



ETHICS AND CONDUCT CODE

Mastrotto Brasil SA implements the **Ethics and Conduct Code**, aiming to promote a corporate oriented policy and in compliance with ethical principles in the management of the business, as well as strict compliance with the current legislation.

In this context, Mastrotto Brasil SA developed this **Ethics and Conduct Code** as a tool to guide the company within the principles of legality, fairness and transparency: The principles and provisions contained in the code represent the structure, which are inserted the specific procedures of arrangement, management and organizational control.

The adoption and execution of the of **Ethics and Conduct Code** and the principles contained therein, it is aimed to positively guide the behavior of all interested parties which work or relate to our Company as it follows the company's purpose. With the implementation of the **Ethics and Conduct Code**, all our stakeholders will therefore be called upon to perform their professional functions in a common direction, which is, always aiming to develop the business from an "ethically sustainable" perspective.

For these purposes, this document clearly lays out the values and responsibilities that Mastrotto Brasil SA recognizes as actions, commitments, as well as how to regulate in advance the behavior that all stakeholders should observe: the provisions are therefore directed to the Company's Officers, its employees and consultants, as well as to any person who establishes, for any reason, a collaborative rapport with the Company.

All stakeholders - employees and others - must be aware of the compliance with the **Ethics and Conduct Code** is a key component of their professional field and work performance and therefore, after its distribution, they will be entitled to commit themselves to provide due compliance throughout the entire period of their rapport with the Company.

The commitment of Mastrotto Brasil SA and all our employees and partners to comply with this Ethics and Conduct code, therefore becomes a lever for the organizational development of our company and a stimulus to continue, after more than 17 years, to carry out our activities with excellence, honesty and professionalism, being this the motto shared by Its Controller, Gruppo Mastrotto SPA, over than 60 years.

Administrative Council Board

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Part I

Premises

1.1 The Company

Mastrotto Brasil SA (hereinafter, referred to as "Company") is an Industrial Group that plays a major role in its branch of business.

The Company's goal is the leather tanning and processing, as well as the trade related to this activity. The Company acts with competence and professionalism, promotes a corporate policy focused on customer satisfaction, without neglecting the strict observance of existing legislation and respect for ethical business practices.

The Company implements its business - internal and external - based on the principles of this Code, in the belief that business ethics contributes significantly to the effectiveness of systems and policies control. It affects conducts that could, otherwise, dodge away even the most sophisticated monitoring mechanisms.

The provisions of the Ethics and Conduct Code complement the organizational management and control model, as well as the entire internal control system.

Therefore, the Ethics and Conduct Code is a fundamental tool to guarantee the integrity and reliability, aiming at ethically directing the operations of the Company. Consequently, the provisions here are directed to the Officers, managers, employees, consultants and to whom it establishes a collaborative relationship, for any reason with the company. All Group companies are aware of the compliance with the Code of Ethics and Conduct is an essential component of their work within the Company.

1.2 Organization Chart - Agents

The responsible sectors for analyzing deviations from the Ethics and Conduct Code, as well as determining the application of the necessary penalties, are composed (**ANNEX 1**):

- **Administrative Council Board** - formed by the board of the parent company (Gruppo Mastrotto SPA, headquartered in Italy). Its function is to deliberate, authorize information and apply sanctions.
- **Directorate** - formed by the directors appointed by the Administrative Council Board, according to Minutes of meeting n°01 of the members of the Administrative Council Board of Mastrotto Brasil SA. Its function is to monitor and ensure an adequate working environment, as well as to carry out the necessary checks on the reports received to ascertain the facts and to promote the most appropriate measures and initiatives, including the application of sanctions against those responsible in the manner prescribed by law, collective agreements and contracts.

- **Compliance Committee** - formed by managers, coordinators and supervisors (employees of Mastrotto Brasil SA) appointed by the Administrative Council Board and by the Directorate whose function is to apply and guide the norms of the Code of Ethics and Conduct. In addition to receiving allegations of deviations and perform the first checks of the facts.

1.3 The Recipients

This Ethics and Conduct Code is intended to clearly define the values and responsibilities that Mastrotto Brasil SA recognizes, identifies and assumes as a commitment. As well as aims to preventively regulate the conduct that all recipients are required to follow.

The addressees of this Ethics and Conduct Code are:

- Members of the Administrative Council Board and Directorate;
- Special Representatives and all those who actually manage or run the Company;
- Suppliers, outsourcers, customers and public agents;
- Employees, consultants and in general, all those subject to the direction and control of the people indicated in the previous paragraphs.

