

BYLAWS OF AES BRASIL ENERGIA S.A.

Publicly-Held Company

Corporate Taxpayer ID (CNPJ/MF): 37.663.076/0001-07

Company Registry (NIRE): 35.300.552.644

Chapter I

Corporate Name, Duration, Registered Office and Purpose

Article 1. AES Brasil Energia S.A. ("**Company**") is a corporation governed by these Bylaws and by other applicable laws.

Paragraph 1. Since the Company is admitted for trading in the special listing segment called Novo Mercado of the São Paulo Stock Exchange – B3 S.A. – Brasil, Bolsa, Balcão ("**B3**"), the Company, its shareholders, including the controlling shareholders, managers and members of the Fiscal Council, when established, are bound by Novo Mercado Regulations ("**Novo Mercado Regulations**").

Paragraph 2. The Novo Mercado Regulations will prevail over the Bylaws in the event of prejudice to the rights of the persons to which any public offering is intended.

Article 2. The Company's duration is indeterminate.

Article 3. The Company has its registered office and place of business in the City of São Paulo, State of São Paulo, and may open and/or close branches, agencies, offices or representations anywhere in Brazil by a resolution of the Executive Board and abroad, by a proposal of the Executive Board and resolution of the Board of Directors.

Paragraph 1. The Company's registered office cannot be transferred to any other state in Brazil. It must always be located in the State of São Paulo.

Paragraph 2. The Executive Board will deliberate on the change of address of the Company's registered office, provided the new address is located in the City of São Paulo, State of São Paulo.

Article 4. The Company's business purpose is as follows: (i) to hold interest in other companies, as partner or shareholder; (ii) to study, plan, project, produce, market, build, perform and operate (a) energy generation, transmission and sale systems, resulting from the use of rivers and other energy sources, including, without limitation to, renewable sources, such as solar, wind and biomass, to install and implement projects for independent energy generation, operation and maintenance of plants, works and related facilities, in addition to the purchase and import of energy generation equipment, (b) dams, gates and other projects aimed at the multiple use of water, river beds and reservoirs; and (c) research and development plans and programs of new energy sources and vectors, directly or in cooperation with other entities; (iii) to explore, develop, produce, import, export, process, handle, transport, load, stock, package, operate and maintain activities

related to the supply, distribution and sale of fuel aimed at energy generation, in addition to conduct gas liquefaction and regasification; (iv) to provide any other services; and (v) to perform other activities related to the Company's interests.

Paragraph 1. The Company's main corporate purpose is to hold interest in other companies, as partner or shareholder. Other activities will be performed through subsidiaries or branches established in accordance with these Bylaws.

Paragraph 2. The performance of activities related to the corporate purpose takes into account the following: (i) the short- and long-term interests of the Company and its shareholders; and (ii) the short- and long-term economic, social, environmental and legal effects on its employees, suppliers, partners, clients and other creditors, as well as local and global communities where the Company operates.

Chapter II

Capital Stock and Shares

Article 5. The subscribed and paid-in capital stock is two billion, one hundred, ninety-six million, nine hundred fifty-seven thousand, eight hundred sixty-six reais and thirty-six centavos (R\$2,196,957,866.36), divided into six hundred one million, nine hundred twenty-seven thousand, three hundred eleven (601,927,311) registered, book-entry, common shares with no par value.

Paragraph 1. The authorized capital is four billion, six hundred million reais (R\$4,600,000,000.00), composed solely of registered, book-entry common shares with no par value.

Paragraph 2. The Company, upon a decision of the Board of Directors, irrespective of any amendment to the Bylaws, is authorized to increase the capital stock until the limit referred to in Paragraph 1, Article 5 herein by issuing the corresponding number of shares.

Paragraph 3. When shares are issued within the authorized capital, the following will be set: (a) number, type and class of shares; (b) issue price; (c) other conditions for subscription and payment, as required by Federal Law 6,404/1976, as amended ("**Brazilian Corporations Law**").

Paragraph 4. The provisions in Paragraph 2, Article 5 will not apply to capital increases made through payment of assets, which will depend on approval by the Shareholders Meeting, in accordance with Brazilian Corporations Law.

Paragraph 5. The Company may also issue convertible debentures or stock warrants, within the authorized capital, by a decision of the Board of Directors.

Paragraph 6. At the discretion of the Board of Directors, the Company may issue, without preemptive rights or for a shorter term than established in article 171, paragraph 4 of

Brazilian Corporations Law, shares, convertible debentures or stock warrants, to be placed through a sale on the stock exchange or via public subscription, or an exchange for shares in a public tender offer for the acquisition of control, pursuant to Law, within the authorized capital.

