

# Code of Ethics and Conduct



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## Abrangency

This Code of Ethics and Conduct (“Code”), approved by the Board of Directors of Padtec Holding SA (“Company”) on July 10, 2020, which contains general rules of ethical conduct, ratifies the commitment of the Company and its subsidiaries (“Padtec Group”), in particular Padtec SA (“Padtec”) with full observance of the Brazilian Law and respect for individual and collective human rights, which must be complied with by the members of the Board of Directors and their Advisory Committees, members of the Fiscal Council, Executive Board, employees and interns of the Padtec Group, as well as contracted third parties and anyone acting on behalf of the Padtec Group (the said group of people being considered “Employees” for the purposes of this document), prevailing over, and serving guidelines for all Padtec policies and standards.

Employees are also aware that it is everyone responsibility to keep up to date on any changes to this document, which should be widely disclosed by the Company.

## Scope

The conduct that follows are mutual commitments, established between the companies and their Employees, and seek to guide professional practices or even elucidate situations that may generate conflicts in the Padtec Group internal and external relations. The selected themes were considered a priority to compose this Code of Ethics and Conduct, in order to contribute to its ethical and sustainable management.

Employees are the direct representatives of the Padtec Group companies to their various stakeholders, making decisions, solving problems, creating, innovating and continuously improving their business. They are the people who make the difference and, therefore, must be prepared to perform their functions in the best possible way.



## Dialogue Channels

The Padtec Group provides its Employees and any interested party with a suitable channel on the Company website, for receiving any complaints (including anonymous) about acts that violate this Code of Ethics and Conduct. Complaints made through this channel will be received by the Ethics Committee and will be treated with rigor and confidentiality. Padtec strongly rejects the practice of empty reporting, which is not based on facts and/or data.

Any doubts and questions about this Code and its application may also be addressed directly to the Human Resources and/or the Legal areas.



### **Dialogue Channel**

[padtec.com](http://padtec.com) > [About Padtec](#) > [Who We Are](#)



### **Ethics Committee**

[etica@padtec.com.br](mailto:etica@padtec.com.br)



### **Human Resource**

[ouvidoriarh@padtec.com.br](mailto:ouvidoriarh@padtec.com.br)



## Committee of Ethics

The Padtec Group has an Ethics Committee formed by an Employee, and respective alternate, appointed by each Executive Board, as well as by Employee (s) from the Human Resources and the Legal areas.

Denunciations, questions and doubts arising from this Code may be brought to the attention of the Ethics Committee, either personally to the Human Resources and/or the Legal areas, or through the Dialogue Channels indicated in the previous item, and will be duly dealt with and appreciated, with secrecy, impartiality and impartiality. In the assessment and investigation of a complaint, the Employee (s) appointed by the Executive Board (s) involved in the specific case will not participate.

The Ethics Committee will take its opinion to the Executive Board, which should take any necessary measures and decisions, and may, as the case may be, involve the Company's Board of Directors.

After appraisal by the Ethics Committee, clarifications will be forwarded by representatives of the Committee to the complainant, if identification and forms of contact have been informed.

Padtec commits itself to rigorously investigate any complaints related to this Code through the Ethics Committee, respecting, whenever requested, the whistleblower secrecy, as well as the right to the adversary and wide defense of the accused.



## **Rules of Ethical Conduct**

### **Respect for Laws**

Every Employee is responsible and is committed to knowing and respecting the laws and regulations in force applicable to his activities, as well as the internal procedures of the Padtec Group, always behaving ethically and morally in all activities carried out inside and outside the Company.

### **Occupational Health and Safety**

The Company and its subsidiaries encourage their Employees to assume responsible attitudes in compliance with laws and internal rules related to medicine and occupational safety, in order to promote a healthy and quality work environment.

As a way of helping companies to maintain safety at work, each Employee must inform his supervisor of any and all accidents, injuries, illnesses, incidents, unhealthy or dangerous conditions or which could pose a threat to his own safety and that of other Employees, being certain that each Employee has the responsibility to ensure that he is able to perform his duties.

