



INTERNAL RULES OF THE AUDIT STATUTORY COMMITTEE - CAE

Article 1 The Statutory Audit Committee ("Committee" or "CAE") is a permanent collegial body of advice and instruction linked directly to the Board of Directors of JHSF, governed by the applicable laws and regulations, and the provisions of Article 27 of the Bylaws of JHSF Participações S.A. ("Company") and in this Internal Rules ("Rules").

1.1. CAE aims to oversee the quality and integrity of financial reporting, the compliance with legal, statutory and regulatory standards, the adequacy of procedures related to risk management and the activities of internal and independent auditors

1.2. Because it is an advisory body of the Board of Directors, the decisions of the CAE are recommendations to the Board of Directors. The recommendations of CAE should be accompanied by analysis supporting this decision.

1.3. In carrying out its responsibilities, CAE will maintain an effective relationship with the Board of Directors, the Executive Board, the internal and independent audits and, when convened, with the Company's Fiscal Council.

Article 2 The Committee will report to the Board of Directors, operating independently from the Executive Board.

Article 3 The Statutory Audit Committee consist of three (3) members appointed by the Board of Directors, who shall occupy their positions for ten (10) years, at the most, and consisting of:

I - at least one (1) member of the Board of Directors of the Company, who is not a member of the Executive Board; and

II - a majority of independent members.

Paragraph 1 The position as member of the Committee cannot be delegated, and must be performed in compliance with the principles of loyalty and diligence, as well as in a way to avoid any conflicting situations that could affect the interests of the Company and its shareholders.

Paragraph 2 It is forbidden the participation at CAE of members of the Executive Board of the Company, its subsidiaries, parent companies, affiliates or companies in joint control, direct or



indirect. The requirements to fulfill the positions of members of the Committee will be stated at the instrument of investiture.

Paragraph 3 In order to fulfill the requirement of independence, the CAE member (i) can not be, or have been, in the last five (5) years, (a) a member of the Executive Board or a employee of the company, its parent company, subsidiaries, affiliate or companies in joint control, direct or indirect; or (b) a technical manager of the team involved in the audit work of the institution; and (ii) a spouse, direct or indirect relative, up to third degree and, by affinity, up to second degree, of the persons referred to in item (i). The CAE members should maintain a neutral posture when carrying out their activities and, above all, concerning the estimates at the management and financial statements of the Company.

Paragraph 4 Only people who meet the following conditions, in addition to the legal requirements set out in Article 147 of Law 6404, of December 15, 1976 and regulations and statutory, provided for in the Company's Bylaws, can be a part of the Committee: (a) are over 25 years-old; (b) have clear reputation and notorious knowledge on the markets managed by the Company and/or its subsidiaries; (c) are not part of the Executive Board of the Company or its subsidiaries; (d) are not spouses or second degree relatives of the members of the Company's Executive Board or of persons who have an employment relationship with the Company or its subsidiaries; and (e) do not occupy positions in society in which it can be considered as a competitor of the Company or its subsidiaries, and must not to have, or represent any conflicting interest with the Company or its subsidiaries; (f) Without prejudice to the provisions of this item 4, a person who is owner of share, directly or indirectly, of more than 10% (ten percent) of the voting share capital of the Company or any of its subsidiaries cannot be elected as a member of CAE.

Paragraph 5 The External Members of the Committee should also possess knowledge of auditing, compliance, accounting, taxation and related and/or experience in such activities as well as assessment and risk management, and at least one of them must have expertise in the areas of accounting, finance and audit, who will be assigned as "Financial Expert" in the act of its appointment. At least one (1) of CAE's members must have recognized experience in corporate accounting matters, understood as I – knowledge of the accounting principles generally accepted and of the financial statements; II - ability to apply these principles on key accounting estimates; III - experience in preparing, auditing, analyzing or evaluating financial



statements of similar scope and complexity to those of the Company; IV - educational qualifications compatible with knowledge of corporate accounting required for CAE's activities; and V - knowledge of internal controls and corporate accounting procedures;

Paragraph 6 Having exercised a term of office for any period, CAE's members may only return to such body, of the same company, after the expiration of at least three (3) years after the end of the term of office.

Article 4 In the course of their term of office, the Committee members may be replaced only in the cases provided for in the Company's Bylaws and, in the case of a vacancy for the position(s) of member(s) of the Committee, the Board of Directors shall elect the substitute(s).

