

**1. PRESENTATION:**

1.1. As a matter of policy, TecnOil Comércio e Representações Ltda. (“TECNOIL”) performs its activities with integrity, ethics, professionalism, adopting the best practices of the market, as well as complying with applicable national anti-corruption and antitrust laws, including Law 12,529/2011 (that regulates provides on violations against the economic order) and Law 12,846/2013 (that regulates on liability of legal entities for the performance of actions against the government), and in compliance with international laws, wherever it conducts business, particularly the Foreign Corrupt Practices Act – FCPA and UK Bribery Act of 2010 – UKBA 2010 (“Anti-Corruption Laws”).

1.2. The purpose of this Anti-corruption Policy (“Policy”) is to guarantee the abovementioned result, starting from the creation of guidelines that, associated with the values, rules and general instructions included in the Best Practices Manual, are intended to prevent, detect and cure potential irregularities and/or wrongful acts against agencies part of the government and private entities.

1.3. The Policy relies on the total support and commitment of the top management of TECNOIL and applies to all its quotaholders, managers, committee members, workers, interns, agents, service providers, suppliers and business partners, regardless of their hierarchy and duties, wherever they are located (“Employees”).

1.3.1. This Policy applies, as applicable, to any third party, regardless of office, that represents TECNOIL, or that has powers to act on its behalf, or that acts together with it, including, but not limited to commissioned sales agents, distributors, sales representatives, consultants, logistics and transportation suppliers, customs clearance agents, joint venture partners, subcontractors, that is, any third party that is not part of TECNOIL and that operates by means of power of attorney granted by it (“Intermediaries”). Accordingly, all instructions of this Policy that are intended for Employees, and are also applicable to Intermediaries, must be strictly complied with by the latter.

1.4. All Employees must read, understand and comply with the rules and principles provided for in this Policy, expressly agreeing with it, according to the Agreement that constitutes Schedule I. Under no circumstance will an Employee allege that he or she is not aware of the guidelines, liabilities and restrictions set forth in this Policy.

1.5. TECNOIL will not authorize, be involved with, tolerate, nor will it agree with any practice that is not in accordance with this Policy or Anti-Corruption Laws, undertaking to take all adequate actions against possible irregularities and acts of corruption and restriction to competition that eventually becomes of its knowledge.

1.6. This Policy is not intended for providing answers to all questions and considerations concerning corruption and related matters that may appear during the business conducted by

TECNOIL. Examples included herein are to help the reader understand the object and importance of this Policy, and do not necessarily reflect all situations encompassed by it. Therefore, whenever there are any doubts concerning application of the Policy, or doubts or suspicions concerning the adequacy of any conduct, an Employee should immediately seek guidance from the Compliance Office.

1.7. TECNOIL encourages and expects all Employees to be familiar with and to comply with this Policy, and to report possible irregularities within a reasonable term for the Compliance Office in order for such entity to correctly deal with such possible irregularities.

## **2. PURPOSE:**

2.1. This Policy seeks to define ethical standards of conduct and best practices to be complied with by all Employees in the scope of their respective offices and duties, with the purpose of promoting a compliance culture among them and serve as an effective instrument for preventing and solving irregularities provided for in the Best Practices Manual and in Anti-Corruption Laws applied to the activities performed by TECNOIL.

2.2. More specifically, this Policy is intended for describing and explaining prohibitions against bribery and corruption in all operations of TECNOIL, as well as for pointing out specific compliance requirements related to such prohibitions.

2.3. TECNOIL is committed to conducting all its businesses in a manner that is ethical, honest and transparent, in accordance with Anti-Corruption Laws. The violation of such laws exposes TECNOIL, its Employees and any other involved parties (regardless of nationality or place of residence) to criminal, civil and administrative liability, including fines and other material penalties.

