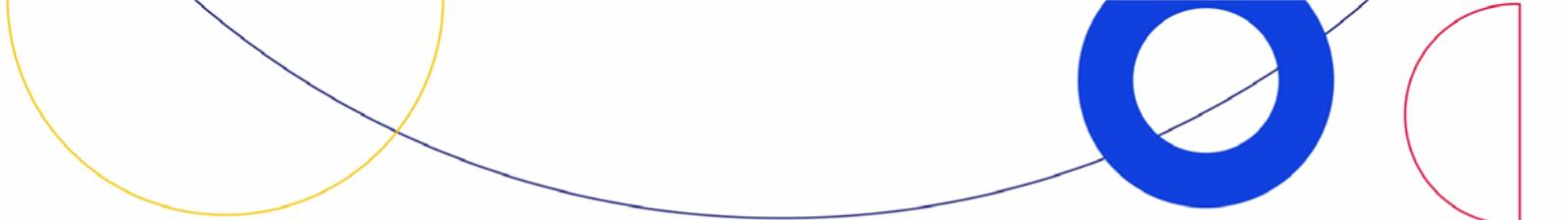


INTERNAL REGULATIONS OF THE AUDIT BOARD

Grendene[®]

[B]³ BRASIL
BOLSA
BALCÃO



GRENDENE S.A.
Publicly Held Company
CNPJ nº 89.850.341/0001-60 – NIRE nº 23300021118-CE

Internal Regulations of the Board of Directors

Chapter I

Purpose

1. The purpose of these Regulations is to govern the functioning of the Audit Board, based on the legislation from time to time in force and on Grendene's Bylaws, its Code of Conduct, its Policy for Trading in Securities issued by Grendene, and its Policy for Disclosure of Material Events, and to orient members of the Audit Board in performance of their activities – when the Audit Board is called into existence by a decision to that effect by a General Meeting of Stockholders.

Chapter II

Functioning structure

2. The Audit Board, when sitting, comprises 3 (three) Sitting Members and an equal number of Substitute Members, who may be stockholders, and are elected by the General Meeting of Stockholders.

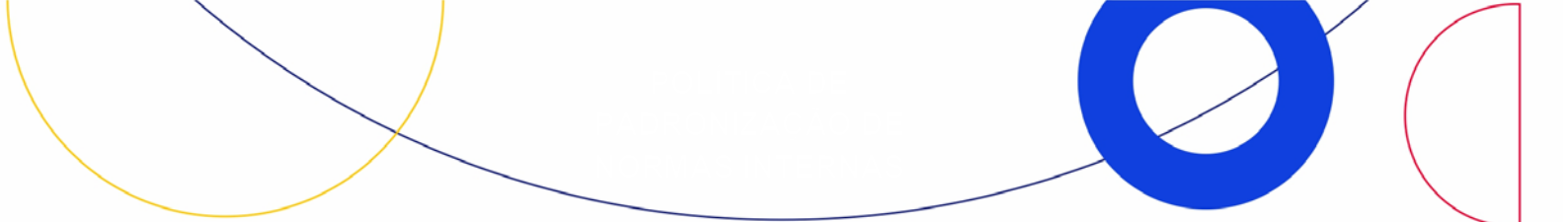
a) The Board Members shall, at their first meeting, by majority consensus elect the Chair of the Audit Board, in accordance with Clause 30, Paragraph 2 of the Company's Bylaws.

b) If the Chair is at any time temporarily impeded from activity, the other Board Members present at the meeting shall, by consensus or majority, choose the Chair for that meeting. In the event of permanent impediment, a new election shall be held to appoint the Chair, now including the Substitute Member, acting as Sitting Member.

c) Substitute Members of the Audit Board shall take part in meetings only when they are replacing the Sitting Member due to impediment. The call to a Substitute Member to take part in a meeting shall be made by the Chair of the Audit Board within 3 (three) business days' prior to the date scheduled for the meeting.

d) In the event of resignation or permanent impediment of a Sitting Member of the Audit Board, his/her replacement shall be called by the Chair or by the Management to take over the function, as a Sitting Member, until the end of the period of office.

