



# *INTERNAL REGULATIONS*

*3RD VERSION*

*APPROVED BY THE BOARD OF  
DIRECTORS ON APRIL 27, 2023*

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## Chapter I - Preliminary provisions

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Art. 1. These bylaws are a guideline that covers the main aspects of BB Tecnologia e Serviços' (BBTS) Internal Audit operation, drawn up in line with the applicable legislation and regulations and with the mandatory elements of the International Professional Practices Framework (IPPF) and the Code of Ethics and International Standards defined by The Institute of Internal Auditors (The IIA).

Art. 2. The Internal Audit (Audit) is part of the Internal Control System of the Federal Executive Branch and its activities are regulated by the Federal Secretariat for Internal Control (SFC), linked to the Comptroller General of the Union (CGU).

Paragraph 1. This document complies, in particular, with SFC Normative Instruction No. 13, of 06/05/2020, which establishes the minimum requirements to be included in the statutes of the Governmental Internal Audit Units (UAIG) of the Federal Executive Branch.

Paragraph 2. As permitted by the aforementioned normative instruction, the name "internal regulations" has been adopted for this document instead of bylaws", in line with the internal rules of the BBTS.

## Chapter II - Definition, purpose and mission

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Art. 3. Internal Audit helps BBTS achieve its strategic objectives by applying a systematic and disciplined approach to evaluating and improving the effectiveness of governance, risk management and control processes.

Art. 4. The purpose of the Internal Audit is to safeguard the values that ensure the sustainability of BBTS.

Article 5. According to *The Institute of Internal Auditors (The IIA)*, the mission of internal auditing is to enhance and protect organizational value by providing objective risk-based assessments, advice and knowledge.

## Chapter III - Organization and reporting structure

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Art. 6. The Internal Audit is established in the BBTS Bylaws and is directly linked to the Board of Directors (Conad), which defines the duties and regulates the functioning of the Unit.

Art. 7. The Internal Audit is part of the Company's Internal Control System, in which it acts as a third line, interacting with the other lines, but preserving its autonomy and independence.

Art. 8. The organizational structure of the Internal Audit is composed in such a way as to enable it to achieve the objectives set out in these regulations. To this end, it takes into account the size and nature of the Company, the diversity of the objects evaluated and the operating model and working techniques used by the Unit.

Art. 9. The head of the Internal Audit has dual functional and administrative reporting, characterized by direct and unrestricted access to Conad and the President of the Company, for the proper performance of his duties, with delegation prohibited.

Art. 10: The Internal Audit communicates and interacts with the BBTS governance bodies - Conad, the Audit Committee (Coaud) and the Fiscal Council (Cofis) - including in executive sessions and meetings of these collegiate bodies.

Art. 11: The Internal Audit participates, without right to vote, in meetings of the Executive Board (Direx) and Direx advisory committees.

Art. 12: The appointment, designation, dismissal or discharge of the Executive Manager of Internal Audit (Auditor General) must be approved by Conad and the Comptroller General of the Union (CGU).

Paragraph 1. The head of the Internal Audit will be chosen, in compliance with the CGU guidelines on professional profile, preferably from the staff of the Internal Audit of the Banco do Brasil controller and will have a three-year term of office, extendable for an equal period. At the end of the extension, Conad may, by means of a reasoned decision, extend it for a further 365 days.

Paragraph 2. The formal evaluation of the performance of the head of the Internal Audit is carried out annually by Conad.

## Chapter IV - Authority and responsibility

Art. 13: The Internal Audit performs independent and objective evaluation and consultancy work aimed at improving corporate governance and risk and control management, contributing to the achievement of the Organization's objectives.

Paragraph 1. In carrying out its duties, the Internal Audit has the prerogative of access for consultation and analysis of all files, documents, methodologies, databases, information systems and electronic transactions, as well as free access to environments, people, equipment and software used by the Company.

