



## RELATED PARTIES TRANSACTIONS POLICY OF PADTEC HOLDING S.A.

### 1. PURPOSE

This Related Parties Transactions Policy ("Policy") aims to ensure that the transactions of Padtec Holding SA ("Company") and its subsidiaries, involving related parties ("Related Parties" as defined below), are carried out under commutative conditions, no less favorable to the Company and its subsidiaries than they would be if they were carried out with third parties that are not Related Parties, under the same circumstances or in similar scenarios.

The Policy is applicable to transactions entered into with individuals and/or legal entities as defined in item 2 below.

### 2. DEFINITIONS

"Related Parties": Related Parties are considered:

- (a) those, directly or indirectly, related through one or more intermediaries, when the party: (i) controls, is controlled by, or is under the common control of the Company (including parent companies or subsidiaries); (ii) has a stake in the Company that grants it significant influence ("Significant Influence" as defined below) over the Company; or (iii) has joint control over the Company;
- (b) the Company's affiliates;
- (c) *a joint venture* in which the Company is an investor;
- (d) Members of the Company's Management's Key Personnel, its subsidiaries or its controllers;
- (e) Close Family Members of any person referred to in points (a) or (d) above; or
- (f) controlled company, jointly controlled or significantly influenced by, or in which the significant voting power in the company is, directly or indirectly, held by any person referred to in subparagraphs (d) or (e).

"Significant Influence": Means the power to participate in the Company's financial and operating decisions, even though without having control over the corresponding policies.

"Transactions with Related Parties" or "Transaction": Any transaction that involves the transfer of resources, services or obligations between the Company and/or its subsidiaries and a Related Party, including, among others: (a) purchase and sale of goods, properties and other assets; (b) provision or receipt of services; (c) leases; (d) transfers of assets, rights and obligations; (e) financial transfers; (f) provision of guarantees or sureties; (g) commitments; (h) settlement of liabilities; (i) lending of real estate or movable property of any nature; and (j) hiring employees and managers. Related Party Transactions are characterized by the transfer of resources, services or obligations between Related Parties, whether or not there is a value allocated to that transaction.

"Management Key Personnel": People who have authority and responsibility for the planning, direction and control of the Company's activities, directly or indirectly, including any manager (executive or other) of the Company.

"Close Family Members": Those members who can be expected to exert influence or be influenced by the person in their business with the Company and include: (i) the person's parents



and children, spouse or partner; (ii) the person's spouse's or partner's children; (iii) the person's dependents, spouse or partner; (iv) relatives up to the 3rd degree of the person; and (v) relatives of the person by affinity in general.

“Executive Board”: Means the Company's statutory and non-statutory management.

“Policy”: Means this “Related Parties Transactions Policy”.

### **3. CONFLICT OF INTERESTS**

As provided for in the Company's Code of Ethics and Conduct, the Company seeks to ensure that all decisions identified as potential generators of conflicts of interest are taken with absolute transparency and in line with the Company's interests and that the eventual benefit that the Related Party may have with the business does not harm the existence, operation and prospects of the Company, the transactions being contracted under reasonable and equitable conditions, identical to those prevailing in the market or in which the Company or its subsidiaries would contract with third parties, or with adequate compensatory payment.

### **4. RULES FOR RELATED PARTY TRANSACTIONS**

#### *(a) Regulation and Supervision of Transactions with Related Parties*

The Company's Executive Board will be responsible for monitoring and managing Transactions with Related Parties, as well as the potential conflicts of interest of the Company's managers and shareholders.

#### *(b) Rules for Conducting Transactions with Related Parties*

The Company and/or its subsidiaries may carry out Transactions with Related Parties provided they are signed in writing and contracted on an equitable basis, that is, conducted within market parameters, in terms of duration, rates and guarantees, and which are clearly reflected in the records and reports of the Company and/or the respective subsidiary.

All Transactions with Related Parties, regardless of their value, must follow the guidelines established in item 4 (c) and the approval procedure contained in item 4 (d), below.

#### *(c) Guidelines*

All Transactions carried out by the Company and/or its subsidiaries must be preceded by questioning, when in doubt, about the existence of relations between the contractor, its partners or administrators and the Company and/or its subsidiaries, in order to identify if it has to be considered a Related Party Transaction.

As soon as potential Transactions with Related Parties are identified, regardless of their value, they must be communicated in writing to the Company's Executive Board. The release must contain a description of the following information:

- (i) name of the Related Parties;
- (ii) type of relationship of the Related Parties with the Company;
- (iii) date of the Transaction;
- (iv) object of the Transaction;
- (v) amount involved in the Transaction;
- (vi) any financial balance that may exist;



- (vii) amount corresponding to the interest of such Related Party in the Transaction, if it is possible to measure;
- (viii) guarantees and related insurance;
- (ix) duration of the object of the Transaction;
- (x) conditions for the termination or extinction of the Transaction;
- (xi) main obligations and other terms and conditions of the Transaction.