### **Quality of Life**

The Company and its subsidiaries assume responsible management, offering an excellent structure and work environment, in order to promote a good quality of life for their Employees.

### **Environment**

The Padtec Group is committed to complying with environmental legislation. Attitudes towards the environment have as a priority respect for nature, prevention and reduction of environmental impacts. To this end, the actions and commitment of people in improving processes and applying appropriate technologies are encouraged, aiming at sustainable development.

## **Alcohol, Illicit Substances and Weapons**

The Company and its subsidiaries do not admit and do not allow their Employees to be, at the performance of their activities for the Company, under the effect of alcoholic beverages or illegal substances.

However, moderate consumption of alcoholic beverages by those over 18 years of age is allowed, with good sense and respect for socially expected behavior patterns, in relationship or business events and commemorative occasions of Padtec Group companies.

No weapons of any kind are permitted on Company's work facilities, except when carried by qualified professionals expressly authorized.

## **Diversity, Non-Discrimination and Posture in Labor Relations**

Employees, regardless of hierarchical position, are committed to respecting diversity, exercising their functions based on ethical and moral behavior, without prejudice of origin, race, sex, sexual orientation, color, age, religion, nationality or any other forms of discrimination. It is part of Padtec Human Resources guidelines to hire apprentices and people who have permanent limitations (people with disabilities).

The Company points out that prejudiced and intimidating attitudes based on origin, race, sex, sexual orientation, color, age, religion, nationality, physical or mental disabilities are strictly prohibited, as well as harassment of Employees, especially those of a moral and sexual nature.

Conduct that results in intimidation, humiliation, coercion, threat and sexual harassment to Employees, or that leads to the deterioration of their working conditions, will not be tolerated.

The Company is committed to providing a workplace that encourages mutual respect between Employees and work relationships free from intimidation or harassment. In this sense, the Company encourages that communication and the relationship between all Employees is based on transparency, loyalty and responsibility, making it clear that practices such as the generation or dissemination of gossip or rumors will not be tolerated.

The Company seeks to eliminate any type of discrimination or moral or sexual harassment and to encourage diversity among Employees, treating everyone with respect and equality. The hiring or promotion of Employees must be based on merit and must not be influenced by any other factors, exchange of favors, marital status or any motivation other than the Employee professional performance.

## Exploitation of Child or Slave Labor

The Padtec Group is committed to not allow the exploitation of child and/or slave labor in its facilities and reserves the right not to hire services or to have business relationships with companies, entities or institutions that adopt this practice.

## Gifts and Invitations

Employees must refrain from giving or receiving gifts, benefits, favors and invitations to participate in social events that may affect decisions, facilitate business or condition the business relationship with third parties. Observing this premise, it is allowed to give or receive promotional gifts or gifts in the scope of negotiations (including receiving or offering a meal), with a value not exceeding the equivalent of US \$ 100.00 (one hundred US dollars). Under no circumstances will it be allowed to give or receive gifts in cash.

Gifts or presents whose value exceeds the amount stipulated above, and whose rejection may cause discomfort or embarrassment, for cultural reasons, for example, must be delivered to the Company's Human Resources area, which will align with the Executive Board how to use them. In the case of giveaways or gifts offered by the Company, the Executive Board will be responsible for approving amounts higher than those defined above.

*Subject to the provisions of this section, invitations received from third parties to participate in events, as a Padtec Group Employee, may be accepted upon approval by the Executive Board.*

## Sales of Products or Services on the Padtec Group's Work Facilities

The sale of products or services of any nature among Employees is not permitted on the work facilities of any company of the Padtec Group.

## Preservation and Misuse of Company Resources / Assets

The resources and assets of the Padtec Group, whether physical and tangible or intangible (such as ideas, concepts, brands and information), will be treated with zeal, responsibility and respect by all Employees.

No Employee or third party service provider may take ownership of the assets or resources of the Company, nor use them for their own benefit or for other purposes, without prior formal authorization. The removal or



unauthorized use of material, physical goods or equipment owned by the Padtec Group is considered a serious fault.