e) Whenever a Substitute Member participated in a meeting of the Audit Board, he/she shall sign the Statement of Appointment and all the other documents specified for signature in these regulations.



f) Meetings of the Audit Board shall be in session when the majority of its Sitting Members are present. Members of the Audit Board shall be considered present when they state their vote through a delegation made in favor of another member of that Board, or by prior written vote, or by any other means of express communication.

g) If the quorum established above is not met, a new meeting shall be called, which shall be in session with any number of persons present, and shall take place in accordance with the urgency required for the subject to be dealt with.

h) Decisions of the Audit Board shall be valid only when taken by absolute majority of the votes of those present, as per Clause 30, Paragraph 3 of the Company's Bylaws. Any members voting in the minority may have their vote recorded in the Minutes of the meeting in question.

i) In the event of a tie, the Chair of the Audit Board shall have the casting vote.

Chapter III

Assumption of office

3. Elected Members of the Audit Board shall be invested in their posts as Sitting Members upon signature of the following documents:

a) Term of Appointment, in the Book of Minutes of Meetings of the Audit Board.

b) Term of Agreement to the Listing Regulations of the Novo Mercado of the São Paulo Exchange, through which they state their agreement with the terms and conditions established in the Regulations of the Arbitration Chamber.

c) Term of Acceptance of Grendene's Policy for Disclosure of Information on Material Facts or Events.

d) Term of Acceptance of the Policy for Trading in Grendene's Securities, in accordance with CVM Instruction 358/02.

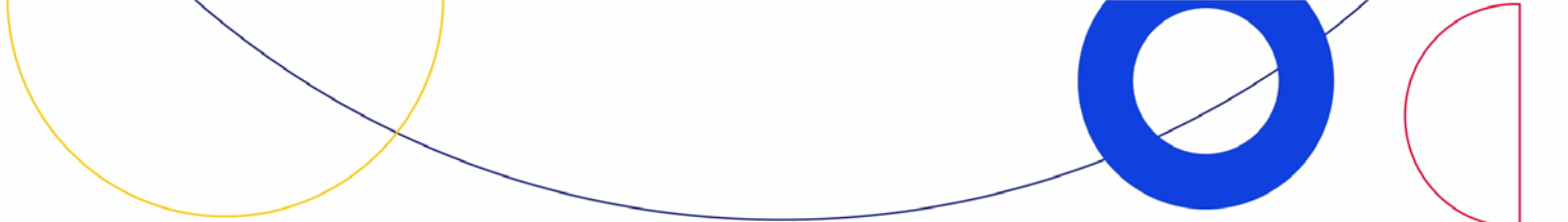
e) Statement of Non-impediment under Article 147 of Law 6404/76, containing statements that the member:

i) is not impeded by any special law, nor has been convicted for any crime related to bankruptcy, obstruction for gain, bribery, graft, embezzlement, or crime against the public economy or against public good faith or property, or suffered any criminal penalty;

ii) has not been subjected to the penalty of suspension or temporary disqualification applied by the Brazilian Securities Commission (CVM) such as makes him/her non-eligible for, or unable to occupy, a position in a Listed Company;

iii) is compliant with the requirement for unblemished reputation; and

iv) does not occupy a position in any company that might be considered to be a competitor of the Company, and neither has nor represents a conflict of interest with that of the Company itself or its other stockholders.



4. If any fact or event specified in the documents listed above takes place during the period of office of a Member of the Audit Board, the Member must advise the Chair of the Audit Board and the Chair of the Board of Directors, describing the circumstances and his/her position in relation to his/her post and period of office.

5. The members of the Audit Board shall carry out their functions exclusively in the interest of the Company, and not in the individual interests of the stockholders nor of the group of stockholders which appointed them to their positions.