All individuals who will be assisted to receive as direct recipients the provisions contained in this Code, must adhere to the principles of legality, fairness and transparency during the implementation of their tasks.

Employees, in particular, are obliged to comply with the rules of this Code in accordance with the rules of conduct set forth in the "2-Rules of Conduct" section of this Code.

1.4 The Company's goals and values

"The Company's mission" is to provide high quality products and safety standards in accordance with the principles of legality, honesty, fairness, transparency, effectiveness, efficiency, openness to the market and in any case giving absolute priority to the interests of the community.

The Code is intended to guide the conduct of the Company in relation to the cooperation and trust in relation to the related parties, that is, those individuals, *Gruppos* and institutions whose contribution is necessary for the achievement of the Company's direct mission and / or whose interests are directly or indirectly affected by the performance of the Company.

The Company seeks to achieve these goals through continuous improvement of the organization, its human and technical resources, maintenance of the physical structure, machinery and management of all business processes.

In particular, the Company:

- The Company is committed to respect and enforce, internally and in its relations with the Gruppo Companies, the laws in force and commonly accepted ethical principles, such as transparency, honesty and justice;
- The Company Rejects and condemns the use of illegal or dishonest conduct (towards the community, public authorities, customers, employees, investors, suppliers, public service licensees and competitors) in order to achieve the economic goals of the Company, which are high-quality products; based on experience, on the core customer focus and continuous adaptation with respect to scientific and technological development;
- The Company is aware of having good reputation and credibility are the main intangible assets: in fact, a good business reputation with credibility, favor shareholder investments, harmony in relations with local institutions, customer loyalty, resource development rights and reliability of suppliers;
- The Company adopts organizational measures to prevent violations of the law and the principles of transparency, fairness and honesty by its employees and associates. In addition, it oversees its actual implementation and compliance;
- The Company ensures full transparency of its activities to shareholders and the community in general;
- The Company is committed to promoting fair competition with competitors;
- The Company provides its customers and consumers in general, quality products and services that effectively meet their needs;
- The Company protects and develops human resources;
- The Company is committed to maintaining a relationship based on cooperation and honesty with suppliers;
- The Company uses resources in a responsible way, respecting the environment;
- The Company is committed to maintaining an attitude of cooperation and transparency in its relations with public administrations.

The Company acts in the local society, encouraging sports, with the construction of multisport courts in suburban neighborhoods, donations for day care centers, homes for the elderly, Public School, etc.

1.5 Adoptions of the Ethics and Conduct Code

The Company has established guidelines regarding:

- Its conduct in dealing with employees, third parties, public administrations, external operators at different levels, associates, licensors of public services, competitors, market and environment.
- Implementation of its internal and external activities under these rules and it requires compliance by all employees, associates, consultants and other external operators that have a relationship with the Company
- Organization and management of the Company's business activities. The Code aims to create efficient and effective planning, implementation and monitoring of business activities in order to ensure full compliance with the rules of conduct and prevent their violation by anyone acting on behalf of or in connection with the Company in any way.

1.6 Disclosures of the of Ethics and Conduct Code

This Ethics and Conduct Code is widely handed out to managers, auditors, employees, subcontractors, or anyone of interest to Mastrotto. The Code is made available to all active employees, and also when someone is hired.

In addition, a digital copy is kept on the company's website (www.mastrottobrasil.com), which is accessible to all.

Each employee of the company is obliged to know and comply with the requirements established in this document.

The Company is committed to ensuring compliance with the provisions of this Code in all business relationships established, for example, in relationships with suppliers.

The Company carefully supervises the compliance with the Ethics and Conduct Code; it provides adequate information, tools and resources for prevention and control; if necessary, The Company applies corrective measures and appropriate sanctions based on the disciplinary system of the organizational management and control model adopted.

The Company's Compliance Committee shall be responsible for the application of this Code.

1.7 MB Ethics Channel (Ethics Channel of Mastrotto Brasil)

The MB Ethics Channel was created to offer all employees, partners, suppliers, outsourcers a confidential and safe means of formal communication, which we assure every one of the absolute

secrecy and appropriate treatment. Our channels are available through the company's website (www.mastrotto brasil.com), with the direct link "MB Ethics Channel".

1.8 Monitoring and updating of the Ethics and Conduct Code

This Code is subject to verification, revision and, if necessary, be updated by the Company's administrative body, after consultation and evaluation of the proposals by the Directorate of Mastrotto Brasil SA, when it is considered that the Code is no longer appropriate to the activities and structure of the Company itself.

