

## INTERNAL REGULATIONS OF THE AUDIT COMMITTEE OF RAIA DROGASIL S.A.

### PURPOSE

1. The purpose of these Internal Regulations ('Internal Regulations') is to set out rules for the operation of the Audit Committee of Raia Drogasil S.A. ('Company' or 'RD' and 'Committee'), defining its responsibilities and attributions, pursuant to the laws in force, the regulations of the Brazilian Securities Commission ('CVM'), the Company's Bylaws, as well as the Shareholders' Agreement, the B3 S.A. *Novo Mercado* Listing Regulation ('*Novo Mercado* Regulation'), and the best corporate governance practices.
2. The Committee is an advisory body of the **Board of Directors** ('Board'), of non statutory and permanent nature, provided with operational autonomy and its own budget. The objective of the Committee is to provide consultancy to the Board within the powers defined herein.

### MISSION AND POWERS

3. The Committee's mission is to assist, within its powers, the Board in exercising its responsibilities, with full knowledge of the Company's principles and values and shareholders' and stakeholders' purposes and beliefs, enforcing their effective application and also enforcing the adoption of and improvement in the best corporate governance practices.
4. The Committee is a consulting and advisory body, does not have any decision-making or management power, and its recommendations shall not bind in any way the Company, investee companies or any other management body of the Company. Regardless of the technical content of its activities, the Committee shall not make decisions, but only review the matters within its powers, bring up and provide insights, and prepare its proposals and recommendations for the resolutions of the Board of Directors. The material necessary to be examined by the Board shall be presented by the Committee together with the recommendation for approval or not, for which the Board may request additional information, if deemed necessary.

### COMMITTEE'S POWERS

5. The Committee shall have the following duties and responsibilities, besides others that may be attributed by the Board:
  - (i) give its opinion on the hiring and termination of independent audit services by an audit firm, besides its hiring for any other service according to the Policy for Hiring Services Beyond Company's Audit: analyze the scope and focus proposed by independent auditors and evaluate their compensation and the results of the services provided, supervising their activities, in order to evaluate: (i) their independence; (ii) the quality of the services provided; and (iii) the adequacy of services provided to the Company's

- needs; besides monitoring the solution to specific issues raised by the independent auditors when doing their job;
- (ii) evaluate the quarterly information, interim financial statements and general financial statements, including those of investee companies, when they show an impact on the Company's results;
  - (iii) follow the Annual Plan of the Internal Audit and the activities of the area, evaluating and monitoring its recommendations and solutions to the issues raised;
  - (iv) monitoring the activities of the Company's internal controls area;
  - (v) evaluate and monitor the overall risk exposures and risk management of the company (and of investee companies, when showing potential impact on the Company), including environmental risks and those related to cyber security, technology, protection and data;
  - (vi) evaluate and submit related party transactions to the Board of Directors;
  - (vii) evaluate, monitor and recommend to the Administrators the correction of or improvement in the Company's internal policies;
  - (viii) have means to receive, retain and process information on non compliance with legal and regulatory provisions applicable to the Company, besides internal regulations and codes, including the development of specific procedures to protect the whistleblower and information confidentiality, by monitoring the Compliance and *Canal Conversa Ética* (anonymous ethics hotline) processes;
  - (ix) report to the Board, on an annual basis, on the Committee's summary report on the meetings held and matters discussed, highlighting the recommendations, as well as the quarterly report on its activities.

**Sole Paragraph** - The areas of Risk Management, Internal Controls, Compliance and Internal Audit shall account for their performance to the Committee, and shall meet the demands and make clarifications whenever requested by the Leader.

## COMPOSITION

**6.** The Committee shall be comprised of a minimum of 3 (three) members appointed by the Board, of which:

- (i) at least 1 (one) member shall be an Independent Director, as defined by the *Novo Mercado* Regulations;
- (ii) at least 1 (one) member shall have proven experience in corporate accounting matters according to the regulations issued by CVM, which provide for the registration and performance of the independent audit activity;
- (iii) 1 (one) of the members may perform the two functions described in items (i) and (ii) above.

