

CODE OF ETHICAL CONDUCT

TERMOMECANICA

"People who share a common direction and teamwork spirit achieve results much faster and more easily."

Salvador Arena



Termomecanica

LETTER FROM THE PRESIDENT

The commitment of Termomecanica São Paulo S.A. - TMSP and its subsidiaries to ethics in the conduct of business is what drives the development of the organization. This commitment reflects our concern with transparency, equity and balance of the economic, social and environmental pillars.

Today, the principles of Corporate Social and Environmental Responsibility require that all employees and business partners act within an environment of mutual respect and loyalty, which inspired the publication of this Code of Ethical Conduct, explaining the values that guide our relationship policy. Accordingly, this instrument is a reflection of our culture and beliefs that we want to strengthen, and becomes an integral part of the employment contracts, as well as contracts with suppliers, service providers and customers.

We hope you read, understand and use this document as an important reference in your daily life.

Regina Celi Venâncio

Chairman of the Board of Directors of Termomecanica São Paulo.

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1. INTRODUCTION

1.1. Historical Context of Termomecanica.

TERMOMECANICA was founded in 1942 by engineer Salvador Arena, with a capital of 200 dollars. At the beginning, it was dedicated to the manufacture of ovens for bakeries, in the region of Mooca, in the city of São Paulo. In a short time, it moved to Ipiranga, also in the city of São Paulo. With his passion for work and inventiveness, the founder entered the copper and alloy foundry business and, with the success and growth of the company, Termomecanica moved to the city of São Bernardo do Campo, where it remains until the present day.

Ranked among the largest private Brazilian industries, it is a leader in the sector of transformation of non-ferrous metals (copper and its alloys) into semi-finished and finished products, such as: bars, rods, profiles, wires, laminates, tubes for refrigeration, tubes for industrial application, water and gas pipes, bronze bushings and TM 23 bronze caps, copper busbars for applications in the steel and electricity industries, power generation and distribution, TM 620 bronze bushings and billets, aluminum tubes and bars as well as special alloys for various applications.

Highly capitalized, the company has registered healthy growth as a result of programs of constant modernization and expansion, which define its traditional earnings reinvestment strategy.

Termomecanica is a privately held joint-stock company belonging to Fundação Salvador Arena, which holds 100% of its shares and is represented by a Board of Trustees currently made up of 13 members. Since 2010, it has had a Corporate Governance model in place, with the objective of providing even more transparency to the management of the business.

1.2. Glossary

Parent company: It is the individual or legal entity that holds powers of management of the company. Termomecanica São Paulo (TMSP) is the sole shareholder of Termomecanica da Amazônia (TMA).

Subsidiary: It is the company (TMA) over which the parent company (TMSP) holds management powers.

Employee: Is the person hired to provide services for an employer, under a defined workload, for a salary, admitted under the CLT regime.

Collaborator: Is the one who collaborates with the company, such as: customers, suppliers, self-employed professionals, third parties (legal entity), interns, apprentices, among others.

1.3. Purpose and Scope

The Code of Ethical Conduct reaffirms the ethical principles of TMSP and its subsidiary, as well as defines the behaviors and attitudes considered appropriate within the organization, in accordance with its values, namely:

Altruism

We believe that a society that enshrines altruistic values through education and example will certainly develop a better human nature. For this reason, we encourage and value love for others, solidarity and attitudes that reconcile personal and collective interests.

Social and Environmental Responsibility

The sustainability of the organization is only possible on the basis of well-being of society; therefore, we remain faithful to our vocation as a citizen company that respects the rights of all interested parties, including future generations.

Ethics and Transparency

Our internal and external relations are governed by cordiality, respect, cooperation, clarity, freedom of expression, consistency, accuracy, truthfulness and responsibility for information, non-negotiable values required of all interested parties, leading all balanced and fair decisions.

Competence and Discipline

We value people and their skills, creating opportunities, investing time and resources in the personal and professional growth of employees, understanding that the success and perpetuity of the organization depend on the transformation capacity of human beings.

Appreciation and Respect for people

We preserve general harmony in human relationships, understanding that it is built through individual commitment, dedication, work and incessant vigilance in favor of the common good.

We respect people's rights, being guided by honesty, seriousness, impartiality and justice, not accepting any type of discrimination in the work environment and recognizing the efforts and contributions of individuals and teams.