Part II

Conduct Rules

2.1 General rules of conduct in business management

Whichever operation implemented with interest or benefit of the Company (from the managerial point of view) should be guided by:

- Legality in form and substance;
- Maximum responsibility, fairness¹, efficiency², completeness and transparency of information³;
- Compliance with this Ethics and Conduct Code and the Company's business practices.

The following practices are prohibited:

- The pursuit of personal or third party interests at the expense of the Company;
- The accomplishment of the interests or benefits of the Company in violation of the laws in force;
- Abusive exploitation, for personal or third party interests, in the name and reputation of the Company, as well as information obtained and business opportunities learned during the performance of duties;
- The use of corporate assets for purposes other than those of the company;
- Work under the influence of alcohol, drugs or any substance that prevents the worker from doing the work safely and effectively;
- Discrimination against workers, outsourcers, suppliers, customers, public agents, or anyone related to Mastrotto Brasil, in addition to situations related to race, religion, gender identity, marital or family status, age, political affiliation, nationality, physical ability, sexual orientation, ethnicity, or any other characteristic of their identity;
- Moral and sexual harassment, abuses, and worker exposure in humiliating and embarrassing situations during the work shifts and in the performance of their duties.

In particular, the addressees of this Code must abstain from activities (including those without charge), inconsistent conduct and actions with the obligations pertaining to the relationship established with the Company.

Each person is also required to work diligently to protect the Company's assets, using the resources assigned with care and responsibility, avoiding improper uses that could cause damage, reducing efficiency or conflicting with the Company's interests⁴.

All employees of the Company must communicate by writing to their immediate supervisor and to the Compliance Committee the occurrence of any potential situations that lead to conflicts of interest (direct or indirect) with those of the Company. Even dubious situations should be reported.

¹The principle of justice implies the respect for rights, including those regarding privacy and opportunities, as well as the laws to protect all individuals involved in their work and professional activities. This also requires the elimination of any discrimination and possible conflicts of interest between the employees and the Company.

²The principle of efficiency requires that all work must be done, managing resources with the commitment to offer products tailored to customer needs with the highest standards.

³The principle of transparency is based on the truthfulness, accuracy and integrity of information both inside and outside the Company. In the stipulation of contracts, the Company will prepare the terms in a clear and comprehensible manner, always guaranteeing the maintenance of a state of balance and equal negotiation with the clients.

⁴It occurs when someone benefits from the position and acts on self-interest, going against the company's primary interest.

2.2 Rules of Conduct for Company Management

Managers and employees who are involved in the preparation of inventory sheets and tax practices are subject to the provisions that guarantee the accuracy and transparency of the data, as well as its adequate representation and evaluation.

The accounting records must be based on accurate and verifiable information and must fully comply with the internal procedures for the accounting practice.

Every fiscal and accounting act must be properly recorded and backed up by appropriate documentation in order to allow the verification of the characteristics and motivations of the operation, as well as the identification of the person who authorized, performed, recorded and verified.

Managers and employees should provide full and timely cooperation to internal or external audit bodies in relation to the Company, in order to ensure the best performance of their duties.

Any person who is aware of any omissions, errors or forgeries must provide notice to the Compliance Committee by e-mail.

2.3 Rules of conduct regarding employees

2.3.1 Employee rapport management

Mastrotto Brasil SA recognizes the centrality of its human resources by working for the Company in a business environment characterized by fairness and mutual trust between employer and employee as a prime factor for the Company's success. Therefore, the Company promotes respect for the employees and recognizes the importance of their participation in the business.

The professionalism and the dedication of the workers are of fundamental importance for the achievement of the business goals.

The Company is oriented to favor the professional growth of each employee and for this, The Company is committed to develop the professionals' skills by stimulating the individual potential of employees so that they identify with the achievement of the business goals.

In this perspective, the Company promotes the continuous improvement of the professionalism of its employees through training initiatives by offering equal employment opportunities to all employees based on specific professional qualifications and performance capacity without discrimination.

The company is committed to ensuring the necessary conditions to maintain a collaborative and friendly working environment in order to prevent any discriminatory conduct.

Therefore, the dissemination of information from the Company to employees must be adequate, correct and complete.

Everyone is asked to cooperate in maintaining an environment of mutual respect for the dignity, honor and reputation of all.

The company employs and manages the employment relationship based on competence and merit criteria, regardless of race, religious beliefs, sex, age, ancestry and how long an employee has been in the company, in accordance with applicable laws and regulations.

