

Our values, our culture.

Code of **Ethics**



AVIBRAS

S U M M A R Y

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MESSAGE FROM THE PRESIDENT

The Code of Ethics transmits the commitment with integrity in business and shows the standards for ethics and conduct, which must be followed by all employees and strategic public.

This Code is aligned with **Avibras'** Culture, which has always guided the conduct expected from all those who are directly or indirectly related to it. It is also aligned to the Security, Quality, Deadline and Cost principles, priorities that guide **Avibras'** business.

The content covers, in a clear and objective way, the values of the organization and the main rules and policies adopted by the company. It is essential that all new employees and strategic public are aware of the values, rules and procedures of **Avibras**, and also engaged and committed to its culture and integrity.

I believe that the periodical reading of the Code and its effective usage will contribute to a safe and fair business environment, strengthening even more our reputation and role in society.

Good reading!

João Brasil Carvalho Leite

President

INTRODUCTION

Mission

Develop its own technology, innovative and independent, in the fields of Aeronautics, Space, Electronics, Vehicles and Defense, generating value for our Customers, Shareholders, Employees and Society in a sustainable way.

Vision

To be a benchmark in Brazil in technological independence, unique solutions, solidity, technical boldness, competitiveness and responsibility, always guided by the Nation's largest interests.

Values and Culture

With a great effort from the high administration and the total engaging of the employees, **Avibras** works to be an increasingly solid, ethic, transparent and committed company towards its clients and the development of the country.

The Avibras management model is based on transparency.





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The company practices, develops and perfects its culture through solid and well defined rules and procedures. All business must rigorously respect the principles of exemption and transparency, ethics, competitiveness and the absence of conflict of interests, taking into account the needs of the society today and in the future, in the economic, environmental and social spheres.

Avibras respects and complies with the laws, rules and regulations in all its areas of actuation.

Avibras is an exporter company, that follows the rules and regulations in the countries it conducts business.

The company invests in the continuous improvement of its corporate governance and its instruments such as the Code of Ethics, audit processes and constant awareness.

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What is this Code and to whom is it applicable?

Avibras Code of Ethics is an important guiding instrument for those who relate to **Avibras** internally and externally, aiming at the candor in business conduct.

It contains the general rules that define the ethical standard and behavior applicable to the relations with the internal and external public, to be followed by all employees, regardless of hierarchical level.

It aims to achieve, without distinction, all stakeholders of the company, from senior management to external partners, such as suppliers, service providers, and others. It is of vital importance for **Avibras** to have everyone's understanding of the corporate values set out in this document and that they proceed in accordance with them in the development of their professional duties.

A close-up photograph of a person's hands writing on a white document. The person is wearing a light blue button-down shirt. Their right hand holds a black pen with silver-colored accents, and they are in the process of writing a line. Their left hand rests on the document to the right. The background is blurred, showing more of the shirt and the document.

Focusing on corporate sustainability,
ethics is a prominent theme in Avibras.





Zero tolerance against corruption

With a focus on corporate sustainability, ethics is a top priority at **Avibras** and part of our cultural values. The company has a zero tolerance policy against bribery and any other acts of corruption.

The commitment to conduct our business with integrity and improve the compliance program, adopting policies, procedures and anti-corruption practices, is responsibility of all employees of the organization, regardless of hierarchical level.

Likewise, **Avibras** does not do business with those who do not adopt a zero tolerance policy against corruption.

Conflict of interests

3.1 - Conflict of interests

When the employee uses his influence to benefit personal interests, for himself or for third parties, which may cause damages or losses to the company, a conflict of interest in the relationship between employee-company occurs.

Conflicts of interest are considered when the employee:

- Uses his position to obtain personal advantages, amenities or any other form of favoritism or benefit for himself or a third party;
- Grants preferential or privileged treatment to any customer or supplier;
- Provides or receives gifts as means of exerting undue influence, or obtain personal gain or reward for himself or for third parties;
- Offers hospitality or entertainment, makes donations or social contributions on behalf of **Avibras** without the required formal authorization;
- Maintains corporate bonds, on its own or through a spouse or family, with **Avibras'** suppliers or competitors, when the position he occupies confers him the power to influence transactions or allow access to privileged information;
- Hires relatives by affinity or consanguinity in the same management.

