



# Anti-Bribery and Corruption Program

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## **I. Introduction**

BRK Ambiental Participações S.A. company controlled thereby or associated thereto (Each one a "Company") are committed to carry out their business activities according to the highest standards of honesty and integrity and in compliance with all legal and regulatory requirements. To bribe or be bribed is not only contrary to these principles as well as exposes the company, the group to which it belongs and people involved to severe penalties including fines, imprisonment and damage to reputation. Therefore, Company has zero tolerance to bribe.

This document describes the Anti-Bribery and Corruption Program of the Company "Program"), designed to prevent and detect practices of bribery and corruption (hereinafter referred to as "bribe"), as well as to fulfill several bribery related laws and regulations in the jurisdictions in which we operate. The Program elements are part of the environment of governance and internal controls of Company and are mentioned in this Program as they refer to this issue.

Anti-Bribery and Corruption policy ("Policy") of Company offers the guidance to Employees and third parties about the company's expectations with respect to the prevention and identification of bribery. Policy shall be read with the Professional Ethical Code of Conduct of Company "Code") to be a guide on behavior of Employees as a member of Company's team.

Each employee is liable for protecting the Company, our reputation and themselves the risks of bribery.

## **II. Applicable Laws**

The prevention and identification of bribery are the priority in government worldwide. In 2009, countries members of Economic Cooperation and Development Organization (ECDO) created the Anti-bribery Convention to implement the legal rules to punish the practice of bribery by public officials in the international business transactions. Therefore, the main industrialized countries in the world adopt laws to prevent and fight against foreign bribery and basically all countries have internal laws preventing and fighting the bribery.

In the last years, regulators have enacted stricter laws regarding the bribery, as well as strengthened existing legislation. For instance, laws are being extended to deal with bribery in business transactions between private parties, not only by the public officials as it was frequent previously. Moreover, there is a growing trend to eliminate the exemptions of "facilitation payments", which are payments made to further routine governmental action that involves non-discretionary acts (for example, visa processing). Therefore, in addition to being an offence the active participation in the bribery, certain laws also regard the lack of bribery prevention as an offense.

A remarkable aspect of these laws is the extra-territorial use. This means the responsibility could result from a corrupt act performed outside the country where the law has been enacted or should affect the companies incorporated in jurisdictions other than where the law has been enacted. Consequently, companies should be liable for the actions of subsidiaries in foreign countries although the headquarters is not aware of the bribery.

Moreover, several such laws are applicable to entities or people associated to the company (for instance, members, agents). Thus, the corrupt acts of Employees, agents, members or others acting on behalf of the company can automatically create liability thereto.

As the economic group to which the Company belongs, Company is subject to several laws, including, but not limited to, Foreign Corrupt Practices Act (FCPA) (USA), UK Bribery Act (United Kingdom), Corruption of Foreign Public Officials Act (Canada), Clean Record Law (Law 12846/2013) (Brazil), Criminal Code Act 1995 (s.70) (Australia), Prevention of Corruption Act (India), and Bribery Act 2016 (Bermuda). Penalties for breach of these laws include significant fines for companies and individuals and imprisonment for involved people.

### **III. Scope**

As Company should be involved for corruption acts of its affiliates in accordance with the global laws, and its reputation be affected by such acts, this Program is applicable to the Company as well as its controlled Company and affiliates thereof.

Although the underlying principles of this Program are the same, the approach and the specific policies and procedures adopted by the Company's affiliates shall be subject to the level of ownership of the concerned Company and the extension of the voting power and administrative control under those affiliates Companies, and the specific requirements of respective business.

The Company has classified its affiliates into three categories and has developed the Anti-bribery and anti-corruption Program to address each one of them. The classifications shall be used as a guideline and the management should consider the level of ownership and structure of governance and administration of each affiliate Company before adopting the corresponding Program.

For instance, the Company should hold 40% of an affiliate Company, which should have in in Non-Controlled Entity. However, Company should have a significant influence on the affiliate Company through the governance or other agreements, therefore, it shall follow the Controlled Entity Program.

