



RELATORIO DE SUSTENTABILIDADE 2020

GENTE E INOVAÇÃO
CONFIANÇA NO FUTURO E NO
CRESCIMENTO SUSTENTÁVEL

Algar ▶
Telecom

Policies, regulations and codes

We monitor legal and regulatory requirements applicable to our business in order to ensure that our business activities are fully compliant. We count on support from external consultants to monitor Brazilian legislation pertaining to our sector and keep us informed and updated in relation to regulations and laws.

In the regulatory scenario, Law 13.879 of October 3, 2019, arising from Supplementary Bill 79/2016, altered the General Telecommunications Law and proposed a new legal framework that generally favors creating an environment that will attract investment and leverage updated technological and expanded access to broadband networks. Anatel is expected to issue regulations in relation to this law so that its effects will be felt before landline concession awards end in December 2025.

Our policies and procedures follow Brazil's laws such as its Anticorruption Law (No. 12.846/2013), Bidding Law (No. 8.666/1993), Auction Law (No. 10.520/2002) and the Differentiated Public Procurement Regime Law (No. 12.462/2011).

To draw up an effective and transparent assessment of our internal controls and compliance with regulations, rules, internal and external policies, Internal Audit draws up annual plans based on business risk to be submitted for approval from the Board of Directors, and audits various processes. If any are not in compliance, Internal Audit will recommend action plans and then monitor their outcomes. Our External Audit's supplementary role is assessing our financial statements, their systems and records of transactions, as well as accounting and tax conformity with current legislation and Brazilian and international accounting standards. Both are autonomous independent entities that report to the Board of Directors through our Audit and Risk Management Committee. In 2020, we did not have any significant fines or sanctions for failing to obey laws or regulations.