Paragraph 7. The Board of Directors will decide on the unsubscribed shares in the capital increase, during the period for exercising preemptive rights, determining, before such shares are sold on the stock exchange for the benefit of the Company, the apportionment, in proportion to the amounts subscribed, among shareholders who expressed, in the subscription list, their interest in subscribing to unsubscribed shares.

Paragraph 8. Shareholders who fail to make the payments as per the conditions fixed will be legally deemed to be in arrears and liable to pay interest of one percent (1%) per month, inflation adjustment based on the index to be defined by the Board of Directors and a fine of ten percent (10%) on the amounts in arrears, without prejudice to other applicable legal remedies.

Paragraph 9. By a decision of the Board of Directors, the Company may repurchase its own shares for cancellation or to be held in treasury, determine their resale or re-placement in the market, in compliance with laws and other applicable provisions, including those issued by the Securities and Exchange Commission of Brazil ("**CVM**").

Paragraph 10. All the shares issued by the Company are book-entry shares and will be held at a transfer agent on behalf of their holders without the issue of certificates. The Company may authorize the transfer agent in charge of registering the book-entry shares to charge the shareholders, subject to the limits determined by the Securities and Exchange Commission of Brazil, for the cost of transferring the ownership of book-entry shares.

Paragraph 11. Each common share corresponds to one (1) vote in the deliberations of Shareholders Meetings.

Paragraph 12. The Company may not issue founders' shares.

Article 6. In case of capital increase, shareholders will be entitled to preemptive rights in subscribing to the shares corresponding to the increase, in proportion to their share ownership, pursuant to Article 171 of Brazilian Corporations Law.

Chapter III

Governance Bodies of the Company

Article 7. Following are the governance bodies of the Company:

- (i) Shareholders Meeting;
- (ii) Board of Directors;

- (iii) Executive Board;
- (iv) Fiscal Council; and
- (v) Management Advisory Committees.

Sole Paragraph. While performing their functions, managers (i.e. members of the Board of Directors, Management Advisory Committees and members of the Executive Board) and members of the Fiscal Council (when established) must consider the best interests of the Company, including the interests, expectations and short- and long-term effects of their actions on the following stakeholders of the Company and its subsidiaries: (i) shareholders; (ii) active employees; (iii) suppliers, consumers and other creditors; and (iv) the local and global communities and the environment.

Section I

Shareholders Meeting

Article 8. The Shareholders Meetings will ordinarily be held once a year within the first four (4) months after the end of each fiscal year, pursuant to applicable laws and, extraordinarily, whenever required, either in virtue of corporate interests or any provision herein, or whenever the applicable law so requires.

Article 9. Within the authorized capital, the Shareholders Meeting may approve share-based compensation plans using the Company's shares, pursuant to Brazilian Corporations Law.

Article 10. The Shareholders Meeting, except as established in applicable laws and these Bylaws, will be convened by the Board of Directors or by shareholders, in accordance with applicable laws.

Paragraph 1. Call notices to Shareholders Meetings must be sent at least fifteen (15) days in advance, on first call, and at least eight (8) days in advance, on second call.

Paragraph 2. Shareholders Meetings will be chaired by the Chairman of the Board of Directors, who will appoint a secretary for the meeting.

Paragraph 3. In case of absence of the Chairman of the Board of Directors, the Shareholders Meeting will be chaired by another manager of the Company appointed thereby, who will appoint the secretary.

Paragraph 4. To participate in shareholders meetings, shareholders must submit the following documents to the Company: (i) identification document, proxy bearing the grantor's notarized signature and/or applicable corporate documents proving legal representation, as applicable; (ii) certificate issued by the transfer agent; and/or (iii) for shareholders participating in the fungible custody of registered shares, the statement containing the respective shareholding issued by the applicable authority.

Article 11. Resolutions of Shareholders Meetings, except for the special cases established in Law, will be taken by majority vote, excluding blank votes.

Section II

Board of Directors

Article 12. The Board of Directors will have at least five (5) and at most eleven (11) members, totaling, whenever possible, an odd number of members, who will be elected and may be removed by the Shareholders Meeting. Fees and other benefits to which the members of the Board of Directors will be entitled will be determined by the Shareholders Meeting.

Paragraph 1. The Board of Directors will have one (1) Chairman and one (1) Vice Chairman, elected by the Board of Directors.

Paragraph 2. The Board of Directors must have at least two (2) directors or twenty percent (20%) of its membership, whichever is higher, defined as independent directors by Novo Mercado Regulations ("Independent Directors"), who must expressly declare such status in the Shareholders Meeting that elects them.