Continuous Improvement

We promote improvements in process and people management models and encourage research and the pursuit of knowledge, with a view to business growth and social transformation.

Care for Company Assets

The organization believes that the integrity of physical and human assets fundamentally depends on individual and collective efforts to eliminate or minimize internal and external threats and the impacts that its operations may cause.

Pride of belonging

We maintain a motivating culture of leading and doing business that reflects the meaning people attach to the organization's cause, purpose and culture. We believe that employees identified with the organization feel engaged in the search for great results for themselves and for the organization.

Accordingly, the Code of Ethical Conduct presents itself as an important tool for the practical application of these Values, as it contains the principles that guide the relationship of TMSP and its subsidiaries with their main stakeholders.

The application of this instrument is mandatory for our employees and business partners of TMSP and its subsidiaries, since it offers clear and non-negotiable guidelines for conduct, without the pretension, however, to cover all possible hypotheses in the daily life of the organization, and precisely for this reason, constituting a dynamic document which is subject to periodic updates.

The main objectives of this code are:

- Strengthen the company's ethical culture, raising the level of trust and respect in all its internal and external relationships;
- Manage, prevent, reduce or eliminate conflicts of interest among people, groups and stakeholders of the company;
- Preserve the image and reputation of Termomecanica and its subsidiaries on the market;
- Be the basis of moral sustainability and the foundation that should guide and lead the management and actions of Termomecanica as a socially responsible company.

1.4. When and how to use this Code of Ethical Conduct

The main objective of this Code of Ethical Conduct is to indicate the form of conduct and to serve as a tool to deal with any questions or dilemmas that may arise in our daily work and business.

As already mentioned, this Code does not intend to cover all possibilities, especially because, for many ethical dilemmas, the solution is not immediately clear. So, whenever you are faced with what appears to be a sensitive ethical decision, ask yourself the following questions:

Is my act or decision in accordance with the law?
Does this activity comply with the Code of Ethical Conduct, Corporate Values and/or TMSP Management Policies?
If the answer to any of the above questions is NO, it means that this is an inappropriate activity. If you want to go further, ask yourself if you would be proud to tell your family and friends about this action, or if you would like to see it published in the newspapers.
If the answer is no, stop immediately.

We know that many situations are not easy, so when in doubt, the best thing is to reveal the matter and discuss it openly with your manager or contact the Human Resources department.

1.5. Respect for People

TMSP and its subsidiaries expect all employees and business partners to work together in a transparent and respectful manner. This attitude is in line with the organization's Corporate Values.

All employees and business partners are worthy of respect, regardless of their position or length of professional experience. This principle is also applicable to contractors or third parties.

Teamwork is encouraged, and it is hoped that successes, as well as possible failures, are shared, that ideas are heard with generosity and genuine interest, and that information is disseminated clearly, whenever necessary, respecting the organization's Confidentiality Policies. TMSP and its subsidiaries respect privacy, value the diversity of their workforce and declare that attitudes of depreciation, discrimination and disrespect in all its forms, be they due to race, color, gender, sexual orientation, religion, language, nationality, ethnicity and social status, are not tolerated, as they are contrary to their beliefs and values.

Slave labor and the use of child labor in the organization and in the companies of suppliers or business partners are also not allowed under any circumstances.

1.6. Respect for the Law

TMSP and its subsidiaries, its employees and business partners must comply with the laws and political systems of the countries in which they operate, and everyone must remain vigilant in complying with the following current commitments:

- Respect for Human Rights;
- Prohibition of child labor and forced labor;
- Prohibition of discrimination;
- Working hours in accordance with legislation;
- Remuneration compatible with the market;

- Quality, health and safety standards;
- Preservation of the environment;
- Repudiation of corruption and bribery;
- Payment of Taxes and correct reporting of financial information;
- Fair competition.

TMSP and its subsidiaries make their business partners aware of these principles, laws and regulations and encourage them to respect them. Likewise, the Organization guarantees that the legal, accounting and tax advisors carry out their activities in accordance with the content of this Code of Ethical Conduct.

1.7 Respect for Local Customs

All employees of TMSP and its subsidiaries must conduct their activities in a manner that respects the social and cultural traditions of the communities with which they have contact.