## **3. GUIDELINES:**

3.1. During performance of the activities of TECNOIL and, particularly, when contracting any third party, the following basic principles are to be complied with by Employees:

- (i) To act and achieve corporate goals with responsibility, honesty, transparency, discipline, loyalty, legality, impartiality, efficiency and common sense;
- (ii) To preserve and protect the name, image, assets and reputation of TECNOIL;
- (iii) To avoid any contracting that causes a situation of conflict of the interests of an Employee in charge of such contracting with the interests of TECNOIL, and, when it is not possible to avoid

such conflict, to refrain from representing TECNOIL in the concerned matter, immediately reporting the fact to the Compliance Office; and

- (iv) To comply with the rules provided for in the Anti-Corruption Laws applied to TECNOIL by virtue of its activities.

#### **4. PROHIBITIONS AND RESTRICTIONS:**

##### 4.1. For the purposes of this Policy:

- (i) “Corruption” means abuse of power or of authority by a person to whom such power has been delegated, in order to obtain personal advantages – corruption may be (a) active, whenever it involves the offer, promise or delivery of an undue advantage; or (b) passive, whenever it becomes concrete by means of the request, receipt or acceptance of a promise of an undue advantage. The most common forms of corruption are:

- “bribery”, which means to give or accept money, gift or another advantage as encouragement for the performance of any dishonest, illegal or fraudulent acts while conducting business; and
- “facilitating payments”, which means to make payment of small amounts of cash or to promise other advantages for the personal benefit of a Public Agent, in most cases of low hierarchical level, in order to hasten and/or guarantee performance of a routine public action that is not discretionary, such as, for example, obtaining permits, licenses or other official documents. Such payments may be deemed a customary way to conduct business in some countries. However, it is important to understand that such payments are prohibited under local laws of most countries in the world, including Brazil. For such reason, this Policy prohibits Employees or any third party that acts on behalf of TECNOIL from effecting any such payments on behalf of the company.

- (ii) “Money laundering” means the process by which an agent conceals or dissimulates the nature, origin, location, disposal, use or ownership of assets, rights or values directly or indirectly arising from criminal violation so that the origin of such funds seems lawful.

##### 4.2. Performing the following acts is strictly forbidden and condemned by TECNOIL:

- (i) To promise, offer, give, make or authorize payment or delivery of money or thing of value, whether directly or indirectly, to any person, whether a Public Agent or not, in order to obtain or keep business or other undue advantages;

- (ii) To finance, pay, sponsor or otherwise subsidize practice of wrongful acts provided for in the Anti-Corruption Laws;
- (iii) To use an individual or legal entity that acts as an intermediary for concealing or dissimulating one's real interests or the identity of beneficiaries of the acts performed; and
- (iv) To use funds of unlawful origin.

4.2.1. The term "Public Agent" means (i) any leader, agent or servant, appointed or elected, of national or international government, department, agency or public entity, including companies fully owned or controlled by the State; (ii) any individual that, although temporarily or without receiving payment, holds a public office, job or duty; (iii) any candidate for a political office; (iv) any leader or servant of a political party; or (v) any political party.

4.2.2. The expression "thing of value" includes, but is not limited to gifts, payments, gift certificates, shares, meals, travel tickets, accommodation, entertainment (such as tickets and invitations for events), political contributions and donations.

4.2.3. The expression "undue advantage" includes, but is not limited to irregular payments made in order to (i) influence a desired action; (ii) encourage an act that violates a regular obligation; (iii) cause a person to refrain from acting, in violation of a regular obligation; (iv) obtain special treatment or guarantee of commercial or political grants; (v) obtain confidential information about business opportunities; and (vi) obtain approvals, releases, cancelation of permits, licenses or authorizations, concerning any type of project and/or undertaking.