All employees will be recruited by the company through a regular employment contract. No other form of employment will be permitted or, in any case, never in contrast with the provisions of the ongoing legislation.

The personnel are committed to fulfill their obligations under this Model of Organizational Management and Control Code, as well as to respect the law and the principles of integrity, honesty and loyalty in the execution of their work.

Employees must maintain an autonomous and honest stance to avoid making decisions or carrying out activities in situations that create a conflict of interest with those of the Company, regardless of their own opinion.

Any conflict of interest, actual or potential, should be reported to the Compliance Committee.

Employees should use the tools with care and keep them available for the job. Misuse of Company materials and resources is not permitted. Each employee is responsible for the protection and legitimate use of the assets and resources entrusted to them for the performance of their duties.

The company shall take the necessary measures to prevent the misuse of such materials and resources in accordance with applicable laws.

With respect to the use of computer systems, each employee is responsible for the security of the systems used and is subject to the applicable regulations and conditions of the license agreements.

In accordance with civil and criminal law, the use of network connections for purposes other than those relating to work activities (eg use of chat services and / or social networks) or sending offensive messages which could harm the Company's image are considered to be misuse of corporate assets and resources

Every employee is also required to commit to preventing the practice of crimes through the use of IT tools.

Employees are responsible for ensuring the confidentiality of information learned in the performance of their duties, in accordance with laws, regulations and circumstances, even after the termination of an employment contract.

Employees may not request or receive presents, gift certificates, hospitalities, or other benefits to themselves or assign others to accept them.

Likewise, employees may not offer presents, gift certificates, hospitalities, or other benefits to obtain favorable treatment in relation to any activity related to the Company.

All employees must immediately report to the Compliance Committee, through the "**MB Ethics Channel**", of any information they may have about violations of the law, the Ethics and Conduct Code or the organizational management and model control, or any other action which may involve the Company whether directly or indirectly.

If the Compliance Committee is verbally informed of a violation of the **Ethics and Conduct Code**, it has the obligation to open a so-called claim by Mastrotto's formal channel, "**MB Ethics Channel**".

It is prohibited to trade or divulge any kind of product or service among employees in the premises of the company.

The employees must abstain from any conduct or statements that could tarnish the Company's image. In addition, they should help protect the image, including an appropriate behavior that must be maintained in any situation.

All managers and directors of the Company, or its autonomous organizational units or structures shall supervise the work of the employees and report to the Directorate in writing of any possible breach of the above-mentioned standards.

The managers and employees who are required to provide any information regarding the Company and its business, including conferences, public events and publications, generally must obtain prior authorization from the Company's Directorate or the designated manager and agree with the content of the statements.

2.3.2 Ensuring safety and health of workers

The Company promotes the health and safety at work and considers it essential to respect workers' rights, seeking to guarantee the physical and moral integrity of its employees.

In particular, the Company guarantees working conditions that respect individual dignity, as well as a safe and healthy working environment, in full compliance with the current norms of accident prevention and health and safety at work.

Therefore, the Company shall implement appropriate technical, organizational and economic measures.

The Company is committed to disseminating and strengthening a "safety culture" among staff, raising risk awareness and promoting the responsible behavior of all its personnel operating within its structure.

The people assigned as security officers (ie, employers, directors, individual unit managers and supervisors) monitor and ensure that the work environment is adequate in terms of health and safety within the limits of its authority. In addition, they must monitor and ensure that the respect for the integrity of each individual is maintained and that any intimidating, illegal or undue behavior is abrogated.

2.4 Rules of conduct for relations with the Directorate

The Company, aware of the importance of the role played by the shareholders, it is committed to provide accurate, truthful and timely information, in order to improve the conditions for its participation in the decision-making regarding the scope of its business rights.

The Company will protect and value its business in response to the shareholders' commitment to their investments through the development of Management, the pursuit of high standards in production activities and the solidity of the Company's assets.

The company is also committed to protecting and preserving its assets and investments.

2.5 Rules of conduct for relations with public authorities

Specifically, as it is regarded to public employees, they should also observe the provisions contained in **Law no. 8,027 of April 12, 1990**, which establishes the standards of conduct for public workers.

In view of the purpose of this Ethics and Public Administration Conduct Code, it is understood that, according to the observances, this Code may be simplified to any public division, agency, authority (including those with supervisory and inspection powers), any company regardless of the title, or any person or entity as a public official or in charge of a public service. The definition also includes any public or private body performing the public function in order to pursue a general interest for the public.