Paragraph 3. Those directors elected pursuant to Article 141, Paragraphs 4 and 5 of Brazilian Corporations Law, will also be considered Independent Directors, provided there is a controlling shareholder.

Paragraph 4. When the application of the percentage defined in Paragraph 2 of Article 12 results in a fraction, the same will be rounded off to the next higher whole number, in accordance with Novo Mercado Regulations.

Paragraph 5. The positions of Chairman of the Board of Directors and Chief Executive Officer or chief executive of the Company cannot be held by the same person.

Article 13. Members of the Board of Directors will serve a unified term of two (2) years and may be reelected. Members of the Board of Directors will remain in office until the election and investiture of their successors.

Article 14. The investiture of members of the Board of Directors will be conditioned on their signing the instrument of investiture drawn up in the Company's records, compliance with applicable legal requirements, and their execution of the consent form referred to in Article 47 herein.

Article 15. In case of vacancy on the Board of Directors, the remaining directors will appoint a substitute for the remainder of the term, who will hold office until the next Shareholders Meeting that elects the Board of Directors for a new unified term of two (2) years. If the majority of the positions on the Board of Directors becomes vacant, a Shareholders Meeting must be called to elect new members.

Paragraph 1. The Chairman of the Board of Directors will be replaced, in the event of temporary impediment, by the Vice Chairman, or, in their absence, by another Director appointed thereby (except in cases of impediment due to conflict of interests) or by other members of the Board of Directors, if the Chairman and Vice Chairman fail to appoint a member.

Paragraph 2. If the position of Chairman of the Board of Directors becomes vacant, the Vice Chairman will act as Chairman until the Board of Directors elects its new Chairman, with the substitute serving for the remainder of the term.

Article 16. The Board of Directors will ordinarily meet at least on a quarterly basis and, extraordinarily, whenever called pursuant to these Bylaws.

Sole Paragraph. The decisions of the Board of Directors must be transcribed in minutes of meetings, which will be drawn up in the Company's records and held at its registered office.

Article 17. The Board of Directors will meet when called by the Chairman or by a request of the majority of its members, and said request, when justified, may be made by any member of the Board of Directors. Meetings of the Board of Directors will be considered valid if the majority of its members are present.

Paragraph 1. The Board of Directors will meet with the presence of the majority of its members and will decide by majority vote of those present, with the Chairman having the casting vote, in addition to his or her own vote.

Paragraph 2. Meetings of the Board of Directors will be called through a call notice sent at least five (5) business days in advance, on first call, and three (3) business days in advance, on second call, which will specify the date, time, venue and agenda of the meeting.

Article 18. The members of the Board of Directors may attend any meeting of the Board of Directors by means of conference call, video conference call or other means of communication in which all those attending the meeting can hear each other, and such participation will be deemed in-person attendance at said meeting.

Article 19. Irrespective of the formalities established in Article 17 above, a meeting will be deemed regularly held if it is attended by all Directors.

Article 20. Members of the Board of Directors must abstain from participating in any meeting, discussion or vote on matters in which their interest conflicts with the Company's or which may privately benefit them, in which case they must notify the Board of their impediment and record, in the minutes of the meeting, the nature and extent of their interest.

Article 21. In addition to the matters established in law and these Bylaws, the Board of Directors will have the following responsibilities:

- (i)** set the general business guidelines of the Company;
- (ii)** elect and remove the Executive Officers of the Company and fix their responsibilities;
- (iii)** monitor the activities of Executive Officers, examine at any time the Company's books and documents, request information about contracts signed or are about to be signed, and take any other action;
- (iv)** call the Shareholders Meeting in the cases provided for by Law or when deemed appropriate;
- (v)** express its opinion on the management report, financial statements and Executive Board accounts at least on a quarterly basis;
- (vi)** approve, at the start of each fiscal year, the Annual and Five-Year Business Plans, which will consist of the annual and multi-year budgets, all capital investment plans, strategic plans and maintenance plans for the Company's facilities, as well as any revisions exceeding five percent (5%) of the expenses or investments set forth in the budget approved;
- (vii)** choose and remove the independent auditors;
- (viii)** submit to the Shareholders Meeting proposals for amendment of the Bylaws;
- (ix)** deliberate on the issue, placement, price and payment conditions of shares and convertible debentures and stock warrants, as well as on capital increases and capital calls, within the authorized capital;
- (x)** deliberate on the grant, within the authorized capital, and in accordance with the plan approved by the Shareholders Meeting, of stock options to its managers and employees, or to natural persons providing services to the Company, without preemptive rights for shareholders;
- (xi)** deliberate on the opening of Company's subsidiaries abroad, provided their corporate purposes does not include activities or business outside the Company's purpose;
- (xii)** deliberate on the acquisition of assets whose value exceeds 5% of the total shareholders' equity of the Company or any other lower percentage that may be established by the Board of Directors based on the most recent audited financial statements of the Company;
- (xiii)** deliberate on cases omitted herein that may be submitted to the Board by the Executive Board or determined by the Shareholders Meeting;

