

## 1. PURPOSE

The purpose of this Standard is to guide all professionals, third parties, representatives, suppliers and others on how to regulate their conduct through potential events that may lead to acts of corruption.

### **ANTI-CORRUPTION LAW AND ITS IMPACTS ON THE COMPANY AND ITS INDIVIDUALS**

#### ➤ ***Consequences for the companies involved***

Fines: The Company will be subject to severe fines, which represent a significant percentage of its gross revenues.

Repair of damages done: Any damage done, as well as the benefit improperly received by the Company, must be fully repaired and/or returned.

Reputational Risk: Condemnations for corruption practices tend to be widely released and generate extremely negative publicity for the Company's image. In addition, the Anti-Corruption Law provides that the decision condemning the Company be released in newspapers of wide national circulation.

Waste of resources by the Company: Investigations for violations of laws against acts harmful to public administration and assets and acts of corruption generate wasted material and personal resources over extended periods of time that could be used more effectively and beneficially for the Company and its professionals.

Prohibition of contracting with the Public Authority: The Company may be prohibited from contracting with the Public Administration, usually in non-participation in bidding processes.

Loss of assets: The Company will forfeit all assets, rights or values that represent the advantage or gain directly or indirectly obtained from the violation of the law.

Loss or non-granting of tax benefits to the Company: Public Administration may file lawsuits with the purpose of prohibiting the Company from receiving incentives, subsidies, grants, donations or loans from the Government for a period of 1 to 5 years.

Suspension of Company activities: The Public Administration may file lawsuits for the partial or total suspension of Company activities.

Dissolution of the Company: The Public Administration may file lawsuits aiming at the legal dissolution of the Company.

Unavailability of assets: The Public Administration may file legal actions aiming to declare the unavailability of assets, rights or values that ensure the payment of the fine or full compensation of the damage done.

➤ ***Consequences for the individuals involved***

Fines and other administrative penalties: The directors, administrators or any natural person, author, co-author or participant of the unlawful act, will respond individually to the extent of their culpability.

In the criminal scope: In addition to the above administrative penalties, individuals will still be held liable for crimes committed under the Brazilian Penal Code. In other locations, they will respond based on the applicable laws.

It is clear that the importance of preventing and/or repressing the occurrence of infringements of this nature. For this reason, this Standard must be strictly adhered to by all Company professionals and/or any representative and/or third party.

## **2. DEFINITIONS AND ACRONYMS**

**PUBLIC ADMINISTRATION** - It is the set of federal, state or municipal public bodies, as well as organizations governed by public law: municipalities, public foundations, public schools and universities, public research institutes, public hospitals, public companies, mixed capital companies, regulatory agencies, etc.

**POLITICAL AGENT** - Occupant or candidate for elective office, political party and political party framework and Politically Exposed Person (PPE).

**COMPANY (S)** - Company (s) controlled by InterCement Participações S/A.

**COUNTERPARTY** - Business participant. A business has several participants who negotiate with each other, each counterpart of all others. For example, the seller is the buyer's counterpart and vice versa.

**SENSITIVE CONTRACT** - Contracts where there may be to a greater or lesser degree direct or indirect interaction with the public administration, such as transportation contracts, environmental studies, civil engineering contracts, sponsorships, etc.

**CORRUPTION** - Delivery, offer, promise or achievement of offering something to gain advantage or expectation of advantage in a particular deal; abuse of power or authority by a person to gain advantage for themselves or others by taking advantage of the power conferred. The most common form of corruption is bribery.

Importantly, no form of corruption is accepted by the Company and all forms of corruption are countered. The laws of some countries make a distinction between bribing a public official and bribing someone other than a public official. For us, there is no difference. The payment of a bribe to anyone - is prohibited.

**GOVERNMENT ENTITIES** - For purposes of this Standard, a government entity refers to commercial enterprises, institutions, agencies, departments and agencies owned or controlled by the government and other public entities (whether the participation or control is total or partial), including research, universities and hospitals.

