

# **Code of Ethics and Professional Conduct**

**PREPONA Sistemas de Testagem e Avaliação S.A.**

**Version 1.0.2**

**Last Updated on: February 2019**

## To all Prepona's associates and employees

For more than 18 years, you have served Prepona's customers and partners and based your relationships on the principles of honesty, integrity, and commitment to "doing the right thing." We are very proud that in your day-to-day actions you have shown that this commitment is critical to preserving and further enhancing our reputation.

This **Code of Ethics and Professional Conduct** aims to promote and uphold values such as honesty, integrity, and respect for people throughout the Company's areas of operation and to explain what each of us must do to safeguard one of Prepona's most valuable assets: its reputation. These values, together with the principles and policies presented in this Code, set out the ethical standards that employees must observe in their day-to-day personal and professional dealings at Prepona and constitute the essence of our way of doing business.

In addition to meeting our legal obligations, we want our conduct to live up to the trust placed in us by our shareholders, customers, colleagues, suppliers, and the communities in which we operate. It is critical, therefore, that we adhere to the highest standards of honesty and integrity in all matters concerning Prepona.

Everyone should read carefully and be familiar with the important policies and guidelines set forth in this Code. Anyone who has read the Code and has any questions about it should talk to their line manager or the Compliance Committee<sup>1</sup>.

Marco Tyler-Williams  
Chief Executive Officer  
Prepona Sistemas de Testagem e Avaliação

## Summary

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<sup>1</sup> The Compliance Committee consists of the members of the Executive Board. If no consensus is reached, the Chief Executive Officer will have a casting vote

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## Introduction

The Code of Ethics and Professional Conduct (the Code) was developed to establish the standards of conduct that will guide our actions and our business, in line with ethical principles and the legal rules governing Prepona S.A.'s business.

For the purposes of this Code, the term employee includes employees, third parties, interns, management, and board members.

This Code, based on Prepona's ethical principles, guides the personal and professional conduct of all employees, regardless of their position or function, and governs their relationship with other employees, business partners, service providers, suppliers, customers, investors, and government officials.

The Code does not address and is not designed to address every law, rule or policy that exists and applies to the Company. Nor does it replace every employee's obligation to use common sense and sound judgment and to ask for additional guidance when necessary. Employees doing business on the Company's behalf overseas must also familiarize themselves and comply with the laws, rules and regulations of the relevant countries.

## Code of Ethics and Professional Conduct

This Code is supplemented by other policies, some of which are referenced elsewhere in this document. The Company may change the Code and these other policies at any time without notice and will inform all employees of the changes made. The Company also reserves the right to administer and interpret all such policies in addition to this Code.

The principles of this Code are:

- honesty, integrity and respect
- diligence
- qualification
- obligation to timely report and document
- proper attitude in the event of conflicts of interest, and
- teamwork.

## Ethical principles

Prepona is committed to doing its business according to the highest standards of honesty, integrity, and respect for its employees, business partners, service providers, suppliers, customers, investors, and representatives at all levels of the government.

The Code applies to all employees of Prepona. The Company also expects its business partners, who will receive a copy of this Code, to abide by the standards or policies described herein whenever they are working with, or on behalf of, Prepona. The term

"business partner" used in this Code applies to agents, representatives, suppliers, and contractors who supply products or provide services to, or on behalf of, the Company.

The success of Prepona's Compliance programs depends on all employees and business partners carefully complying with this Code. All employees are expected to perform to the highest ethical standards and in compliance with the applicable laws, rules, and regulations. Prepona will not tolerate illegal practices of any nature, and will take all disciplinary actions applicable, which may include dismissal with cause under the legislation in force.

Any and every violation of this Code by an employee is contrary to the Company's interests and will be considered as an act beyond the limits of the employee's attributions.

Employees are responsible for their own conduct and for immediately reporting any violations of the Code of which they become aware. Managers must set an example of ethical behavior, through transparent and honest conduct. Their duty includes fostering working conditions that are conducive to ethical behavior and compliant with the Company's internal rules and the legislation in force. Managers must encourage ethical concerns and their discussion openly and without fear of retaliation.

## Conflict of interest

All Prepona employees must be aware of the occurrence of conflict of interest situations, even potential ones, and they should be referred to their hierarchical superior or the Compliance Committee. It is important that they exercise their functions with the same attitude and diligence that any honorable and upright person would employ while carrying out their private business, carefully evaluating situations that may characterize conflict of interest and/or unacceptable conduct from an ethical point of view.