Paragraph 2. In its work, the Internal Audit has the authority to evaluate the Company's own functions, as well as outsourced functions, in compliance with legal, regulatory and contractual aspects.

Paragraph 3. The Internal Audit has the autonomy to establish frequency of its activities, select themes and scopes of work, establish criteria and maximum deadlines for resolving findings and for ratifying recommendations, determine the activities, apply techniques necessary to fulfill the audit objectives and request, when necessary, the assistance of employees from other areas of the Company who have technical mastery over the audited object.

Art. 14: The work of the Internal Audit takes into account the nature and complexity of the organizational environment in which it operates, with a risk-based assessment, in order to prioritize the objects greatest relevance to the achievement of the Company's objectives.

Art. 15: To ensure that its objective is achieved, the Internal Audit will carry out its activities in an integrated and synergistic manner, in accordance with its planning:

- I. Evaluation: work to evaluate business processes, with the aim of improving governance and the management of risks and controls, using the integrated audit method with a focus on risks. This category also includes work of a mandatory nature - arising from a legal or regulatory obligation - as well as work not provided for in the Annual Internal Audit Plan;
- II. Consulting: independent and objective advice and counseling to BBTS' boards, management, committees and strategic units;
- III. Investigation: work to investigate irregularities, conducted as part of the disciplinary control process, and to assess the causes of the irregularities, in order to take action to improve the company's processes, products, systems and services, with a view to preventing new occurrences;

- IV. Other work: planning activities, development of methodologies and projects, innovation actions, internal quality assessment carried out under the Quality Management and Improvement Program and generation of information for senior management.
- V. Monitoring recommendations: monitoring the actions taken by the organizational areas to improve the system governance, risk management and controls. When implemented, the Audit verifies, as a prerequisite for dismissal, the sufficiency of the actions taken, the resolution of the weakness identified and the mitigation of the associated risks.

Sole paragraph. Audit maintains a relationship with the inspection and control entities in its auditing and inspection activities, as well as monitoring the work carried out by them within the scope of the Company.

Art. 16: The Internal Audit adopts planning for its activities, which takes the form of a strategic plan and an annual plan.

Paragraph 1. The strategic plan includes the activities to be carried out and the resources needed to fulfill them, considering a time horizon of three years, and is renewed annually. The annual plan refers to a calendar year.

Paragraph 2. The strategic and annual plans must be approved by CONAD by last day of the year prior to the financial year to which they refer.

Art. 17: The scope of the Internal Audit's work considers the Company's corporate processes, including those outsourced, and covers, among other aspects:

- I. the effectiveness and efficiency of corporate governance practices and risk management, internal control systems and processes, considering current and potential risks;
- II. the interrelationship between objectives, risks and controls associated with business processes;
- III. the reliability, effectiveness, sufficiency and integrity of management information processes and systems;
- IV. compliance with the legal framework, infra-legal regulations, recommendations from supervisory and control bodies and internal codes of conduct applicable to members of the Organization's staff;
- V. the safeguarding of assets and activities related to the Organization;
- VI. the suitability of transactions with related parties, in accordance with the applicable legislation and regulations, with a view to preserving the interests of the Company and its shareholders;
- VII. the activities, systems and processes recommended or determined by the CGU, the Federal Court of Auditors (TCU) and other inspection and control entities related to the Company's activities, in the exercise of their supervisory duties.

Art. 18 The results of the audit work are discussed and presented to the areas managing the process and forwarded monthly to Coaud and Cofis and quarterly to Conad.

Paragraph 1. Regardless of the deadlines set, depending on the criticality of the information, the results of the work will be communicated immediately to the Coaud, Conad and Cofis, or at the first ordinary meeting of those collegiate bodies.

Paragraph 2. The results of the work shall be made available to the external audit and inspection and control bodies, in the cases provided for in the applicable legislation and regulations, and to other interested parties only by virtue of a court order.

Art. 19: The Internal Audit may obtain advice from specialists outside the Company to support the Unit when necessary.

