

INTERNAL REGULATIONS OF THE AUDIT COMMITTEE

Art. 1. The Audit Committee (“Committee”), instated at an extraordinary Shareholders’ Meeting of Cia. Hering (“Company”) on April 29, 2019, is a statutory advisory body linked directly to the Board of Directors, governed by the applicable laws and regulations, by the provisions of the Company’s bylaws and by these Internal Regulations (“Regulations”).

Art. 2. The Committee shall report to the Board of Directors, and act independently of the Executive Board of the Company.

Art. 3. The members of the Audit Committee shall be elected by the Board for a two (2) year term of office, with reelection being permitted.

Art. 4. The Committee shall have a minimum of three (3) members, at least one (1) of them being an independent director, as defined in the *Novo Mercado* Regulations, and at least one (1) must have recognized experience in corporate accounting, as required by the rules of the Brazilian Securities Commission (“CVM”). The same member can be both independent and an accounting specialist.

§ 1. The duties of Committee members cannot be delegated, and must be exercised in a spirit of loyalty and diligence, avoiding any situations of conflict which might affect the interests of Company and its shareholders.

§ 2. Members of the Committee may not be officers of the Company, or of its subsidiaries, its controlling shareholder, its affiliates or joint ventures, or spouses or relatives to the second degree of members of management, or the technical manager, manager or members of the Company’s audit team.

§ 3. Members of the Audit Committee must meet the requirements of Article 147 of Law No. 6.404, of December 15, 1976, and on taking office shall sign a declaration to this effect.

Art. 5. If there is a vacancy on the Committee because of the dismissal, resignation, death, proven impediment, disability or loss of office of a member, or for other reasons provided for by law, the Coordinator of the Committee or, failing him, any other member, shall request the Chairman of the Board of Directors to call a meeting of the board, within the period determined in the bylaws, to elect a new member for the remainder of the term of office of the member being replaced.

Art. 6. The compensation of members of the Audit Committee shall be fixed by the Board of Directors, in accordance with their responsibilities, the time devoted to their duties, their skills, professional reputation and the value of their services in the market.

Art. 7. The Board of Directors shall elect one of the members of the Committee as a Coordinator, to represent it and organize and coordinate its activities.

§ 1. The duties of the Coordinator of the Committee are:

- a) calling, convening and chairing meetings of the Committee;
- b) representing the Committee in its dealings with the Board of Directors, the Executive Board, internal and independent auditors, and internal bodies and committees and, when necessary, signing correspondence, invitations and reports addressed to them;
- c) inviting outsiders to attend Committee meetings; and
- d) complying with these Regulations and ensuring that the other members of the Committee do the same.

§ 2. The Coordinator may appoint another member as a substitute in his absence or temporary impediment.

§ 3. The Coordinator of the Committee, accompanied by other members of the Committee if necessary or convenient, must:

- a) attend meetings of the Board of Directors, on invitation, at least once a quarter, to report on the Committee's activities and other relevant matters; and
- b) attend the Company's annual shareholders' meetings.

§ 4. In order to comply with item "a" of paragraph 3 of this Art. 7, if the Board of Directors does not invite the Coordinator of the Committee to a meeting at least once a quarter, then the Coordinator must submit a request for a meeting, at least ten (10) days before the end of the period, to the Chairman of the Board, so as to comply with this provision.

Art. 8. The Committee shall have regular meetings at least once every two (2) months, and extraordinary meetings may be called by the Coordinator, or requested in writing by any member. The Company's accounting information must always be analyzed by the Committee before publication, under CVM rules. Committee meetings may be called by any member, if the Coordinator fails to do so within three (3) calendar days of receipt of a request for a meeting to be called. A copy of calls for Committee meetings must be sent to the Chairman of the Board of Directors.

§ 1. Calls for Committee meetings shall be in writing, by email or letter, sent at least three (3) days before the proposed date, giving the time and place and including a detailed agenda. Proposals for the agenda and supporting documentation must be sent to members with the call notice. Calls may be waived if all the Committee members are present at a meeting, or with the prior written consent of the absent members.