If, at any time, the guidelines of this Code of Ethical Conduct are in disagreement with the law or local customs of a country with which we have business relations, the principle that presents a higher ethical criterion must be applied, provided that it does not constitute as an illegal activity.

WHAT TO DO:

1. Be engaged with the values of the organization, acting as a role model;
2. Clearly demonstrate an active stance towards this Code of Ethical Conduct, even at the most critical moments;
3. Act with respect for human rights and the environment;
4. Maintain a positive, dignified, loyal, honest professional attitude of mutual respect, trust and collaboration with people;
5. Repudiate discrimination in all its forms: race, color, gender, sexual orientation, religion, language, nationality, ethnicity or social status;
6. Respect diversity in all its dimensions, promoting the right to freedom of thought, ideas and opinions, without prejudice or discrimination;

7. Always make decisions with impartiality, fairness, professionalism and technical support, complying with the legislation and policies of TMSP and its subsidiaries.

WHAT NOT TO DO:

1. Adopt abusive, inappropriate or offensive conduct, whether verbal or gestural, against colleagues, suppliers, customers, partners, visitors or the community surrounding the company;
2. Accept or practice discriminatory and/or vexatious conduct;
3. Failure to observe and comply with the assumptions of this Code.

2. INTERNAL RELATIONS

2.1 Exercise of Position

For the exercise of the position, employees must fulfill the basic requirements necessary for the seamless running of activities, such as knowledge, skills and attitudes compatible with their performance, with a commitment to constant self-improvement. Likewise, the disciplinary practices established in this Code must be followed and the rules of hierarchy must be respected.

2.2 Relationships

Relations between employees and other collaborators must be governed by cordiality, with free expression of ideas and opinions, as long as they are conducted with respect. TMSP and its subsidiaries do not tolerate sexual or moral harassment and do not allow any type of discriminatory manifestation of any nature, be it due to race, color, age, sex, sexual orientation, religion, physical or mental disability (including those with infectious diseases such as HIV), ethnic precepts, social and cultural status, nationality and marital status.

Finally, the work environment must be fair and free from any favoritism. This position applies directly to its employees and also to other the collaborators and outsourced workers.

2.3 Opportunities in the Workplace

TMSP and its subsidiaries believe in people's ability and offer the possibility of professional development and access to work opportunities, without discrimination or favoritism of any kind. In addition, they continually invest in education and training programs for the proper development of human capital, preserving the organization's talents.

2.4 Conflicts of Interest

Employees and collaborators in general must perform their activities exempting themselves from commercial, financial and personal interests, ensuring, above all, the interests of TMSP and its subsidiaries, based on a commitment to honesty, trust, integrity and ethical values.

Employees are not allowed to sell any products within the organization, to extend financial loans from/or to co-workers for profit (loan sharking).

Employees may carry out other remunerated or unpaid activities outside the working hours and environment, as long as they do not compromise the exercise of their main activity and do not compete directly with the Organization's business.

Cases in which employees may provide services to third parties or have interests in companies whose services conflict with our operation or which are competing companies are not authorized. Suppliers/Service providers with a degree of kinship with employees can be contracted, but direct negotiations with employees with whom they maintain this relationship are not allowed. Degree of kinship or affective relationship with employees, suppliers, customers and people who work in competing companies may, in certain circumstances, generate a conflict of interest, therefore they must be communicated to the Human Resources department, which will provide a form to be filled out specifically to that purpose.

2.5 Management Posture

Managers, at all hierarchical levels, must treat their subordinates with respect and equity, without any type of favoritism, and are responsible for hiring, integrating and developing people in line with the Corporate Values and in accordance with the organizational competencies of TMSP and its subsidiaries.

Demonstration of an employee's interest in participating in an internal recruitment process must be understood by their manager as a normal alternative for career development, and cannot give rise to any type of retaliation.

In the event of errors, managers must provide constructive guidance and constant monitoring of the attitudes and performance of their subordinates. Repetition of errors resulting from carelessness, negligence or lack of interest are subject to disciplinary measures prescribed by the organization.

2.6 Use of Company Assets

The assets of TMSP and its subsidiaries must be used exclusively for carrying out activities in the organization, with the exception of cases formally authorized by Management. Thus, it is up to employees and collaborators in general to take care of the assets, keeping materials, furniture, tools and other utensils and work equipment in good condition.