Access to and use of the corporate computers, cell phones and network resources, including the corporate e-mail accounts, Internet access, instant messaging applications (e.g. Whatsapp, Telegram etc.) and systems, must be aligned with the Company's activities and business. The Employee, therefore, must be aware that the Company may, at any time and at its sole discretion, verify the use of said resources and accesses, in order to protect its interests and prevent possible inappropriate use.

Thus, given the possibility of accessing e-mails and files, Employees must not keep any private data or information on the computers that they intend not to be known and/or accessed by the Company.

## **Conflict of Interests**

In the exercise of their functions, Employees must act exclusively in the interests of the company in which they work, and must avoid situations that generate conflicts of interest with that company or other companies of the Padtec Group as the case may be. In the face of situations that may generate such a form of conflict, be it potential or real, the Employees involved must declare themselves prevented from participating in any discussion and decision involving the matter and take the theme to their leadership.

Employees are not permitted to use their position, function or influence in the Padtec Group to gain access to privileged information and use it for their own benefit, that of their family members, people in their relationship or other companies, whether for carrying out transactions with securities issued by the Company or any other commercial or financial transactions.

## **Kinship and Affective Relationships between Employees**

The hiring of direct relatives (understood as father, mother, children, grandparents, grandchildren and siblings) or the spouse of Employees will be considered by the Ethics Committee, in order to assess the existence of conflicts of interest. Such hiring will be prohibited for positions between which there is a direct or indirect subordination relationship.

Likewise, affective relationships that are established between Padtec Group's Employees are admitted, as long as there is no direct or indirect subordination relationship between those involved. These relationships must be reported to the leadership and to the Human Resources area.

## **Interest of Employees in Other Businesses, Own Businesses and/or**

### **Organizations**

Employees must not have any type of personal activity for commercial, financial or any other purpose with any competitor, supplier and third party with whom the Padtec Group has a work relationship or is negotiating a transaction.

Activities or services external to the Company cannot generate a conflict of interest or interfere with the work to be carried out in the Company by the Employee. It is not acceptable for the Employee to perform external services that, in some way, create conflicts with the work for which he was hired and that he performs for the Company, or that he sells products that compete with the products and/or services sold by the Group Padtec, even if you do it as a freelance professional.

Employees may not participate as shareholders with 10% (ten percent) stakes, as partners, employees or consultants of competing companies or suppliers of inputs and services linked to the Company's core activity. Competitors are companies that have products and/or services similar to those marketed by the Padtec Group.

In addition, the Company points out that the selection process for suppliers, partners and service providers will be guided by transparent and objective criteria, including, but not limited to: business history, technical, financial and managerial training, recent performance, quality, price and other commercial conditions that meet the needs of the Padtec Group.

### **Existence of Relatives Performing Roles in Competing Companies, Suppliers and/or Clients of the Padtec Group**

Employees occupying a management position or directly involved in commercial negotiations, who are related up to 4th degree (cousins) with employees of competing companies, suppliers and/or customers, with competitors who offer products and/or products or services similar to those marketed by the Padtec Group, must communicate this fact to the leadership, who will report, if deemed necessary, to the Executive Board.

### **Political Activity**

The Padtec Group will not participate in political party activities, nor will it make any political contribution, either in cash or in any other form. Its Employees may contribute, personally and outside their working environment

and work schedule, to a candidate or political party. However, it is forbidden to pronounce by any Employee on behalf of the Padtec Group regarding the acts or conduct of representatives of the government.

## **Union Participation**

The Padtec Group recognizes the right of its Employees to be associated to an union, as well as the collective bargaining granted to the respective unions within the limits provided for by Brazilian law.

## **Representation by Employees**

Employees who represent any of the Padtec Group companies externally must act guided by the principles of honesty and responsibility, in accordance with the values recommended by the Company, promoting its image, reputation and watching over its interests.