- (xiv)** deliberate on the payment of interest on equity by the Company, at the Long-Term Interest Rate (TJLP);
- (xv)** deliberate on the declaration of interim dividends, to be deducted from the retained earnings or profit reserves recorded in the most recent annual or semiannual balance sheet;
- (xvi)** deliberate on the declaration of interim dividends in periods shorter than one (1) semester, provided the total dividends paid in each semester of the fiscal year does not exceed the amount of capital reserves established in Article 183, Paragraph 1 of Brazilian Corporations Law;
- (xvii)** deliberate on the launch of share buyback programs and the acquisition of shares, to be held in treasury and later canceled or sold, in compliance with Article 5, Paragraph 9 herein;
- (xviii)** deliberate on the execution of any agreements, contracts, documents, deeds, promissory notes, capital instruments or investments, financing, loans, intercompany loans, in amounts exceeding fifty million reais (R\$50,000,000.00), whether individually or through a series of transactions that have the same parties and within the same fiscal year, except for: (a) energy trading agreements; and (b) capital investments or transfer of funds, assets and/or obligations to subsidiaries whose entire capital is directly or indirectly held by the Company and subsidiaries whose entire capital is directly or indirectly held by the Company, except for one share, held by someone else, to ensure plurality of partners, in which cases, exceptionally, the Board's approval will not be required, regardless of the amount involved;
- (xix)** deliberate on the issue of any credit instrument to raise funds through a public offering of non-convertible debentures, promissory notes, commercial papers, bonds, notes or other instruments commonly used in the market, as well as on their issue and redemption conditions;
- (xx)** deliberate on the sale, lease, assignment, transfer, disposal, liquidation or other form of disposal of any asset or equity interest held by the Company for amounts exceeding fifty million reais (R\$50,000,000.00), except in the following cases: (a) if these are specified in the Annual Business Plan; or

(a) energy purchase and sale agreements;
- (xxi)** deliberate on the sale or assignment of assets making up the Company's property, plant and equipment, whose amounts exceed, individually or collectively, per fiscal year, fifteen percent (15%) of the consolidated property, plant and equipment recorded in the most recent audited annual financial statements filed by the Company with CVM;

- (xxii)** deliberate on the provision of any collateral for obligations of third parties that exceed, individually or collectively, five million reais (R\$5,000,000.00) per fiscal year, except for the provision of collateral for obligations related to energy contracts – which will not be subject to a deliberation of the Board of Directors –, assumed by: (a) subsidiaries directly or indirectly owned fully by the Company; (b) subsidiaries whose capital is directly or indirectly fully owned by the Company, except for one share, held by someone else to ensure the plurality of partnership; or (c) affiliates, up to the limit in proportion to the Company's interest in the total capital stock of such companies, provided the other partners of said affiliate are not related parties of the Company;
- (xxiii)** deliberate on the encumbrance of assets making up the Company's property, plant and equipment, whose amounts exceed, individually or collectively, per fiscal year, twenty percent (20%) of the consolidated property, plant and equipment, calculated based on the most recent audited annual financial statements filed by the Company with CVM;
- (xxiv)** approve the charter of the Board of Directors;
- (xxv)** issue its opinion for or against any public tender offer (as defined below) for the acquisition of Company shares, by means of a prior report with justification, disclosed within fifteen (15) days from the publication of the notice of public tender offer, including at least (i) the adequacy and relevance of the tender offer to the interests of the Company and the group of shareholders and in relation to the price and potential impacts on the liquidity of securities held by them; (ii) the strategic plans disclosed by the offeror in relation to the Company; and (iii) the available market alternatives to accepting the tender offer;
- (xxvi)** except for the legal powers of the Shareholders Meeting to deliberate on related-party transactions whose amount exceeds fifty percent (50%) of the total assets of the Company recorded in the most recent approved balance sheet, in accordance with Article 122, item X of Brazilian Corporations Law, deliberate on the participation or any other related-party transactions involving amounts, individually or through a series of transactions with the same parties and object and within the same fiscal year, equal to or greater than fifty million reais (R\$50,000,000.00), except for: (a) subsidiaries directly or indirectly owned fully by the Company; (b) subsidiaries whose capital is directly or indirectly fully owned by the Company, except for one share, held by someone else to ensure the plurality of partnership. Moreover, transactions related to the execution of energy purchase and sale agreements with related parties will not require the Board's approval, regardless of the amounts involved, in accordance with the Company's Policy on Related-Party Transactions;
- (xxvii)** analyze and issue its opinion on proposals for the acquisition, merger, stock merger, consolidation or spin-off of the Company, as well as negotiate the respective

