

Corporate Policies Alupar

Integrity Policy



ALUPAR

9/5/2018

Created by: Legal-Finance Dept

Revision: 02 – Initial preparation

Access type: Free

Prepared by:

Silvia Villa Boas

Legal-Finance Dept

Reviewed by:

Fernanda Calvo

Project Management
Office

Approved by:

Paulo Roberto de Godoy
Pereira

CEO

Approved by:

Paulo Roberto de Godoy
Pereira

CEO



CORPORATE POLICY



Corporate Policies Alupar

Integrity Policy

SUMMARY

1	PURPOSE	3
2	SCOPE	3
3	AREAS INVOLVED	3
4	CONCEPTS / DEFINITIONS	3
5	REFERENCES	6
6	SUPPLEMENTARY DOCUMENTS	6
7	REGULATORY FOUNDATIONS	6
8	GENERAL GUIDELINES	7
8.1	CORRUPTION OF PUBLIC AUTHORITIES	7
8.2	BRIBERY OF THE PRIVATE (BUSINESS) SECTOR	7
8.3	SANCTIONS	8
8.4	NON-RETALIATION	8
8.5	TRAINING	8
8.6	CERTIFICATION	8
8.7	DIRECTIONS FOR PAYMENTS ALLOWED	9
8.7.1	REQUIREMENTS FOR ANY HOSPITALITY:	9
8.8	DIRECTIONS FOR PAYMENTS ALLOWED	10
8.9	PROMOTION AND MARKETING	10
8.10	POLITICAL CONTRIBUTIONS	11
8.11	CONFLICT OF INTERESTS	11
8.11.1	DEVELOPMENT OF OTHER ACTIVITIES:	11
8.11.2	HIRING OF RELATIVES:	12
8.11.3	PARTICULAR BUSINESS RELATIONS:	12
8.11.4	POSITION AND POWER OF AUTHORITY:	12
8.12	MANDATORY DUE DILIGENCE FOR CONTRACTING THIRD PARTIES AND OTHER BUSINESS PARTNERS	12
8.13	BOOKS AND RECORDS, ACCOUNTING AND PAYMENT PRACTICES	13
8.14	DOCUMENTATION AND MAINTENANCE	14
8.15	QUESTIONS AND REPORTS OF INCIDENTS OR CONCERNS	14
8.16	"RED FLAGS" OR WARNING SIGNS	14
9	RESPONSIBILITIES	15
9.1	OF ALL THE COLLABORATORS, DIRECTORS, COUNSELORS AND ADMINISTRATORS	15
9.2	OF THE COMPLIANCE UNIT	15

CONTROL INFORMATION

VERSION	ITEM CHANGED	REMARKS
01 - 8/1/2017	N	Creation of new policy
02 - 9/5/2018	A	Change of wording item 8.10 - Political Contributions

KEY OF THE REVISION HISTORY - CHANGE TYPE

ABBREVIATION	DESCRIPTION
I	Inclusion: Inclusion of non-existing information in the previous version.
E	Exclusion: Exclusion of existing information in the previous version.
A	Change or adjustment of existing information in the previous version.
N	New: Indicates that the normative instruction has been created corresponding to the first version of the document.

Additional Information (Space for comments or directions for the next revision or specific items related to revisions of the Process Standard subject):

Complete revision of the 2010 Norm considering the new strategic vision and standardization of the group's norms.



1 PURPOSE

This Policy has the aim of conceiving and describing the norms related to practices against Bribery and Corruption in all the operations involving Alupar Investimento S.A, its controlled companies and direct and indirect subsidiaries (“Companies”), with the purpose of guiding the Company businesses to prevent any conduct deviations and/or eventual non-compliances that may occur, and thus to maintain their integrity. Also, it has the purpose of highlighting the specific Compliance requirements related to these guidelines and prohibitions, to reinforce the commitment of the Companies in the conduction of their businesses, with the highest standards of honesty and integrity.