When handled with public authorities, the contents of this Ethics and Conduct Code must be respected in accordance with the following principles:

- I. In order to ensure maximum clarity vis-à-vis public authorities, relations must be maintained exclusively by representatives who have received a clear mandate from the Company's or the assigned Manager's Directorate and who do not fall into situations of conflict of interest with respect to representatives of the public authorities themselves;

- II. The company (and those who work in it) must always act within the limits of the law and appropriate management practices, with a clear prohibition of engaging in acts that, although intended to reach an interest or advantage for the Company, are considered illegal;
- III. It is not permitted (directly or indirectly) to offer money, gifts, payments or other benefits in any form or to practice unlawful pressure, or to promise any object, service, benefit or favor to representatives, managers, executives or employees of the Public Administration, or partners;
- IV. It is prohibited to receive gifts and hospitality, unless the approval of the Directorate is granted and it is in accordance with normal commercial or courtesy practices, and only if they are not understood to be intended to obtain favorable treatment, thus likely to compromise the integrity, independence and reputation of at least one of the parties, limited to the rules defined in the **“Conduct of the High Federal Administration Code -CCAAF”, Law 12.813 / 13- (Conflict of Interest Law), Law 12.846 / 13, Anti- Corruption, of Public Ethics-CEP.**
- V. During commercial negotiations or transactions with the Public Administration, no conduct shall be implied, directly or indirectly, that may result in a job and / or business opportunity for employees of the Public Administration, relatives or the like, in order to obtain benefits for oneself or to others;
- VI. When the Company is represented by a third party in relation to public authorities, the same guidelines and rules that apply to the Company must also be applied to the third party and all its personnel;
- VII. It is expressly prohibited to make false declarations to governmental, national or international agencies, as to obtain subsidies, contributions or public loans, or to obtain savings or concessions, authorizations, licenses and / or other administrative acts;
- VIII. Public funding and the procedures for its solicitation and disbursement in favor of the Company must be documented and verifiable in order to reconstruct the characteristics and motivations of the operation at any time, as to identify those who are involved.
- It is mandatory, in any situation to check whether the funds obtained are actually used for the activities or fulfillment of the initiatives for which they were granted;
- IX. It is strictly prohibited to alter the performance of a computer system or an electronic communication system or manipulate the data contained therein in order to gain an unfair advantage, resulting in damages to the Public Administration.
- X. Donations and Sponsorships - Donations and Sponsorships may be made to Philanthropic institutions, hospitals, schools, shelters, with the approval of the Directorate, when provided; they do not have a commercial relationship with Mastrotto. When accomplished, it will be formalized through Minutes, and its legal assessment.
- XI. Donations and Sponsorships for political parties, donated or sponsored by a legal entity, according to the electoral law of 2016, are prohibited.

2.6 Rules of conduct relating to customer relations

The Company's performance is based on the quality of its products focused on the client and the disposition, within the limits of the possibility and of the right, in a way that satisfies the requests of the clients.

The Company should establish professional rapport with customers based on respect, courtesy, research and the maximum cooperation.

Political party is forbidden for Donations and Sponsorships to legal person, according to electoral law of 2016.

Customer contracts and communications should not only meet regulatory requirements and Authority directives, but should also be clear, simple, and formulated in language as close to the customer as possible.

- The Company is committed to meeting established quality and safety standards and periodically monitors the quality of products supplied to the customer;
- The Company is also committed to encouraging customer interaction through the management and swift resolution of complaints using appropriate communication systems;
- The Company rejects litigation as a tool for undeserved advantages and resorts to it on its own initiative only if its legitimate claims do not satisfy the other party;
- The Company shall protect the privacy of its customers, in accordance with current legislation, by committing itself not to communicate or disclose personal, economic and consumer information, except in cases required by the law;
- The employee may not offer gifts, gifts certificates, hospitality or other benefits to obtain favorable treatment in relation to any activity related to the Company.
- In all contracts signed with all clients, Anti-corruption clause 12.846/13 is mandatory.
- Donations and Sponsorships - Donations and Sponsorships may be made to Philanthropic institutions, hospitals, schools, shelters, with the approval of the Directorate, when provided; they do not have a commercial relationship with Mastrotto. When accomplished, it will be formalized through Minutes, and its legal assessment granted by the Company's Board.

2.7 Rules of conduct with the supplier relation

Loyalty and fairness should also be expected by third parties, whose conduct must be guided by good faith, it must be based on the principles of fairness, honesty, transparency and verifiability, and lead to relations in accordance with law and just market practice.