Business decisions must be made in the best interests of the Company and solely based on service quality, price and other accepted competitive factors, free from the influence of personal inclinations or conflict of interest:

- Do not engage in any activity of interest that conflicts with Prepona's business.
- Do not engage in any activity that compromises the exercise of its functions.
- Do not use the hierarchical position held, or Prepona's name, to obtain other personal benefits or advantages for third parties.
- Do not use privileged information to obtain personal advantage, or for third parties, and take the necessary actions to protect the unauthorized distribution and/or disclosure of confidential data to anyone who has no reason to know such facts, data and documents.
- Do not accept gifts or favors from business partners, service providers, suppliers, clients, investors, or any government representatives that are not consistent with the best practices, or may represent an improper relationship, financial loss, independency loss, or damage Prepona's image.
- Avoid private business relations with business partners, service providers, suppliers, clients, investors and any government representative interacting with Prepona while

performing their duties. Occasional private business relations are not prohibited but must be previously communicated to your line manager and to the Compliance area.

- Do not accept another job at another competing company or business partner.
- Have no personal interest, except as a client, in a business partner or competitor.
- Do not do business with any company in which the employee or a close relative (including spouse, partner, children, parents, parents-in-law, brothers and sisters-in-law, stepchildren, siblings, grandchildren, or any other person living in the employee's household) has a personal interest.

We also highlight the following:

### EMPLOYMENT AND SUBORDINATION OF RELATIVES OR CLOSE PERSONS

In order to keep Prepona's commitment to impartiality and avoid the possibility of favoritism, individuals with family connections should not be hired in situations where:

- one employee has effective control over any aspect of the other's employment  
or
- when the people involved will share the responsibility for the management, control, or audit of relevant facts.

The classification of situations subject to this principle will be analyzed at the time and reviewed by the Compliance Committee.

Prepona discourages affective relationships between employees of the same area and forbids affective relationships between employees where one is hierarchically subordinate to the other. In such a situation, the Compliance Committee will be triggered to evaluate the possibility of transfer to another area, according to the functional abilities of those involved before any decision is made to dismiss one of the two.

### PARTICIPATION IN EXTERNAL BOARDS OR INSTITUTIONS

Employees who wish to serve as board members in other companies or institutions must communicate their interest to the Compliance Committee, which will assess the need to submit the matter to the CEO. If the interest comes from the CEO himself, the Compliance Committee must submit it to the Board of Directors.

### SECURITIES

No employee of Prepona and none of their close relatives (including spouse, partner, children, parents, siblings, parents-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepchild, grandchild, or any other person living in the employee's household) may invest more than five percent (5%) of their total assets or hold a financial interest exceeding five percent (5%) in any company operating as a business partner or competitor of Prepona, unless such personal interest is disclosed annually in the Company's conflict of interest review process and such status is approved by the Compliance Committee. Employees may not accept stock options in any initial public offering made by friends, relatives, or close persons, or of their personal or business

relationship, on differential terms because of such private interest relationship, if such offer is made to an employee due to their employment with Prepona.

## GIFTS / SPONSORSHIPS

As a rule, accepting or giving a gift with a value above the limits defined in the Giveaways, Gifts, and Hospitality Policy, in any specific case, is considered unusual, unreasonable and inappropriate. Gifts of little value, of a promotional nature, or social invitations that are considered customary, reasonable, and appropriate in the business circumstances in question (such as a lunch, dinner, or artistic event) may be offered and accepted, as well as the sponsorship of events by the Company. In the latter case, the necessary approvals for sponsorship are required. However, employees must refuse offers or gifts that clearly compromise the impartiality in the regular exercise of their professional activities.

Employees must obtain the written approval of their line managers or a member of the Compliance Committee before accepting or giving any gift whose value exceeds the limits defined in the Policy on Giveaways, Gifts, and Hospitality. If it is not feasible to obtain such approval before accepting or giving the gift, it must be requested as soon as possible but soon after acceptance or giving. The manager giving the approval must send a copy of the approval to the Compliance Committee, which must keep a record of all gifts given and received brought to its attention.

Gifts, giveaways, and courtesies of any value may not be directly or indirectly offered to or received from public entities, political parties, or candidates for political office, under any circumstances, without the prior agreement of the governance and personnel departments and, as applicable, Prepona's presidency.

Conflict of interest situations usually differ a lot among themselves, and, for this reason, it is difficult to define and exemplify all possible scenarios. Thus, doubts regarding the appropriateness of accepting or giving gifts must be forwarded to the employee's manager and/or to the Compliance Committee. Every employee is responsible for voluntarily seeking clarification or approval on these issues, without influence from their manager. Moreover, employees must abide by policies on social representation regarding business partners, service providers, suppliers, customers, investors and government representatives.