4.3. Concerning bidding processes and, particularly, government contracts, any conduct to have the following results is strictly prohibited:

- (i) To hinder or defraud, by means of agreement, arrangement or other communication, the competitive nature of government bidding processes;
- (ii) To prevent, interfere with or defraud the performance of any act of government bidding processes;
- (iii) To remove or seek to remove a bidder, by means of fraud or offer of any type of advantage;
- (iv) To defraud government bidding processes or contracts arising from such processes;
- (v) To create, by fraudulent or irregular means, a legal entity for participating in government bidding processes or entering into administrative contracts;

- (vi) To obtain undue advantage or benefit, by fraudulent means, from changes or extensions of contracts entered into with the government, without authorization by law, invitation for bid of government bidding processes or the respective contracts;
- (vii) To manipulate or defraud economic and financial balance of contracts entered into with the government; and
- (viii) To hinder investigation or oversight by government agencies or entities or public agents, or to interfere with their performance, including in the scope of regulatory agencies and oversight authorities of the national financial system.

## **5. CONFLICT OF INTEREST:**

5.1. All Employees must avoid situations of conflict of interest. Employees are expected to perform their duties in a diligent and honest manner, in the best interests of TECNOIL. Employees must not abuse their positions, unduly use confidential information for personal gain or gain of third parties, and must not be directly involved with any business that conflicts with the commercial interests of TECNOIL or that somehow jeopardizes its independence and impartiality.

## **6. ACCOUNTING RECORDS:**

6.1. TECNOIL must comply with all rules applied to preparing its financial statements, according to the generally accepted accounting principles of the places where it conducts its business and it must have and keep accounting books, records and accounts that accurately and properly reflect, in detail, all its operations and financial transactions.

6.1.1. Records of all payments made or received on behalf of TECNOIL must accurately and duly reflect such operation, indicating, whenever possible, justifications and comments containing information on the agreed price and market price, occasional payment of values above market value, and information about delivery of product or service and its quality in relation to the value paid.

6.1.2. TECNOIL expressly forbids secrete operations, not recorded and not disclosed, even if they do not present any irregularity.

6.2. Forging mandatory accounting books and records is strictly prohibited, as well as making false or deceitful statements or omitting relevant facts to accountants or auditors in relation to preparing

the necessary records, and performing any other accounting procedure, technique or subterfuge that may conceal or otherwise hide illegal payments.

6.3. TECNOIL must conduct periodic internal and external audits, aiming at verifying compliance with the rules applied to the preparation of its financial statements and with the provisions of this Policy.

## **7. BEST COMPLIANCE PRACTICES:**

7.1. Aiming at preserving its reputation and in accordance with the purposes of this Policy, TECNOIL expects all Employees, wherever they are located and, regardless of their positions and duties, to agree with the terms of this Policy, ethically and carefully conducting their activities, in a way to minimize the risk of violations of the Anti-Corruption Laws, avoid the mere aspect of impropriety and preserve and promote the good reputation of TECNOIL.

7.2. Employees are to rely on the best ethical and compliance practices, as well as on the Best Practices Manual, according to the following instructions:

- (i) Gifts. Business courtesies, such as meals, hospitality, gratuities, gifts and entertainment, must not be offered to any person, whether a Public Agent or not, under circumstances that may reasonably be deemed inappropriate. Furthermore, they must be directly related to business discussions, demonstrations or explanations of the goods or services of TECNOIL, or to a contractual obligation involving the goods or services thereof. Only granting gifts that are strictly promotional and of small sums is allowed and, for doing so, the procedure provided for in the Gifts and Hospitality Policy must be complied with. Employees are always to contact the Compliance Office in the event of doubts concerning whether the gift is allowed under laws applied to the person that will receive it or by the employer of such person.
- (ii) Hospitality. When it is approved in writing by the Compliance Office, TECNOIL may pay for travel and accommodation of any person, whether a Public Agent or not, provided that such costs are strictly related to its activities and promotional visits. Expenses with hospitality must be in accordance with the procedures provided for in the Gifts and Hospitality Policy and: (i) present reasonable values that will not reflect any luxury or extravagance in any way; (ii) be carried out in good faith, (iii) be directly related to the demonstration, promotion or explanation of facilities, goods or services of TECNOIL or to the performance of a contract of the company. Under no circumstance will additional travels or costs incurred by spouses or travel companions be borne or reimbursed. TECNOIL will not offer daily payments or make cash distributions for payment of expenses with meals and beverages.