Art. 20: In order to maintain and ensure the autonomy of the Internal Audit, its attributions, form of action, annual planning, budget and structure are approved exclusively by Conad.

Paragraph 1. The Internal Audit has the autonomy to make changes to its divisional management, involving allocation (divisional managers and advisors), scope of action, name, provided that the changes do not imply exceeding the overall allocation or the budget approved by Conad.

Paragraph 2. Subject to the specific rules and the limit on the Company's appropriations, the Auditor General has the prerogative to hire and renew the hiring of employees in Freestanding Commission Positions (CCLP) for the Internal Audit structure.

Art. 21: The Internal Audit has the autonomy to make adjustments to the work provided for in its planning, such as additions and cancellations, reporting these changes to Coaud and Conad.

Art. 22 - It is up to the Audit Management Committee to decide on how to implement the Audit methodology, in compliance with the Internal Audit policies and strategies approved by Conad.

Art. 23 The Internal Audit, in compliance with the Company's policies and guidelines and the attributions defined by Conad, is responsible for:

- I. evaluation of the adequacy of the internal control system and the effectiveness of risk management and governance processes, including the identification of potential fraud risks and the timely forwarding of information to the competent bodies;
- II. carrying out evaluation, consultancy and verification work, including to support the structuring and operation of the first and second lines;
- III. issuing opinions and carrying out audits in accordance with the laws and regulations applicable to the company;
- IV. advising Conad, Coaud, Cofis, Direx, Direx advisory committees and strategic units;
- V. formulating, proposing and implementing its policies and strategies;
- VI. preparation of the Annual Internal Audit Plan (Paint) and the Annual Internal Audit Activity Report (Raint);
- VII. providing information to supervisory and control bodies on the work of the Internal Audit;
- VIII. monitoring the recommendations issued by the Internal Audit, the inspection and control entities and the Internal Audit of Banco do Brasil;
- IX. monitoring: a) the results of the inspection and control work and that of the external auditing company; and b) the internal auditing work contracted with specialized companies;
- X. assurance as to: a) compliance with the policies and guidelines established for the Internal Audit; b) the conduct of its work in accordance with the applicable laws and regulations, internal policies and procedures and the legitimate expectations of society.

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Art. 24: The Auditor General is responsible for :

- I. submit to CONAD for approval, with the opinion of COAUD: a) annually, the Paint, the budget forecast and the Raint; b) significant changes to the Paint and the budget forecast;
- II. ensure: a) that the management of Internal Audit activities is conducted effectively, in order to achieve the proposed objectives and add value to the Organization; b) that the principles of integrity, independence, objectivity, confidentiality and competence are applied; c) that Internal Audit has professionals with the knowledge and skills essential to the performance of its function; d) that relevant issues known to Internal Audit are considered in the work and communicated to the Coaud and Conad; e) the execution of the activities and work provided for in the Paint, including the establishment of objectives and scope, the allocation of appropriate resources and adequate supervision, the documentation of work programs and test results, and the communication of the results of the work with the applicable conclusions and recommendations; f) the adherence of activities to the policies and procedures intended to guide the Internal Audit;
- III. communicate to the Coaud and Conad: a) the impact of any resource limitations on the performance of the activities set out in the Paint; b) the performance in relation to the Paint; c) the changes made to the Paint, at the meeting following the adjustments made; d) the purpose, authority and responsibility of the internal audit activity, at least annually; e) the result of the Unit's Quality Management and Improvement Program (PGMQ), at least annually;
- IV. communicate to Direx, Coaud and Conad the cases of non-implementation of audit recommendations, bearing in mind that risk-taking by the managers of the processes evaluated is not allowed without the authorization of Conad;
- V. confirm to CONAD, at least annually, the administrative and functional independence of the Internal Audit.

Art. 25. Internal Audit professionals are subject to the Code of Ethics and Standards of Conduct established for BBTS employees and the Code of Ethics of *The Institute of Internal Auditors* (The IIA).