Paragraph 1. If any Committee member intends to license up temporarily from office, the Board of Directors shall appoint a third party to replace the member during the license period, with the licensed member, after the license period authorized by the Board of Directors, returning to office to fulfill the rest of its term of office. The replacement of a CAE's member must be reported to CVM within 10 days of its replacement.

Paragraph 2. The substitute of the licensed member, pursuant to Paragraph 1 above, shall meet all the requirements of the law, the regulations and these Regulations concerning the members of the Committee.

Paragraph 3. The duration of the temporary license referred to in Paragraph 1 above shall not exceed the remaining term of the licensed member's term of office, and shall not be counted to calculate the maximum term of ten (10) years mentioned in Article 46, Paragraph 1 of the Company's Bylaws.

Paragraph 4. The exercise of the position of member of the Committee by the licensed member's substitute shall be deemed to calculate the maximum term of ten (10) years referred to in Paragraph 3 above.

Article 5 The Board of Directors will elect, among the members of the Committee, a coordinator, who must represent, organize and coordinate the Committee.



Paragraph 1. The Committee Coordinator is solely responsible for:

- a. call, convene and chair the meetings of the Committee, appointing the Secretary of the Presiding Board among those in attendance, who will be responsible for preparing the minutes of meetings;
- b. represent the Committee in its relationship with the Board of Directors, the Company's Executive Board and its internal and external audits, internal bodies and committees, signing, when necessary, the correspondence, invitations and reports directed to them;
- c. call, on behalf of the Committee, any participants in the meetings, as appropriate; and
- d. comply with and enforce these Regulations.

Paragraph 2. In its absence or temporary impediment, the Coordinator may be replaced by a member appointed by the Committee itself.

Paragraph 3. The Coordinator, or, in his absence or incapacity, another member of the Committee appointed by the Coordinator, accompanied by other members of the Committee when necessary or appropriate, must:

- a. meet with the Board of Directors, through a call notice, at least quarterly, to, among other matters that may be relevant, report the activities of the Committee; and
- b. attend the annual shareholders' meeting of the Company.

Article 6. The Committee shall meet ordinarily at least every two months or extraordinarily at the request of the Coordinator or any of its members, provided that the accounting information be examined by the Committee prior to its disclosure.

Paragraph 1 - The call notices for the Committee meetings will take place with simultaneous forwarding of the agenda, at least three (3) days before the meeting, except for the matters requiring urgent consideration.

Paragraph 2 - The agenda of the meetings will be prepared by the Coordinator, and the other members may suggest additional matters to be considered by the Committee.



Paragraph 3 - The meetings will be carried out with the attendance of the majority of the Committee members.

Paragraph 4 - The recommendations and opinions of the Committee shall be approved by a majority vote of its members.

Paragraph 5 - The Committee's meetings shall be held preferably at the Company's headquarters and can be held at a different location if all members deem appropriate.

Paragraph 6 - Is allowed the attendance to ordinary and extraordinary meetings of the Committee by means of conference call system, video conference or any other means of communication that allows the Committee's member to be identified and allows the simultaneous communication with all other persons attending the meeting. In this case, the members of the Committee will be considered at the meeting and will sign the corresponding minutes.

Article 7. The Committee may call to participate in its meetings, members of the Board of Directors, members of the Executive Board and internal and external employees of the Company who hold relevant information or whose issues, contained in the agenda, are relevant to their area of expertise.

Article 8. The matters, recommendations and opinions of the Committee shall be set out in the minutes of its meetings, which shall be signed by the attending members, and these should include the relevant points of the discussions, the list of the attending, the mention of excused absences, the possible irregularities, the measures requested and any points of disagreement among members.

Sole Paragraph. Supporting documents of meetings shall be filed at the Company's headquarters.

