board of Directors and Advisory Committees: regulates the functioning, structure, organization, duties and responsibilities of the Board of Directors (“Board of Directors”) of TOTVS and its Advisory Committees.

4. Definitions

Follow-up: For the purposes hereof, this means monitoring the development, evolution or progress of the process, analyzing each applicable stage.

Affiliate: any Legal Entity over which the Company has significant influence, even if TOTVS does not have controlling interest.

Company or TOTVS: TOTVS S.A., the reporting entity.

Conflict of Interest: effective or potential conflicts of interest are characterized when a Person involved in a decision-making process holds the power to influence and/or direct the outcome of that decision, that may ensure a gain and/or benefit for him/herself, a Close Relative, or for some third party with whom he/she has any type of involvement, or also in a situation that may, in an effective or apparent, direct or indirect, conflicting and irreconcilable manner, interfere with his/her capacity for independence/absence of judgment, jeopardizing the performance of such

Person's duties, in detriment to the interests, values, ethics or reputation of the Company and/or of any entity of the TOTVS Group involved.

Market Conditions: reasonable conditions for which the following principles are observed during a negotiation:

- (a) Competitiveness – service conditions and prices compatible with those practiced in the market;
- (b) Compliance – conformity of services rendered to contractual terms and responsibilities practiced by TOTVS, as well as appropriate information security controls;
- (c) Transparency – adequate reporting of agreed conditions, duly reflecting such conditions in the Company's financial statements and other market disclosures;
- (d) Commutative Justice – Commutative transactions are those that benefit both parties, in which there is near or precise correspondence between each party's shares. In this case, the parties' shares are known in advance and have a relative equivalence (rights, values and/or obligations); and
- (e) Equity – establishment of mechanisms that prevent discrimination or privileges and practices that ensure the non-use of privileged information or business opportunities to the benefit of oneself or third parties, in detriment of TOTVS.

The negotiation between Related Parties under Market Conditions means that at least the same principles and procedures guiding negotiations made between the Company and independent parties must be followed.

Control: power of electing most officers of a Legal Entity and, cumulatively, determining and directing corporate activities and guiding the operation of management entities of such Legal Entity, either (i) by directly or indirectly holding the majority (50% plus one) shares, quotas or other securities with voting rights; or (ii) regardless of the number of shares, quotas or other securities with voting rights held, through voting agreements or shareholders' agreements, qualified quorum in bylaws or articles of incorporation or other means. Terms derived from Control, such as "Subsidiary", "Controller", or "under Joint Control" shall be defined in accordance with the definition of "Control" herein.

TOTVS Group: for the purposes of this policy, it means TOTVS S.A. and entities wholly owned by or directly or indirectly Controlled by TOTVS.

Significant Influence: the power to participate in the financial and operational decisions of an entity, but does not necessarily characterize control over these decisions. Significant Influence can be obtained through ownership interest, statutory provisions, or a shareholders' agreement. When an investor directly or indirectly holds twenty percent or more of the voting power of an entity, such investor is presumed to have Significant Influence, unless it can be clearly demonstrated otherwise. On the other hand, if the investor directly or indirectly holds less than twenty percent of an entity's voting power, it is presumed to have no influence. The existence of Significant Influence by an investor is generally evidenced in one or more of the following ways: (i) representation on the entity's board of directors or executive board; (ii) participation in policy-making processes, including decisions about dividends and other distributions; (iii) material transactions between the investor and the entity; (iv) exchange of directors or managers; (v) provision of essential technical information.

Close Relatives: for the purposes of this Policy, relatives are those who, by reason of the relationship, can be expected to exercise influence on the Person related to the Close Relative in his/her business with the Company, including, necessarily:

- (a) the Person's children, spouse or partner;
- (b) the children of the Person's spouse or partner; and
- (c) the Person's dependents, as well as those of the spouse or partner.

Monitor: For the purposes of this Policy, monitor is defined as the act of assessing whether the conditions of a process fit the required control standards, considering a defined scope.

Related Party: in relation to the Company and/or its Subsidiaries, those who fall under the definition established by Technical Pronouncement CPC No. 5 (R1) of the Accounting Pronouncement Committee and by this Policy:

- (a) any individual and/or Close Relative of such individual who:
 - (i) possesses full or shared Control of the Company or its Subsidiaries;
 - (ii) exercises Significant Influence over the Company or its Subsidiaries; and/or
 - (iii) is a Key Person in Management for the Company or its Parent Company or Subsidiaries; and/or
- (b) any entity, even if it is not personified, that:
 - (i) is a Parent Company, Subsidiary or is under Common Control with the Company or its Subsidiaries, even if the Control is shared; and/or
 - (ii) is an Affiliate of the Company;
 - (iii) is a post-employment benefit plan whose beneficiaries are employees of the Company or its Related Parties; and/or
 - (iv) is a Subsidiary under total or shared control of any Entity classified under the cases set out in item (a); and/or
 - (v) is under Significant Influence or has as a Key Person in its Management or that of its Parent Company a Person that falls under the hypothesis foreseen in item (a)(i);
 - (vi) provides services for key management personnel of the Company or its Subsidiaries.