Chapter IV

Responsibilities and duties

6. Under Article 163 of Law 6404/76, the following are attributions of the Audit Board:

a) to monitor and inspect, through any one of its members, the acts of the managers and to verify compliance with their duties under the law and Bylaws;

b) to give opinion on the annual report of management, and to include in such opinion any such complementary information that it deems to be necessary or useful to the decision of the General Meeting of Stockholders;

c) to give opinion on any proposals made by the bodies of management, to be submitted to the General Meeting of Stockholders, in relation to change in the share capital, issuance of debentures or warrants, investment plans and/or capital budgets, distribution of dividends and/or Interest on Equity, transformation, absorption, merger or split;

d) to report such errors, frauds or crimes as they discover to the management bodies, through any one of its members, and if these do not take the measures necessary for the protection of the interests of the Company, to the General Meeting of Stockholders, and to suggest measures that would be useful to the Company;

e) to call the Annual General Meeting, if the management bodies delay its convocation by more than 1 (one) month, and to call an Extraordinary Meeting of Stockholders whenever there are serious or urgent reasons, and include on the agenda of such Meetings whatever matters they consider to be necessary;

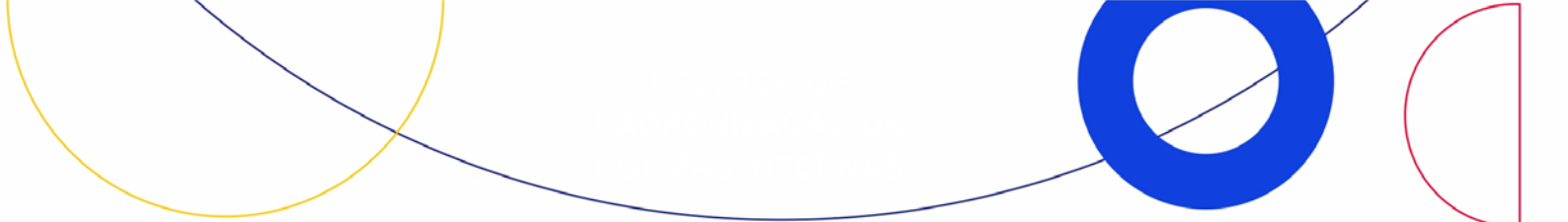
f) to analyze, at least quarterly, a trial balance and other financial statements prepared periodically by the Company;

g) to examine the financial statements for the business year and to give opinion on them;

h) to call for the presence of the External Auditors of the Company at meetings, when necessary, for any explanations or information in relation to the financial statements and/or opinions;

i) to carry out these functions during liquidation, having in mind the special provisions that regulate that procedure.

j) Also, at least 1 (one) of the members of the Audit Board must be present at Meetings of the Board of Directors that decide on any subject referred to in items (b), (c) and (g) above; and



k) at least 1 (one) of the members of the Audit Board must attend the General Meeting of Stockholders.

§1 - The function of member of the Audit Board may not be delegated, nor may the duties, attributions and/or powers that are conferred by law be transferred, in any way, to any other body of the Company.

§2 - The Audit Board does not have the competency to consider the content of the corporate management, that is to say, it is not for the Audit Board to go into judgment on the merit or appropriateness of the business decisions taken by the managers, but rather to observe, inspect and comply with the Bylaws, the Law and decisions of the regulatory bodies.

§3 - There is no requirement for the Audit Board in any way to analyze or approve the preparation of any business policies, or any strategic planning.

§4 - Information requested from the managers by the Audit Board shall at all times be related to the Audit Board's function of inspection and monitoring, and to exercise of the competency for which the Audit Board was elected.

Chapter V

Competencies and duties of the Chair of the Audit Board

7. The following are competencies and duties of the Chair of the Audit Board:

- a) to call and to preside over the meetings of the Audit Board;
- b) to assess and decide the subjects to be discussed in meetings, and to include on the agenda the matters to be decided;
- c) to comply with the Internal Regulations of the Audit Board, and to cause them to be complied with;
- d) to authorize decision on matters not included in the agenda of a meeting;
- e) to represent the Audit Board in meetings to which he is called to participate by reason of a provision of law or at the request of any other body of the Company.
- f) to prepare the minutes of the meetings of the Audit Board or to appoint a Secretary from among the other Board members, who shall be responsible for their preparation;
- g) to ask the bodies of management, or the Company's external auditors, upon request (in writing and with grounds) by any of its members, for any explanation or information that is necessary for the exercise of his/her duties, and/or for the preparation of any special accounting or financial statements;
- h) to invite members of the management of the Company to participate in meetings;
- i) to respond, always in writing, to whatever is requested of him/her by stockholders of the Company based on Paragraph 6 of Article 163 of Law 6404/76.



