



## CHARTER OF THE CORPORATE GOVERNANCE COMMITTEE ADVISORY BODY TO THE BOARD OF DIRECTORS

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The Board of Directors of Cielo S.A. ("Company"), in a meeting held on May 8, 2017, approved this Charter ("Charter"), as follows:

### 1. Purpose and mission

**1.1. Purpose.** This Charter governs the composition, operation and duties of the Corporate Governance Committee ("Committee"), binding and advisory body to the Company's Board of Directors ("Board of Directors"), in compliance with provisions of the Company's Bylaws ("Bylaws"), the Company's shareholders' agreement ("Shareholders' Agreement") and applicable laws.

**1.2. Mission.** The Committee's mission is to advise the Board of Directors, by means of the adoption of the best corporate governance practices, always observing the Company's specific characteristics, in order to ensure that Cielo's activities are conducted in such way to protect and value the Company, overseeing its corporate purposes and values compatible with the following basic corporate governance principles: transparency, equity, accountability and corporate responsibility.

### 2. Committee General Rules

**2.1 Installation.** The Committee is installed by the Board of Directors, pursuant to Article 27 of the Company's Bylaws and Article 2.3 - "Composition" hereof.

**2.2 Duties.** It shall be incumbent upon the Committee:

- (a) analyze and monitor the operation of the corporate governance model adopted by the Company, as well as issue a recommendation on the corporate governance model adopted and its efficacy, proposing any required changes to the Board of Directors;
- (b) analyze and issue recommendations on the adoption of the best corporate governance practices, as well as oversee the process of implementing and maintaining the corporate governance practices adopted by the Company;
- (c) analyze and issue recommendations on the Company's Bylaws, institutional policies, the Charters of the Company's Advisory Committee, as well as any other documents referring to the Company's corporate governance, in order to maintain them continuously updated with the highest corporate governance standards, always observing the Company's specific characteristics;
- (d) oversee the Company's continuous adhesion, where applicable, to the Brazilian corporate, capital markets laws and rules of the securities oversight bodies, as well as to the best corporate governance practices, supported by the Company's Legal Officer and Corporate Governance Secretary;

- (e) analyze and issue recommendations on potential conflict of interests between related parties, under the terms of the Related Party Transactions Policy and Other Situations Involving Conflict of Interests (“Related Party Transactions Policy”); and
- (f) analyze and monitor the compliance with the Related Party Transactions Policy and, in the event of infringement to this Policy, advise the Board of Directors on the adoption of reasonable measures, ensuring its effectiveness.

**2.3 Composition.** The Committee shall be composed of, at least, four (4) sitting members, elected by the Board of Directors, pursuant to Article 2.4 – “Election and Term of Office” hereof, one of them, at least, an independent board member of the Company (according to definition of “Independent Board Member” provided for in the BM&FBOVESPA’s *Novo Mercado* Listing Rules).

**2.3.1** The Company’s Chief Executive Officer shall be a permanent member of this Committee.

**2.3.2** The duty as member of the Committee cannot be delegated.

**2.3.3** Members of the Fiscal Council (when installed) are forbidden to participate in the Committee.

**2.4. Election and term of office.** Members of the Committee shall be elected during the first Board of Directors’ meeting to be held after the Company’s Annual General Meeting to elect members of the Board of Directors, with two-(2) year combined term of office, coinciding with term of office of members of the Board of Directors, and reelection is authorized.

**2.5. Investiture.** Members of the Committee shall be vested in office by signing the instrument of investiture within thirty (30) days as of their nomination, which shall be duly filed at the Company’s headquarters.

**2.6. Compensation.** Members of the Committee may be remunerated or not, at the Board of Directors’ discretion.

**2.7. Coordinator.** The Coordinator of this Committee shall be mandatorily an independent member of the Company’s Board of Directors.

**2.7.1** The Coordinator’s main duties, assisted by Board of Directors’ Secretary (“Corporate Governance Secretary”) shall be: (a) call and chair the Committee’s meetings; (b) coordinate and define the meetings’ agenda; (c) ensure that members of the Committee receive complete and appropriate information on the items of meetings agenda; (d) ensure the efficacy and good performance of the Committee; (e) comply with and cause the compliance herewith; (f) propose, when necessary, to invite experts for the meetings; (g) represent the Committee in its relationship with the Board of Directors and the Statutory Executive Board (“Board of Executive Officers”) of the Company; (h) periodically reports the issues discussed at the Committee’s meetings to the Board of Directors.