Agreement and Plan, besides submitting said transactions to the Shareholders Meeting for approval;

(xxviii) define and submit to the Shareholders Meeting, the choice of company specializing in the valuation of companies to prepare the valuation report of the Company's shares, in case of a public tender offer for Company shares for subsequent cancellation of its registry as a publicly held company or delisting from the Novo Mercado segment, pursuant to Chapter V herein;

(xxix) authorize the Company to hold interest in other companies as partner or shareholder, as well as its participation in investment agreements, associations and/or other shareholders agreements and the incorporation of new companies in Brazil or abroad, whenever the amount involved in the interest, individually or through a series of transactions with the same parties and purpose in the same fiscal year is equal to or greater than fifty million reais (R\$50,000,000.00); and

(xxx) authorize the Company or any of its subsidiaries to borrow or amend the conditions of loans, financing or obligations related to the acquisition of assets or interest in other companies, consortia, partnerships or condominiums, whose amount, individually or through a series of transactions with the same parties and purpose in the same fiscal year is equal to or greater than fifty million reais (R\$50,000,000.00), except for energy trading agreements.

Sole Paragraph. The amounts in Brazilian reais in this Article 21 will be deemed adjusted at the end of each fiscal year in accordance with the variation of the IGP-M/FGV inflation index.

Article 22. Decisions of the Board of Directors will be taken by at least the majority votes of those present.

Section III

Executive Board

Article 23. The Company will be managed by an Executive Board composed of at least two (2) and no more than eight (8) Executive Officers, as follows: one (1) Chief Executive Officer, one (1) Investor Relations Officer and other Executive Officers with no specific designation. Members of the Executive Board will perform their duties in accordance with these Bylaws, and the Board of Directors will fix the individual responsibilities of Executive Officers with no specific designation, subject to Paragraph 3, Article 23 herein.

Paragraph 1. Observing the minimum membership of two (2) members in the Executive Board, as set forth in the head paragraph of Article 143 of Brazilian Corporations Law, the positions specified in the head paragraph of Article 23 herein may be held by the same person.

Paragraph 2. Following are the responsibilities of the Chief Executive Officer: (i) manage the overall Company business, with the focus on accomplishing its corporate purpose, which includes definitions of and changes to the corporate structure; (ii) implement the general policy of the Company set by the Board of Directors and prepare the business and growth plans; (iii) call and preside over Executive Board meetings and coordinate the activities of its members; (iv) manage interactions and relations with government agencies, the Board of Directors and Fiscal Council, when established; (v) lead the formulation, implementation and management of actions, policies and programs related to human resources, operations, new businesses and industry regulations; (vi) represent the Company before governmental and regulatory authorities and the media; and (vii) manage the assets of the Company.

Paragraph 3. Following are the responsibilities of the Investor Relations Officer: (i) represent the Company in its dealings with capital and financial markets in Brazil and abroad, being responsible for providing information to CVM and to stock exchanges, and for maintaining the Company's registration as a publicly-held company; (ii) manage the capital structure, debt level, cash flow and other financial resources required for the operation and expansion of the Company, according to the annual budget; (iii) coordinate the policies on shares and dividends, as well as financial transactions; (iv) coordinate the preparation and conduct the process of approval of the annual budget of the Company, with the participation of all Executive Officers; (v) coordinate the preparation of tax and financial statements, disclosure of financial information to the market and other activities in compliance with applicable regulations; and (vi) coordinate the investment and financial feasibility analyses of the Company's projects.

Paragraph 4. The responsibilities of Executive Officers with no specific designation will be assigned by the Board of Directors. Such Officers will guide, coordinate and supervise the specific activities assigned to them in accordance with Article 23, Paragraph 4 herein.

Article 24. Members of the Executive Board will serve a term of three (3) years and may be reelected.

Sole Paragraph. After the end of their term, members of the Executive Board will remain in office until the investiture of their successors.

Article 25. In case of a permanent vacancy on the Executive Board, the respective substitute will be appointed by the Board of Directors to serve the remainder of the term.

Article 26. During the period of temporary impediment of any Executive Officer, their duties will temporarily be performed by another Officer to be designated by the Board of Directors.

Article 27. Members of the Executive Board will perform their functions in accordance with the Company's corporate goals so as to ensure the continuity of businesses and operations strictly in compliance with these Bylaws and the resolutions of the Shareholders Meeting and the Board of Directors.