Article 9. The Committee is responsible, among other matters:

- a. for preparing the disciplinary bylaws of operational rules for its operation, submitting it, and its amendments, to the approval of the Board of Directors;



- b. for giving an opinion in the hiring and dismissal of the independent auditor for the development of independent external audit or any other service;
- c. for supervising the activities of the independent auditors, in order to assess: (i) its independence; (ii) the quality of the services provided; and (iii) the adequacy of the services provided to the Company's needs;
- d. for supervising the activities of the Company's internal audit and its subsidiaries, monitoring the effectiveness and adequacy of the structure, and the quality and integrity of the internal and independent audit processes, proposing the actions required to improve them to the Board of Directors;
- e. for supervising the activities of the area that prepares the Company's financial statements and of its subsidiaries;
- f. for monitoring the quality and integrity of the financial statements, the interim financial statements and the financial statements of the Company and its subsidiaries, making the recommendations it deems appropriate to the Board of Directors;
- g. for assisting the Board in the supervisory process of the preparation of the Company's financial statements and other reports required by law, to ensure that such statements and reports comply with the applicable legal requirements
- h. for manifesting itself, prior to the Board of Directors, on the annual report;
- i. for giving opinions, at the request of the Board of Directors, on the proposals made by the management bodies to be submitted to the General Shareholders' Meeting connected to any amendments to the capital stock, issue of debentures or subscription warrants or capital budgets, distribution of dividends, transformation, incorporation, merger, or split-up;
- j. for monitoring the quality and completeness of the information and measurements disclosed based on adjusted accounting data and non-accounting data, which add elements not provided for in the structure of the usual reporting of financial statements;
- k. for assessing the compliance by the Company's Executive Board to the recommendations made by the independent auditors, as well as to comment on the Board of Directors as to possible conflicts between the external audit and/or the Executive Board of the Company;
- l. for meeting with the several Committees, Commissions and the Board of Directors, to discuss policies, practices and procedures identified within their respective competences;



m. for preparing a summarized annual report to be presented together with the financial statements and containing at least the following information:

- (i) the activities carried out in the period, the results and conclusions reached;
- (ii) the assessment of the effectiveness of internal control systems and corporate risk management of the Company;
- (iii) the description of recommendations made to the Company's management and the evidence of its implementation;
- (iv) the assessment of the effectiveness of independent audits;
- (v) the assessment of the quality of the financial, internal control and corporate risk management reports for the period; and
- (vi) any situation in which there is significant divergence between the Company's management, the independent auditors and the Committee regarding the Company's financial statements.

n. for giving an opinion on the matters submitted to it by the Board of Directors, as well as those that it considers relevant.

Article 10. Assess, together with the independent auditors:

- a. the critical accounting policies and practices adopted by the Company in the preparation and disclosure of its financial statements;
- b. the alternative treatments selected for the adoption of accounting principles and practices or the method of its application, according to accounting practices adopted in Brazil and that have been discussed with the Management, and the effects of such treatments;
- c. the adequacy of accounting estimates and significant judgments used by the Management when preparing the financial statements;
- d. the adequacy of risk assessment methods used by the Management and the results of the assessments carried out;



- e. the difficulties found during the audit, including the limits in the implementation of the proposed work, the restriction of access to information and the disagreement with the Management regarding the preparation and dissemination of financial statements and related reports

Article 11 In addition to the above responsibilities set out, the Committee shall: (a) ensure the Company's interests in the context of its duties; (b) analyze the reports issued by the regulatory authorities on the Company; and (c) annually carry out a self-assessment of its activities and identify opportunities for improvement within its work.

Article 12. The provisions of the Code of Conduct in the Securities Trading Policy and in the Company's Act or Material Fact Disclosure Policy applies to members of the Committee.

Article 13. To carry out its duties, the Committee shall have operational autonomy and budget allocation, within the limits approved by the Board of Directors, pursuant to the Company's Bylaws.

Article 14. The members of the Audit Committee shall receive a compensation to be approved by the Board of Directors, consistent with their responsibilities, to the time devoted to their duties, to their competence and professional reputation and to the value of their services in the market.

Article 15. The Audit Committee, in accordance with this Article, will receive complaints, including confidential, internal and external to the Company on matters concerning the scope of its activities.

Paragraph 1. Complaints may be sent by the electronic mail to the XXXXXX@XXXXX, address to be disclosed on the Company's website, in an easy viewing place.

Paragraph 2. The Committee shall, upon request, ensure the whistleblower's confidentiality.



Paragraph 3. It will be up to the Audit Committee to establish the appropriate and necessary measures to investigate the facts and information of the complaint.

Paragraph 4. The conclusions and recommendations of the Committee arising from complaints received by it must be reported by the Coordinator to the Board of Directors whenever the complaints involve the Company's Executive Board.

Article 16. This document must be disclosed on the Company's website after its approval by the Board of Directors.