If the Employee participates in seminars and/or other external events promoting professional content related to his role in the Company, he must communicate to his leadership, who will seek guidance from the Marketing, Investor Relations, Legal and/or Human Resources areas, if necessary.

## **Posture and Responsibilities in Social Media**

The Padtec Group uses social networks to access its customers and other stakeholders. To ensure the Company's reputation and image, the Padtec Group has internal professionals and specialized external consultants who manage its official profiles on the social networks.

Respectful and meaningful publications on social networks positively reinforce the image of the Padtec Group. However, when carried out inappropriately, these publications can cause irreversible damage to the Group. In this sense, Employees are not allowed to post content, be it texts, images, videos or others; respond to demands from customers, shareholders, media, press, suppliers or any other stakeholders; or create pages and profiles on social networks on behalf of the Padtec Group. The confraternization of Employees with their friends and co-workers must be done privately, in closed groups, avoiding the exposure of confidential information of the Company. Employees can share Company's publications through their personal profiles only when the content that has been previously published by the Marketing area on the Company's official channels.

Posts from events, training, conventions or other activities performed by the Employees (texts, videos, photos or others) cannot contain strategic or confidential information about the Padtec Group. *In case of doubt, the Employee should consult the Marketing or the Investor Relations areas.*

## **Advertising**

All advertising carried out on behalf of the Padtec Group must be in accordance with the existing rules, in addition to ensuring the dissemination and promotion of the most appropriate form of the Company's brand(s). The brand applications must be formally approved by the Marketing area before their disclosure or publication, thus guaranteeing Padtec visual identity standard. In specific cases, such as the publication or dissemination of press releases and other materials for the media or the press, the creation of content and editing are responsibility of the Marketing area, with the approval of the Executive Board.

In addition, the relationship with the press must be based on the commitment to provide accurate and transparent information, in order to maintain a relationship of trust with the journalists and the good image of the Padtec Group before the general public. Only persons previously authorized by the Executive Board can speak on behalf of any Company in the Padtec Group.

## **Confidentiality of Information**

The Company's confidential information (including, but not limited to financial, business, commercial or technical data, projects, researches, modules, samples and prototypes developed) or of personal nature of the Employee will be treated by all officers and other Employees in a confidential, responsible and respectful manner, ensuring its exclusive use in the development of the Company's activities.

Failure by the Employee to comply with the duty of confidentiality provided for in this section constitutes just cause for termination of the relationship with the Company, and the infringer may also be held liable for any losses and damages suffered by the Company.

Discretion about sensitive information is part of ethical conduct. Employees must be zealous when dealing with this information in public (eg public transport, restaurants) as well as handling such information so that it does not become known to third parties, even if it is not intended. In addition, all data, information, projects,

business plans and any other materials produced by Employees as a result of their function are exclusive property of the Padtec Group, which reserves the right to access and use this information and materials, except when limited by law or agreement.

## **Privileged Information and Information Disclosure**

Privileged information is considered to be any relevant information regarding any company or business involving any of the companies of the Padtec Group, which has not been publicly disclosed and which is obtained in a privileged manner, as a result of the professional or personal relationship maintained with other Employees, customers, suppliers, shareholders, or third parties in general.

Examples (non-exhaustive) of privileged information are: verbal or documented information about the operating results, corporate changes (mergers, spin-offs and incorporations), information on buying and selling companies (M&As), bonds or securities issued by the Company, financial projections, guidance on the financial result, researches and development projects conducted by the Company or third parties, strategic partnerships of a technological nature, possible industrial secrets, as well as any other information that is subject of a confidentiality agreement signed by the Padtec Group companies with third parties.

Privileged information must be kept confidential by everyone who has access to it, whether as a result of the exercise of professional activity or personal relationship. In addition, Employees in possession of material non-public information referring to the Company's business or situation must prevent the circulation of this information, since the Company is a publicly-held corporation, being certain that any disclosure of privileged information may affect the trading of the shares issued by the Company, which are traded on the B3 SA - Brazil, Bolsa Balcão.