For the purpose of this Code, the concept of "Suppliers" will also include financial and banking intermediaries, consultants and service providers in general.

The Company works solely and exclusively with "suppliers" who operate under the current legislation and with the rules set forth in this **Ethics and Conduct Code**.

The Company is committed to promoting the acquisition of goods and services, both primary and complementary, according to ethical principles and respecting the environment.

The Company will demand from its suppliers a commitment to prevent crimes, especially against Public Administration and the Environment.

In their negotiations with suppliers, the addressees of this Code shall obey the following principles:

- The selection of suppliers must comply with the principles of competition and fairness of conditions when submitting proposals, based on objective criteria such as competitiveness, utility, price and quality of service. When an offer is chosen, the company will not prevent any vendor who meets the requirements from bidding and signing a contract;
- The company must, however, take into account the supplier's ability to ensure compliance with occupational health and safety and environmental protection legislation, the implementation of appropriate quality systems, the availability of resources and organizational structures, and the ability to meet confidentiality requirements and obligations.

Any selection process must be carried out in accordance with the most ample conditions of competition and any exception to this principle must be authorized and justified;

- The company should establish appropriate procedures to ensure maximum transparency in the supplier selection as the purchase of goods and services. There may be a system of rotation of the personnel in charge of purchasing, in order to promote greater equity, as well as functional separation between the supply request and the actual contract stipulation, and complete documentation of the entire selection and purchase process, such as allowing the rearrangement of all transactions.
- The company and supplier altogether must operate to build a collaborative relationship based on mutual and consistent trust through good business practices.
- The company can not offer gifts or other benefits to obtain favorable treatment in relation to any activity related to it itself.

- The company in all contracts signed with suppliers should include the anti-corruption clause 12.846/13.
- Donations and Sponsorships - Donations and Sponsorships may be made to Philanthropic institutions, hospitals, schools, shelters, with the approval of the Directorate, when provided; they do not have a commercial relationship with Mastrotto. When accomplished, it will be formalized through Minutes, and its legal assessment granted by the Company's Board.

The Company is duly committed to informing the supplier in time about the nature of the activity, the form and payment schedule in accordance with the current legislation, given the circumstances, negotiations and the content of the contract.

The company shall, in any case, verify if the performance of the contractual obligations by the Supplier is in accordance with the principles of fairness, honesty, diligence and good faith, according to contractual terms and provisions of the law.

The relationships with suppliers, regulated by the rules of this Code, are subject to continuous and careful monitoring by the Company.

2.8 Rules of conduct for relationships with *competitors*

The Company operates in accordance with the principles of fairness and ample competition.

The Company carries out its commercial activities in order to obtain competitive results that reward quality, skill, experience and effectiveness.

Any action designed to alter fair competitive conditions (such as in public and private bids) is contrary to the Company policy and all personnel are prohibited from operating in that manner.

2.9 Rules of conduct for the relation with outsourced third parties

The relationships with outsourcers should be conducted in accordance with the law and good market practices; it also should be based on the principles of fairness, honesty, transparency and verifiability.

Outsourced third parties are subject to the principles and rules of conduct of this code:

- Outsourced third parties will be given the same training given to the employees as to the application of this code;
- Outsourced third parties are prohibited from giving or receiving gifts, gift certificates and lodging on behalf of Mastrotto;

- Contracts clinched with outsourced third parties will have the anti-corruption clause (law 12.846/13).

2.10 Rules of conduct in community relations

The company intends to contribute to the economic well-being and growth of the communities where it operates, producing quality products and operating with high standards of environmental safety and toxicology.

The company identifies progress and innovation as essential conditions for growth and success.

In line with the related need for cost-effective management, by making choices, the company takes into account the wide spread of the offered products and the necessary matching of them to the needs of the community.

The company, aware of its importance in the local market, for the economic and social development of the community, as well as for the well-being of people who work or collaborate with the company, and the consequent responsibilities towards the community; the Company maintains relationships with local, national and international public authorities aiming at full and effective collaboration and transparency, respecting the reciprocal independence, economic objectives and values of this Code.

The Company shall not make contributions or provide advantages or other benefits, direct or indirect, to political parties, movements, committees, political or trade union organizations, or its representatives or candidates, nor otherwise does support them, without failing to the applicable regulations.

Under no circumstances shall the pursuit of company interests justify any conduct on the part of management and employees who do not comply with the laws or the provisions of this Code.

