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INTERNAL REGULATIONS OF THE STRATEGY COMMITTEE

APPROVED IN BDM OF 07/27/2016

CHAPTER I – THE COMMITTEE

Art. 1. The Strategy Committee (the “Committee”) is a non-statutory body, subordinated to the Board of Directors, established and governed in accordance with the present Internal Regulations, with the purpose of fulfilling the assignments referred to in Chapter IV.

Art. 2. The Committee assignments shall not compete with or otherwise affect the assignments of the Board of Directors, the Finance Committee (if any) and the Executive Board of the Company.

Sole paragraph. The Committee is not a decision-making body, thus acting only as an advisor to the Board of Directors.

CHAPTER II – COMPOSITION

Art. 3. The Committee shall be formed by, at least, 3 (three) and, at most, five (5) members, of which at least one (1) must be a Board member.

Art. 4. Committee members may be elected or removed at any time by the Board of Directors. The offices shall be held for two (2) years, coinciding with the terms of the Board of Directors itself, with extension permitted until the appointment of their successors, and reelection allowed.

Sole Paragraph. The Board of Directors shall appoint, among Committee members, a coordinator with the powers set out in Chapter IV below, in addition to those applicable to other members.

Art. 5. May integrate the Committee: (i) members of Board of Directors or the Executive Board of the Company; and (ii) professionals with proven knowledge in the core business of the Company.

Art. 6. In the event of definitive impediment or vacancy in the office of Committee members, the Board of Directors may appoint a substitute at the next meeting of the Board held by the Company.

Art. 7. The Committee may hire external Consultants, ensuring the integrity and confidentiality of the works. However, the contributions of external Consultants shall not exempt the Committee from its responsibilities. The hiring of external consultants is subject to the prior consent of the Chief Executive Officer of the Company.

Art. 8. Committee members are not entitled to any compensation for the services provided.

CHAPTER III – OPERATION

Art. 9. The Committee shall meet ordinarily every quarter and extraordinarily whenever called by the coordinator at the request of any of the Committee members. The meetings of the Committee may be held via conference call, video conference or by any other means of communication that allows the identification of the member and the simultaneous communication with all other participants in the meeting.

Sole paragraph – The call for Committee meetings shall be made with at least 48 (forty-eight) hours in advance, and shall inform the place, date and the agenda thereof.

Art. 10. The meetings attended by all members are hereby exempt from call obligations.

Art. 11. Committee meetings shall be held at the Company's head offices or at any other location determined by the members, and shall be established upon the presence of the majority of its members.

Art. 12. The Committee may (i) participate in meeting sessions of the Board of Directors whenever called by the Chairman of the Board; (ii) schedule meetings with the Executive Board of the Company whenever necessary; and (iii) request to the Board information about the Company directly related to the assignments referred to in Chapter IV.

Art. 13. Committee resolutions shall be approved by simple majority, and, in the case of a draw, its coordinator shall be entitled the casting vote.

Sole paragraph. The Committee's recommendations and the results of their discussions shall be consolidated by the Coordinator in a report to be submitted to the Board of Directors, which may, at its discretion, apply them in the formulation and / or monitoring of the Company's Strategy Plan.

CHAPTER IV – RESPONSABILITIES

Art. 14. The Committee is responsible for:

I. Advising the Board of Directors in the preparation of the Strategic Plan, suggesting policies, guidelines and strategic, tactical and operational actions for the Company and its business units;

II. Issuing opinion and recommendations on strategic guidelines, thus assisting the decisions of the Board of Directors;

III. Reviewing investment opportunities presented by the Executive Board with high impact on the business, as well as issuing opinion and recommendations on investment opportunities, supporting discussions and decisions of the Board; and

IV. Regarding the budget of the current year:

- a. Proposing budgetary guidelines to the Board of Directors;
- b. Conducting deep discussions with the Executive Board of the Company in order to define the budgetary guidelines; and
- c. Issuing opinion on the budget of the current year to the Board of Directors, after discussion with the Executive Board of the Company.

Art. 15. The Committee coordinator shall be responsible for:

I. Calling and coordinating Committee meetings;

II. Inviting other participants to Committee meetings;

- III. Representing the Committee before the Board of Directors;
- IV. Preparing the Recommendations Report;
- V. Complying with and enforcing these Internal Regulations.

CHAPTER V – GENERAL PROVISIONS

Art. 16. Committee members shall observe the legal duties inherent to the position and base their conduct on high ethical standards, being expected to always:

- I. Comply with the provisions of Art. 147 and observe the rules applicable to directors of public companies referred to in Arts. 153 to 159 of the Law of Corporations; and
- II. Comply with the Bylaws of the Company, this Internal Regulations, the Securities Trading Policy, the Disclosure Policy of Relevant Acts and Facts, the Code of Conduct and Ethics and all other policies of the Company.

Art. 17. Cases not addressed by this Internal Regulations shall be resolved by the Board of Directors.