2.7 Information Management

TMSP and its subsidiaries are committed to ethics in the management of insider or private information obtained during the processes of interaction with its various audiences, as well as to the transparency and veracity of the information provided to all interested parties.

Thus, the disclosure of strategic and confidential information of TMSP and its subsidiaries, including their managers, employees, collaborators, beneficiaries, as well as other organizations with which they have a direct or indirect relationship, is expressly prohibited. Confidentiality must be maintained even after the end of the employment contract.

In addition, it is expressly forbidden to photograph or film, without the knowledge of Senior Management, the organization's premises due to industrial secrecy.

Out of respect for employee privacy, all information, including medical and financial information, is kept secure and treated confidentially.

IT equipment and systems must be used exclusively for professional purposes, the use being monitored with the knowledge of the users and access to any content that the company deems inappropriate being restricted. Employees are only authorized to access system data and information that are strictly necessary for the exercise of their jobs and in accordance with the information security policy.

What types of documents are considered confidential and must be destroyed in the event of disposal?

- Minutes of Meetings;
- Documents that make reference to prices;
- Investment and expansion plans;
- Marketing plan;
- Business results;
- Employees' personal information;
- Policies and other company management documents;
- Agreements;
- Projects;
- Technical Drawings;
- Registration of trademarks and patents;
- Information about the companies with which we do business (customers, suppliers and service providers);
- Production data.

These are just some examples. When in doubt whether or not a document should be destroyed, contact your manager.

2.8 Intellectual Property

The information, materials, technologies, methodologies, knowledge, innovations and patents developed internally are for the exclusive use and property of TMSP and its subsidiaries, and must be treated confidentially.

The trademarks (logos) belonging to TMSP and its subsidiaries may only be used in the pursuit of professional activities. Business partners can use them as long as previously authorized by the company.

2.9 Use of Alcohol, Drugs and Firearms

TMSP and its subsidiaries do not allow the use or possession of illicit drugs or entry into the workplace in a state of intoxication, thus ensuring the safety of all employees. Firearms may only be carried at the company's premises by professionals expressly authorized.

WHAT TO DO:

1. Exercise empathy, expressing explicitly interest from the perspective of the other in order to help, understanding and respecting their expectations and feelings;
2. Acknowledge and recognize the accomplishments, achievements and abilities of other people, departments and other work groups besides your own;
3. Defend the interests of people, the team and the organization, without prejudice to any of the parties;
4. Resolve conflicts based on facts, evidence and technical criteria, respecting the opinion of all parties involved and ensuring impartiality in the judgment of facts and occurrences;
5. Always fulfill promises, timely honoring the commitments assumed with customers, suppliers, employees, colleagues and shareholders;
6. Direct your relations with other employees based on cordiality and respect, regardless of hierarchical position, job or function;
7. Be consistent with what you say and what you do;
8. Share knowledge, experiences, aiming at improving technical training, methods and processes, in order to continuously improve the results of TMSP and its subsidiaries;
9. Seek self-development to meet the skills required by the position and the organization;
10. Favor equality in access to opportunities for intellectual and professional growth;
11. Conscientiously use the organization's assets;

12. Promote actions that preserve and enrich intellectual and financial capital, to ensure perpetuity of the business of TMSP and its subsidiaries;
13. Follow policies, instructions and regulations, operating only the equipment for which you are duly authorized, thus preserving the safety of people and equipment;
14. Communicate irregularities, maintenance needs and perceived risk situations, which may compromise the Organization's assets, the physical integrity of people and which may have an impact on the community;
15. Know and comply with the guidelines and rules for the use of the organization's assets.

WHAT NOT TO DO:

1. Base choices on processes that allow meeting the personal interests of employees or third parties related to them;
2. Adopt harmful, aggressive or abusive behavior towards colleagues and third parties;
3. Allow conflicts of ideas to turn into personal disputes;
4. Use resources, assets and employees of TMSP and its subsidiaries to perform services outside the organization's activities;
5. Use for private purposes or pass on equipment, technologies, methodologies, knowledge and other information owned by TMSP and its subsidiaries to third parties, unless duly authorized by Management;
6. Perform an external task or responsibility that is incompatible with the provisions of this Code;
7. Carry out the sale of any products within the organization, as well as make loans for profit;
8. Use the name, trademarks and corporate symbols of TMSP and its subsidiaries without prior authorization.