Pursuant to this Policy, the following are not Related Parties of the Company: (i) entities that only have one administrator or other Key Person in Management in common with the Company or with its Subsidiaries, or simply because a Key Person in Management of the Company or its Subsidiaries has Significant Influence over the other entity; and (ii) the Entity that shares Control over a Subsidiary jointly with the Company.

Entity: any individual or legal entity, including limited corporations, joint-stock corporations, civil associations, silent partnerships, partnerships, associations or foundations (including non-profit organizations), unincorporated associations, investment funds, condominiums, pension funds, third-party fund managers and/or administrators, joint ventures, de facto association, public agency (executive, legislative or judiciary) and their subdivisions, or any other public or private entity or organization.

Key Management Personnel: those who have the authority and responsibility for planning, managing and controlling the activities of the entity, whether directly or indirectly, including any Administrator (executive or otherwise), TOTVERS of this Company (CPC 05). For the purposes of this Policy, Key Management Personnel for TOTVS are each member of the Board of Directors and its Committees, the Executive Board, other Directors and Managers, and other individuals who may fall under this definition. As applicable, the same definition should be applied to Subsidiaries.

Supervise: for the purposes of this Policy, this term means monitoring, controlling, observing and inspecting the execution and results of a certain process.

TOTVERS: all employees of the TOTVS Group.

Related Party Transaction: any transaction that results in the transfer of funds, goods, rights, provision of services, obligations or execution of contracts, directly or indirectly, between the Company or its Subsidiaries and a Related Party, regardless of whether a price is charged in return.

5. Guidelines

5.1 Identification of Related Parties and potential Transactions with them

Each Key Person in Management or person with Significant Influence is required to report the requested information, filling out the Conflict of Interest and Related Party Identification Form, according to the terms and definitions indicated herein, upon joining the TOTVS Group, updating them periodically, as well as indicating any transactions of which they are aware between these Related Parties and any entity of the TOTVS Group, being responsible for informing and updating such information whenever appropriate or necessary.

It is the responsibility of Key Management Personnel and persons with Significant Influence to inform and update the Conflict of Interest and Related Party Identification Form with TOTVS' Internal Controls, Risks and Compliance area, promptly communicating whenever there is any change in the information provided, as well as performing the periodic updates requested by the Company.

TOTVS' Internal Controls, Risks and Compliance area is responsible for keeping the record mentioned in this item

complete and duly updated with the information received. Such registry must be consulted by the areas responsible for transactions and contracts of purchases, sales, partnerships or associations, before entering into such agreements, in order to check their eventual classification as Related Party Transactions.

Each Key Person in Management or Person with Significant Influence of the TOTVS Group is required to inform the Internal Controls, Risks and Compliance area of any potential Related Party Transaction in which they may be involved or of which they are made aware.

Any potential Related Party Transaction reported by a Key Person in Management or Person with Significant Influence, or which may eventually be classified as a Related Party Transaction based on the established criteria, must be reported to the Internal Controls, Risks and Compliance area by the area responsible for the respective transaction or the member involved, prior to executing or signing any legal instrument. The Internal Controls, Risks and Compliance area is responsible for issuing a report, along with the Legal Department, to determine whether the transaction in fact constitutes a Related Party Transaction subject to the procedures of this Policy.

These transactions must be submitted with the information necessary for their analysis, as well as evidence and opinions from the manager responsible for conducting the transaction that (a) there are clearly demonstrable reasons from the Company's business point of view or that of the TOTVS Group entity involved for the Related Party Transaction to be performed, and (b) the transaction is performed under Market Conditions, or in terms offered to or by a third party unrelated to the Company, in equivalent circumstances, taking into consideration the Company's monitoring cost as well.

5.2 Decision-making procedures when involving Related Parties or Potential Conflicts of Interest

The managers and all TOTVERS must respect the existing ordinary flow for negotiation, analysis and approval of transactions within TOTVS, and must not intervene in order to influence the hiring of Related Parties in disagreement with such flow.

All Related Party Transactions involving TOTVS shall be submitted for approval by the Company's Board of Directors, as provided for in TOTVS' Bylaws, except (i) if one of the events set forth in item 5.6 is configured; or (ii) in the event of a transaction, or a set of related transactions, whose total amount is less than BRL 1,000,000.00 (one million Brazilian reais), in a single transaction or several consecutive transactions with the same purpose and parties, within a period of 12 (twelve) months.

However, in the event of the configuration of a Related Party Relationship, the other rules in the terms of the regulation in force apply and must be submitted for verification by of the Legal and Compliance Departments, of compliance with the applicable legal rules.

The Related Party Transactions submitted to TOTVS' Board of Administration must be analyzed in advance by the TOTVS Audit Committee, instructed by a report from the Internal Controls, Risks and Compliance area and the Legal Department, responsible for assessing whether the guidelines of this Policy were observed in the instruction of the process for the analyzed transaction, in addition to a technical report from the area responsible for performing the transaction.

The Board of Directors, on its own initiative or at the recommendation of the Audit Committee, may determine that the transaction, due to its relevance or other characteristics, be examined by an independent special committee that has been constituted and deliberates under the terms of CVM Guidance Opinion No. 35 ("**Special Committee**").