This policy shall be read together with the Code of Ethics, Conduct & Compliance, and with the other related policies and procedures. In case of conflict between this Policy and other documents of the Companies, or in case of any situation in which the provisions of this Policy are more specific than those in the Code of Ethics, Conduct & Compliance or other policies, the collaborators, directors, counselors and administrators shall apply the most restrictive policy or procedure. Under such circumstances, the Compliance Officer and/or the Compliance unit shall be informed to evaluate and investigate the conflict immediately, and to provide recommendations on the proper measures to be taken, and when required, to update the respective policy or procedure.

2 SCOPE

This Guideline applies to the Companies as a whole, including the international operations of the Company, and to any business activities managed or conducted in behalf of the Companies by Third Parties, including the partners (joint ventures). Any director, counselor, administrator and collaborator shall be aware of this Policy and fulfill it. The Policy also applies to the controlled legal entities of the Companies, their direct or indirect subsidiaries, to which the Code of Ethics, Conduct & Compliance applies, representatives, consultants, service providers and other Third Parties contracted by the Companies.

In case of occurrence of merger of new concessionaires, or incorporation of new companies, the guidelines in this manual become effective for them from the merger or incorporation date.

3 AREAS INVOLVED

All the areas of the Companies

4 CONCEPTS / DEFINITIONS

TITLE	CONCEPT / DEFINITION
Compliance	English word that means the obligation to fulfill, i.e. be compliant with and fulfill laws, decrees, regulations and instructions applicable to the activity performed by the company, and that in case of non-compliance, this may

	result in sanctions, financial losses and permanent damages to the company reputation/image.
Internal policy	Internal normative rules issued by the company, which guide the conduct of the professionals in relation to the values, strategies, guidelines and procedures defined for the development of activities.
Integrity Program	Set of internal mechanisms and procedures for integrity, audit, incentives to report of irregularities and application of the code of conduct, corporate governance guidelines and policies with the aim of detecting and mitigating deviations, frauds and any illegal acts that expose the company businesses and its reputation. These mechanisms and procedures shall cover, in a complementary way, instruments to detect and mitigate unethical acts, in compliance with the Code of Ethics, Conduct & Compliance of the Companies.
Public Authority/Body Governmental	(a) Any administrator or collaborator, nominated or elected, of a local, state, regional, federal or international government, or any department, agency or ministry of a government; (b) Any individual that although temporarily or without earning any payment, has a public role, job or function; (c) Any administrator or collaborator at an international public organization, such as UN or World Bank; (d) Any individual performing as an authority by, in behalf of, a regulatory agency, independent governmental agency, department, public prosecutor office or international public organization; (e) Political party, authority of a political party or any candidate to political role; (f) Any administrator or employee at company owned or controlled by the Government, as well as public utility companies, such as ports and airports, power utility companies, power generation and transmission, water and sewer companies, or power plants, public banks.
Valuable benefits	(a) Cash or equivalent (including gift cards); (b) Benefits and facilities (such as especial access to any governmental agency); (c) Rendering of services, which would be otherwise paid or purchased; (d) Gifts; (e) Contracts or other business opportunities granted to a company where a Public Authority/Body or private company has ownership or any legal right; (f) Opportunities of job, function or consulting; (g) Donations to charities; (h) Political contributions; (i) Medical, education or living expenses; or (j) Expenses with travels, meals, lodging, purchases or entertainment.