**2.8. Coordinator's Absence.** In the assumption of absence or temporary impediment of the Committee's Coordinator, his duties shall be performed by another member appointed by majority of Committee's members attending the meeting.

**2.9. Vacancy.** In the event of definitive vacancy at the Committee, the Board of Directors shall be called to elect the alternate member, who shall remain in office until the expiration of the replaced member's term of office, so that to comply with combined term of office of Committee's members.

**2.10. Resignation.** The resignation to position as member of the Committee occurs by means of written notice to the Board of Directors, becoming effective before the Company, as of its receipt by the Board of Directors.

### **3. Rules on the Committee's *ad hoc* meetings**

**3.1 Related party transactions.** Pursuant to the Related Party Transactions Policy, the related party transactions raising conflict of interests shall be addressed to the Committee, exceptionally, so that, observing the parameters foreseen and by means of assumptions, filters and mechanisms defined in referred policy, it recommends the issue for the Board of Directors' resolution.

**3.2 Transactions with controlling shareholders.** Once observed the parameters provided for in the Related Party Transactions Policy, the transactions between the Company and any of its controlling shareholders will be analyzed by Committee, so that it recommends the issue for the Board of Directors' resolution, and the Committee, exceptionally, shall be composed of other two independent board members, besides the Coordinator, and referred board member(s) shall be summoned to analyze the matter as *ad hoc* member (s) of the Committee, in replacement of member(s) appointed by conflicting controlling shareholder(s).

### **4. Duties and responsibilities**

**4.1. Members duties and responsibilities.** Members of the Committee shall: **(a)** perform their duties observing the same duties and responsibilities assigned to the Company's Management, contained in Articles 153 to 159 of Law No. 6.404/76 ("LSA"), as per provision contained in Article 160 of LSA; **(b)** not disclose to third parties documents or information of the Company to which they have access, they shall maintain the secrecy and confidentiality, using it only to perform their duties as members of this Committee, as well as request the same confidential treatment from professionals providing advisory services thereto, under the penalty of being held liable for the act contributing to its improper disclosure; **(c)** abstain from intervening, severally or jointly with a third party, in any transactions between the Company and its Related Parties (according to definition indicated in the Related Party Transactions); **(d)** act with maximum independence and objectiveness, aiming the Company's best interests, so that the Committee may achieve its purpose, inclusive, shall observe and respect the Company's codes and policies to which they are subject.

## **5. Operation of Meetings**

**5.1 Frequency.** The Committee shall ordinarily meet on a quarterly basis, and extraordinarily, whenever necessary, according to the call notice rules indicated in Articles 5.2 – “Call Notice” and 5.3 – “Term for Call Notice, Agenda and Material”, below.

**5.2 Call Notice.** The call notices for the Committee’s meetings shall be made by the Corporate Governance Secretary, guided by Coordinator or, in case of his absence or temporary impediment, under the guidance of person in charge for calling the Committee’s meetings, observing the terms hereof, by means of the Company’s Corporate Governance Portal or, alternatively, by e-mail, and shall include date, time and place of the meeting, the items of the agenda, accompanied by respective supporting materials.

**5.2.1** Notwithstanding the call notice formalities provided for herein, meetings shall be considered regular **(a)** those attended by all members of the Committee or **(b)** called within shorter terms than those foreseen above due to urgency.

**5.3 Term for call notice, agenda and material.** The call notice, agenda and supporting material referring to the meetings shall be made/sent at least, five (5) days in advance of the date scheduled for the meeting.

**5.3.1.** If members of the Committee do not timely receive the documents referred to by the *caput* of this Article, any member may request that item of the agenda referring to material not appropriately sent to be excluded from agenda and included in the next meeting agenda. The maintenance or not of referred item of agenda shall be subject to the approval by majority of members attending the meeting, as long as such delay do not preclude the analysis of the matter.

**5.3.2.** In the event of an extraordinary meeting, due to urgent call notice, it shall be incumbent upon the Coordinator, in case of his absence or temporary impediment, the person in charge for calling the Committee’s meeting, observing the terms hereof, define the deadline to send the agenda and related material assisted by Corporate Governance Secretary.

**5.4. Place.** The Committee’s meetings shall preferably be held at the Company’s headquarters.

**5.5. Quorum of installation.** The Committee’s meeting only will be installed on first call, with the attendance of majority of acting members. In the lack of minimum quorum set forth above and in compliance with Article 5.3 above, a new meeting shall be called according to the urgency requested for the matter to be discussed, which shall be held with any quorum.