**7.** The Company's officers, officers of controlled companies, its controlling shareholder, associated companies or joint ventures are forbidden to be a member of the Audit Committee.

**8.** In order to prove his/her experience in corporate accounting matters, the expert member of the Committee shall have:

- (a) knowledge of generally accepted accounting principles and of the financial statements;
- (b) ability to evaluate the application of such principles in relation to the main accounting estimates;
- (c) experience in preparing, auditing, analyzing or evaluating financial statements that have scope and complexity levels comparable to the Company's;
- (d) education background compatible with the corporate accounting knowledge needed for the Committee's activities; and
- (e) knowledge of internal controls and corporate accounting procedures.

**9.** The Committee shall be coordinated by a Leader nominated by the time of the appointment of Committee members by the Board.

**10.** Committee members are appointed for a term of office of 2 (two) years, which may be renewed for the same period of time. Committee members shall hold office until their successors are appointed and take office or until their removal from office by resolution of the Board of Directors.

**11.** In the event of a permanent vacancy that occurs during the term of office of any Committee member, a new Board meeting shall be called within 30 (thirty) days from the date of the referred vacancy to appoint a substitute, who shall assume the vacancy and complete the remaining term of office.

**12.** The permanent vacancy in any Committee member office shall occur by reason of removal, resignation, disability or death, proven impediment, loss of office or other circumstances provided for by law.

**13.** In the event a Committee member decides to resign his/her office, such resignation shall be notified in writing to the Chairperson of the Board, becoming effective upon this notification, unless otherwise provided.

**14.** The Committee shall have 1 (one) secretary to take the minutes of its meetings, who may or not be a Committee member.

#### **DUTIES OF THE COMMITTEE MEMBERS AND SUPPORTING EMPLOYEES**

**15.** During their office, Committee members shall:

- (i) exercise, when performing their duties, the care and diligence that could reasonably be expected from any active and principled person when analyzing one's own business;
- (ii) attend the meetings of the Committees previously prepared, with analysis of the documents in hand, and participate in such meetings actively and diligently.
- (iii) get acquainted with the analyses and resolutions of prior meetings they have missed;
- (iv) avoid conflict situations that may affect the Company's and its shareholders' interests. The Committee member that has any conflict of interest in any matter being discussed or resolved in a meeting shall immediately communicate his/her conflict of interest or private interest to the other members and abstain from participating in the discussions about and vote on such matter.
- (v) hold in confidence any and all information obtained about the Company by virtue of their position, using it only to perform their duties as Committee member, under penalty of being held responsible for its undue disclosure, as well as demanding the same confidential treatment from the professionals that assist them, using it only to perform their duties as Committee member;
- (vi) act as custodians of the Company's tangible and intangible assets independently and actively helping the Board to perform its functions and duties so as to add transparency, trust and value to the Company, following the best corporate governance practices; and
- (vii) give opinions and make clarifications to the Company's Board, when requested.

**16.** It is the duty of the Committee's Leader to:

- (i) call, set the agenda for, and coordinate the Committee's meetings;
- (ii) comply with and enforce these Internal Regulations and the applicable regulations;
- (iii) represent the Committee in acts within its powers; and
- (iv) count the votes and announce the result.

**17.** The Committee shall be assisted by the Board of Directors' Secretariat, who shall:

- (i) support the Committee's Leader in setting the agendas, prepare and send the calls, take care of the access to and availability of the documentation related to the agenda;
- (ii) take the administrative measures necessary for meetings to be held;
- (iii) take the minutes of meetings, recording the key points of discussions and the resolutions, making them available to the Board whenever necessary;
- (iv) keep records of minutes and documents used in the Committee's meetings;
- (v) meet the Committee's members' requests for data and information;
- (vi) record the Committee's requests and recommendations, as well as monitor pending matters, presenting them to the Leader.