**GOVERNMENT OFFICIAL OR EMPLOYEE or PUBLIC AGENT** - All employees of public or government-controlled companies may be: (i) Directors and employees of any Government Entity at national, state, regional, municipal or local level, including officers elected; (ii) Any natural person acting temporarily officially to or on behalf of any Government Entity (such as a consultant hired by a government agency); (iii) Directors and employees of companies with government participation; (iv) Candidates for political office at any level, political parties and their representatives; (v) Directors, officers, or official representatives of any international public organization, such as the World Bank, the United Nations, and the International Monetary Fund; and (vi) family members of any of these persons (spouse, partner, grandparents, parents, children, siblings, nephews, uncles, first-degree cousins, etc). In short, any person who, even temporarily or without remuneration, holds office, employment or public function in bodies or entities of the Union, Federal District, States or Municipalities, as well as

legal entities controlled directly or indirectly by the Union, District Federal, State or Municipality. Includes Political Agents.

**MANAGER (S)** - Is responsible for administering and managing a particular project, whether a contract, a merger and acquisition or capital market transaction, a consulting process, or processes of any other nature. It can be a Manager with a middle management position (coordinator) or higher hierarchical level (manager or director), never a lower hierarchical person.

**INTERCEMENT PARTICIPAÇÕES S/A (INTERCEMENT)** – A corporation incorporated and existing in accordance with Brazilian law, headquartered at Av. Nações Unidas, 12,495, 13th and 14th floors, Torre Nações Unidas - Tower A, Centro Empresarial Berrini, City and State of Sao Paulo - Zip Code 04578-000, Brazil, registered with the National Register of Legal Entities (“CNPJ/MF”) under No. 10,456,140/0001-22.

**POLITICALLY EXPOSED PERSON (PPE)** – These are public employees who have held or have held relevant public functions or positions in the last five years. Family members or close relatives are also considered politically exposed persons. For such purposes, are considered family members or relatives in direct line up to the 4th degree of consanguinity, the spouse, partner and/or children of partners.

**PUBLIC AUTHORITY** - Any direct, indirect or foundational public authority, including the Legislative, Judiciary and Executive Powers, as well as their national and foreign agencies and authorities.

**BRIBE** - Offer, donation, promise, receipt of anything of value to influence a decision to do business with the Company and thereby give the Company an improper advantage. An important aspect of the definition of “bribe” is the purpose of the payment. Anti-corruption laws prohibit the payment of anything of value for obtaining business, maintaining business or obtaining any improper advantage. Even if the Company has a legal right to a government attitude, such as receiving a refund or license, paying a bribe to obtain this right is still prohibited.

**ADVANTAGE OR UNDUE PAYMENT / FACILITATOR** - Advantages or undue payments to public officials, government officials and public agents may be considered: cash, gifts, travel,

entertainment, job offers, meals, illegal campaign contributions, improper sponsorship of events, scholarships, luxury items, jewelery or precious stones, charitable contributions, etc. It may also be a payment to a public official to ensure or expedite the performance of an action or service to which a person or Company has a normal and legal right. For example, payments for obtaining authorizations, licenses and other official documents, regulatory approvals, blocking a competitor's bidding, reducing taxes, avoiding customs charges or fees, processing government documents such as visas and service orders; provision of telephone services; water and electricity supply, etc.

### **3. RESPONSIBILITIES AND ASSIGNMENTS**

Corporate Legal Department - (i) implement and update this Standard in accordance with local law specifications; (ii) together with the Audit, Risks and Compliance area, perform the necessary training to know and ensure compliance with this Standard; (iii) advise other areas of the Company on the issues related to this Standard; and (v) define and oversee the monitoring of compliance with this Standard, together with the Audit, Risk and Compliance area.

Human Resources - (i) be responsible for obtaining the signature of the documents defined by the Corporate Legal Department by all professionals, organizing and maintaining these documents with the record of each specific employee; (ii) organize and ensure that all professionals receive the necessary training, periodic or training given to each new member of the Company, performed by the Corporate Legal Department together with the Audit, Risks and Compliance area; (iii) conduct communication processes related to this Standard.

Ethics and Compliance Committee - to receive information, analyze and refer matters to the appropriate departments, as the case may be.

Compliance area - operationalize the monitoring of compliance with this Standard.