<p>Improper advantage</p>	<p>This term encompasses all the improper payments or attitudes made within a business context, such as paying or granting any Valuable Benefit to a Governmental Authority, individual or legal entity, directly or indirectly, to:</p> <ul style="list-style-type: none"> (a) Influence or avoid a governmental action, or any other action, such as granting of an existing contract or contractual obligation; (b) Achievement of license, permit or other authorization from a government entity or Public Authority; (c) Obtainment of confidential information about business opportunities, bids or competitors' activities; (d) Influence on the granting of a contract; (e) Influence on the termination of a contract, which is not advantageous to the Companies, or (f) Assurance of any other Improper advantage.
<p>Third Parties</p>	<p>This term means any individual (which is not collaborator or administrator in the Companies) or legal entity contracted to perform for the Companies or in behalf of them. This definition includes, without any limitation:</p> <ul style="list-style-type: none"> (a) any individual or legal entity used to achieve and/or retain businesses, such as advisors, consultants, subcontractors, sales representatives and partners (joint venture); (b) Any individual or legal entity performing to assure the obtainment of license, registration, visa, permit or other form of authorization from a Public Authority, or intervening in a regulatory issue with a Public Authority; (c) Any individual or legal entity used to represent the Companies or their interests before a government, governmental entity, governmental company or company controlled by the Government; (d) Any individual or legal entity used to represent the Companies in tax or legal issues; or (e) Any individual or legal entity used to represent the Companies in customs clearance proceedings.
<p>Facilitating or speeding payment</p>	<p>Any payment made to a Public Authority/Governmental Body, usually to speed and/or assure the performance of a routine public action, whether discretionary or not discretionary. These payments are forbidden by the Companies, and collaborators, directors, counselors, administrators or Third Parties.</p>
<p>Hospitality</p>	<p>Offering by collaborators, directors, counselors or administrators of gifts and entertainments, such as routine lunches and dinners, theater, sports events and similar, to Public Authorities and private legal entities and individuals and business partners, provided that not amounting to high values, and neither being understood as Bribery or Corruption, i.e. that may influence the decisions made in behalf of the Companies, and that the</p>

	offering is legal.
"Red Flags" or Warning Signs	These elements indicate the support to the Compliance Unit in the identification and mapping of frauds within the organizational environment.
Fraud	This is any misleading act with the aim of causing harm to another person, or not fulfilling some duties, to achieve undue benefits.
Corruption	This is the action of offering or donating, directly or indirectly, undue benefit to a public agent, or person related to him (her). It consists of illegal means to achieve undue/improper advantage, especially the ones that usually involve offerings in cash. It can be active (when someone promises undue/improper advantage) or passive (when someone requests, directly or indirectly, undue advantage to himself/herself or another person).
Bribery	Offering, donating, receiving any good or cash to provide favorable treatment involving private companies and their representatives.
"Due Diligence"	Procedure for analysis of information and documents with the aim of knowing the organization which the Company intends to relate and interact with.

5 REFERENCES

Brazilian Anti-corruption Law No. 12.846, of August 1, 2013

Decree 8420, of March 18, 2015

Code of Ethics, Conduct & Compliance, Version 1, January 19, 2015

Compliance Manual, version 1. May 11, 2015

6 SUPPLEMENTARY DOCUMENTS

Code of Ethics, Conduct & Compliance,

Compliance Manual

Purchasing Policy

7 REGULATORY FOUNDATIONS

Not applicable.



8 GENERAL GUIDELINES

With the aim of clarifying to all the collaborators, directors, counselors, administrators or Third Parties the practices prohibited in all the operations involving the Companies, find below the guidelines about the types of Bribery and Corruption, as well as the sanctions provisioned, regardless the penal consequences, under the terms of the laws in force.

This policy prohibits all and any Corruption or Bribery practice, regardless the amounts involved, advantages earned and entities involved (government employees, public and private companies, individuals or legal entities). However, for better explanation of the subject, we highlight and describe below the Bribery and Corruption types.

The compliance with this Policy is regularly audited and is subject to internal control procedures at the Companies.

This policy is subject to changes, as recommended by the Compliance unit, based on changes in other policies applicable to the Companies, or in the relevant laws and regulations.

In addition, it is important that the collaborator contacts the Compliance Unit in case of any questions.