Article 28. The Executive Board is responsible for managing and representing the Company, with powers to assume obligations, transact, assign and waive rights, donate, encumber and dispose of corporate assets, including those making up its permanent assets, always in compliance with the provisions and limits established herein, and the scope of power of the Board of Directors as established in law and these Bylaws.

Article 29. The investiture of Executive Officers will be conditioned on their signing the instrument of investiture in the Company's records, which must include their agreement to the arbitration clause contained in Article 47 herein, and compliance with the applicable legal requirements.

Article 30. The Executive Board will meet when called by the Chief Executive Officer of the Company, with the presence of the majority of its members.

Paragraph 1. Decisions of the Executive Board will be taken by majority vote of those present, and the Chief Executive Officer of the Company will have the casting vote, in addition to their own vote.

Paragraph 2. Any member of the Executive Board may represent the Company in or out of court, within the limits of their capacities set forth by Law and these Bylaws.

Paragraph 3. The Company's representation in documents that involve the Company in obligations or exempt third parties from liabilities must be signed by: (i) two (2) members of the Executive Board; or (ii) one (1) member of the Executive Board jointly with one (1) proxy with special powers; or (ii) two (2) proxies with special powers.

Paragraph 4. The power of attorneys of the Company must be signed jointly by two (2) Executive Officers and expressly establish their powers. Powers of attorney will be granted for a definite period not exceeding two (2) years, except (i) for court, arbitration and/or administrative purposes in which cases, the power of attorney calls will be valid until the end of the issue or proceeding; or (ii) in connection with financing agreements and other instruments related to such agreements, including, but not limited to, those executed for the purpose of guaranteeing the obligations of the Company or of any company in which it holds direct or indirect interest, which could be granted for the duration of the underlying agreement or instrument.

Article 31. Any member of the Executive Board, in addition to holding the powers assigned by these Bylaws, will be responsible for the duties assigned to them by the Board of Directors.

Article 32. The Chief Executive Officer will be replaced, in case of temporary impediment, by the Investor Relations Officer, or, in the latter's absence, by another Officer to be designated by the Board of Directors. In case of impediment due to conflict of interest, the respective Executive Officer must not intervene in the issue, directly or through their replacement.

Section IV

Fiscal Council

Article 33. The Company will have a Fiscal Council, which will be established only upon shareholders' request according to law and will have the duties and powers attributed thereto by law.

Paragraph 1. The Fiscal Council will have at least three (3) and not more than five (5) members and an equal number of alternate members, who will serve a term of one (1) year, to be elected by the Shareholders Meeting, which will also set their respective compensation. Reelection is permitted.

Paragraph 2. In case of vacancy or impediment of a member, the respective alternate member will be called.

Paragraph 3. Compensation of Fiscal Council members, in addition to the mandatory reimbursement of travel and accommodation expenses required to perform their functions, will be determined by the Shareholders Meeting that elects them, subject to legal limits.

Paragraph 4. Without prejudice to the duties and responsibilities of the Fiscal Council, Fiscal Council members will not be responsible for issues related to the business and strategy.

Paragraph 5. Investiture of Fiscal Council members will be conditioned on their signing the instrument of investiture, including their agreement to the arbitration clause referred to in Article 47 herein.

Section V

Management Advisory Committees.

Article 34. The Board of Directors and Executive Board of the Company may have permanent or temporary advisory committees to assist, advise and support them. The Board of Directors and Executive Board of the Company, as applicable, will be responsible for creating such committees, electing their members and defining the rules governing their responsibilities and functioning.

Article 35. Without prejudice to Article 34 above, the Company will have an Audit Committee, an advisory committee to the Board of Directors, composed of at least three (3) members, including at least one (1) Independent Director and at least one (1) member with recognized experience in corporate accounting.

Paragraph 1. The same member of the Audit Committee may satisfy both requirements referred to in the head paragraph of Article 35.

Paragraph 2. The functions of the coordinator of the Audit Committee will be defined in its charter, approved by the Board of Directors.

Article 36. The Audit Committee, in addition to other matters set forth in its charter, will be responsible for the following:

- (i) issue opinion on the engagement and removal of independent auditors;
- (ii) review the quarterly information, interim statements and financial statements;
- (iii) monitor the activities of internal audit and other internal control areas of the Company;
- (iv) assess and monitor the Company's risk exposures;
- (v) assess, monitor and recommend to the management the remediation or enhancement of the Company's internal policies, including the Policy on Related-Party Transactions; and
- (vi) establish means to receive and treat information concerning the violation of legal and administrative provisions applicable to the Company, as well as regulations and internal codes, including the establishment of specific procedures to protect whistleblowers and the confidentiality of information.