## CONFLICT OF INTEREST NOTIFICATION

All conflicts of interest, transactions or relationships reasonably expected to lead to a real or apparent conflict of interest situation must be communicated by the employees directly involved to their line manager, who will make a detailed written report on each conflict of interest disclosed with a prior recommendation addressed to the Compliance Committee for final decision on each case. The employee notifying the actual or potential conflict must recuse himself or herself from the decision-making process.

## Integrity in government relations

All employees who have contact or deal with government officials and public servants must be aware of the rules, regulations, and internal controls setting out the criteria for acceptance by public servants of entertainment, courtesies, meals, gifts, gratuities, and other items of value offered by companies and individuals they do business with or over whom they have regulatory authority.

#### CONTACT WITH PUBLIC OFFICIALS AND THE LIKE (MEMBERS OF ASSOCIATIONS, POLITICAL PARTIES, ETC.)

Employees selling to public entities may be subject to specific laws and should therefore consult with the Governance Officer or Compliance Committee before contacting public officials for these activities.

#### ENTERTAINMENT OR GIFTS TO GOVERNMENT MEMBERS OR PUBLIC OFFICIALS AND THE LIKE

Prepona employees must not authorize or offer gifts, gratuities, or entertainment that are not related to business, even of a symbolic nature, for the personal use of public servants or senior employees of any public body to which Prepona is seeking to sell or is selling goods or services, or with which it has a relationship focused on regulation or development, articulation and support of public policies of general interest, without prior consultation with the Compliance Committee.

#### POLITICAL ACTION BY EMPLOYEES

Employees are free to express their political opinions, support candidates of their choice, or run for elected office in their own time and with their own resources. In no situation may employees claim that they are speaking on behalf of Prepona on any matter of political or public interest, without submitting such status to the prior approval of the CEO and shareholders, as necessary. Employees may not use Company resources or seek reimbursement from Prepona for any expenses incurred in connection with such activities, nor may they support candidates for public office on behalf of Prepona. Employees participation in social responsibility movements supported by Prepona is encouraged but is strictly voluntary.

## Company Resources and Assets

#### MAINTENANCE OF CORRECT AND COMPLETE RECORDS

All employees must help ensure that any report disclosed internally or externally by the Company, whether electronic, printed or otherwise, contains accurate, transparent and honest information and is timely presented. This guideline covers not only financial reports, but all Company reports, including, but not limited to, customer information, travel and entertainment records, invoices, vouchers, payroll and benefit records, information addressed to regulatory agencies and other Company-critical information.

This guideline also covers information provided to agents, representatives, suppliers, shareholders, public authorities and third parties.

## COMPANY RECORDS

All employees must also preserve documents and records in such a way as to enable efficient access to information whenever required. Records will not be tampered with, manipulated, changed, removed, sold or destroyed before the retention periods specified in Company's record-keeping policies have expired or pursuant to the law.

Employees will not pass on to anyone any strategic information of the Company's interest, especially that involving commercial aspects.

All employee records that Prepona is required to keep are considered confidential and access to their contents is limited to those who, for professional reasons, need to know them, or as otherwise required by law. Any person to be granted access to these records must safeguard them and keep all information contained therein confidential.

### Every employee must:

- be aware that the information processed, maintained or registered in restricted access areas cannot be transferred or transmitted, by any means, to third parties or employees from other areas of the company, regardless of their hierarchical level, and undertake to keep them secret and restrict their use strictly to the needs of the functions they perform,
- keep individual files for each area to prevent third parties from accessing privileged information about Prepona, or any information that, if known by a manager or associate from another area could generate an internal conflict,
- remain responsible for the safekeeping of documents related to their activities, ensuring that confidential documents do not remain exposed and are locked in drawers and files at the end of the workday,
- not take internal material out of the workplace, including financial information about Prepona's operations,
- not make any comment or disclosure to other employees or to third parties about confidential information, including business conversation in public places, restricting them to the context of their professional practices.

Every employee must be careful and use discernment when issuing any correspondence, voicemail, electronic messages, and written documents on the Company's behalf, especially when using letterhead, electronic mail, or a corporate telephone, always considering information security. Messages featuring illegal, pornographic, racist, and religious or political content must not be disseminated (for more information, see the Security Policy guidelines and specific related rules).

## FRAUD AND OTHER OFFENSES

All allegations of fraud, theft, robbery or other criminal activity will be promptly investigated with the involvement of designated members of the legal and internal audit departments. The staff supervising an investigation will be responsible for examining the matter, determining the necessary legal corrective and procedural actions, and recommending internal disciplinary measures applicable to the employees involved.