For cases of report of situations that may represent violation of the rules provisioned in this Policy, the Companies provide a Report Channel to their collaborators, directors, counselors, administrators and/or any third party that has adhered to the terms of the present Policy.

The submission of questions and/or reports of situations that may represent violation of the rules provisioned in this Policy can be made in an anonymous way or not, by preserving the secrecy of identity of the reporting party and the information provided.

8.1 CORRUPTION OF PUBLIC AUTHORITIES

Under the terms of this Policy, offering, giving, promising, receiving, authorizing, accepting any goods, delivery or promise of cash, goods, gifts, services or any Valuable Benefit to a Public Authority/Governmental Body, whether directly or indirectly, to achieve Undue Advantage or special or favorable treatment, is qualified as corruption.

8.2 BRIBERY OF THE PRIVATE (BUSINESS) SECTOR

The Companies also prohibit unethical practices in the private sector. Thus, no collaborator, director, counselor, administrator or Third Parties is allowed to offering, giving, promising or receiving cash, gifts, services or any valuable benefit from/to any individual or legal entity in the private sector, to achieve Undue Advantage or special or favorable treatment.



8.3 SANCTIONS

The Companies and/or their collaborators and/or administrators, directors, counselors and Third Parties can be investigated by governmental regulatory bodies in different jurisdictions, and depending on the circumstances, be subject to administrative, civil or criminal suits.

This may result in severe fines and penalties, and/or arrest if the Company and/or its collaborators, directors, counselors or administrators are considered as in breach of anti-corruption and anti-bribery laws, regulations and Policies applicable.

Any collaborator that violates this Policy will be subject to punitive and disciplinary measures, such as oral or written warning, suspension and dismissal for cause, which will not hinder the application of sanctions provisioned in the laws.

Consultants and other Third Parties working for the Companies and that violate this Policy will be subject to suspension or termination of their business relation, as well as to any other remedies and legal measures at disposal of the Companies under the terms of the applicable laws.

8.4 NON-RETALIATION

As determined in the Code of Ethics, Conduct & Compliance, regardless the alleged misconduct reported, or practice of corruption act, or method of report to the Compliance Officer and the Compliance Units, these functions will not tolerate any retaliation against any individual that provides in good faith any information on alleged violation, breaches, infringements, offenses, even that suspected, to the Code of Ethics, Conduct & Compliance, to this Policy and other policies applicable, or to laws and regulations applicable, regardless the investigation results.

8.5 TRAINING

Periodical training about the Integrity Program shall be conducted by the Companies in accordance with schedule defined by the Companies. The training events shall involve at least managers, coordinators and collaborators which responsibilities require their interaction with private companies and Public Authorities/ Governmental Body.

8.6 CERTIFICATION

As a part of the successful completion of their training, all the collaborators, directors, counselors, administrators and Third Parties shall declare in writing:

- ▶ That they have been provided with, understood and will fulfill the policies and procedures of the Companies in relation to Compliance, anti-corruption and anti-bribery;
- ▶ That they have performed and will remain performing in compliance with these policies and procedures, and
- ▶ That they will report immediately any allegations, violations or questions related to the breach of Compliance rules they are aware of.



8.7 DIRECTIONS FOR PAYMENTS ALLOWED

In compliance with the guidelines established in the Code of Ethics, Conduct & Compliance, this Policy allows, and considers as 'hospitality', the offering by collaborators, directors, counselors or administrators of gifts and entertainments, such as routine lunches and dinners, theater, sports events and similar, to Public Authorities and private legal entities and individuals and business partners, provided that not amounting to high values, and neither being understood as Bribery or Corruption, i.e. that may influence the decisions made in behalf of the Companies, and that the offering is legal.

Business decisions of the Companies and their partners shall be made in an objective way, without any hospitality influence.

A minor gift, which value is reasonable, a gesture of respect or gratitude may represent a proper form with which business people demonstrate respect each other. However, regardless the value, the act of giving or receiving a gift, meal, entertainment or other hospitality benefit should not be made with the aim of influencing improperly any Public Authority/Governmental Body, or any other business partner of the Companies.