Chapter IV

Fiscal Year, Balance Sheets and Profits

Article 37. The fiscal year will begin on January 1 and end on December 31 of each year. On June 30 and at the end of the fiscal year, the Company's balance sheet and other financial statements established in the Brazilian Corporations Law and other applicable normative instructions will be prepared, for the purposes of the Sole Paragraph of this Article 37. Moreover, the Company will prepare quarterly financial statements for the purposes of applicable CVM regulations.

Sole Paragraph. The distribution of earnings calculated on June 30 and December 31 of each year will be carried out semiannually or in shorter periods if the Board of Directors decides on the distribution of interim dividends, as established in these Bylaws, based on a special balance sheet prepared for this purpose.

Article 38. Subject to applicable laws, the net income from the year, after deducting accumulated losses and the provision for income tax, will be allocated as follows:

- (i) five percent (5%) to the legal reserve, up to the maximum envisaged by law;
- (ii) twenty-five percent (25%) to mandatory dividend payments, as per Article 202 of Brazilian Corporations Law;

- (iii) a portion or all of the balance net income after the legal deductions and payment of minimum mandatory dividends will be allocated to the creation of an Investment and Working Capital Reserve, in order to strengthen the Company's working capital (including debt repayments) and/or to finance the expansion and performance of activities of the Company, its subsidiaries and affiliates. The total balance of this reserve, together with the balance of other profit reserves, cannot exceed the Company's capital stock and, once this limit is achieved, the shareholders meeting will deliberate on the allocation of the excess balance, either distributing it to shareholders or using it to pay up or increase the capital stock of the Company.

Paragraph 1. The dividends mentioned in item (ii) of this Article 38 will not be mandatory in the fiscal year in which the Executive Board informs the Annual Shareholders Meeting that they are incompatible with the Company's financial situation.

Paragraph 2. The payment of interest on equity may be deducted from the mandatory dividends payable.

Chapter V

Sale of Control, Cancellation of the Company's Registration as a Publicly-Held Company and
Delisting from Novo Mercado

Article 39. For the purposes of this Chapter V, the following capitalized terms will mean the following:

"Acquirer" means any person (including, but not limited to, individuals or legal entities, investment funds, collective investment entities, portfolios, estate (*universitas juris*), or any other type of organization, resident and domiciled or headquartered in Brazil or abroad), or Group of Shareholders to whom the Selling Controlling Shareholder transfers, directly or indirectly, the Controlling Shares in a Sale of Control of the Company;

"Control" (and its related terms "Controlling Shareholder", "Subsidiary", "Control" or "under Joint Control") means the power effectively used to steer corporate activities and guide the functioning of the Company's bodies, directly or indirectly, in fact or by law, regardless of the shareholding position.

"Controlling Shareholder" means the shareholder(s) or Group of Shareholders holding Control of the Company;

"Controlling Shares" means the block of shares entitling their holders, directly or indirectly, to individual and/or shared Control of the Company.

"Economic Value" means the value of the Company and its shares that will be determined by a specialist firm using a recognized methodology or based on another criterion to be defined by CVM.

“Group of Shareholders” means a group of two or more shareholders (a) bound by contracts or agreements of any nature, including shareholders agreements, whether directly or through Subsidiaries, Parent Companies or Companies under Joint Control; or (b) among whom there is a relationship of Control, whether directly or indirectly; or (c) under joint Control;

“Offeror” means the Company or its Controlling Shareholder;

“PTO” means a Public Tender Offer;

“Outstanding Shares” means all the shares issued by the Company, except the shares held by the controlling shareholder, by their related persons, the Company’s managers and those held in treasury. For the purposes of the calculation mentioned in Article 42, item (ii) herein, outstanding shares are only those whose holders expressly agree with the delisting from Novo Mercado or register for a Public Tender Offer (PTO) auction, in accordance with CVM regulations on public tender offers of shares of publicly held companies for cancellation of their registration;

“Sale of Control” means the transfer, directly or indirectly, of Controlling Shares to a third party for consideration;

“Selling Controlling Shareholder” means the Controlling Shareholder when they carry out the Sale of Control of the Company.

Article 40. The Sale of Control of the Company, both through a single transaction or through successive transactions, must be contracted under a condition precedent or subsequent, whereby the Acquirer undertakes to conduct a Public Tender Offer (PTO) for all the shares issued by the Company and held by other shareholders of the Company, in accordance with the terms and conditions established in applicable laws and Novo Mercado Regulations so as to ensure all Shareholders treatment equal to that given to the Selling Controlling Shareholder.

Article 41. The Company’s delisting from Novo Mercado may take place as a result of (i) a decision by the Controlling Shareholder or the Company; (ii) failure to comply with obligations established by Novo Mercado Regulations; and (iii) cancellation of the Company’s registration as a publicly-held company or a change of category of registration with the CVM.