The Board of Directors, as well as the Audit Committee and their respective members, at their discretion, may have access to all documents relating to Related Party Transactions, including any technical opinions or reports regarding the transaction, in addition to requesting the creation of additional reports, as needed.

The Board of Directors may define the content and format of the information deemed necessary for its deliberation regarding a Related Party transaction (subject to the provisions of this Policy and applicable regulations), which shall be distributed together with the convening of the meeting at which the transaction will be submitted for analysis.

The Board of Directors may (i) approve the Related Party Transaction if it decides, in good faith, that the transaction abides by Market Conditions; and (ii) condition the approval of said transaction to changes it deems necessary for the transaction to abide by Market Conditions.

5.2.1 Criteria for approving Related Party Transactions

When analyzing Related Party Transactions, the Board of Directors and the Audit Committee shall consider the following factors, among others they consider relevant to assess the specific transaction:

- (a) If there are clearly demonstrable reasons and advantages from the Company's business point of view representing the best alternative for the Company among those existing on the market for the Transaction to be performed with the Related Party;
- (b) If the transaction is performed under Market Conditions, considering transaction monitoring costs by the Company, and it is still more attractive to the Company than an alternative transaction not involving Related Parties;
- (c) The results of evaluations performed or opinions issued by a specialized and independent company, if any;
- (d) Whether or not a competitive process has been carried out for said hiring and its result;
- (e) The pricing methodology used and other possible alternative pricing methods for the transaction;
- (f) The extent of the Related Party's interest in the transaction, taking into account the amount of the transaction, the financial condition of the Related Party, the direct or indirect nature of the Related Party's interest in the transaction, and the continuous or non-continuous nature of the transaction, in addition to other aspects deemed relevant;
- (g) If the transaction involves the sale of an asset, the description of the asset, including purchase date and book value or attributed cost; and

- (h) If the transaction complies with the hiring standards and criteria that the Company uses to select service providers and suppliers, as well as being contracted on an arm's length basis, that is, at prices, terms and conditions that prevail in the market at the time of its approval.

In the process of approving Transactions with Related Parties, the Board of Directors and the Audit Committee shall consider the following information, as well as other information they deem relevant for the analysis of the specific transaction:

- (a) the contractual terms and conditions of the transaction;
- (b) the interest of the Related Party and the impact of the transaction's approval on its dedication to TOTVS;
- (c) the existence of alternative transactions not involving Related Parties and that may serve TOTVS/the TOTVS Group; and
- (d) the purpose and opportunity of the transaction;
- (e) if the Company is a party to the transaction and, if not, the nature of its participation;
- (f) information on potential counterparts in the transaction, if any;
- (g) the approximate financial amount of the transaction;
- (h) description of any provisions or limitations imposed on the Company as a result of performing the transaction;
- (i) whether the transaction involves any reputational risk to the TOTVS Group, as well as its decision; and
- (j) any other information that might be relevant for stockholders and investors, given the circumstances of the specific transaction.

5.2.2 Approval of Related Party Transactions that must be submitted to the general stockholders' meeting by legal determination Criteria for approving Related Party

The execution of a Related Party Transaction whose value corresponds to more than 50% (fifty percent) of the Company's total assets, as stated in the last balance sheet approved by the general meeting, must be submitted for approval thereby.

When it is a Related Party Transaction that requires approval by the general stockholders' meeting by legal determination, the other applicable legal and regulatory procedures must be followed, such as the examination of such transaction by a Special Committee, as the case may be.

5.2.3. Impediment in decisions involving Potential Conflicts of Interest

In situations where there is any Key Person in Management who may have a potential or actual private benefit or Conflict of Interest with the decision to be made, such Key Person in Management, upon identifying the possibility of participating in a decision-making process related to such decision, must declare a personal impediment, explaining such involvement in the matter and providing details of the situation and the parties involved, as well as, if requested, clarifying any doubts. Additionally, such Key Management Personnel must remove themselves from discussions on the matter, as well as refrain from negotiating, evaluating, opining, voting or in any other way participating in or influencing the conduct or approval of the respective matter, as a Key Person in Management.

If any Key Person in Management who may have a potential private gain, benefit, or advantage not shared with the Company or the respective entity of the Group as a result of any decision does not speak up, any other member of the body to which he or she belongs who has knowledge of the situation must do so, and it is up to the competent authority to evaluate such situation, in a collegiate manner.

The manifestation on any characterization of the potential Conflict of Interest situation and the consequent impediment to the exercise of voting rights by the Key Person in Management must be included in the minutes of the meeting for the corporate body that deliberates on the transaction.

5.3 Formalization

Related Party Transactions must be made in writing, specifying their main characteristics and conditions, such as price, terms, guarantees, termination conditions, responsibility for collecting taxes and obtaining licenses, among others. These characteristics must also expressly include the possibility for the Company or entity of the TOTVS Group involved (as applicable) to suspend any continuous Related Party Transaction, under conditions equivalent to those available in contracts with unrelated parties.