- (iii) Political Contributions. Employees will not use resources of TECNOIL directly, or indirectly by means of payments or gifts, whether in cash or thing of value, for a political party or member of a political party, unless the Executive Board of TECNOIL previously and expressly approves such action, which must be in accordance with the procedure provided for in the Donation Policy of the company. This Policy, however, is not intended for preventing Employees to participate in the political process of the country or to make personal political contributions, provided that these are not related to TECNOIL in any way.
  
- (iv) Charitable Contributions. Since contributions and donations to charity institutions, as well as sponsorships, may serve as a channel for illegal payments or to generate corruption, Employees are not to use resources of TECNOIL for such, whether in cash or thing of value, at the request or for the benefit of Public Agents or private entities, without the prior and express approval of the Chief Executive Officer of TECNOIL. In addition to submitting the proposal for contribution or sponsorship to the Chief Executive Officer, there must be a comprehensive investigation on the charity institutions and entities to be sponsored. Any Employee that makes a request for donation or sponsorship must comply with the procedure provided for in the Donation Policy, presenting adequate supporting documentation for duly registering such request in the books and records of TECNOIL.
  
- (v) Diligence of Business Agents and Suppliers. Before entering into a contract with any business agent or supplier, Employees are to conduct an audit at an adequate level for assessing potential risks of corruption and guaranteeing that TECNOIL only begins business relationships with reputable and qualified individuals and companies. Business agents or suppliers in potential must comply with the audit procedure recommended by the Compliance Office, as well as in the Policy of Contracts with Business Agents and Supplier Registry Policy. In general, the audit review must determine, among others: (i) whether the individual that proposes to render services to TECNOIL in exchange for payment is a Public Agent; (ii) whether the legal entity is an employer of a Public Agent or has the investment of a Public Agent; (iii) whether the services that are proposed to be rendered by the individual or legal entity are necessary for promoting a business initiative or existing contract; (iv) whether the individual or legal entity is specialized, experienced and otherwise qualified for rightfully performing the necessary services; and (v) whether the individual or legal entity shows a probability of becoming involved with practices that may expose TECNOIL to any liability. If necessary, TECNOIL may hire the services of independent suppliers for researching the ownership, specialization, expertise and other qualifications of any business agent.
  
- (vi) Payments to Business Agents and Suppliers. Unless there is express approval from this Policy or the Compliance Office, no payment must be made or delivered to any business agent: (i) in cash, except at the extent in which the contract under which the payment is made requires payment in cash for certain goods or services, or the amount paid is small and intended for reimbursement of costs incurred; (ii) with corporate checks to be paid "in cash", "to bearer" or

to third parties appointed by the payment beneficiary; or (iii) to an individual, entity or account outside the country of residence of the person to receive the payment. Employees will guarantee that the accounting records (including expense reports) are sufficiently detailed for the payment purpose to be clear and the transaction to be correctly recorded.

- (vii) Business Contracts. TECNOIL must enter into contracts in writing with all business agents or suppliers of goods or services (including third parties that are agents), or other representatives. The contract must include provisions indicating that the business agent will comply with the principles set forth in this Policy and in the Anti-Corruption Laws, in accordance with the model included in the Policy of Contracts with Business Agents and Consultants. TECNOIL must monitor the activities performed by its contractors.
- (viii) Compliance with Laws. TECNOIL must comply with all applicable local laws of the countries in which it conducts business, and with the Anti-Corruption Laws.
- (ix) Partnerships and Subcontracts. All documents signed by TECNOIL that reflect or formalize relationships of business nature with third parties (including, but not limited to proposals, confidentiality agreements, memoranda of understanding, contracts, among others) must include a provision to indicate that TECNOIL and its representatives will act in accordance with its Best Practices Manual and this Policy, according to the model included in the Policy of Contracts with Business Agents and Consultants.
- (x) Advances for Employees and Legal Entities. TECNOIL allows the request for advances for specific and predetermined situations, provided that such advances are duly justified and expressly authorized, under the Policy of Advances for Employees and Legal Entities. Accordingly, advances may be granted in the following events: (i) travel expenses duly approved according to the guidelines of the Expense Reimbursement Policy of TECNOIL; (ii) urgent purchases; or (iii) implementation of services. The values granted by way of advance must be object of accounting, by means of submission of original supporting documents with tax effect, in accordance with the applicable laws in Brazil. Using resources made available by way of advance for payment of the following expenses is strictly prohibited: (i) labor of any nature; (ii) tax invoices for services; (iii) purchase of fixed assets; and (iv) lease of any nature. Approval, use and control of advances for Employees and legal entities must comply with the procedure provided for in the Policy of Advances for Employees and Legal Entities of TECNOIL.