## **4. CRITERIA AND RULES**

### **4.1. Specific Guidelines**

As required by applicable law, non-compliance with laws dealing with acts harmful to public administration and property may result in serious administrative and pecuniary penalties for the Company, and/or any professionals, representatives and/or third parties that may be involved.

**a) Acts of Corruption**

It is strictly forbidden to professionals, third parties or contractors of the Company the practice of offering improper and illegal advantage, of any nature or kind to any person, including but not limited to the Public Official, Government Entity or private company.

All Company professionals and third parties acting on their behalf are prohibited from participating actively, passively, co-participating, encouraging, approving, paying, providing, relaying, covering, cooperating or in any way enabling, either actively or passively the practice of bribery to any Public Official to influence or reward any official action or decision of such person for the benefit of any company that may be part of the Company.

It is strictly prohibited:

- any and all Improper Payments;
- any and all improper influence on Public Officials;
- accept the appointment of third parties by Public Officials;
- maintain any relationship with professionals and/or third parties if corruption has taken place or even if it is being investigated, prosecuted or convicted; or
- enter into contracts with third parties that do not contain mandatory clauses to comply with the laws against harmful acts against the administration and public assets;
- perform any harmful act to the national or foreign Public Administration or that violates the international commitments assumed by Brazil regarding the fight against corruption;
- offer gifts, courtesies and contributions to Public Agents, Politicians or Politically Exposed Persons, regardless of whether or not it is intended to improperly influence or compensate for the performance or abstention of an official act or decision, as actual or intended compensation for any benefit to the Company.

Bribery is also understood here as improper payment for making a sale, maintaining a business, loyalty to a customer, obtaining a contract and the like.

***Confirmation of this practice will entail disciplinary action,  
including fair dismissal.***

Notwithstanding the provisions of this Standard, the guidelines set forth in the Company's Code of Conduct shall be followed in full.

As mentioned above, improper advantages offered to Public Officials may also come from:

**b) Meals**

Public officials may not be offered meals to improperly influence or compensate for the performance or abstention of an official act or decision, as actual or intended compensation for any benefit to the Company. Meals eventually shared with Public officials, government officials and/or government agents should be moderately cost-free, without any extravagance and directly related to the legitimate purpose of the business.

In all situations it should be ensured that the expense records associated with meals in these situations are accurate and clearly reflect the true reason for the expense. Under no circumstances may cash in any form be provided to anyone, including a Public official.

**c) Travel and Entertainment**

Providing travel or entertainment to Public Officials is not allowed regardless of whether or not it is intended to improperly influence or compensate for the performance or abstention of an official act or decision, as actual or intended compensation for any benefit to the Company. Offering frequent travel and/or entertainment to a Public Official may be a sign indicating improper activity and is therefore prohibited.

For more information, see also the InterCement Courtesy and Contributions Standard.

**d) Gifts and Courtesies**

It is forbidden to offer / give or receive gifts or courtesies of any value, or any advantage to the public agency or public officials. Notwithstanding the provisions of this Standard, the guidelines on Gifts and Courtesies set forth in the Company's Code of Conduct shall be followed in full.

For more information, see also the InterCement Gift, Donation and Contributions Standard.

**e) Contributions and Donations**

For information, see the InterCement Gifts, Donations and Contributions Standard.

#### **f) Sponsorship**

For information, see the InterCement Gifts, Donations and Contributions Standard.

#### **g) Mergers and Acquisitions**

In the acquisition of any company or in the conclusion of any contract by the Company, the compliance process must necessarily include an analysis of the compliance of the acquisition / contracting target with the laws against harmful acts against the public administration and patrimony especially the Anti-corruption Law.

#### **h) Accounting Ledgers and Records**

In relation to ledgers and records, the Company shall:

- keep them so that they accurately and fairly reflect all transactions;
- establish accounting controls to provide reasonable assurance that transactions are recorded accurately;
- properly record all transactions accurately and fairly from all original documents, including invoices, receipts and expense reports, not just the ledgers;
- never include false or misleading documents;
- never make improper, ambiguous or fraudulent accounting entries, and any other accounting procedure, technique or method that may conceal or otherwise cover illegal payments.