3. CONTRIBUTIONS TO POLITICAL ACTIVITIES

The allocation of any contribution in cash, goods or services on behalf of TMSP and its subsidiaries to political campaigns, political parties and candidates is not allowed. Furthermore, it is expressly prohibited to carry out political campaigns within the organization's premises.

WHAT NOT TO DO:

1. Use your position, function, organization resources for dissemination or partisan political advertising.

4. TRADE UNION

TMSP and its subsidiaries respect free association, recognize unions as legal representatives of employees and seek constant dialogue to resolve conflicts of a labor or union nature, always ensuring a good relationship between the parties.

5. EXTERNAL RELATIONS

5.1 Relationship with the Media

TMSP and its subsidiaries understand that the relationship with the media must be guided by transparency, ethics and trust.

Contacts with the press must be carried out exclusively by spokespersons authorized by Senior Management to express themselves in interviews or reports, who have the obligation to ensure the accuracy of the information provided, respect the institutional point of view, not express personal opinions and positions, and not disclose confidential or untrue information. Institutional and product advertising must ensure the veracity of the information conveyed and enable the creation of positive values for society, through a transparent, safe relationship of respect for the consumer and without exposing any individual to a situation of prejudice,

embarrassment, disrespect or risk.

The organization's Communication and Marketing initiatives are characterized by respect for current legislation, ethics and local and international reference standards.

5.2 Relationship with the Community

TMSP and its subsidiaries seek to establish a strong and solid relationship with the community in which they operate, keeping communication channels open. The service to the general public must be guided by loyalty, honesty, seriousness, impartiality, justice and responsiveness, and adequate treatment must be given to suggestions and criticisms that may be received from the community.

The relationship between the subsidiaries and their parent company TMSP is guided by transparency and reliability.

The consolidated accounting and financial statements are presented to the parent company concomitantly with the notice for Meetings, within the legal term, and the balance sheets are published in the Official Gazette of the State and a widely-read newspaper in the State.

Subsidiaries keep records of Agendas and Minutes of meetings and General Meetings in order to allow tracking of information, when necessary.

5.3 Relationship with Parent Company

The relationship between the subsidiaries and their parent company TMSP is guided by transparency and reliability.

The consolidated accounting and financial statements are presented to the parent company concomitantly with the notice for Meetings, within the legal term, and the balance sheets are published in the Official Gazette of the State and a widely-read newspaper in the State.

Subsidiaries keep records of Agendas and Minutes of meetings and General Meetings in order to allow tracking of information, when necessary.

5.4 Relationship with Governmental and Regulatory Bodies

TMSP and its subsidiaries value transparency in relations with government bodies and authorities, complying with the legislation at all their spheres and expressing their total opposition to

active and passive corruption, concussion, bribery, administrative misconduct, smuggling, tax evasion, piracy, money laundering, misappropriation of assets, tampering and falsification of documents and financial data, misuse of privileged information, manipulation of accounting records, bribery, unreported funds, extortion, in addition to expressly prohibiting participation in processes aimed at manipulating bid notices (public or private) or any fraud in public bidding.

In the exercise of professional activities, employees and collaborators in general must comply with the legislation and regulations, resorting to the Legal Department whenever there is difficulty in interpreting the law.

5.5 Relationship with Customers

TMSP and its subsidiaries understand that relationships with customers must be guided by respect and transparency. Employees must serve them with courtesy, efficiency, promptness and seriousness, guaranteeing the quality of service and their satisfaction. Likewise, employees must give adequate treatment to the suggestions and criticisms received from customers, as well as treat confidentially any privileged information that may be obtained in the exercise of their position.

It is not allowed to favor customers for reasons of personal ties or kinship, nor to obtain commercial advantages through illegal practices, such as: bribery, corruption, concussion, extortion, kickback, use of "unreported funds", among any other acts of this nature that may not be provided for in this document.

5.6 Relationship with Market and Competitors

TMSP and its subsidiaries value respect and transparency in the relationship with their competitors, not allowing unfair competition practices, such as defamation of the characteristics of products and/or services of competitors, piracy, tax evasion, smuggling, tampering with products or brands, forgery of products and other acts of this nature that may not be provided for in this document.

Employees must not adopt behaviors that could publicly denigrate the image of competitors. Likewise, employees are not authorized to provide information on TMSP and its subsidiaries to the market.