Employees must comply with the Relevant Information Disclosure and Securities Trading Policy issued by Padtec Holding SA, whose Adhesion Term must be signed when they are hired or elected.

The Policy for Relevant Information Disclosure and Securities Trading Policy is available at [www.padtec.com.br](http://www.padtec.com.br) and on the Company's intranet.

The Company's Employees are required to keep the confidentiality of the information related to a material act or fact to which they have insider access due to the position or function they occupy until its disclosure to the market, as well as ensure that subordinates and third parties they trust also do so, responding jointly to them in the event of non-compliance.

## Shareholders and Capital Markets

The relationship with shareholders and other representatives of the capital markets must be based on the precise, transparent, timely and equal communication of information that allows them to monitor the Company's activities and its operational and financial performance.

The service provided to the Company's shareholders will be carried out with total equality, regardless of the shareholding position held by the investor, except for restrictions imposed by law.

Any and all requests from shareholders or other representatives of the capital markets, made directly to Employees, must be directed to the Investor Relations area.

In specific cases, such as the publication or disclosure of press releases and other materials aimed at these audiences, the creation and editing are responsibility of the Investor Relations area, with the approval of the Executive Board. Any communication addressed to shareholders and other participants in the capital markets must be made exclusively by the Investor Relations area and in accordance with internal rules and applicable legislation.

## Compliance with the Law and Combating Acts of Corruption, Preventing and Combating Money Laundering and Other Frauds

The Padtec Group promotes compliance with all municipal, state, federal and international laws in force and applicable to its business, in the contracts and agreements established with the government and respecting moral prescriptions, in order to ensure transparent, fair and professional relations, especially observing Brazilian Law No. 12,486 / 2013 (Anticorruption Law), the Convention on Combating Corruption of Foreign Public Officials in International Business Transactions of the Organization for Economic Cooperation and Development (OECD), promulgated by Decree 3,678 / 2000, and The *FCPA-Foreign Corrupt Practices Act, - Act, 15 USC §§ 78dd-1 et seq.*, of the United States of America, as applicable (all diplomas jointly referred to as "Anti-Corruption Legislation").

The harmful acts listed in the Anti-Corruption Legislation, as well as any practice of corruption, either directly or indirectly, through a promise, bribe, authorization or offer on behalf of the company of any nature or by paying a bribe to a government agent or server, political party, candidate for political mandate or any other person, are attitudes repudiated and prohibited by the Padtec Group.

Government agent means any person who acts in an official capacity on behalf of a government, agency, department of Public Administration, national or foreign.

All Employees are also responsible to comply with legislation to prevent money laundering and other frauds, and they must remain alert and attentive to unusual transactions, being certain that whenever they observe a suspicious transaction, either through contracts celebrated with suppliers and customers or in the Company's own activity, they must report it immediately to the leadership or to the Ethics Committee.

Employees who are involved in any money laundering practices or any other illegal practice, such as corruption, receiving bribes, fraud, among others, will be duly penalized and administratively for their actions.

## Final Provisions

Employees must make reasonable efforts to ensure that any person who is subject to their supervision or authority is in compliance with applicable laws, rules, regulations and this Code.

Failure to comply with the terms of this Code may subject Employees to disciplinary measures, which include warning, suspension, dismissal for just cause and other penalties provided for in the labor legislation, regardless of other actions that the Company may take, whether in the civil, criminal and/or labor.

When applying disciplinary penalties, the nature and severity of the infraction will be considered, always observing the rules issued by the Human Resources area and the applicable legislation.

The Employee, by signing the Receipt and Commitment Term (Appendix I), declares that he knows, adheres to and has access to this “Code of Ethics and Conduct of the Padtec Group”, thus expressing his “in accordance” with the prescriptions contained therein.

This Code is available in English and Spanish, as there are Padtec Group companies located in Argentina, Chile, Colombia and the United States and shall be implemented by all its Employees, as applicable and in accordance with local laws.

# Padtec

For a *smartly* connected world.

[padtec.com](http://padtec.com)