Thus, under some limited circumstances, the Companies allow the offer or receipt of hospitality to/from Public Authorities or any other business partner of the Companies. Before offering or receiving any hospitality, this Policy shall be reviewed, and the Code of Ethics, Conduct & Compliance shall be referred to, in addition to other detailed directions stipulated in the policies and procedures applicable to the Companies.

8.7.1 Requirements for any hospitality:

- a) It is not offered or "received" with the aim of influencing the recipient to obtain or retain any undue business advantage for the Companies, for any other individual or legal entity and business partner, and neither as implicit or explicit exchange of favors or benefits, nor for any other unethical or corrupted purpose;
- b) It is not provided to any related Public Authority/Governmental Body, legal entity or individual when any contract or regulatory decision of the Companies is pending with that authority, legal entity or individual;
- c) Do not accept gifts (a) in cash or cash equivalents (such as certificates, gift vouchers, payment slips or cards); (b) offered in exchange of anything; (c) illegal, which violate any of the company policies, the Code of Ethics, Conduct & Compliance and/or the laws in force; or (d) that may harm the reputation of the Companies;
- d) It is not luxurious or extravagant; but it shall be of reasonable/low value (for example, insignificant when compared with the local average wages), and that cannot be understood as Bribery or Corruption;
- e) It is offered (or received) sporadically - maximum 4 (four) times within 12 (twelve) months, and each individual offering of hospitality counts as one (1) time for frequency limitation purposes;
- f) It does not include expenses for any relative of the recipient;



- g) It is offered in an objective and transparent way;
- h) It is given in relation to promotion, demonstration or explanation about the Companies' activities;
- i) It complies with local laws and cultures of the country where they operate;
- j) It is fully documented and supported by corresponding receipts and documents;
- k) It is punctual and accurately entered in the accounting books and records of the Companies; and
- l) No hospitality benefits are requested regardless the value.

8.8 DIRECTIONS FOR PAYMENTS ALLOWED

The Companies support contributions to the communities where it operates, aiming at improving the quality of life of the population, and value reasonable donations to charities. However, the Companies shall always take reasonable measures to confirm that such contributions are not illegal payment made to Public Authority/Governmental Body in violation of this Policy, the Code of Ethics, Conduct & Compliance and any anti-corruption laws and regulations applicable.

Donations and sponsorships are allowed, provided they strictly meet the internal procedures, the Articles of Association of the Companies, this Policy, the Code of Ethics, Conduct & Compliance, and any applicable laws and regulations in force, and they should not be used as a way to improperly influence business decisions. The Companies shall make sure that donations and sponsorships are not used to promote illegal payments, and shall conduct proper Due Diligence, to prevent that the recipient charity does not perform as a channel to fund illegal or unethical activities in violation of this policy, the Code of Ethics, Conduct & Compliance, and any anti-corruption laws and regulations applicable.

Any collaborator, director, counselor or administrator of the Companies making a request for donation and/or sponsorship to a charity shall provide proper supporting documentation in order to enable registering this donation and/or sponsorship accurately in the accounting books and records of the Companies. For the purposes of this clause, contributions to charities include cash, services and any valuable good.

Before offering or making any donation or sponsorship, review the additional direction applicable, the Code of Ethics, Conduct & Compliance, the Compliance Manual and the policies and procedures related to donations and sponsorships of the Companies-

8.9 PROMOTION AND MARKETING

The Companies use promotional and marketing activities as a mean to making its businesses.

Promotional and marketing expenses involving people of the public or private sector can be authorized with the due approvals and authorization of the Compliance Officer.

Any expenses approved shall be paid by the Companies directly to the supplier, and shall be directly related to the promotional activities of the Companies and duly documented and registered.