- Donations and Sponsorships - Donations and Sponsorships may be made to Philanthropic institutions, hospitals, schools, shelters, with the approval of the Directorate, when provided; they do not have a commercial relationship with Mastrotto. When accomplished, it will be formalized through Minutes, and its legal assessment granted by the Company's Directorate.

2.11 Rules of conduct regarding environmental protection

The Company's investment and business choices must be made in accordance with the means that protects the environment and public health.

The Company's environmental policy is based on the awareness that the protection of the environment is a competitive advantage in a market that is increasingly aware of the quality and impact of the services and products produced by the Companies.

The Company is committed to administering its activities in full compliance with current environmental protection regulations.

Therefore, the company must take environmental considerations into account when making decisions, committing itself to adopting more efficient technologies and production methods with the objective of reducing the environmental impacts of its activities in accordance with sustainable development, in addition to meeting the requirements of the specific legislation.

2.12 Confidentiality and use of information

The company adopted as conduct, practices by Gruppo Mastrotto, which in turn, follows the rules established by the Privacy Act established since 2018, in the European Union, which expounds the company must protect the information related to its employees, customers and third parties in general. The Company in Brazil, adopted the **General Law of Data Protection-LGPD 13.709, DOU 08/14/2018**.

Mastrotto Brasil SA has information as a valuable asset and understands that undue disclosure, even if inadvertently, can put the company at a competitive disadvantage, cause financial losses, and / or tarnish the Company's reputation.

Therefore, all information about the company and its activities, which are not meant for the public domain, should be considered "confidentiality" by all managers, employees who have knowledge of it, as a result of their duties or relationship with the company.

The addressees of this Code will guarantee the confidentiality of the acquired or processed information as a result of the fulfillment of their obligations. The information considered confidentiality may only be disclosed, with the authorization of the Directorate.

It should be noted that everything we produce in the exercise of our functions is the property of Mastrotto Brasil SA, and it is not permitted to delete, destroy or carry this information away when the employment contract is terminated. It should also be noted that the confidentiality of this information must be maintained even after the termination of employment.

Thus, managers, employees are committed to not utilize or permit the use by third parties of non-publicly available information relating to the Company or, in any case, related entities (individuals, companies, etc.) that have a relationship with it, to promote or favor their own interests or those of third parties.

Information protection directions:

- Do not discuss business in public places (public signs / bars / elevators / etc);
- Use access passwords in confidential information files;
- Do not share system access passwords;
- Save documents in locked files;

- Destroy documents before disposal.

The Company will protect the privacy of its employees, by indicating a person responsible for the data confidentiality, in accordance with current the legislation, committed not to disclose or disseminate personal information without prior consent, unless otherwise specified by the provisions of the law.

The acquisition, processing and storage of such information must occur through specific procedures to ensure the prevention of unauthorized access, in accordance with privacy protection legislation.

2.12.1 Use and share of information in social networks

Mastrotto respects the right to free expression, freedom and privacy of all recipients of this code, but expects all employees and business partners to be responsible for using the COMPANY's name, brand and image in a responsible way, even in virtual places such as social networks.

Social networks, at work and in personal life, should not be used in a way that exposes private information or confidentiality of our company. Thus, it is not allowed the dissemination of content that exposes the image of collaborators, products and productive processes of the company.

These disclosures when performed improperly may tarnish the company in the competitive market.

Part III

Implementation Methods

3.1 Prevention System

According to the current regulations and aimed to planning and managing corporate activities, targeting at improvement and efficiency, equity, transparency and quality, the company must take appropriate measures for the organization, management and control of its activities.

These measures are intended to:

- To prevent unlawful behavior (or, in any case, contrary to the rules of this Code), by any person who operates within its structure or in reason of it;
- Identifying and promptly eliminating any hazardous situation.

Taking into account the complexity of the business activities and the organizational structure, the Company will adopt a system for the delegation of powers and functions.

In particular, this system provides for the explicit and specific assignment of tasks to employees with proper skills and knowledge, assuring them adequate autonomy in the management of the resources allocated to them, without compromising the company's right to verify their performance.

3.2 Penalties for non-compliance with the rules of conduct

EMPLOYEES

- In case of noncompliance with this Conduct and Ethics Code, the penalties will be permeated by the principles of fairness, equality and equity, and will be defined by the Compliance Committee and Directorate, respecting current legislation.

SUPPLIERS AND OUTSOURCED THIRD PARTIES

- In case of noncompliance with this Conduct and Ethics Code, the sanctions will be permeated by the principles of fairness, equity and equity, and considering the criticality of the act and the impact caused to Mastrotto, it will be evaluated by the Compliance Committee, Directorate and contracting area service.