#### **a. The Company and fully held entities**

Fully held entities include those on which the Company holds full interest and/or control power.

See Section IV.a of this Anti-Bribery and Corruption Program applicable to Company and Fully Held Entities.

#### **b. Controlled Entities**

Controlled Entities are those in which the Company holds the control on decision by means of votes (>50%) or administrative control (that is, when the Company manages its affiliate through agreements).

Controlled Entities are expected using the Company's name fulfill the Company's Program according to Section IV.a by means of the approval of Board (if it comprises independent members, that is board members other than from the company)

See Section IV.b of this Anti-Bribery and Corruption Program applicable to Controlled Entities.

c. Non-Controlled Entities

Non-controlled Entities are those entities in which the Company does not have voting or management control, including 50/50 joint venture (e.g. Fairview Multifamily).

See Section IV.c of this Anti-Bribery and Corruption Program applicable to Non-Controlled Entities.

See Schedule A to have the list of affiliates currently covered by the Program and main people in charge for Program by business.

#### **IV. Anti-Bribery and Corruption program**

a. Anti-Bribery and Corruption Program and Fully held entities.

The Company's Program was developed to (i) prevent and detect the bribery as part of the overall structure of internal controls and (ii) fulfill the requirements of Anti-bribery and Anti-corruption laws applicable thereto.

This Program includes the guidance from regulators such as the Justice branch of United States ("DOJ"), Securities and Exchange Commission ("SEC") and the Ministry of Justice of the United Kingdom, aiming to balance the commercial interests of the Company.

This Program comprises the following elements:

1. Governance and Commitment of Management

The Company's management is committed to preventing and fighting the bribery by persons and entities associated with Company and the spread of a culture that bribery shall never be accepted. Management guides and leads and oversees the development, implementation and operation of this Program.

The Compliance Area of the Company is responsible for developing the Program with the management and monitoring the Program, reporting to CEO of Company and the Ethics and Integrity Committee. Management is mainly in charge for implementing and fulfillment of this Program.

The assignments and liabilities of governance of this Program are described in Schedule B1.

2. Risks evaluation

The procedures of an organization to avoid the bribery shall be proportional to the bribery risks to which the organization is exposed, as well as according to the nature, extension and complexity of its activities, aiming the most efficient use of resources and more effective practices in the prevention and identification of bribery. For instance, DOJ and SEC (responsible for enforcement of the FCPA) declared that "will provide more credibility to a company that has implemented in good faith a comprehensive risk-based Program, although that Program does not avoid a breach

in a low risk area as the special attention and resources were addressing a larger risk area”<sup>1</sup>. Consequently, the risks evaluation is integral part of this Program.

The risk level of Company’s bribery varies with the type and nature of business operations. Company shall evaluate the nature and extent of exposure to potential risks of bribery both internally and externally by associated people and entities and ensure the proper implementation of mitigation strategies. The evaluation should be periodically, documented and reported to be updated regularly to reflect any changes according to the circumstances. The evaluated risk level shall influence the procedures and specific controls to be implemented to prevent and detect the bribery practices. For instance, checking of history shall be carried out mainly for the consultants responsible for obtaining regulatory approvals as they are more exposed to the risk of bribery.

The risks assessment procedures are described in Schedule B2 and the risks assessment structure was included in Schedule D.

### 3. Policies

Anti-Bribery and Corruption Policy is the main guidance for Employees on bribery fighting measures. In addition to providing specific guidance related to bribery, it also provides guidance on gifts offered and received, entertainment and donations and sponsorships, as those, in certain situations, should be construed as bribery, if they are excessive and/or offered or received to influence a decision or obtain improper or unfair advantage to promote, enhance, obtain or retain business, The Anti-bribery provisions should also be incorporated to the policies and practices of contracting and purchase.

Employees shall carry out their activities in accordance with the guidance provided for in Policy, as well as ensure its compliance annually.

For further details see Schedule B3.

### 4. Communication and Training

Our goal is to ensure that our policies and our procedures for preventing of bribery prevention and fighting are incorporated and understood throughout the Organization by means of internal and external communication, including training.

The philosophy and Anti-bribery policies should be regularly informed to all organization and third parties with whom we maintain business.