The release must also contain detailed justification of the reasons why such Transaction is considered to serve the interests of the Company and/or its subsidiary and observes commutative conditions or provides for adequate compensatory payment, also informing: (i) if other proposals were requested, if a price-making procedure has been carried out or if any other attempt was made to implement the Transaction with third parties, explaining, if not, the reasons why it did not do so or, if so, the procedures performed and their results; (ii) the reasons for carrying out the Transaction with the Related Party and not with third parties; (iii) a detailed description of the measures taken and procedures adopted to ensure the operation is commutable; and (iv) the comparative analysis of prices, terms and conditions: (a) available on the market; and (b) for similar transactions already carried out by the Company or the counterparty.

The granting of loans, or other types of debt, and guarantees by the Company or its subsidiaries in favor of Related Parties is prohibited.

*(d) Procedure*

If the majority of the members of the Executive Board understand that the transaction does in fact constitute a Transaction with a Related Party, the transaction must be submitted for appreciation and approval by the Company's Board of Directors.

The Board of Directors must analyze the information related to the Transactions with Related Parties before the approval or not of each Transaction. Members of the Board of Directors who constitute or represent a Related Party in the transaction submitted for consideration and approval will not participate in any discussion or resolution, unless requested to provide information related to that transaction under discussion.

#### **4.1. RELATED PARTY TRANSACTIONS EXEMPT FROM THE PROCEDURES OF THIS POLICY**

The definition of the overall annual remuneration of the administrators will be subject to resolution at a general shareholders' meeting and, therefore, will not be subject to the rules described in this Policy.

Transactions between the Company and any company whose capital is directly or indirectly wholly owned by the Company are also not subject to the rules of this Policy.

#### **5. RULES TO BE OBSERVED BY THOSE INVOLVED IN OPERATIONS WITH RELATED PARTIES**

Any person bound by this Policy who becomes aware of a Related Party Transaction not approved by the Company's Board of Directors, as required by this Policy, must immediately report the fact to the Officer responsible for risk management and compliance. Any omission in this regard will be considered a violation of this Policy, subject to any corrective action to be applied by the Board of Directors.

If requested by the Board of Directors, any person bound by this Policy and who is a Related Party or who may have a conflicting interest with that of the Company or its subsidiaries should



participate partially in the discussion, in order to clarify their involvement in the Transaction and to provide greater information on the Transaction and the parties involved, however, should abstain from discussions regarding the approval of the transaction and absent from the precinct when voting on the matter.

## **6. POLICY ALIGNMENT WITH APPLICABLE LAW**

The purpose of this Policy is to ensure compliance with the requirements contained in the CVM rules and in Law 6.404/1976 (Brazilian Corporate Law), in particular: (i) promotion of the Company's best interest; (ii) compliance with the duty of loyalty by the Company's managers; (iii) avoidance of conflict of interest by the Company's managers; and (iv) inhibit the abuse of voting and conflict of interest by the shareholders.

## **7. DISCLOSURE AND TRANSPARENCY**

The Company will disclose information about Transactions with Related Parties in the explanatory notes contained in its periodic financial statements, in the Reference Form, when required by CVM regulation, through the Notice of Transaction with Related Parties, as per item XXXIII and Attachment 30 -XXXIII of CVM Instruction 480, of December 7, 2009, as well as by other means determined by legislation and regulation, within the applicable limits.

## **8. FINAL PROVISIONS**

Members of the Company's Management's Key Personnel must formalize their adhesion to this Policy and its amendments, by signing the Adhesion Term (Model - Annex I).

This Policy was approved at the Company's Extraordinary Shareholders' Meeting held on July 10, 2020 and will remain in force for an indefinite period.



**ANNEX I**

**ADHESION TERM**

**RELATED PARTIES TRANSACTIONS POLICY OF PADTEC HOLDING SA**

I, [name and qualification], [function or position], declare that I am aware of the terms and conditions of RELATED PARTY TRANSACTIONS POLICY OF PADTECHOLDING SA, approved by its Extraordinary General Shareholders' Meeting held on July 10, 2020 (“Policy”).

Through this term, I formalize my adhesion to the Policy and its amendments, and I undertake to disclose its objectives and to comply with all its terms and conditions.

I also undertake to inform the Company whenever I, or a Related Party to me, including a Close Member of my Family, is in the process of entering into a Transaction with the Company or its subsidiaries.

[Place], [date].

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[name]