#### **i) Participation in bids and Contracts celebrated with the Public Administration**

Participation in tenders and execution / extension of contracts with the Public Administration must follow the release strategies defined in the Corporate Purchasing Policy \*, and the manager responsible for the contract must monitor its execution. In addition, the company should, as far as possible, provide the external public with information on participation in tenders and contracts entered into with the Public Administration.

\* As it is not possible to follow the limits defined in the Corporate Purchasing Policy, the Geography Purchasing Standard can be used to define those responsible for authorizing the adoption of measures related to participation in tenders and signing / extending administrative contracts.



The Company must always:

- To base its actions on the highest ethical and integrity indices, obeying the laws as well as the internal regulations of each of those involved in the contractual relationship. This responsibility extends to third parties, legal entities or not, who act on behalf of the Company or contracted by the Company regarding administrative contracts and / or tenders;

The Company, as well as third parties acting on behalf of the company, must always act independently in bidding processes and in Contracts celebrated with the Public Administration, which **NEVER** includes:

- make improper or unlawful agreements to act in a certain way;
- make payments or favors to achieve a certain benefit;
- prevent, disrupt, frustrate or defraud the competitive nature of a public bidding process, as well as any of its acts, processes or contracts;
- removing or seeking to remove any participant in a public tender through fraud or by offering any type of advantage;
- creating, fraudulently or illegally, a legal entity to participate in a bidding process or enter into an administrative contract;
- obtaining improper advantages or benefits, in a fraudulent manner, from amendments to or extensions signed contracts with the government without legal authorization in an invitation to bid or the respective contractual instruments; or
- manipulating or defrauding the economic and financial balance of the contracts entered into with the public authority.

The Company must always:

Guide their actions on the highest ethical and integrity indices, obeying the laws as well as the regulations of each of those involved in the contractual relationship. This responsibility extends to third parties, legal entities or not, who act on behalf of the Company or contracted by the Company in administrative contracts and/or bids;

- expressly indicate those responsible for adopting measures related to the participation and conclusion of administrative contracts, which includes, but is not limited to in their extensions, as well as monitoring the performance of such contract;

**j) Interaction with Public Officials**

For information, see the InterCement Administration and Public Agent Relationship Standard.

**k) Hiring Agents or Former Public Agents**

For information, see the InterCement Administration and Public Agent Relationship Standard.

### **I) Contracts**

All contracts with suppliers / service providers other than contracts where there is a possibility of interaction with the government, directly or indirectly, must contain a non-corruption clause and, if there is any act of corruption that the contract should be terminated immediately without imposing any fine on the Company.

## **4.2. General Guidelines**

In order to comply with this Standard, professionals should be aware to warning signs that may indicate possible deviations, such as:

- Counterparty has a reputation for bribery;
- The Counterparty asked a commission that is excessive, paid in money or in another irregular way;
- The Counterparty is controlled by the public official or their family or has a close relationship with the Public Authority;
- The Counterparty is recommended by the Public Official;
- The Counterparty provides or requires an invoice or another document that raises doubts;
- The Counterparty refuses to include, in writing, in contracts and/or documents signed with the Company, reference to measures against harmful acts to public administration and assets, especially measures related to the Anti-Corruption Law;
- The Counterparty makes a proposal for an unusual financial scheme such as the request for payment in a bank account in a country different to the country where the service is being provided or the request is for payment in more than one bank account;
- Perception that giving to a charity at the request of a Public Official is an exchange for government action.

From time to time and through the Audit, Risks and Compliance area, the Company will verify that professionals, representatives and/or third parties are acting in accordance with this Standard and the laws dealing with harmful acts against public administration and assets.

Managers shall take steps to ensure that the professionals under their responsibility comply with the rules and guidelines contained in this Standard, labor, tax, accounting, processes and procedures, permits, etc.

In order to avoid possible corruption practices, managers have a responsibility and obligation to keep all their Company documents, or which may influence the Company, including passports, vehicle documents, real estate documents, permits that their area supervise or administer, etc. in the most perfect order and properly updated, thus avoiding any questions about their regularity.

The professional who has any questions or concerns about this Standard and/or any law dealing with acts that are detrimental to public administration and property should seek clarification from his immediate Manager or the Legal Department. And, the professional should **never** take decisions without consulting the Company's legal department.