5.4 Yearly Review

The Internal Controls, Risks and Compliance area is responsible for consolidating all of the information provided by the areas regarding contracts or any other type of transaction under continuous bases between the entities of the TOTVS Group and their Related Parties, and report them to the Audit Committee.

In addition, at the end of each fiscal year, the Board of Directors shall receive the report from the Audit Committee, including object and balances, covering all Related Party Transactions performed throughout the respective fiscal year.

5.5 Transactions with Related Parties that have not been subjected to the procedures of this Policy

The following situations are not subject to the procedures of this Policy:

- (a) fixed and variable remuneration, remuneration based on shares and other benefits provided to the members of the Board of Directors and to the Statutory Officers of the Company, provided that their total amount has been approved by the General Shareholders' Meeting, pursuant to Law No. 6.404/76, or by the Board of Directors, as the case may be; and
- (b) transactions made between the Company and any company whose capital, whether directly or indirectly, is fully held by the Company. Therefore, transactions with companies that are not fully held by the TOTVS Group shall be subject to the procedures set out in this Policy.

5.6 Disclosure of transactions with Related Parties

In accordance with Article 247 of Law No. 6.404/76, the normative acts of the Brazilian Securities and Exchange Commission (CVM), applicable accounting standards and the Novo Mercado Listing Regulations of the B3 – Brasil, Bolsa, Balcão, TOTVS must disclose Related Party Transactions in the appropriate form and terms, providing sufficient details for the identification of the Related Party and the main conditions regarding the transactions.

6. Responsibilities

Board of Directors

- o Approve this Policy on Related Party Transactions and revisions thereof;

- Approve Related Party Transactions submitted thereto;
- Annually follow-up on contracts and/or transactions with continuous bases between the Company and its Related Parties through the Audit Committee Report.

Governance and Appointment Committee

- Review this Policy and revisions hereof, and present a recommendation to TOTVS' Board of Directors regarding its approval;
- Assess and approve any revisions to the format of the TOTVS Conflict of Interest and Related Party Identification Form provided to Key Management Personnel by the Internal Controls, Risks and Compliance area.
- Become aware, annually, through a summary table presented by the Internal Controls, Risks and Compliance area, of the Related Parties indicated by the Key Management Personnel, when filling out the Conflict of Interest and Related Party Identification Form

Audit Committee

- Assess Related Party Transactions submitted thereto and issue an opinion to the Board of Directors;
- Review and monitor the efficacy of this Policy and submit recommendations for improvement to the Governance and Appointment Committee when necessary for subsequent submission to TOTVS' Board of Directors regarding the approval of the Policy and its revisions;
- Annually supervise contracts and/or transactions with continuous bases between the Company and its Related Parties by means of the report from the Internal Controls, Risks and Compliance area.

Controllership Office

- Prepare the explanatory notes for the transactions between TOTVS and Related Parties in accordance with the applicable accounting statements;
- Continuously monitor contracts or any kind of Related Party Transaction;
- Immediately inform the Investor Relations Board of new Related Party Transactions in order to comply with the regulatory obligation of disclosure.

Investor Relations Office

- As applicable, disclose the Transaction or set of Transactions with Related Parties pursuant to current regulations and instructions of the CVM.

Legal department

- Assess and issue an opinion along with the Internal Controls, Risks and Compliance area regarding classification as a Related Party Transaction, as well as whether the guidelines of this Policy were observed;
- Issue a report on Related Party Transactions subject to disclosure to external audiences, as per the CVM instructions; and
- Propose revisions of this Policy, as needed.

Internal Controls, Risks and Compliance Area

- o Keep updated records of Key Management Personnel and Persons with Significant Influence and their respective Related Parties of TOTVS and other entities of the TOTVS Group;
- o Issue an opinion along with the Legal Department regarding classification as a Related Party Transaction, as well as compliance with the guidelines of this policy;
- o Annually report to the Governance and Appointment Committee the information related to Related Parties and Conflicts of Interest, based on the data filled out by the Key Management Personnel in the Conflict of Interest and Related Party Identification Form;
- o Consolidate information from contracts or any other type of transaction under continuous bases between the Company and its Related Parties and report to the Audit Committee.
- o Periodically cross-reference the Registry of Key Management Personnel and Persons with Significant Influence and their respective Related Parties with all legal entities and individuals responsible for contracts currently in effect.
- o Propose revisions of this Policy, as needed.

Key Management Personnel and Persons with Significant Influence

- o Update, along with the Internal Controls, Risks and Compliance area, the information about their related parties by completing (and updating) the Conflict of Interest and Related Party Identification Form.

Other Areas and TOTVERS

- o Report any transactions of which they are aware that fall under the scope of the area that may be classified as Related Party Transactions under the terms of this Policy.

7. Consequence Management

In the case of noncompliance with this Policy, management measures with appropriate consequences shall be adopted to address the nonconformity, and the Audit Committee shall be informed.

* * *

EXHIBIT II

INDEMNITY POLICY

1. Subject

The purpose of this Indemnity Policy (“Policy”) is to govern the cases in which TOTVS S.A. will indemnify and hold harmless, or direct its subsidiaries to indemnify or hold harmless, the Beneficiaries, as defined below, in the event of any damage or loss suffered by such persons while legally performing their duties at the Company or its controlled companies, or even in entities in which the Company participates as a stockholder, partner, associate or sponsor (“Indemnifiable Event”).