3.2 - Amenities, Gifts and Invitations

Giving or receiving institutional gifts which demonstrate to be a practice of kindness and cordiality between the parties of a business relationship, while not aimed at obtaining benefits in any negotiations, can be accepted as a usual way of acting.

Invitations to events with expenses borne by customers, suppliers, government agencies and others, can only be accepted when there is a real opportunity to develop business contact, through formal authorization of leadership.

Objects received as a prize representing distinction or honor to **Avibras** should be forwarded to the DAC (Corporate Affairs Directorate), which shall give them the correct destination.

Gifts and other advantages should be politely refused at the moment of the offer, whenever it might characterize a situation of commitment with the donor.

Everyone should be aware of the context of receiving gifts, and not only its value; in case of doubt, you must consult the immediate leadership. The offering and receiving of cash for any reason are forbidden.

The employee shall inform the entities with which he relates about **Avibras'** conduct regarding the donation and receiving of gifts.

In situations where **Avibras** considers to be a risk of conflict of interest or where the acts of corruption could be generated, the following conduct is established:

- For professional oriented events, such as business lunches or dinners and business trips, these will not be classified as abnormal or compromising, for the donor or the recipient, provided that they do not characterize any form of commitment.
- The same principles apply when gifts or invitations are offered by **Avibras** to its partners or customers.

It is prohibited to make improper payments to any person in order to facilitate the sale of products or services, even at the cost of losing business opportunity.





Information Security

4.1 - Use of Electronic Information Systems

The employee must correctly use the electronic information systems and IT resources at his disposal.

Its use for personal matters must be avoided. It is forbidden the access, exchange, storage or the use of obscene, pornographic, violent, discriminatory, racist or defamatory content.

Avibras can, at its will, use and monitor through Internal Audit, any information sent or residing in the system, written or electronically stored.

All files and information related to professional activities created, received or stored in the electronic systems are property of **Avibras**.

In case of dismissal of the employee, the information kept by him are directed to his hierarchical superior.

4.2 - Information Security

The employee, regardless of his position and functional responsibilities, is individually responsible for keeping the secrecy, integrity and availability of the information of the company, respecting legal, regulatory and contractual requirements, and must:

- Treat with absolute professional secrecy all information related to **Avibras** and its related entities, received by any means, from inside or outside the company, and not disclose them, including to direct and indirect relatives.
- Not disclose to a third party, reproduce or dispose pieces of information under any pretext, without previous and express authorization of **Avibras**.
- Keep in a safe place, being his exclusive responsibility, civil and criminal, all materials, documents, drawings, files and other data taken from the premises of **Avibras** or its related companies.
- Not photograph or film any area, activity and/or documents.
- When granted access to confidential information about **Avibras**, keep them private, even after leaving the company. The use of privileged information to benefit personal or third party interests is a crime, subject to criminal and labor penalties.



Property/Assets Security

The assets which garnish **Avibras'** installations are intended exclusively for the use in their operations and cannot be used for private purposes.

It is the employee's responsibility to ensure the proper use and conservation of company assets.

This conduct is also valid for the assets of customers, suppliers and partners used in the company's activities. The undue appropriation or utilization of any of these assets, including its copy, selling or distribution to thirds, are a serious offense, subject to criminal and labor penalties.

General Principles of the Code of Ethics

6.1 - Conduct outside the Company

Avibras' employee must:

- Be careful with his conduct in public environments, acting with prudence and diligence, not exposing the company and his own career at risk.
- When using company vehicles or in other situations that allow identification of the employee, have a compatible conduct with the values of this Code of Ethics.
- Not disclosure in any media, including social networks, any kind of confidential information and pictures taken inside the company. Any external release must be done by **Avibras'** Press Office.
- Have the approval of the DAC (Corporate Affairs Directorate) to do any work or activity, on behalf of **Avibras** and/or using its name or installations, different from the inherent operational activities of his job/function.



6.2 - Child or Slave Labor

Avibras does not use child or slave labor in its facilities. Likewise, does not accept in its related companies, suppliers and/or business partners slave labor or similar to those of a slave condition and does not accept any kind of child labor either.

Avibras offers young people the opportunity to start a professional career through the Learning in Industry Program. It is a partnership with SENAI (National Service for Industrial Training), in which young people from 14 to 24 years old can apply their school knowledge to the industrial environment, within the internship period, and without getting in the way of their studies.

6.3 - Discrimination

Aiming to create a relationship based on quality and trust with its employees, **Avibras** respects and promotes diversity and is against any kind of prejudice and discrimination.