3.3 Compliance with the Ethics and Conduct Code and Internal Control

The Company disseminates a mindset focused on control activities at all levels, given its contribution to improving efficiency.

The term "internal control" refers to the necessary tools to verify the activities of each department, with the objectives of ensuring compliance with the Law and the company's procedures, protecting the resources of the company, managing its activities efficiently and, finally , providing accurate and complete accounting data.

Thus, the Company commits itself, on the one hand, to adopt appropriate measures and control procedures to ensure that the true conduct of the company and its employees are an expression of the values established in this Code and, on the other hand, introduce specific sanctions systems whenever violations occur.

The responsibility for implementing an internal control system is shared at all levels of the organizational structure. As a result, all recipients of this Code, within the scope of their respective functions, are responsible for the establishment and proper functioning of the control system.

The employees must immediately report to their supervisors and managers of the company to whom they work:

- Any violation or inducement for law breaking, regulations, as well as provisions of this Code or internal procedures;
- Any irregularity or negligence in the maintenance of accounting records, in the preservation of relevant documents intended to comply with internal accounting obligations and management reports.

The Directorate shall carry out the necessary analyses on the reports received to ascertain the facts and promote the most appropriate measures and initiatives, including the proposal to apply sanctions against those responsible in accordance with the law, collective agreements and contracts.

Anyone who reports good faith conduct or wrongdoing will not suffer adverse effects as a result of such action.

In any case, confidentiality is guaranteed for employees who report misconduct or irregularities in good faith, except for the requirements of the Law.

3.4 The Disciplinary System

The Compliance Committee is responsible for verifying and ascertaining any breach of obligations under this Code and for communicating the results to the Directorate and the Administrative Council Board.

Failure to comply with the obligations set forth in this Code may result in the imposition of disciplinary sanctions, also taking into account what is established in the special section of the organization, management and control model.

The disciplinary sanctions involving employees of the company will be applied by the Administrative Council Board or by the appointed manager.

Violations of this Ethics and Conduct Code by members of the Directorate of the Company will be penalized by the Administrative Council Board or by the General Assembly.

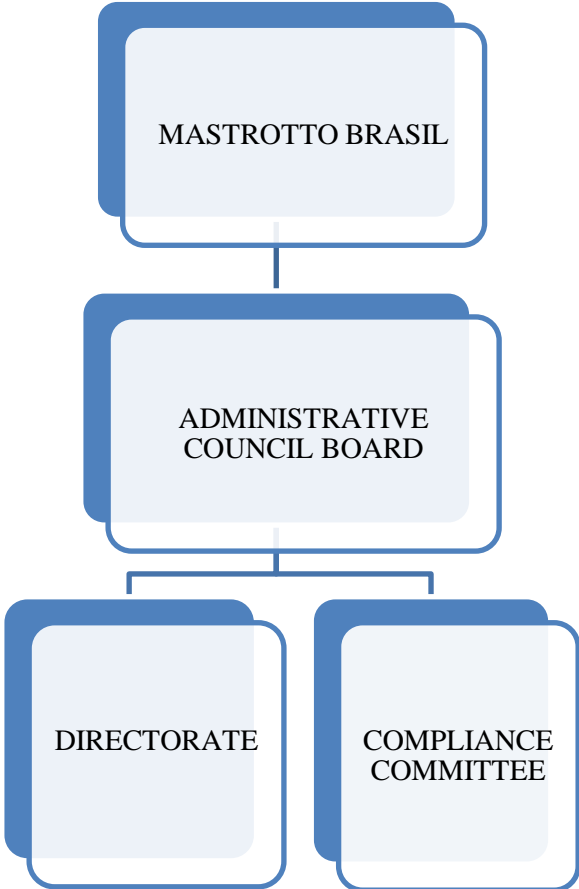
Both infractions committed by company employees and those practiced by members of the Directorate may result in the adoption of disciplinary measures of an educational nature, without any loss to the adoption of administrative and / or judicial measures.

The measure will be decided in the absence of one or all of the members involved in the breach.

If the violation is committed by employees, external consultants or those who supply goods or services to the Company, the sanction will be determined by the Directorate or the assigned manager. In the most serious events, the sanction may result in termination of the contract, without any loss to the right of the company to seek compensation for damages suffered as an outcome of misconduct.

ANNEX 1

Organization Chart Agents



MASTROTTO BRASIL S.A.
RODOVIA BR 101 – KM 201 – CAPOEIRUÇU
CACHOEIRA – BAHIA – BRASIL
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