2. Scope

This Policy applies to the administrators and external members of the Audit Committee and other employees who hold management positions or functions in the Company, as provided for in the TOTVS’ Bylaws, and other employees who hold management positions or functions in the Company or its subsidiaries, as well as those, whether employees or not, who have been appointed by the Company to hold statutory or non-statutory positions in entities in which the Company participates as a partner, associate or sponsor (jointly or separately “Beneficiaries”), in the event of any damage or loss actually suffered by the Beneficiaries due to the regular performance of their functions in the Company.

3. References

- TOTVS Bylaws;
- CVM Guidance Opinion No. 38;
- TOTVS Group Code of Ethics and Conduct;
- Law No. 6.404, dated December 15, 1976;
- Brazilian Code of Corporate Governance for Publicly-Held Companies – Brazilian Institute of Corporate Governance – IBGC; and
- Regulation of the B3 S.A. (Brasil, Bolsa, Balcão) Novo Mercado.

4. Definitions

Authority: any body, authority or administrative, judicial or arbitration tribunal with jurisdiction over the Company and/or the persons covered in this Policy.

Company or TOTVS: TOTVS S.A.

Business Day: any day other than (i) Saturday, (ii) Sunday, or (iii) a day when banks are obligated or authorized to close in the city and state of São Paulo.

TOTVS Group: for the purposes of this policy, it means TOTVS S.A. and entities wholly owned by or directly or indirectly Controlled by TOTVS.

5. Guidelines

This policy has been prepared whereas:

- (i) pursuant to the TOTVS Bylaws, the Board of Directors evaluated the terms and conditions set forth in this Policy, in accordance with the recommendation of the Company’s Executive Board;

- (ii) TOTVS and other entities of the TOTVS Group, whether in the present or in the future, develop activities in a highly complex environment, subjecting themselves to multiple regulators;
- (iii) as a result of the provisions in the item above, the Beneficiaries, whether on this date, at an earlier date, or in the future, are subject to a potential exposure to liability arising from the regular performance of the position or function;
- (iv) as a way to attract and retain qualified professionals, the TOTVS Group needs to promote and maintain an alignment between its practices and those adopted by prominent companies in the same segment; and
- (v) it is international practice to provide administrators and employees in management positions with appropriate conditions to perform their duties, including with regard to providing them with adequate protection against extraordinary circumstances that may cause them damage or harm as a result of the regular performance of their positions or functions.

6. Indemnity Agreements

The indemnity undertaking must be formalized by the administrators and external members of the Company's Audit Committee upon approval of this Policy by TOTVS' Board of Directors, upon election of new members to the Board, or at any time, provided that it is approved by the Board of Directors and subject to the terms of this policy, by means of an indemnity agreement between the Company, or, as applicable, by the entity of the TOTVS Group, and the Beneficiary, in terms substantially similar to the template included in Attachment I of this Policy ("Indemnity Agreement"), subject to adjustments that may be necessary on a case-by-case basis due to specificities, costs and expenses that will be covered, without changing the substance of the rights and obligations contained in such template. The execution of the indemnity undertaking by the Beneficiary and the TOTVS Group entity is an essential condition and a prerequisite for the beneficiary to be entitled to the rights set forth in the Indemnity Agreement, as well as those described in this Policy.

All decisions made by the Board of Directors concerning the granting of new Indemnity Agreements or the execution of procedures to activate the indemnity agreements must be justified and recorded in the minutes of the body's meeting.

7. Obligation to Indemnify

As long as all the Beneficiary's obligations set forth in Chapters 6 and 9 of this Policy are fulfilled, the TOTVS Group entity that has a connection with the Indemnifiable Event is obligated to directly bear, advance, as the case may be, or reimburse the Beneficiary with:

- (i) the Beneficiary's costs and expenses arising from his/her defense and/or presentation of statements and clarifications ("Defense"), in any investigation, assessment, complaint, administrative, arbitration or judicial proceedings, at any level of jurisdiction and/or in any other similar proceedings, whether in civil, criminal, tax, labor or any other scope that involves or may involve condemnation of the Beneficiary to any penalty, fine or restriction as a result of the performance of their duties at the Company ("Proceedings"), subject to the terms of the Company's Bylaws and this Policy, including attorney's fees, costs, procedural expenses, fees or taxes that may apply, as well as any travel that may be necessary, so that, in all cases provided for in this policy, the net amount paid by TOTVS in favor of the Beneficiary is the amount necessary to cover all amounts claimed or spent by him/her;

(ii) the resources and/or assets necessary to provide the guarantees required for the continuity of the Defense, which will be presented directly by the Company, on behalf of the Beneficiary;

(iii) make every effort to release or mitigate any lien, seizure, attachment, blockage, constriction of assets and/or any personal constriction (including judicial bail) that the Beneficiary may suffer on account of the Proceedings and/or act, as the case may be, to mitigate any losses arising from the situations mentioned;

(iv) any amounts due by the Beneficiary as a result of (i) a final and unappealable decision in any Proceedings, or (ii) any judicial or extrajudicial agreement, installment payment program, amnesty, leniency agreement, term of adjustment of conduct, term of commitment or its equivalent (in any event "Agreement"), including fines and penalties, attorney's fees, costs, procedural expenses, fees or taxes incurred, including those resulting from any delay in payment of the final and unappealable decision in the Proceedings or Settlement, as defined below.