All employees must value equality and justice, ensuring a safe and worthy workplace, free from any kind of discrimination or harassment.

6.4 - Harassment and Abuse of Power

Avibras does not admit abuse of power and harassment of any kind, nor situations meaning disrespect, intimidation or threat in the relationship among employees, regardless of hierarchical level.

6.5 - Relationship with the Clients

Avibras is a reliable and effective partner for its customers. Besides assuring the quality of its products and services, the company is committed to keeping the confidentiality of the information received from customers and partners. It is a relationship based on transparency, respect and efficiency.

Each product strictly follows the legal and market requirements to which it is intended. Technical information, in particular, safety, health and environment requirements are informed to customers.

Offset requirements are always evaluated technically and economically when selecting companies, avoiding any form of favoritism.

6.6 - Relationship with Suppliers and Service Providers

Avibras' Supply Policy wants the suppliers and service providers as members of the company, building a high quality and long term relationship.

Suppliers from Brazil and foreigners, service providers and agents are properly guided about **Avibras'** cultural values and guidelines related to the ethical principles and good practices of the organization business process.

They all must be aware and act in accordance with the company's Code of Ethics.

To avoid cases of corruption and fraud in biddings and contracts, due to the participation of third parties, **Avibras** makes appropriate verifications when hiring and supervising suppliers, service providers and agents, especially in situations with a high risk to integrity. No fostering of any kind is allowed.

A close-up, side-profile shot of a man with a dark beard and mustache, wearing a dark jacket over a white shirt. He is drinking from a glass cup with a brown sleeve. The cup sits on a light-colored wooden table. Next to it is a small glass vase with dried flowers. A smartphone lies on the table near his hand. The background is bright and out of focus, suggesting a window or outdoor light. The text "It is also not allowed favor of any nature." is overlaid in white at the bottom left.

It is also not allowed
favor of any nature.



All contracts have anti-corruption clauses to avoid any action that does not comply with **Avibras'** ethics.

Avibras does not do business with those who do not adopt a zero tolerance policy against corruption.

Service providers are responsible for their employees as well as their instruction regarding the Code of Ethics in order to prevent any misconduct.

Service providers operating within the precincts of the company must declare knowing and undertaking to comply with the Safety and Health Standards at work with the same intensity demanded at **Avibras** towards its direct employees.

Avibras expects from its suppliers and service providers a clear characterization of products and services, as well as with the care to be taken regarding health, safety and the environment.

Avibras may terminate a business relationship with a supplier whenever there is any type of loss to their interests or disregard of legal matters, tax, environment, health and safety at work.

It is **Avibras** responsibility, and consequently, its employees, the confidentiality of information passed on by suppliers and customers.

6.7 - Relationship with the Union

Avibras recognizes the Unions as legal representatives of employees, whose membership is free and respected.

Negotiations and dialogue with the Unions are regularly made through the proper channels whenever necessary or requested.

6.8 - Relationship with the Public Sector

Avibras abides by the laws, rules and regulations in all areas of actuation of contracts with the Brazilian government or other countries, as well as private companies, suppliers and any other institution it operates.

All export contracts done at **Avibras** are properly informed to the responsible institutions. The Brazilian Government, even before the preliminary negotiations with potential clients, allows the company to negotiate with any country. The products to be exported are exactly those specified in the contract, any changes must be mutually agreed in writing by both parts - **Avibras** and Customer, and properly authorized by the Government.

Avibras strictly prohibits its employees and service providers from:

- Promising, offering or giving, directly or indirectly, undue advantages to a public agent, national or foreigner, or to someone related to this person.
- Bid rigging contracts with the government, national or foreigner.
- Offering undue advantages to the competing bidder.
- Obstructing inspection.

Avibras does not offer donations and contributions to the government or other institutions, except for civil causes and nonprofit organizations, provided that it does not benefit personal interests.

6.9 - Relationship with Competitors

Avibras keeps a respectful relationship with its competitors. The company prohibits any kind of conduct that may be seen as abuse or illegal restriction of the competitors.

6.10 - Relationship with the Community

Promoting the development in its area of expertise with education, health and safety is one of **Avibras'** goals, which supports and encourages projects that benefit the community.

The company does not allow the adoption of community practices that will benefit personal interests of administrators, employees or politicians, rather than institutional interests.