**5.6. Composition of the presiding board.** The Committee’s meetings shall be chaired by Coordinator or during his absence or temporary impediment, pursuant to Article 2.8 – “Absence of Coordinator” hereof.

**5.7. Voting.** Each member is entitled to one (1) vote at the Committee’s meetings.

**5.8. Quorum of resolutions.** As a rule, the Committee's resolutions will be taken by means of approval of majority of members attending the meeting, excluding the votes of any member with interests conflicting with the Company's interests.

**5.8.1.** That member not regardless of the matter under discussion shall immediately express his conflict of interests or private interest, or another person may do it, if member himself does not manifest. In this assumption, such member can neither vote nor participate in discussions, he shall leave the room while the matter has been discussed.

**5.9. Extra agenda matters.** The inclusion of extra agenda matters at the meeting shall be subject to the unanimous approval of the Committee's members attending the meeting.

**5.10. Invitees.** The Coordinator, by his own initiative or upon request of any member, may invite, at his discretion, members of the Company's board of directors, officers, employees, independent auditors and/or third parties to attend the Committee's meetings and provide the clarifications necessary in relation to certain item included in the agenda of respective meeting.

**5.11. Online meetings and remote attendance.** This Committee is authorized to hold online meetings and its members may remotely attend the meeting.

**5.11.1.** The meetings may be held via conference call, videoconference or any other means of communication allowing to identify attending members of the Committee, as well as the communication with other attendees.

**5.11.2.** In the event of online meeting and/or remote attendance, members of the Committee shall undertake to prevent that any third party attends the meeting without Coordinator's previous approval.

**5.11.3.** The respective minutes of the meeting shall be subsequently signed by all attending members, within the lesser term as possible.

**5.12. Drawing up of the minutes.** Minutes shall be drawn up from the Committee's meetings, which shall be signed by all members and recorded in respective book and filed at the Company's headquarters.

**5.12.1.** The minutes of the meeting shall be prepared by the Corporate Governance Secretary and sent to the members of the Committee within five business days, as of the date of the meeting.

**5.12.2.** Members shall send to the Corporate Governance Secretary, within three business days, as of receipt of minutes of the meeting, any requests to correct and/or amend the minutes of the meeting. Any requests received by Corporate Governance Secretary will be discussed and approved in a subsequent meeting.

**5.13. Corporate Governance Secretary.** The Committee shall have a secretary, who shall be in charge of the following:

- (a) organize, under Coordinator's guidance, the agenda of the matters to be discussed, based on requests of members of the Board of Directors, members of this Committee and consultations with the Company's Board of Executive Officers;
- (b) call for the Committee's meeting, informing members of the Committee and any participants, on the place, date, hour and agenda of the meeting;
- (c) serve as secretary of the meetings, record the time spent in resolutions, prepare and drawn up respective minutes and other documents in the Company's records, collect signatures of members attending the meetings, besides declaring the attendance of any invitees;
- (d) file at the Company the minutes and resolutions taken by Committee, as well as send them to the appropriate bodies for registration and publication, where applicable;
- (e) issue certificates, statements and attest before any third party, for all legal purposes, the authenticity of resolutions taken by Committee;
- (f) analyze if Committee's resolutions do not conflict with legal, statutory provisions or with previous resolutions.

## **6. Annual Report**

**6.1 Frequency and submission.** Yearly, upon preparation of the Management Report, the Committee shall elaborate a written report and submit it to the Board of Directors, summarizing the activities developed during the year then ended, as well as any relevant recommendations.

## **7. Miscellaneous**

**7.1 Amendment to the Charter.** The Committee may review and analyze, whenever necessary, the adequacy of this Charter and propose to the Board of Directors the amendments identified as necessary or convenient. However, this Charter only may be amended by majority decision of members of the Board of Directors.

**7.2 Cases not covered herein.** The cases not covered herein, doubts of interpretation and/or amendments to its terms shall be submitted to the Board of Directors' resolution.

**7.3. Cases of conflict and inconsistency.** In the event of conflict or inconsistency in the provisions of this Charter, the Company's Bylaws or Shareholders' Agreement filed at the Company's headquarters, the provisions of the following documents shall prevail, in the following order:

- (a) Shareholders' Agreement;
- (b) Bylaws;
- (c) Charter.

**7.4. Effectiveness.** This Charter shall take effect on the date of its approval by the Board of Directors.

**7.5. Comprehensiveness.** This Charter shall be observed by the Company, its officers, members of its Board of Directors, members of this Committee, members of any advisory committees, as well as other areas of the Company.

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