(v) The payment referred to in item (iv) above will correspond to the total amount of the conviction or the settlements, duly updated, including, for example, defense expenses and court costs, will be paid within the deadlines set forth in the legislation in force and shall be paid directly by TOTVS before the respective claimants (service providers or otherwise), except in cases of reimbursement, in which the payment will be made to the Beneficiary who paid for the expenses to be reimbursed, in which case any charges and/or taxes imposed due to this reimbursement shall be computed and reimbursed.

8. Exceptions to the obligation to indemnify

TOTVS will be immediately released from the obligations under this Policy with respect to a particular Indemnifiable Event if the Beneficiary in question, at any time, in full or in part, by action or omission in the cases listed below, which will be evaluated at the sole discretion of TOTVS:

(i) has acted with bad faith, willful misconduct, fraud or in his/her own interest or in the interest of third parties, to the detriment of the Company's corporate interest, or with proven guilt resulting from serious negligence, imprudence or malpractice;

(ii) has committed an act of misuse, disclosed strategic or confidential information against the interests of the Company, or outside the scope of the position to which he/she was elected;

(iii) confesses his/her unlawful conduct;

(iv) does not cooperate with the Company in complying with inspections, investigations, requests for information, and in Defenses as requested by the Company or its appointed attorneys;

(v) fail to provide all documents and information in his/her possession that are requested by the Company or its appointed attorneys, for conducting the Defense or preserving rights;

(vi) gives up the defenses presented or has any conduct that may jeopardize its development or direction, as well as the maintenance of the applicable thesis, including not appearing in hearings;

(vii) fails to notify TOTVS and/or its appointed attorneys in a timely manner of any and all communications received from any Authority, promptly forwarding any notice, subpoena, summons, decision, judgment, or any other document received;

(viii) fails to maintain diligence and care in the receipt of documents, summons and subpoenas from any Authority, which may be sent by mail to the Beneficiary's address, or, in the event of an investigation or proceedings in progress, fails to maintain persons authorized to receive correspondence on his/her behalf in the event of his/her absence;

(ix) enters into or adheres to any Agreement not authorized under this Policy and the Indemnity Agreement, or fails to enter into or adhere to any recommended Agreement, as provided below;

- (x) performs any act outside the performance of his/her duties,
- (xi) performs any act that results in the corporate action foreseen in article 159 of Law 6.404/76 or in the reimbursement of losses foreseen in article 11, paragraph 5, II, of Law 6.385/76;
- (xii) performs any act in his/her own interest or in the interest of third parties, to the detriment of the Company's corporate interest; or
- (xiii) steps down from the position.

Without prejudice to the provisions herein, TOTVS will notify the Beneficiary informing about the release from the obligations set forth in this Policy as soon as it becomes aware of any of the events described above.

9. Obligations of the Beneficiary

Beneficiaries, in order to be indemnified under the terms and conditions set forth in this Policy, must:

- (i) fully comply with all obligations assigned to the Beneficiary in this Policy, and shall notify TOTVS about any Indemnifiable Event, under the terms provided herein;
- (ii) in the event TOTVS makes payment of any amounts under this Policy, transfer to TOTVS any amount that may be indemnified or reimbursed directly to the Beneficiary or any person related thereto. To that end, the Beneficiary must, in a timely manner, file any and
- (iii) all requests for reimbursement of amounts that may be requested by the Company and/or its appointed attorneys, delivering to the Company a copy of the respective protocols. If the Beneficiary fails to file any request for reimbursement under this item in a timely manner, the Beneficiary shall be obligated to indemnify TOTVS for the updated amounts that would potentially be refunded if such filing had been made in a timely manner; and
- (iv) maintain in confidence all information related to the Company's business of which he/she has knowledge, as well as any information related to an Indemnifiable Event, Proceedings or Defense ("Confidential Information"), and employ his/her best efforts so that Confidential Information does not become known to third parties. Information shall not be considered Confidential that: (i) was in the public domain at the time it was disclosed to the Beneficiary or subsequently became known in the public domain; (ii) was lawfully disclosed to the Beneficiary by a third party who, to the Beneficiary's best knowledge, was not in breach of any obligation of confidentiality;
- (v) must be disclosed by the Beneficiary by reason of an order or ruling issued by an Authority, only to the extent of such order; or (iv) will become public in the course of the Proceedings. Notwithstanding the foregoing, the Beneficiary acknowledges that the Company may be required, by force of a judicial or administrative order, to disclose the Beneficiary's information, in which case the Company shall make its best efforts to ensure the confidential treatment of the Beneficiary's confidential information, it being understood that the Company shall not, under any circumstances, be held co-responsible in case of breach of confidentiality obligations by third parties.