## **8. WARNING SIGNS:**

8.1. When there are doubts concerning a particular way to act, Employees must question whether their conduct, in such specific case, might: (i) be deemed lawful; (ii) be deemed ethical; (iii) be deemed

consistent with the guidelines set forth in this Policy; and/or (iv) reflect positively on TECNOIL or himself or herself. If the answer to any of these questions is “no”, the intended conduct must not be practiced. However, if there are still doubts concerning the best way to conduct the situation, the Compliance Office, with qualified and trained professionals, will be available for assisting Employees with such matters.

8.2. “Warning Signs” are considered existing whenever there is a fact or circumstance to suggest that any particular operation, relationship or contract involves a probable risk of bribery and/or corruption. When a “Warning Sign” is identified, one must carefully consider the actions that must be taken in order to minimize or eliminate the risk that such particular relationship may present, including the termination of such relationship.

8.3. Below are some examples that may suggest noncompliance with this Policy or that represent common areas of compliance risks related to corruption:

- request for advance pay or for payment before the decision of a grant, contract or other business;
- request for payment in cash to a numbered account or to an account on behalf of a different person;
- request for payment in a different country, particularly if it is a country with little financial transparency or deemed a “tax haven”;
- request for payment of expensive contingency fees or “success” fees;
- request for payment of commissions or fees that exceed the regular rate practiced for similar services in a certain geographical area, or that unreasonably exceed the rates paid by TECNOIL for similar services in other locations;
- offer of extravagant or luxurious gifts involving a Public Agent or private entity;
- request for reimbursement of extraordinary expenses inadequately documented, or of last minute expenses;
- relative of the business agent holds a government position, particularly if such relative is or may be in a position to direct business to TECNOIL;
- appointment and recommendation of the business agent by a Public Agent;

- refusal on the part of any business agent to disclose the identity of his or her members or managers;
- use by the business agent of a shell corporation (without commercial substance) or holding that conceals ownership without one acceptable explanation;
- the business of the business agent seems to lack labor, equipment and/or expertise, is inadequately located or otherwise is not able to perform the business relationship proposed with TECNOIL;
- insolvency or material financial difficulties of the business agent, which are reasonably expected to affect the business;
- ignorance or indifference on the part of the business agent regarding local laws and regulations;
- recent incorporation of the business agent or lack of background information of the business agent;
- unjustified refusal on the part of a commercial or bank contact of the business agent to answer questions or give business references, or problematic answers by such contact; or
- involvement of the business agent in cases of corruption, crimes and misdemeanors in general or other legal violations deemed relevant, investigation of such agent by government agencies (prosecution office, courts of accounts and police departments) or acceptable media exposure that indicates deviation on the part of such agent of ethical conduct.

8.4. If the Employee becomes aware of, or has any reason to suspect of, the existence of any of the circumstances above, the violation of this Policy, or finds signs of any irregularity in the business in which he or she participates, then he or she must immediately notify the Compliance Office, so that the respective facts and circumstances may be duly investigated.