8.10 POLITICAL CONTRIBUTIONS

This Policy prohibits that collaborators, directors, counselors or administrators of the Companies make any political contribution, inclusive to any political party or candidate to political role, by the Companies or in behalf of them, without authorization of the Board of Directors.

However, this Policy is not aimed to prevent that collaborators, directors, counselors or administrators participate, at their own risk, in the political process in their home countries (or wherever they are), or that make personal political contributions in a legal, proper way, compatible with their income.

However, when this is decided, the collaborators, directors, counselors or administrators should not state that their personal political contributions (or any related opinions or affiliations) are related, in any form, to the Companies.

By considering that the Directors at Alupar, nominated by the latter to its subsidiaries, are the key responsible for execution of the activities and representation of these companies, it is essential that before the personal decision to make any political participation or contribution, they adopt all the means required to disconnect their image as director at Alupar and/or the subsidiaries from their personal political activity or contribution. They shall inform previously to the Board of Directors about their decision, and the board may provide specific recommendations to disconnect the image of Alupar and/or its subsidiaries from any political party.

8.11 CONFLICT OF INTERESTS

There is "conflict of interest" when, directly or indirectly, the collaborator, director, counselor or administrator uses its influence, or perform acts, with the aim of meeting particular interests in conflict with the interests of the Companies and/or that may cause damages or losses.

In accordance with the provisions set forth in the Code of Ethics, Conduct & Compliance, all the collaborators, directors, counselors or administrators shall avoid conflict of interest and are expected to perform their functions in a conscious, honest way, according to the best interests of the Companies.

The collaborators, directors, counselors or administrators should not use their positions, influences and confidential information in an improper way and aiming to meet particular interests in conflict with the Companies' interests and/or that may cause damages or losses to the companies and/or that may have personal earnings or of Third Parties, without any direct participation in any business conflicting with the business interests of the Companies, or that in any way, compromises their independence and impartiality.

Shown below are some situations that characterize the conflict of interest, in a form merely for example purposes and not categorical:

8.11.1 Development of other activities:

Parallel activities, conflicting with the Company business, which affect the performance of the collaborator, director, counselor or administrator within the working hours, and that use the Company structure for particular purposes, or that are related to the competitors, are not allowed. In addition, it is forbidden the



sale of raffles, request for physical or financial funds for particular interests, money collection lists or chains, as well as the sale of products or services in the work environment at the Companies.

8.11.2 Hiring of Relatives:

According to the Code of Ethics and Conduct and other internal policies of the Company, the hiring of relatives to the 2nd degree, as well as spouses under the terms of the civil laws in force, will be allowed only in exceptional cases and under prior and express approval of the Companies, provided that there is no reporting relation between them, and that they do not work in areas or processes where there might be conflict of interests.

8.11.3 Particular Business Relations:

Collaborators, directors, counselors or administrators should not have personal businesses, shareholding or any other type of direct or indirect relationship with competitors, clients, suppliers and business partners and/or consultants, who may interfere or seem to interfere with the independence of any decision made in behalf of the Company. It is important to remind that any collaborator, director, counselor or administrator shall place the general interests of the Companies above any personal or departmental interest when making business decisions.

8.11.4 Position and Power of Authority:

The Companies look after the ethics and transparency in the relations with all of their target publics. Thus, no collaborator, director, counselor or administrator should use his (her) position or authority in the Company to achieve personal advantages with clients, suppliers, business partners, consultants and/or competitors.

8.12 MANDATORY DUE DILIGENCE FOR CONTRACTING THIRD PARTIES AND OTHER BUSINESS PARTNERS

The Companies can be made liable for the actions of individuals, suppliers, consultants, service providers and other partners that make business - especially Third Parties, when a Third Party is providing services, or in any other way, conducting business, discussions or deals in behalf of the Companies, or in their own behalf, with public or private organizations (and/or their authorities, directors or other collaborators).