5.7 Relationship with Suppliers and Partners

To choose a supplier, which takes place through free competition, it is necessary to observe its ethical standards of conduct, which must be similar to the principles and values of TMSP and its subsidiaries, which repudiate child labor or any other form of degradation of human working conditions. Therefore, suppliers and business partners must act in accordance with these rules.

It is not allowed to favor suppliers and business partners for reasons of personal ties and kinship, nor to obtain commercial advantages through illegal practices, such as: bribery, corruption, concussion, extortion, kickback, use of “unreported funds”, among others acts of this nature that may not be provided for in this document.

Likewise, employees are not authorized to accept gifts, giveaways, tickets, gratuities or advantages, and must inform the organizations and people with whom they have contact about the position of TMSP and its subsidiaries in relation to this topic.

Promotional gifts with a maximum value of R\$100.00 sent by our business partners, such as: agendas, notebooks, calendars, foodstuffs and the like, can be accepted, remembering that they must be properly shared among co-workers.

Invitations to participate in training programs, lectures, congresses and the like must be sent to managers, who will advise on the procedures for participation.

If there are prize draws at external events (training programs, lectures, congresses and the like) on behalf of the participant, the prize will be considered personal, as it does not characterize an advantage or conflict of interest.

All insider information obtained during the process of interacting with suppliers and business partners must be treated confidentially.

WHAT TO DO:

1. Honor and be punctual in the commitments made to customers, suppliers, employees, colleagues and shareholders;
2. Use appropriate language and be cordial in personal and professional relationships with customers, suppliers and partners;
3. Care for the brand and institutional image in the exercise of their activities, deliveries and relationships;
4. Require that the purchased goods or contracted services comply with the standards defined by the organization;
5. Speak positively and with conviction about the organization, taking care of its name, brand and reputation;
6. Represent the organization with responsibility and integrity.

WHAT NOT TO DO:

1. Establish partnerships on behalf of the company, with a view to personal interests and rewards;
2. Use their position to obtain personal advantages, convenience or any other form of illegitimate personal favor or benefit, for themselves or for a third party related to them.

6. SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

TMSP and its subsidiaries are committed to health and safety at work, to preventing pollution and minimizing any other impact that their activities may have on the environment.

Employees must commit to making efficient and rational use of existing resources (energy, water, paper, safety equipment, among others) and be aware of the rules and procedures for carrying out their professional activities in order to preserve their physical integrity and that of their colleagues.

WHAT TO DO:

1. Consider the social, economic and environmental impact on professional and personal decision-making;
2. Use resources rationally, reconciling social, environmental and economic needs;
3. Act as a responsible citizen for the well-being of the community;
4. Disseminate the thought and practice of Social and Environmental Responsibility in our sphere of influence.

7. DONATIONS

It is prohibited to receive and make donations on behalf of TMSP and its subsidiaries, except when approved by the levels provided for in TMSP's Bylaws.

8. HANDLING OF FRAUD

TMSP and its subsidiaries have Internal Control Policies, Processes and Procedures, and also maintain a system of Corporate Governance and convergence of international accounting rules to the accounting rules currently in force, as provided for in Brazilian legislation, which help prevent and handle fraud.

9. PROCEDURES IN CASE OF DOUBTS OR VIOLATIONS OF THE CODE OF ETHICAL CONDUCT

It is the responsibility of all managers, employees, other collaborators and business partners to be aware of the practices stated in this Code of Ethical Conduct.

In case of violation of any rule established in this Code, the appropriate disciplinary measures will be adopted, always guaranteeing, in all cases, the full right of defense and argumentation of the parties involved.

Complaints and non-compliance, which must be reported by means of evidence, will be treat-

ed confidentially, and no retaliation will be made to those who make a report in good faith. The rules contained in this Code of Ethical Conduct shall prevail over any others expressly or implicitly agreed upon.

In case of doubts and additional information, talk to your manager, the Human Resources area or the proper department.

If there is a need to report inappropriate conducts provided for in this code, the interested party must register them via the email: ouvidoria@termomecanica.com.br.

10. MANAGEMENT OF THE CODE

The management of this Code is based on the spirit of responsibility, so that violations of the rules of ethical conduct summarized in this document must be analyzed, with a view to preventing recurrence, anticipating repercussions and managing the consequences.