Chapter VI

Support

8. The Audit Board shall have a support structure made available by the Company, which shall provide support as follows:

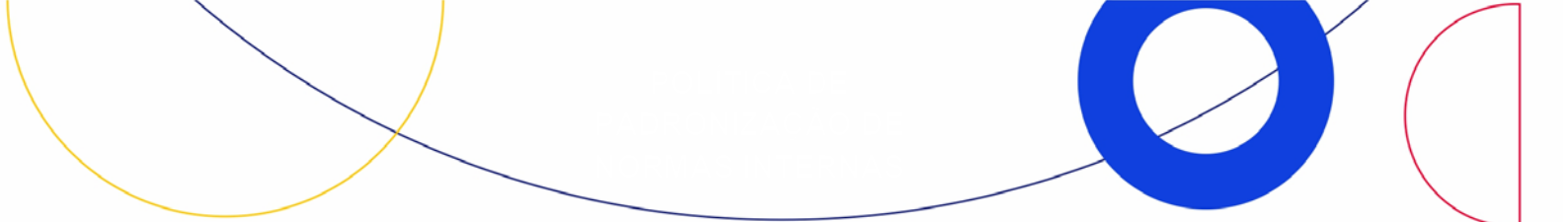
- a) support to the Chair of the Audit Board or the Secretary appointed by the Chair, in preparing minutes, recording them in the specific book for the purpose, and collecting the signatures of the Board Members;
- b) support by asking the Board Members, with the frequency necessary, for the information which they have the duty of providing in the exercise of their activities, especially the information required by the CVM and Bovespa;
- c) by designating an employee responsible for maintaining a file structure, specific for subjects of the Audit Board, providing access exclusively to its members;
- d) by including the dates of the ordinary meetings in the Company's annual calendar;
- e) by giving support in the structuring of such other meetings of the Audit Board as are scheduled over the business year;
- f) by sending an alert to the Board Members, by email or any other electronic means, when the following are made available on the Company's website: i) Quarterly Accounting Information, prepared in accordance with the requirements of the Securities Commission, and supported by the Report of the Independent Auditors and approval of the Executive Board and Board of Directors; ii) Minutes of the Board of Directors; iii) Material Announcements; and other pertinent documents; and
- g) by providing the logistical support of travel and accommodation of the Members of the Audit Board at the Company's expense.

Chapter VII

Requirements for the position of Member of Audit Board

9. A person who is a Member of the Audit Board must:

- a) be a private individual, resident in Brazil;
- b) be a person of unblemished reputation;
- c) not be subject to any impediment preventing him/her from holding the position;
- d) not have been convicted for any crime or misdemeanor;
- e) not be a member of any management body, or an employee, of the Company, or of a subsidiary or of a company of the same group, or a spouse or relative up to the third degree of any manager of the Company;
- f) have a diploma from a university level course, or have held a post of company manager or Audit Board Member for a minimum of 3 (three) years; and



g) be capable of analyzing and issuing opinions on the financial statements.

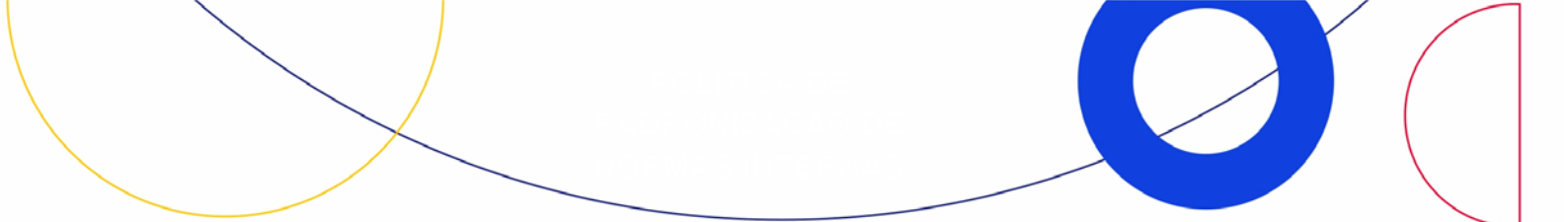
§1 - The requirements set by law for membership of an Audit Board shall be stated in the related 'Book of Minutes and Opinions' of the Audit Board, at the time of its members taking office.