According to the laws applicable, the Companies can be made liable for such actions. For example, when they do not take sufficient measures are not taken to prevent Third Parties from participating in bribes, related corruption acts or conduct, regardless the Companies are aware or not of the alleged improper conduct.

Therefore, the collaborator, director, counselor or administrator should never request to a Third Party for being involved in (or tolerating) any conduct that the own collaborator, director, counselor or administrator is prohibited to be involved, according to the terms of this Policy. In addition, the collaborator, director, counselor or administrator should not "neglect" the suspected violations of this Policy by Third Parties, and neither disregard other suspected circumstances. Any effective or suspected improper conduct shall be immediately reported to the Compliance Officer and/or Compliance Unit.



All the Third Parties making business with the Companies, by the Companies and in their behalf, shall perform with higher level of business, professional and legal integrity. Any collaborator, director, counselor or administrator at the Companies, who looked for establishing business relation between the Companies and Third Parties, and before contracting this Third Party, shall review carefully and meet the Due Diligence process for business partners of the Companies.

The time and effort required to conducting the Due Diligence of the Third Party will depend on the number and complexity of the questions raised during the Due Diligence review and in the countries particularly involved; the scope of review of the Due Diligence shall be sufficient to define the Compliance-related risks that the Companies may face when making business with the potential Intermediate or other business partner.

In general, the Due Diligence review shall determine (among others): (I) whether the individual or legal entity that proposes rendering services to the Companies in exchange for payment is a "Public Authority/Governmental Body"; (ii) whether the legal entity has a "Public Authority/Governmental Body" hired (contracted), or whether it is a society in which the "Public Authority/Governmental Body" has shareholding quotas, or participates in the board of directors; (iii) whether the services to be provided by the individual or legal entity are required to promote a business initiative or existing contract; (iv) whether the individual or legal entity has expertise, experience and other qualifications to perform the services required in a legitimate way; and (e) whether the individual or legal entity have clear probability of being involved in practices that may expose the Company to any liability.

Any questions or "Red Flags" raised during the Due Diligence review shall be handled in a satisfactory way as determined by the Compliance Unit before formally entering or resuming the relationship. When required, the Companies are allowed to contracting the services of outsourced suppliers to survey the ownership, expertise, experience and other qualifications of the Third Party and the business partner considered for rendering the service provisioned in the proposed or existing contract with the Companies.

The Companies are committed to conduct proper and reasonable Due Diligences on the reputation and integrity of any companies in which they invest. Thus, Due Diligence will be conducted in relation to mergers, acquisitions and partnerships (joint ventures).

Finally, the Companies require written contracts to hire Third Parties and other business partners, as described in the Purchasing Policy. Under given and determined circumstances involving the purchase of goods and services from a supplier, the written contract can be in the form of a purchase order, which shall include the proper anti-corruption clauses, as well as the proposals of attorneys.

8.13 BOOKS AND RECORDS, ACCOUNTING AND PAYMENT PRACTICES

In fulfillment of the laws applicable, the policies of the Companies shall include provisions for accurate and reasonably detailed bookkeeping and recordkeeping, which reflect its operations. In regard to this instruction, the records of all the payments made or received shall reflect such operation in an accurate and proper way. In addition, the Companies prohibit secret, non-registered and non-reported operations.



To assure the compliance with this Policy and the respective laws applicable, it is crucial that all the financial and business records of the Companies reflect in a fair and accurate way all the operations involving the Companies' business and/or the disposition of assets of the Companies. All the expenses shall be accurately entered in the accounting books, include the proper supporting documentation and be immediately entered in the accounting books of the Companies before being refunded.

8.14 DOCUMENTATION AND MAINTENANCE

The Compliance Unit shall regularly document the anti-corruption and anti-bribery Compliance initiatives of the Companies to prove that they disclosed, deployed and fulfilled their Integrity Program, as expected by the regulatory bodies in Brazil, in addition to other countries where the Companies operate. Reports of educational material, attendance in training sessions, compliance certifications, Due Diligence initiatives, suspected activity reports and Compliance reviews shall be conducted regularly.