Avibras can offer donations and sponsorships to proven civil causes and nonprofit organizations. Committed to the integrity of its business, **Avibras** is always aware to the history of those who will get support from the company. A previous history verification for involvement in cases of fraud or corruption is an important step in the approval process.

Committed to the integrity of its business, Avibras is always attentive to the history of those who will receive the support of the company.



6.11 - Relationship with the Press

Contacts with the press are promoted exclusively by the spokesperson designated by **Avibras'** President. Unauthorized personnel are forbidden to make contact with the press on behalf of **Avibras**.

The relationship with the press should give priority to the dissemination of facts related to the company's activities. The interface with the press is performed exclusively by DAC (Corporate Affairs Directorate).

Any material of journalistic nature (pictures, videos and articles) are responsibility of **Avibras'** Press Office.

6.12 - Relationship with the Environment

Avibras' environmental policy aims at the sustainable development and the compliance with the environmental legislations. The goal is to seek for results associated to the enhancement of the social and environmental benefits and the reduction of possible negative impacts.

The company promotes the awareness and the development of employees regarding environmental issues so that they adhere to and improve the system, aiming to reduce environmental impacts and achieve continual improvement of environmental performance.





Avibras' environmental policy aims at the sustainable development and compliance with environmental legislation.



Corporate Governance

7.1 - Responsibility for the Code

The Code of Ethics is responsibility of the company's Ethics Committee, which supports the company's management, promoting the validation, respect, fulfillment and improvement of the Code of Ethics and the processes, customs, policies, rules, regulations and guidelines that constitute **Avibras'** culture.

The Committee bases its action on the Code of Ethics, regulations and internal policies.

7.2 - Communication and Training

Communication and Training are essential for the effectiveness of the program. **Avibras'** Code of Ethics and the activities of the Ethics Committee are widely promoted to its strategic public through appropriate means of communication (websites, intranet, bulletin boards at the company, internal newspaper, news at the corporate network, direct mail and training, etc.), accessible for reading and consultation, accessible for reading and consultation.

The Ethics Committee is responsible for performing periodical mandatory trainings about the content of the Code of Ethics as well as practical aspects regarding integrity at the company. It is important that the target audience is aware of its rules and applications.

Avibras promotes specific trainings directed at those employees that work in sensitive areas susceptible to harmful acts.

All employees, including new ones, the ones that work at offices abroad and third party services, receive a copy of the Code and sign a document confirming their knowledge of the content and integrity policies of the company. The same process is done with the suppliers.

It is up to the leaders, in all levels of hierarchy, to make sure that their led and employed know and apply the principles of this Code of Ethics.

7.3 - Disciplinary Measures

Deviations or breaches are not tolerated and lead to disciplinary measures which should serve as an educator and a culture development.

Some possible disciplinary measures are:

- **Verbal warning**
- **Written warning**
- **Suspension**
- **Termination without cause**
- **Termination with a cause**
- **Lawsuit**

The application of disciplinary measures should be made, as far as possible, right after the misconduct. A longer time for the application of the measures is possible when the misconduct requires finding facts and responsables.

The application of disciplinary measures must be done by the Human Resources Office together with the Manager of the area involved after the decision of the members of the Ethics Committee.

Sanctions must be fair, reasonable and proportional to the misconduct.

7.4 - Audit

The audit area is responsible for the monitoring of systems and processes that ensure the adherence of the activities performed by any and all contributors to the guidelines established in the company. The audit also exerts control and performs regular reviews of the activities and their compliance with the Management Manuals, Internal Procedures and Work Instructions.

Avibras is subject to an external and independent audit, which aims at verifying if the accounting systems and the external controls are being effective and performed within the legal criteria.

7.5 - Ethics Channel

Avibras has an exclusive communication channel for reports such as: corruption, bribery, fraud, illegal or unethical behavior, aggression to the environment, questionable practices or ledgers, misuse of the company's assets and discrimination (gender, racial, social, religious or any other kind).

The Ethics Channel assures the confidentiality of the information and preserves the identity of the people involved.

Reports can be done through the channels below, anonymously or not:

www.canaldeetica.com.br/avibras

Phone: 0800 741 0001



7.6 - Suggestions, Complaints and Compliments

In case of questions concerning the interpretation of this Code, contact your immediate supervisor or Human Resources.

Do not stay uncertain, seek guidance through the available channels.





www.avibras.com.br

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