Chapter VIII

Competencies and duties of a Member of the Audit Board

10. In the exercise of their positions, the Members of the Audit Board shall comply with the following:

- a) They shall carry out their functions obeying the duties of loyalty and diligence set out by law, within the legal limits, contributing to defense of the interests of the Company and of all the stockholders, without distinction, and avoiding any situations of conflict that could affect the interests of the Company.
- b) During meetings, any sitting member of the Audit Board may request and examine, individually, all such corporate documents as he/she deems necessary for the exercise of his/her functions, and may make annotations and remarks, which shall be discussed and decided upon in the related meetings. Requests for corporate documents must be presented to the management bodies of the Company with grounds, with due period of notice, and shall be signed by the Chair or his/her substitute, of the Audit Board.
- c) Examination of the documents shall be permitted only on the premises of Grendene at Farroupilha, Rio Grande do Sul, and no copying, photography or reproduction of them by any means shall be permitted.
- d) Any documents or information that have not yet been published in accordance with the law, have been but placed at the disposal of the Audit Board by the Company's management, shall be kept confidential, with a view to safeguarding the interests of the Company, its stockholders and the Market, and may not be published to third parties, and any member of the Audit Board who makes any such disclosure shall be made liable for such act.
- e) Members of the Audit Board may request information and/or explanations about the business of the company, provided that such information is in relation to its function of inspection and monitoring, and that grounds are given for the request, and such request is sent to the Company's management and/or external auditors, against signed receipt.
- f) When requested, members of the Audit Board must attend meetings of the Board of Directors or of the Executive Board, and shall provide such support and grounds as are necessary for the decisions of the Board of Directors or the Executive Board as the case may be.
- g) Members of the Audit Board shall obey the Company's annual calendar of corporate events, published on its website and on the CVM system, especially the dates of the Meetings of the Board of Directors, the Meetings of the Executive Board, General Meetings of Stockholders and publication of results, and adapt the calendar governing meetings of the Audit Board and governing issuance of its opinion in such a way as not to delay or hamper the carrying out of the Company's various events.



h) Members of the Audit Board shall comply with these Internal Regulations.

Chapter IX

Matters prohibited

11. Members of the Audit Board are prohibited from directly or indirectly participating in trading in securities issued by the Company, or related to such securities at the following times:

- a) before disclosure to the market of a Material Announcement of any fact or event that is material to the Company;
- b) within the 15 (fifteen) days prior to publication of the Company's quarterly information (ITR) and/or annual financial statements (DFP and Reference Form);
- c) whenever there is intention to arrange for absorption, total or partial split, merger, transformation of stockholding reorganization; and
- d) during any process of acquisition or disposal of shares in the Company, exclusively on the date on which the Company is negotiating or trading.

12. Further, members of the Audit Board may not contract loans from, or make advances to, the Company or any one of its Subsidiaries, and such prohibition extends to the member's spouse and relatives up to the second degree.

Chapter X

Meetings

13. The Audit Board shall meet ordinarily once each quarter of the year and, when necessary, extraordinarily, upon convocation by its Chair, or by the majority of the other sitting members.