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§ 2. If a matter needs to be considered urgently, the Coordinator of the Committee or the Chairman of the Board of Directors may call a meeting at shorter notice than indicated in paragraph 1 of this Art. 8.

§ 3. The agenda for meetings shall be prepared by the Coordinator, but other members may suggest or require other matters for consideration by the Committee to be included.

§ 4. The quorum for meetings is a majority of the members.

§5. If there is no quorum, the Coordinator shall call a new meeting, for which no quorum is required, if the matter to be dealt with is urgent.

§ 6. Committee recommendations, opinions and reports shall be approved by a majority of the votes of members in attendance at the meeting in question.

§ 7. Committee meetings shall preferably be held at the Company offices, but may also be held elsewhere if the members deem convenient, in which case the Chairman of the Board of Directors must be informed.

§ 8. Regular and extraordinary Committee meetings may be attended by conference call, videoconference or any other means of communication which enables the member to be identified and to communicate simultaneously with all the others present at the meeting. In this case, members shall be considered to be in attendance and must sign the minutes subsequently.

Art. 9. The Committee may invite to its meetings directors and officers of the Company, employees and external stakeholders, and anyone else with material information or knowledge of matters on the agenda.

Art. 10. Matters, guidelines, discussions, recommendations and opinions of the Committee shall be minuted, and the minutes must be signed by the Committee members present. The minutes must include significant points of the discussions, a list of those in attendance, mention of justified absences, measures recommended and any points of disagreement between the members.

Sole paragraph. Supporting documents for meetings shall be filed at Company headquarters.

Art. 11. The Secretary of the Audit Committee shall be responsible for drafting the minutes and for providing any assistance necessary for the Committee to function, carrying out requests from members.

Art. 12. The Committee's duties include: a) to express an opinion on the engagement and dismissal of an independent auditor to audit the books or for any other service, and to confirm their independence, their ability to meet the needs of the Company and the quality of the services; b) to evaluate the quarterly information, interim statements and financial statements prepared by the Company from time to time; c) to oversee the

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activities of the internal controls area, internal audit and the external auditors; d) to assess and monitor exposure to risk; e) to assess and monitor the Company's internal policies, including the policy for transactions with related parties, and to recommend any changes or improvements to the Board of Directors; f) to assess and monitor the methods of receiving and handling information about violations of the law or Company ordinances, including its internal regulations, the whistleblowing channel and specific procedures for protecting whistleblowers and the confidentiality of the information; g) to prepare a brief annual report, to be issued together with the financial statements, with as a minimum information about meetings held and the key matters discussed, highlighting the recommendations made by the Committee to the Board of Directors; h) to express an opinion on any other matters submitted to it by the Board of Directors, and on issues that it considers to be of importance; i) to ensure that it is effective and has the structure necessary to carry out its functions; j) to assess and monitor the propriety of the Company's transactions with related parties; k) to encourage a climate of compliance, integrity and ethics and relate it to the identity of the Company; and l) to oversee compliance with the code of conduct and monitor and oversee the ethics channel.

Art. 13. In addition to the above duties, the Committee must: a) look out for the Company's interests, to the extent of its powers; and b) read the reports issued by regulators about the Company, to the extent that they affect perception of matters concerning the Committee, as indicated in these Regulations and in the applicable ordinances.

Art. 14. Each year the Committee must approve a schedule of activities for the year in question, which may be amended during the year at the request of one or more members.

Art. 15. The Committee shall have access to the information it needs and shall enjoy operating autonomy in performing its functions, and shall be given an annual budget with limits approved by the Board of Directors to pay for the advice, assessments or investigations that may be necessary, including hiring and utilizing independent external specialists.

Art. 16. Any omissions in these Regulations or uncertainties about the interpretation of its provisions shall be analyzed and decided by the Board of Directors.

Art. 17. These Regulations shall come into force on the date of their approval by the Board, and a copy shall be filed at the head office of the Company.

São Paulo, SP, May 8, 2019.