The internal audit and legal departments are the only departments authorized to conduct internal investigations or investigations concerning business partners.

If an employee or manager is suspicious about the occurrence of a fraudulent act or fact, theft or robbery, or other criminal act, they must immediately report it to Prepona's Governance Officer, Internal Audit Manager, and Compliance Committee.

## Maintaining a proper and safe work environment

Prepona seeks to maintain a safe work environment that preserves the fundamental rights and guarantees, and the health of all its employees. Responsible behavior by all employees is part of this commitment.

### EQUAL EMPLOYMENT OPPORTUNITIES

Prepona supports and values its employees, providing equal opportunities and conditions to qualified people without any distinction or discrimination of origin, race, sex, color, age, or any other form of discrimination. This guideline covers all aspects of employment, including recruiting, hiring, compensation, training, promotion, and dismissal.

### HARASSMENT-FREE ENVIRONMENT

The Company is committed to providing its employees with the opportunity to work in an environment free from oral or physical intimidation or harassment, including sexual harassment. Complaints made by employees and business partners will be promptly addressed with prompt and fair action. Prepona does not allow bullying or harassment suffered or committed by its employees or business partners. Any form of harassment by an employee will be subject to disciplinary measures, up to and including dismissal, in accordance with the legislation in force. All managers must immediately report any complaints or allegations of harassment to the Personnel Management or Compliance Committee.

### LEGAL IMPEDIMENTS

Any employee who has been convicted of a crime after joining Prepona must inform the Company of this fact, through their line manager or personnel department representative, ensuring the privacy of this information. Failure to notify the Company is a serious violation of this Code and cause for dismissal. Any employee who knows or has reason to believe that another employee or business partner has been convicted of a crime must immediately notify the personnel management representatives or Compliance Committee.

## SAFETY

Prepona has emergency control programs in all its facilities showing employees how to act in an emergency (medical crisis, fire, bomb threat, explosion, etc.) Emergencies should be reported immediately to the line manager, Personnel Management department representative, or directly to the manager in charge of the administrative services area.

## DRUGS IN THE WORK ENVIRONMENT AND DRUG USE BY EMPLOYEES

Under no circumstances will Prepona tolerate the ingestion of any type of drug on its premises or at Company's service, except those legally prescribed by doctors or other qualified professionals. Employees are expected to be lucid when performing their activities and free from any intoxicating substance. This is essential for guaranteeing the performance levels required by the Company and ensuring the safety of everyone in the work environment.

The consumption of alcoholic beverages on Company premises or while on duty is prohibited, except when specifically authorized by Company management, at Company-sponsored events, or at business events sponsored by commercial partners. At these events, even when held off Company premises, employees are expected to exercise discernment and moderation when consuming alcoholic beverages.

## Communication

### MEDIA CONTACT

Company employees should not deal directly on behalf of Prepona with representatives of communication vehicles and the media without the prior knowledge, approval, and monitoring of the executive board.

### EXTERNAL CONTACTS

All external requests for shareholder information received by employees should be forwarded to Prepona's Financial and Administrative management.

### ENDORSEMENT OF OTHER COMPANIES AND USE OF THE COMPANY'S NAME AND BRAND

Prepona does not endorse or recommend products and services of other companies.

No one is authorized to use Prepona's name or trademark in publications, brochures, advertisements, and other vehicles without prior approval from the executive board.

The improper or unauthorized use of the trademark will result in notification by the Company. The approval will be based on a review of the request for authorization to use the trademark by the executive board.

## Commitment to legality

Prepona conducts its business within the most absolute legality, ensuring compliance with the Brazilian Constitution and the country's entire legal system. The Company wishes to fully comply with the laws of all the locations where it operates. Business conduct outside the Company's ethical standards and legality is a violation of this Code, and violators are subject to internal disciplinary measures, up to and including dismissal, and external disciplinary measures under the legislation in force. Any doubts about the application or interpretation of a rule must be forwarded to the executive board.

### PREVENTION OF MONEY LAUNDERING

Prepona is committed to complying with all applicable laws and regulations aimed at preventing terrorists, drug trafficking, and other criminals from using the financial system to finance terrorist and criminal activities. Money "laundering" is the process by which a financial transaction or series of financial transactions is made involving funds used for or derived from criminal activities. Brazil has specific legislation on money laundering or concealment of assets, rights and values and on the use of the financial system for such purposes. The law on money laundering establishes a series of registers and records of financial transactions.

Prepona is committed to ensuring that its program to prevent money laundering meets the requirements and that all employees and business partners comply fully with the laws and regulations designed to combat money laundering and the financing of terrorism, drug trafficking, and other criminal activities.