Art. 26: Internal Audit professionals must show a level of excellence, objectivity and professionalism in the performance of their duties, carrying out independent assessments and not being influenced by their own interests or those of third parties in forming a conviction about the objects audited.

Art. 27: Internal audit professionals must ensure that their knowledge and skills are continuously improved.

Art. 28: Internal audit professionals may not: implement controls, develop procedures, install systems, prepare records, assume management responsibilities or participate in any activity that could impair their judgment.

Art. 29: Internal audit professionals must refrain from evaluating specific operations in which they have participated or had managerial or decision-making responsibilities at any time, as well as evaluating activities they have carried out in the 24 months immediately preceding the audit work.

Art. 30: Internal Audit professionals must respect the confidentiality of any information or facts they learn in the course of their work, and may not disclose or use them for their own benefit or that of third parties.



Art. 31: Internal Audit professionals must act impartially and impartially, avoiding situations of conflict of interest or any other that affect their objectivity, in fact or in appearance, or compromise their professional judgment.

Art. 32: Internal Audit professionals must comply with the control and security requirements defined for recording, accessing and storing all documents and information related to evaluation, consulting and irregularity investigation work, taking into account BBTS guidelines and regulations and the respective legal and regulatory aspects.

Art. 33: The performance evaluation of Internal Audit professionals cannot be linked to the results of the audited areas.

## **Chapter V - Independence and objectivity**

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Art. 34: The hierarchical link to the Internal Audit and Conad confers independence to its work and aims to ensure the availability of financial, material, technological and human resources, including the training of its professionals, necessary for the performance of its duties.

Art. 35: The hierarchical link of the Internal Audit ensures unrestricted access, communication and direct interaction between the Auditor General and Conad, including in reserved meetings.

Art. 36: The Internal Audit must remain free from interference of any kind in order to maintain independent and objective action.

Sole paragraph. Any interference, de facto or veiled, that poses a threat to the autonomy of the Internal Audit and the objectivity of its professionals must be reported by the Auditor General to Direx and, where appropriate, to Coaud and Conad.

Art. 37: The remuneration of Internal Audit professionals follows the Organization's policy and is independent of the performance of the business areas.

Art. 38: Internal Audit professionals must report to their superior any situations that may constitute a conflict of interest, whether existing or arising, or generate real or potential damage to independence and objectivity.

Art. 39: Internal Audit professionals are forbidden from carrying out activities that could characterize participation in the Company's management.

Art. 40: The Internal Audit is responsible for objectively evaluating the evidence gathered, with a view to providing unbiased opinions or conclusions when carrying out its activities.

## **Chapter VI - Quality management and improvement**

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Art. 41: The Internal Audit maintains a Quality Management and Improvement Program (PGMQ), which includes continuous and periodic evaluation of internal audit work, aimed at meeting the expectations of Conad and Coaud, as well as the professional responsibilities inherent to auditors, in accordance with national and international internal audit standards.

Art. 42 Quality assessments, with a view to identifying opportunities for improvement, are made up of:

- I. a process of supervision and continuous monitoring of evaluation, consultancy and irregularity investigation services; and
- II. periodic internal evaluation of the performance of the internal audit, verifying compliance with the IIA's code of ethics and standards.
- III. External evaluation will take place at least once every five years.



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Art. 43 - The Audit Management Committee is responsible for approving the Quality Management and Improvement Program and its revisions, which must be submitted to the Coaud for information.

## **Chapter VII - Final provisions**

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Art. 44: The Internal Audit must review these regulations annually. Any changes will be proposed by the Auditor General to Conad for deliberation, with the opinion of Coaud.

Sole paragraph. If there is no change, the Auditor General must communicate the document's compliance with the current regulatory framework, reporting this situation to Coaud and Conad, which will ratify the document's revalidation.

Art. 45: Any omissions or doubts as to the interpretation of these regulations shall be resolved by the Management Committee of the Internal Audit Unit.