### **4.3. Implementation and monitoring of compliance with this Standard and applicable law**

The inspection of strict compliance with this Standard by all Company professionals and/or any representative and/or third party, ultimately anyone acting on behalf of the Company, will include compliance and periodic internal audit processes, training programs, including provisions compliance with the law in sensitive contracts, as well as internal control and careful monitoring of the Company's activities, procedures and conducts.

Telephone conversations, emails, internal communicators, faxes and any and all other forms of communication using tools provided by the Company may be verified at any time. The same is true for physical and electronic documents of employees at their workplace, Company vehicle, or their work tools such as computers and telephones.

Internal administrative investigations may be carried out at any time by the Audit, Risks and Compliance area, with the support of Corporate Legal and external lawyers or auditors, in order to verify compliance with this Standard.

Any professional who witnesses or identifies a situation that violates the provisions of this Standard may report this to the Audit, Risks and Compliance Board or use the Ethics Line disclosed within the Company.

All reports will be investigated, preserving the anonymity of the complainant.

The Company will not allow retaliation against complainants in good faith.

It is important to note that while monitoring by the Company is restricted to the environment and work tools, public authorities can and generally conduct search and seizure procedures in homes, private vehicles, as well as interception of telephone conversations, breaches of bank secrecy, telephone, written or virtual correspondence and even monitoring of private meetings.

#### **4.4. Communication and training**

This Standard should be widely communicated to all Company professionals.

Questions about the content of this Standard should be clarified with the Corporate Legal Board.

Failure to understand any point in this Standard will not relieve the professional of the consequences of non-compliance.

All professionals who are directly or indirectly bound to any situation of possible exposure or interaction with the Public Authority and direct or indirect public administration or with Public Officials or persons related to them, should be periodically trained in the proper use, application and scope of this Standard.

#### **4.5. Governing Law, Violation, and Punishment and Correction Mechanisms for Infringement of This Standard**

It is the responsibility of all Company professionals to report any violation or suspected violation of this Standard.

Violations of laws against acts that are detrimental to public administration and assets or practices of corruption may result in severe civil and administrative penalties for the Company and the professionals involved.

Fines imposed on individuals for violations of the Law cannot be paid by the Company, and the persons involved are subject to legal penalties.

In addition to the penalties that are imposed by the law, violations of the Anti-Corruption Law can be punished with disciplinary measures, and/or termination of contract by the professional, client, supplier, contractor, etc.

Suspected violations of this Standard and applicable law will be cleared by the Ethics and Compliance Committee.

If the violation is confirmed, the administrators and/or responsible professionals will be subject to internal disciplinary measures, which will be imposed by the Company taking into account the circumstances of each specific case, without prejudice to the possible punishments provided by applicable law by the public authorities.

These disciplinary measures may range from verbal warning and mandatory participation in training programs, among others, to fair dismissal.

In the definition of applicable penalty, the Ethics and Compliance Committee will take into account the seriousness of the infraction committed, mainly based on the following factors:

- nature of the practice: whether the violation is to this Standard only;
- consummation: whether the practice has been implemented or not;
- coverage: level of effect on the market;
- negative impact on the Company's image;
- personal advantage: if the person in charge had or would have any advantage with the practice;
- good faith: if the person responsible was aware of the prohibited character of the conduct; and
- extent of damage.

Disciplinary measures applied by the Company do not limit or replace any penalties imposed by public authorities under applicable law, nor do they eliminate personal liability for damages caused to the Company.

Violations of this Standard and applicable law will not be tolerated.

Whenever an irregularity or infringement concerning the subjects of this Standard is evidenced, InterCement will endeavor to inform the relevant Public Administration bodies and to collaborate with them in the determination of responsibilities.

#### **4.6. Compliance Points**

**Item 3 and item 4.4.** The Audit, Risks and Compliance area, supported by Corporate Legal, should update the Standard as necessary.

It should also, together with local Human Resources, train new professionals. Evidence of training conduct should be filed by Human Resources.

Local Human Resources shall periodically (once a year) promote, through their internal communication channels, communications related to this Standard.

#### **5. RECORDS**

N/A

#### **6. ANNEXES**

N/A