10. Defense Procedure

Whenever the Beneficiary becomes aware of any act, fact or omission that may generate an Indemnifiable Event, the Beneficiary shall, as soon as possible and without exceeding the maximum term of 5 (five) Business Days counted from the date he/she becomes aware of such Indemnifiable Event, send to the Company a detailed description of such Indemnifiable Event, as

well as any and all communications received from any Authority, or third party, as the case may be, related to such Indemnifiable Event (“Indemnifiable Event Notification”).

If the Beneficiary does not send the Indemnifiable Event Notification in a timely manner, the obligation of TOTVS to indemnify and hold the Beneficiary harmless with regard to such Indemnifiable Event shall exist only to the extent that such non-compliance does not jeopardize the development of the Defense or result in an increase in the amount of any indemnification arising from the Indemnifiable Event in question.

TOTVS’ Legal Department shall perform a technical evaluation regarding the classification of the Indemnifiable Event according to the terms of this Policy, and may rely on the opinion of a law firm of recognized qualification and reputation in the market, and that none of the assumptions excluding the liability of TOTVS were identified *prima facie*, according to the terms of the Indemnity Agreement, the Policy and the applicable regulations. The outcome of the technical evaluation shall be duly recorded in a document (“Classification Opinion”), which will be submitted to the Governance and Appointment Committee.

The decision by the Board of Directors, after the recommendation of the Governance and Appointment Committee, favorable or contrary to the classification of the Indemnifiable Event, in order to verify whether it is subject to indemnity under the Company’s Bylaws, this Policy and the Indemnity Agreement, or whether it falls under the exclusion events set forth above (“Classification”), shall be formalized in the minutes of the Board of Directors’ Meeting and communicated to the Beneficiary, within 10 (ten) business days from the receipt of the Notice, with the indication of the reasons that supported it, being certain that the Beneficiary may not vote or in any way participate, interfere or influence the decision about the Classification or about the payment of the expenditure, and he/she shall declare himself/herself ineligible to vote in the referred meeting, but may be requested to provide information and clarifications.

The impediment of the Beneficiary from voting at the Board of Directors Meeting provided for above must be stated in the respective minutes of said meeting.

It will be up to the Board of Directors to evaluate, in the specific case, the existence of a conflict of interest and the need for additional procedures to protect the independence of the resolutions on the Classification, as well as to ensure that they are taken in the Company's interest, noting that the approval of the Classification, with the corresponding granting of indemnification, under the terms of this Agreement, must be submitted for approval to the Company’s General Stockholders’ Meeting if:

- (i) more than half of the members of the Company’s Board of Directors are direct beneficiaries of the resolution on the Classification;
- (ii) there is an unresolvable divergence of understanding on the Classification of the Beneficiary's act as an Indemnifiable Event; or
- (iii) the Company's financial exposure is significant, considering the amounts involved.

The pending issue of the analysis process for the Classification and the approval of the expenditure will not prevent the Beneficiary from hiring a lawyer to represent him/her, if necessary, due to the deadlines eventually in course and/or the steps that must be started to allow his/her defense in a timely manner.

The Company may request clarification from the Beneficiary as well as complementary documents about the Indemnifiable Event that is the object of the Indemnifiable Event Notification, as it deems necessary, for the evaluation of the classification of the Indemnifiable Event, in order to

verify if it is liable to indemnity, under the terms of this policy, or if it falls under the exclusion events set forth in Chapter 8 above. The Company will have 3 (three) Business Days from the receipt of the Indemnifiable Event Notification to request the aforementioned clarifications and/or complementary documentation, and the Beneficiary must return with the requested clarifications within 3 (three) Business Days from the Company's request.

In the process of evaluating the Indemnifiable Event Notification, the rules and conditions of the indemnity policy in effect at the time of the act, fact, or omission of the Beneficiary that generated the Process which is the object of the Indemnifiable Event Notification will be observed and applied.

The Company, upon the Beneficiary's approval, may conduct the Defense and, at its sole discretion, appoint attorneys and/or law firms with notorious expertise in the subject matter to sponsor the Defense on behalf of the Beneficiary, and shall include such definition in the same notice to the Beneficiary provided in the item above. The Beneficiary, in turn, must present its agreement or dissent regarding TOTVS' definition within 1 (one) Business Day after receiving the Company's analysis about the Indemnifiable Event Notification.

If the Beneficiary does not agree with the choice of the lawyer or law firm by TOTVS to conduct his/her Defense, TOTVS, or the company of the TOTVS Group involved, shall present, on the Business Day following the Beneficiary's manifestation, a list of three lawyers and/or law firms, with good reputation and proven experience, from which the Beneficiary may choose one of the names indicated therein.

If the Beneficiary does not agree with the names indicated by TOTVS or a company of the TOTVS Group in the list of three names, which shall be communicated on the Business Day following the receipt of the three-name list, the

Beneficiary may choose its legal counsel, provided that the chosen one has an unblemished reputation and their fees are compatible with the market fees charged by their peers to conduct similar or equivalent defenses and of the same complexity, which shall be submitted to the Company, as provided in the Indemnity Agreement.