**18.** The Company's internal audit area shall:

- (i) Report its activities to the Board through the Committee;
- (ii) Perform the duties approved by the Board;
- (iii) Have a structure and budgets deemed sufficient to perform its functions, according to evaluation carried out by the Committee at least once a year;
- (iv) Be responsible for evaluating the quality and effectiveness of the Company's risk management processes, internal controls and governance.

#### **BUDGET**

**19.** The Committee shall have its own budget, approved by the Board, designed to cover expenses with its operation and with hiring consultants for accounting, legal or other matters, when the opinion of an external or independent expert is needed.

#### **OPERATION**

**20.** The committee shall meet periodically, at least 6 (six) times a year, and in extraordinary session whenever convened by the Leader on his/her own initiative or upon request by any of the other members of the Committee or the Board. Committee meetings may be held by conference call, video conference or by any other means of communication that allow the identification of members and simultaneous communication with all the other attendees.

**Sole Paragraph** - The Committee's activities shall follow the Annual Work Plan, to be formulated in the beginning of each accounting period.

**21.** The Committee, through its Leader, may invite to participate in its meetings administrators of the Company, as well as employees and consultants, or even internal or independent auditors that have relevant information related to the matters on the agenda and pertaining to the matters under their responsibility.

**22.** The Committee shall recommend to the Board the hiring of external consultancy or advice, and the Board shall be responsible for approving or not the hiring.

**23.** The Committee shall meet separately with independent auditors on a quarterly basis. Meetings with the internal audit shall be held whenever necessary upon request of the Audit Committee.

**24.** The Committee shall meet whenever called by any of its members no later than 3 (three) days prior to the day of the meeting by letter with return receipt, electronic mail or any other valid online or virtual means. The notice of call shall include the date, place, time and matters to be discussed, and the meeting will require a quorum of 3 (three) members to be held.

**First Paragraph.** Committee meetings may be in-person or online, and all members shall

have their participation ensured as described in the notice of call.

**25.** The Committee shall regularly report its activities and recommendations to the Board on a quarterly basis, and in extraordinary session whenever deemed necessary.

**26.** The formalities of calls shall be waived when all the Committee members are present.

**27.** The Committee's recommendations and opinions shall only be valid when decided by a majority vote of members present.

**28.** All Committee meetings shall have their minutes taken, clearly written, containing the record of discussions, opinions and recommendations, persons present, dissenting votes and abstentions. The minutes shall be electronically formalized and made available to all Committee members for potential comments; if no request for amendment is received within 5 business days from its release, the minutes shall be deemed approved by all.

**29.** Committee members may receive compensation for performing their functions, to be established by the Board, in accordance with the global compensation approved by the General Meeting of Shareholders.

**30.** All Committee meetings shall be confidential. Matters deemed confidential and strategic are those concerning commercial information not disclosed to the general public; knowledge of technologies; information on commercial contracts, whether or not containing a confidentiality clause; relevant negotiations under analysis; information about products, markets and prices; strategic business plans; and strategic management guidelines.

#### **MISCELLANEOUS**

**31.** These Internal Regulations may only be amended by a resolution of the Board, by changes in the relevant laws in force, in the Bylaws, in the Shareholders' Agreement, in the rules applicable to the capital market or in the Company's corporate governance system.

**32.** In case of omission of these Internal Regulations, the Board of Directors' Charter or the resolutions of the Board for specific situations not covered by the referred Charter shall apply, as the case may be.

**33.** These Internal Regulations shall become effective on the date of its approval by the Board, and shall be disclosed to the market and filed in the Company head office.

**34.** In case of conflict between provisions of these Internal Regulations and the Company's Bylaws, the latter shall prevail. Omissions shall be resolved by the Board of Directors.