Article 42. The Company’s voluntary delisting from Novo Mercado must be preceded by a Public Tender Offer (PTO), observing the procedures set forth in CVM regulations on public tender offers for cancellation of registration as a publicly-held company fulfilling the following requirements: (i) the price offered must be fair and must be determined in accordance with Article 43 herein and other applicable legal and regulatory provisions. A valuation of the Company may be requested; and (ii) shareholders holding more than one-third (1/3) of the Outstanding Shares must accept the Public Tender Offer (PTO) or expressly agree with the delisting from Novo Mercado without selling their shares.

Paragraph 1. Shareholders accepting the Public Tender Offer (PTO) may not be subject to apportionment while selling their shares, subject to the procedures for waiver of limits established in regulations applicable to public tender offers.

Paragraph 2. The Offeror will be obliged to acquire the remaining Outstanding Shares within one (1) month from the date of the auction, at the final price of the Public Tender Offer (PTO) auction, adjusted for inflation until the date of actual payment, in accordance with the offer notice, as well as applicable laws and regulations in force, which should happen within fifteen (15) days from the date of exercise of said rights by the shareholder.

Paragraph 3. Regardless of the provisions in the head paragraph of Article 42, the voluntary delisting of the Company from Novo Mercado may take place if the waiver of a Public Tender Offer (PTO) is approved by the majority of shareholders holding the Outstanding Shares at a Shareholders Meeting, provided the meeting is held (i) on first call, with the presence of shareholders representing at least two-thirds (2/3) of total Outstanding Shares, or (ii) on second call, with the presence of any number of shareholders holding the Outstanding Shares.

Article 43. In the Public Tender Offer (PTO) to be held by the Controlling Shareholder or by the Company for the cancellation of the Company's registration as a publicly-held company, the price to be offered must correspond to the fair price, which is at least equal to that determined in the valuation report prepared pursuant to Paragraphs 1 and 2 of Article 43, observing all applicable laws and regulations.

Paragraph 1. The valuation report mentioned in the head paragraph of Article 43 must be prepared by a specialist firm with proven experience and autonomy in relation to the decision-making powers of the Company, its managers and/or Controlling Shareholders, besides meeting the requirements of Paragraph 1, Article 8 of Brazilian Corporations Law, and include the liability established in Paragraph 6 of said Article.

Paragraph 2. The Shareholders Meeting will be solely responsible for choosing the specialist firm responsible for determining the fair price mentioned in Article 43, subject to the requirements set forth in Article 42 above.

Article 44. In case of corporate restructuring that involves the transfer of the Company's shareholder base, the resulting company(ies) must file for listing in the Novo Mercado segment within one hundred twenty (120) days from the date of the Shareholders Meeting that approves such operation.

Sole Paragraph. If the corporate restructuring involves a resulting company that does not intend to file for listing in Novo Mercado, the majority of the holders of Outstanding Shareholder present at the Shareholders Meeting must approve that decision.

Article 45. The Company's delisting from Novo Mercado due to non-fulfillment of obligations set forth in Novo Mercado Regulations will be conditioned on a Public Tender Offer (PTO) to be held with the same characteristics described in Article 42.

Sole Paragraph. If the percentage mentioned in the head paragraph of Article 42 is not reached, after the Public Tender Offer (PTO) is held, the shares of the Company will still be traded on the Novo Mercado segment for six (6) months form the date of the Public Tender Offer (PTO) auction.

Chapter VI

Liquidation and Dissolution

Article 46. The Company will be liquidated in cases established by law and the Shareholders Meeting will be the competent authority to determine the method of liquidation, appoint the liquidator and the members of the Fiscal Council, which should function during the liquidation period.

Chapter VII

Arbitration

Article 47. The Company, its shareholders, managers and Fiscal Council members, both sitting and alternate, undertake to resolve, by means of arbitration at the Market Arbitration Chamber according to its regulations, all and any dispute or claim arising between them, related to or resulting from their condition as issuer, shareholder, manager and Fiscal Council member, particularly those arising from the provisions of Federal Law 6,385/1976, as amended, the Brazilian Corporations Law, these Bylaws, the rules issued by Brazil's National Monetary Council, the Brazilian Central Bank and CVM, as well as any other rules applicable to the operation of capital markets in general, in addition to those set forth in the Novo Mercado Regulations, other regulations of the São Paulo Stock Exchange (B3) and the Novo Mercado Listing Agreement.

Chapter VIII

General Provisions

Article 48. The Company will be governed by these Bylaws and by applicable laws in force.

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