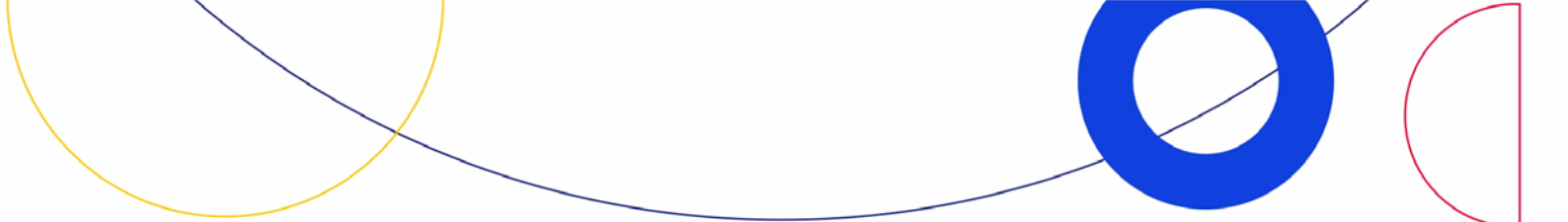
a) Meetings shall be called in writing by the Chair of the Audit Board, with at least 5 (five) business days' prior notice, and the convocation shall include indication of the matters to be dealt with in the meeting, and convocation shall not be required in the event that all of its members attend the meeting.

b) The Audit Board shall be validly in session, and decisions shall be valid, when the majority of its members is present.

c) Members may take part in the ordinary and extraordinary meeting through a conference call or video conference system, provided they subsequently sign the related Minutes.

d) The Audit Board may call a member of the management of the Company to attend the meeting of the Audit Board to provide explanations or information and to facilitate understanding of the corporate documents.

e) In the event that a member of the management is unable to attend the meeting the explanations may be made in writing.



f) The member of the management designated to provide information to the Audit Board may, at his or her own option, be accompanied by members of his/her team if he/she believes that this will facilitate the explanations or information.

14. In the ordinary and extraordinary meetings of the Audit Board when the matters to be considered are of an urgent nature, the minimum notice period of 5 (five) business days for convocation and remittance of copies of documents, specified in item 11(a) above, may be waived if the totality of its members are present at the meeting.

15. The meetings of the Audit Board must be transcribed in Minutes to be written in a book maintained specifically for the purpose and signed by the members and representatives of management when present. The Minutes may be written in summary form, containing the subjects on the Agenda, decisions, counting of votes, listings of those present and justifications for absences.

16. The Meetings of the Audit Board shall be carried out on the premises of Grendene in Farroupilha, Rio Grande do Sul, or, if all the Members deem it appropriate, at another location.

17. At the option of its members, the Audit Board may opt to present an opinion or its comments and analysis, as the case may be, without the formal holding of a meeting. In this event, the members of the Audit Board must receive the documents and information necessary, and must present opinion, comments or analysis, as the case may be, in writing. This procedure does not apply to the ordinary annual meeting (decision on the opinion), holding of which is mandatory, nor to meetings which require decisions by the Audit Board that must at all times be made by committee decision as required by Law.

Chapter XI

Request for information, explanations and statements

18. The Board, through its Chair, upon request (in writing and with grounds) from any one of its members, shall ask the management bodies, or the Company's external auditors, for such explanations or information as may be necessary to the carrying out of its duties, and for preparation of special financial or accounting statements.

§1 - If the Board decides that a request for information is inappropriate, or is invalid or should be refused, the request shall, even so, be sent to the management of the Company, but accompanied by a summary of the minutes of the meeting that examined the request

19. Whenever requested in writing through its Chair, the Audit Board shall provide whatever is requested of it by stockholders of the Company based on Paragraph 6 of Article 163 of Law 6404/76.



Chapter XII

Remuneration

20. The remuneration of the members of the Audit Board, in accordance with Clause 30, Paragraph 4, of the Bylaws, is set by the General Meeting of Stockholders that elects the Audit Board. For this purpose, it shall obey Paragraph 3 of Article 162 of Law 6404/76, which establishes that for each Sitting Member of the Audit Board the remuneration may not be less than 10% (ten percent) of the average remuneration attributed to each member of Executive Board, without taking into account benefits, representation fees or profit shares.

Chapter XIII

General provisions

21. Any cases of omission shall be resolved in meetings of the Audit Board itself, in accordance with law and the Bylaws.

Farroupilha, April 12, 2021.

Gelson Luis Rostirolla
Chairman

Rafael Vieira Grazziotin
Secretary