11. DISCIPLINARY ACTIONS

Any act of violation of this Code of Ethical Conduct or the rules and Institutional Policies of TMSP and its subsidiaries will be classified according to the degree of seriousness, and may result in a verbal warning, written warning, suspension, termination or termination for cause, as provided for in labor legislation and in the regulations, standards, codes and internal procedures that regulate the organization's activities.

Conducts subject to the application of disciplinary measures include, but are not limited to:

- Violating the applicable Code of Ethical Conduct, directly or indirectly;
- Providing the institution with false or misleading information or intentionally withholding material information at any time, including during the course of an administrative investigation;
- Deliberately ignoring information within the scope of employees' responsibility that would allow them to know about violations of the applicable Code of Ethical Conduct;

- Retaliating against another individual who reports a complaint about illegal or unethical conduct;
- Intentionally making false accusations of illegal or unethical conduct.

Any form of retaliation against good faith whistleblowers is strictly prohibited.

12. RECIPROCAL COMMITMENTS

Considering that the success of any organization is built on the best efforts of each of its participants, the directors, managers and employees of TMSP and its subsidiaries make the following commitments to each other and to society:

- Knowing and disseminating, including through their own attitudes, the values contained in this Code;
- Valuing employees for the results of their work on their personal merit, thus providing greater fairness and transparency to the performance evaluation processes;
- Respecting people, regardless of sex, age, education, origin, creed and social position;
- Respecting the diversity of ideas, talents and opinions;
- Firmly committing to maintaining a work environment in which relationships are based on trust, respect and solidarity;
- Respectfully accepting criticisms and suggestions aimed at improving the processes of internal and external relationships;
- Collaborating firmly so that there is a desirable balance between personal and professional life for all employees;
- Keeping the work environment free of embarrassment resulting from criticisms or the reproduction of rumors that affect the reputation of the professionals of TMSP and its subsidiaries and those with whom they have ties;
- Promote the union of internal efforts between the units and departments of TMSP and its subsidiaries, in favor of their interests, seeking to share information and optimize actions and processes, whenever possible;
- Condemning the offer of any resource, monetary or otherwise, with a view to complying with the legal obligations of public officials;
- Rejecting and not offering any payment or undue advantage (kickback or bribery) with a view

to entering into, maintaining or guaranteeing a business relationship with or for TMSP and its subsidiaries;

- Not establishing business relationships with companies or individuals that do not comply with ethical, health and safety and human rights standards compatible with those of TMSP and its subsidiaries, as well as the anti-bribery and anti-corruption practices adopted by TMSP and its subsidiaries.

13. STATEMENT OF COMPLIANCE

Reading this Code is not an end in itself. On the contrary, it is important that everyone always act ethically, within the law and in accordance with the provisions of this Code of Ethical Conduct.

All employees of TMSP and its subsidiaries will receive a copy, being asked to read it and acknowledge its receipt through the form called "Deed of Commitment" in the form of Exhibit I. For more information on the items covered in this Code, we recommend consulting the organization's policies.

The revised Code of Ethical Conduct dated April 2019 will be made available on the TMSP website (www.termomecanica.com.br) and on the internal portal, so that all interested parties have access to the updated information contained in this document.

All recipients have a duty to disseminate this Code of Ethical Conduct, adequately reporting any violations of which they are aware.

This Code of Ethical Conduct will enter into force on the date of its publication, and it is up to TMSP and its subsidiaries to promote its wide and unrestricted disclosure.

14. EXHIBIT I: DECLARATION OF COMMITMENT

Deed of Responsibility and Commitment to Adhere to the Code of Ethical Conduct of Termomecanica São Paulo S.A and its subsidiaries

I,,
Identity Card RG, Foreigners' Identity Card RE
No., an employee of TMSP or its subsidiaries,
declare for all due purposes that:

- I received a copy of the Code of Ethical Conduct;
- I am aware and accept that the Code of Ethical Conduct of TMSP and its subsidiaries will become an integral part of my employment contract as of this date
- I undertake to take cognizance of the entire content of said Code and to comply with the rules contained therein throughout the duration of my employment contract;
- I was informed that failure to comply with the provisions of this Code of Ethical Conduct and related rules may even lead to termination from the company's staff, without prejudice to any civil, professional and criminal liability.

Place,

Date:,

.....
Employee signature



Termomecanica

www.termomecanica.com.br

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