Under no circumstances may an employee knowingly facilitate or participate in any money laundering activity. An employee who does so will be subject to strict disciplinary measures, including dismissal, and will be referred to the competent authorities and regulatory agencies for possible civil and criminal penalties. Employees who have questions about their duties, responsibilities, or obligations under the Company's anti-money laundering program must contact the executive board or the Compliance Committee, which are responsible for compliance with these rules.

### KNOWLEDGE ABOUT COMPETITORS' INFORMATION

Employees must respect the confidentiality of information about competitors and business partners and, to obtain such information, must not provide false information about their identity or the identity of their employees. Employees must notify their line managers whenever they receive information that they identify as confidential or proprietary to another individual or legal entity, or that they have reason to believe is confidential or proprietary to another individual or legal entity.

Employees may not use such information other than for the specific purpose agreed upon with the party that provided the information, unless the material concerned is considered to be publicly available information.

## PRIVACY

Respecting the privacy of Prepona's customers and protecting the security and confidentiality of their data is a priority for the Company. Specific legislation in Brazil imposes restrictions on the disclosure of customer data within and outside the Company.

## EMPLOYEE PRIVACY

At Prepona, the privacy of all employees is respected. However, employees should recognize that computers, other equipment, and workspaces belong to Prepona and have been designated for professional purposes. Although the use of computers and employees' workspaces is not monitored, except for the latter for personal and property security reasons, Prepona reserves the right at any time to verify how Company equipment or facilities are used.

## Notifications and lawsuits

### NOTIFICATION

Any employee who receives a summons or judicial or extrajudicial notification, writ, complaint, notice, request for submission of documents or information regarding Company's business operations or becomes aware by any other means that the Company is a party to or the subject of a judicial or administrative lawsuit, investigation or inquiry, must immediately inform the executive board, who will be responsible for coordinating and documenting the Company's response.

Employees who become aware of an investigation by a constituted authority concerning the Company's operations must not conduct investigations on their own account. The Company's management will decide whether to conduct an internal investigation and determine the scope and methods to be used in complying with and conducting the investigations.

### PARTICIPATION IN INVESTIGATIONS

All employees have a duty to cooperate fully with any internal investigation conducted in the Company. It is strongly recommended that employees also contribute, when requested to do so, with any investigation, provided that the reporting guidelines indicated in the previous item are followed.

### NOTIFICATION OF CODE VIOLATIONS

Any employee who knows or has reason to believe that an applicable law, rule or regulation or any provision of this Code is being violated must notify this fact immediately.

Failure to act in the face of a known violation of law or of any provision of this Code is not good behavior and constitutes a violation of the Code.

A late notification may also substantially increase Prepona's exposure to legal and financial risk.

Employees may make anonymous notification of such violations.

In all cases, reports will be treated confidentially and with reserve.

## Prohibition of retaliation

The Company prohibits retaliation against an employee who reports an activity that he or she believes, in good faith, to be a violation of any law, rule, regulation or provision of this Code.

Retaliation or reprisal against employees is a violation of this Code. Any employee who believes that he or she is the subject of any form of retaliation must report this fact to the Compliance Committee.

## Special Situations

Any exception to compliance with the principles of this Code will be handled by the Executive Board.

## Confirmation of adhesion

Every employee is responsible for maintaining the standards of ethical conduct set out in this Code. To ensure compliance with this Code, Prepona requires all employees to confirm that they have received and read the Code and that they are fully aware of their responsibilities regarding compliance.

Employees who have doubts about the adequacy of any act or behavior in this Code should consult their line managers, the personnel department representative, the Compliance area or the Compliance Committee.

Whenever an updated version of the Code is issued or a change occurs, or as necessary, training on the Code will be provided. Training can be undertaken electronically as proof of knowledge.

Upon completion of training, an adhesion statement will be issued and filled in by the employees. The statements will be filed in the employee's folder under the custody of the personnel department.

New employees will receive training on the Code upon joining the Company.

Line managers will ensure that all their subordinates undergo the required training.

The executive board will monitor the adequacy and compliance of the Code training and adherence process. Failure to comply with the adherence process or with the guidelines and requirements of the Code will result in appropriate disciplinary measures, up to and including dismissal.

## Disciplinary system

Violation of any provision of this Code of Ethics, by any employee, will subject the violator to the following disciplinary sanctions, without affecting any other sanctions detailed in the applicable legislation and regulations:

- oral or written warning
- suspension, and
- dismissal.

The procedures related to the disciplinary process will be regulated by the Compliance Committee observing the applicable legislation.