8.15 QUESTIONS AND REPORTS OF INCIDENTS OR CONCERNS

The collaborators, directors, counselors or administrators of the Companies are encouraged to clarify questions about this Policy. Any questions or doubts about a specific situation, which in any way, is related to this Policy (or similar policies and procedures), the collaborator shall be cleared by the collaborator with the Compliance Unit or Report Channel, provided by the Companies for this purpose, before taking any attitude. The collaborators, directors, counselors or administrators shall report immediately any Bribery, Corruption, request or offering of undue payment or advantage.

8.16 "RED FLAGS" OR WARNING SIGNS

While any payment proposed for business operations, contracts or similar shall be evaluated based on its specific facts, special attention shall be taken on "Red Flags" related to bribery and corruption. Upon the identification of "Red Flags", consider carefully the measures that have to be taken to minimize or eliminate the risk of Bribery or Corruption that may be posed by that specific relation, including eventual termination of that relation.

Shown below are some examples that may suggest the lack of compliance with this Policy, or that represent common Compliance risk areas related to corruption or bribery. In case that the collaborator, director, counselor or administrator is aware of the existence of any of these circumstances, or suspects in any way of them, he (she) shall inform immediately to the Compliance function, or report his (her) concern to the report channel of the Companies.

Remarks: This is not an exhaustive list.

- ▶ Operations involving a country known for corrupted payments;
- ▶ Payments offered or made in cash;
- ▶ Extravagant or luxurious gifts or hospitality involving Public Authority/Governmental Body, or Third Parties;
- ▶ Payments made to offshores, or in countries traditionally known as tax havens;
- ▶ Payments or expenses documented in improper way;



- ▶ Requests of collaborator, director, counselor or administrator, or Third Party, to structuring an operation in such a way to cover up relevant facts, or bypass local laws;
- ▶ The Third Party requests the payment in a country different from that where its headquarters or administrative office is located, or where there is permanent establishment directly involved in the conduction of business which it was contracted for;
- ▶ The Third Party is not qualified, or does not hold experience and resources required to perform the functions which it has been contracted for;
- ▶ The Third Party has been incorporated recently, or does not have history information in any way;
- ▶ The Third Party refuses to certify the anti-corruption practices, or opposes to provide declarations, guarantees, conventions, right for Due Diligence of anti-corruption and related wording in contracts with the Companies;
- ▶ Third Party with current or previous cases of corruption or other law violations;
- ▶ Third party with suspected or duplicated liabilities;
- ▶ Third Party recommended by Public Authority/Governmental Body;
- ▶ Third Party that has personal, family or business relation with Public Authority/Governmental Body;
- ▶ Third Party that requests for non-usual contractual terms or payment agreements that raise concerns under the terms of Brazilian and/local laws (including laws against money laundering), such as cash payment, payment in foreign currency, payment to third party that does not have any relation with the business operation, or payment before the completion of a purchase contract (or any other form of advance payment);
- ▶ Commissions or fees of the Third Party exceed the usual rate practiced for similar services in that geographical area, or exceed paid by the Companies for similar services in any other location.

9 RESPONSIBILITIES

9.1 OF ALL THE COLLABORATORS, DIRECTORS, COUNSELORS AND ADMINISTRATORS

- ▶ Follow, fulfill and enforce the fulfillment of guidelines and procedures presented by this Policy.

9.2 OF THE COMPLIANCE UNIT

- ▶ Monitor and inspect the fulfillment by all the collaborators, directors, counselors, administrators and Third Parties of the rules provisioned in the present Policy;
- ▶ Clarify questions about the terms of this Policy and assist the collaborators, directors, counselors or administrators in its effective execution;
- ▶ Review the terms of this Policy whenever required.