Whenever TOTVS or any company of the TOTVS Group is conducting the Defense of a certain Beneficiary, the Beneficiary will be guaranteed, upon written request, the right to receive a copy of the drafts or registered copies of the procedural documents, as well as information about the progress of the Proceedings or any other information that may be necessary and/or pertinent. Likewise, if the Beneficiary conducts the Defense directly, TOTVS will be guaranteed the right to receive copies of such documents and information and carry out the procedural follow-up, at its expense.

The Beneficiary's claims will be evaluated under the terms defined in this Policy and in the Indemnity Agreements entered into with each Beneficiary, and in case of incompatibility between the provisions of the Indemnity Agreement and this Policy, the rules and provisions established in this Policy shall prevail.

11. Settlements

In the event the Beneficiary is offered, or requested by the Beneficiary, in any Indemnifiable Event, the opportunity to enter into a Settlement Agreement, the Beneficiary shall immediately inform TOTVS of the proposed Agreement, including, to the Beneficiary's best knowledge, all of its terms and conditions ("Settlement Notice").

Without prejudice to the provisions above, the Settlement Notice shall be sent by the Beneficiary to TOTVS within, at most, 5 (five) Business Days from when the Beneficiary becomes aware of the referred Settlement opportunity.

Once the Settlement Notice is received, TOTVS shall review the proposal and, if possible, may, at its sole discretion, jointly discuss with the Beneficiary the terms and conditions of the Settlement in question.

TOTVS will cease to have any obligation to indemnify the Beneficiary with respect to the Indemnifiable Events that are the object of the Settlement in the following cases:

- (i) if the Beneficiary enters into or adheres to any Settlement, without the prior and express consent of TOTVS; or
- (ii) when, under the terms of the Indemnity Agreement, it has been concluded that any exclusion of indemnity provided for in this Policy exists.

12. D&O Insurance

The Company may also, at its discretion, maintain in force a civil liability insurance policy (“D&O Insurance”), on market terms and in accordance with applicable regulations, in order to seek payment for financial losses arising from any claims covered in the context of this policy.

The Beneficiary (D&O insured) shall be responsible for notifying the Company – and the insurance company if so required by the respective policy – of any potential claims that are covered by the coverage of this Policy of which he/she becomes aware, under the terms of the D&O, under penalty of not being entitled to the benefit of this Policy. The Company will take appropriate action with the insurance company to activate the coverage due.

TOTVS and the Beneficiary will always seek, in the fulfillment of the indemnity obligation under this Policy and of any D&O Insurance, the most economical way for the Company, without prejudice to reimbursements and/or eventual advances to be made by the Company, which may be necessary in the occurrence of an Indemnifiable Event.

The procedures necessary for payment and/or reimbursement under the scope of the D&O Insurance must follow the rules established in the contracted insurance and in the internal procedures adopted by the Company.

If the Company indemnifies or advances amounts by way of indemnity to the Beneficiary, subject to the terms of this Policy, the Company shall be entitled to subrogate the rights of the Beneficiary before the insurer.

If the D&O Insurance does not cover all the financial losses incurred by the Beneficiary, the Company shall cover the remaining losses, as long as the terms of this Policy are observed.

13. Changes and validity

This Policy takes effect on the date of the Board of Directors meeting that approves it.

The Board of Directors will periodically monitor the execution of this policy, as well as all eventual costs and expenses arising from the obligations set forth herein, in the occurrence of Indemnifiable Events. The Board may ask any of its Committees to advise it on this follow-up.

The Policy may be adjusted at any time and for any reason (in particular, to adjust the Policy to changes in laws and regulations or in their interpretation) by the Board of Directors and the amended version of the Policy shall be effective as of its adoption, or as determined by the Board of Directors. This Policy is effective for a period of 5 (five) years as of its approval, and may be suspended or terminated at any time by the Board of Directors. Termination of the Policy will not affect the effectiveness of rights already acquired under Indemnity Agreements entered into in compliance with the Policy.

The obligation of TOTVS to indemnify based on this Policy, with regard to Indemnifiable Events already reported or not, shall cease immediately before a certain Beneficiary when it is proven that such Beneficiary practiced any of the acts described in Chapter 8 above.

14. Conflict resolutions

Any dispute related to this Policy will be resolved by arbitration before the Market Arbitration Chamber, according to the terms of its Regulation, with strict compliance with the legislation in force, especially Law No. 9307/96. The costs related to the arbitration will be borne by each party involved.

15. Final provisions

No provision in the Policy shall entitle the Beneficiaries to remain as an employee, administrator or external member of the Audit Committee or Other Committee, nor shall it interfere in any way with the right of the Company, its stockholders or management bodies to, at any time and subject to the legal and contractual conditions, terminate the employee's employment contract or interrupt the term of office of the director, board member or external member of the Audit Committee or Other Committee.

The rights granted under the Policy are personal and non-transferable, and the Beneficiary may not, under any circumstances, assign, transfer or in any way dispose of such rights to any third party, except in the event of the Beneficiary's death, in which case any payments and reimbursements due will be made to his or her legal successors.

The failure of a party to exercise any right granted to it under this Policy or the law, as well as its tolerance regarding possible infringements of the items and conditions expressed in this Policy, will not imply the recognition of any right for the other party or the waiver of any right, in whole or in part.

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