## **9. TRAINING:**

9.1. TECNOIL has an anti-corruption training program for its Employees, by means of which periodic trainings are ministered, presenting its policies and the Anti-Corruption Laws, as well as the Best Practices Manual.

9.2. The anti-corruption training program must be annual and includes discussion regarding concepts and theoretical and practical matters related to the topic, with the purpose of preparing and

keeping all Employees updated concerning the best governance practices and the conducts expected from them for facing situations that involve potential irregularities.

**10. COMPLIANCE OFFICE:**

10.1. The Compliance Office, responsible for structuring, implementing and improving the ethics and anti-corruption compliance program of TECNOIL, consists of one internal employee of TECNOIL (elected for such duty by members of the company) and two independent professionals hired for such purpose, who will act under the supervision of the Chief Executive Officer of TECNOIL.

**11. COMMUNICATION CHANNEL:**

11.1. Any person aware of violation of any provision of this Policy by an Employee or any third party that acts for or on behalf of TECNOIL is to report such fact to the Compliance Office.

11.2. TECNOIL makes a direct and confidential communication channel with the Compliance Office available for complaints, that may occur anonymously, of activities and behaviors that are not in accordance with this Policy or the Best Practices Manual of TECNOIL, by means of the email address **ouvidoria@tecnoil.com.br**

11.2. No retaliation will be allowed or admitted against a person that, in good faith, reports a conduct that is illegal or contrary to the guidelines of this Policy, regardless of the results of the investigation of the allegations that appear in the complaint.

11.3. Any questions or requests for clarification concerning the application of this Policy, as well as doubts on how to act in specific situations related to this Policy, may also be forwarded by the abovementioned communication channels.

**12. INVESTIGATIONS:**

12.1. The Compliance Office, with autonomy and independence for investigating cases and enforcing applicable disciplinary sanctions, will duly investigate and assess any information concerning violation of any provision of the Policy.

**13. SANCTIONS:**

13.1. Any Employee that performs fraud or corruption acts or that violates any provision of this Policy will be subject to disciplinary sanctions, which may include warning, suspension or the termination of the employment relationship, with or without cause.

13.2. Furthermore, violation of the Anti-Corruption Laws may result in criminal action against the individuals who are involved, as well as civil and criminal liability of TECNOIL by means of application of fines in values corresponding to percentages of 1% to 20% of its gross sales revenue of the last fiscal year, prohibition to receive incentives, subsidies or loans from government agencies within 1 to 5 years, suspension or partial interdiction of activities, irreparable damage to its reputation, among others.

**14. LIABILITIES:**

14.1. Employees are to comply with all provisions of this Policy and guarantee that third parties with whom they have a relationship are informed of its contents, mainly Intermediaries and the ones that represent, in any way, even if temporarily, the interests of TECNOIL. All department managers of TECNOIL must disclose to their subordinates the contents of this Policy and inform them of the need to comply with it, in order to avoid violations due to lack of information and encouraging them to present doubts or concerns concerning its application.

**SCHEDULE I**

**TECNOIL'S ANTI-CORRUPTION POLICY AGREEMENT**

By means of this instrument,

\_\_\_\_\_ represents, for due purposes, that he or she has received a copy of TECNOIL's Anti-corruption Policy; that he or she is not subject to investigation, inquiry or execution actions filed by any administrative or regulatory government agency concerning any crime or allegation of crime under the Anti-Corruption Laws; and, if he or she has already been subject to any such action, it is not imminent, nor pending, and there is no circumstance whatsoever that might result in said investigation, inquiry and action.

The executing party hereof also states that he or she: (i) will fully comply with the Anti-corruption Laws; (ii) will fully comply with TECNOIL's Best Practices Manual and Anti-corruption Policy; (iii) will not perform any act that causes TECNOIL to violate the Anti-Corruption Laws; and (iv) adopts and will continue adopting, while he or she represents the interests of TECNOIL, policies and procedures for guaranteeing the compliance with the Anti-Corruption Laws and TECNOIL Best Practices Manual.

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

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[Name of executing party]