Communication and Training Program is described in Schedule B4.

### 5. Internal Controls

Specific procedures for internal controls shall be implemented in several areas to prevent and detect the bribery practices as part of ongoing business operations by means of proportional approach based on risks.

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<sup>1</sup> Criminal Division of the U.S. Department of Justice and the Enforcement Division of the U.S. Securities and Exchange Commission, A Resource Guide to the U.S. Foreign Corrupt Practices Act (Washington: U.S. Department of Justice and the U.S. Securities and Exchange Commission, 2012), p.59.

Those controls include those that are part of the overall environment of governance and internal accounting controls of the Company (for instance SOX2), as well as those created specifically to prevent and detect the bribery practices. The controls include: (i) accurate books and records; (ii) effective purchase processes; (iii) effective payment processes; and (iv) prudent contracting and compensation practices.

The internal control procedures are described in Schedule B5.

#### 6. Due Diligence - Third Parties and Investment Transactions

According to Anti-bribery and Anti-corruption laws, Company should be liable for contracted third parties' acts (for instance, agents and consultants) and acquired companies (for instance, liability as successor) [1]. Therefore, the due diligence protocol including the considerations on bribery should be implemented when: (i) third parties are contracted to render services to or on our behalf; and (ii) making investments (M&A, JV).

The due diligence procedures are described in Schedule B6.

#### 7. Report and Review

Confidential channel for denouncement shall be kept for the confidential reporting of violations and concerns, as well as for seeking guidance in the application of the Program, and an investigation and classification protocol should be implemented to deal with the incident.

Fully Controlled Entities must report to the Holding Company from time to time the operation of its Program, and notify the Holding Company on any bribery incidents<sup>3</sup> or violations of the program or breaches of program in real time.

Regular reports on this Program shall be provided to CEO of holding Company, including evaluations on the fulfillment and any breach.

In the extent, the nature and scope of the business and operational environment change, the nature of bribery risks faced by the Company also changes. In order to ensure our adjustment to such changes and incorporate the lessons learned, this Program should be reviewed at least annually to ensure the policies and procedures are up to date.

The report and review procedures are described in Schedule B7.

#### b. Anti-Bribery and Corruption Program - Controlled Entities

The Holding Company shall be liable for bribery by Controlled Entities due to the ownership or control power of Holding Company on such entities, although it is not aware of actions, as the holding Company would be seen as beneficiary of such conduct. For instance, according to government of the United States, the willful omission and conscious acceptance of prohibited conduct is knowledge, therefore, it has held companies liable for actions of their subsidiaries.

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<sup>2</sup> Sarbanes-Oxley Act.

<sup>3</sup> The bribery incidents include all incidents actually occurred or alleged including the bribery incidents, bribery allegations of bribery and notifications or questions from regulators or authorities related to bribery.

Moreover, if Controlled Entities has not kept properly its accounting books and records, holding Company should be in breach of the provisions on proper maintenance of books and records related to Anti-bribery and Anti-corruption laws, as the accounting records of Controlled Entities are consolidated by holding Company.

In addition to possible legal liability, bribery in the Controlled Entities may represent reputational and financial risks to Company, including the termination of management agreements, inability to maximize the output value of investments and fines/significant costs resulting from criminal /regulatory/criminal investigations. Therefore, it is important that the company ensures that its Controlled Entities adopt proper Anti-bribery and anti-corruption program.

Management, especially its main executive officer is liable for ensuring the implementation and operation of efficient Anti-bribery and Anti-corruption Program proportional to the bribery risk of the subsidiary. For instance, an subsidiary operating in a low-risk market, which does not require a license or authorization and has no governmental clients would be exposed to low risk of bribery and program and controls should not be as comprehensive as those subsidiary operating in high risk geographical locations or with significant governmental projects.

Company's management overseeing the Controlled Entity is responsible for ensuring that an appropriate and effective program is in place.

Controlled Entities with their own governance structure (for example, independent Board of Directors) should adopt this Program, with Board's approval, or develop its own Anti-bribery and Anti-corruption Program according to Section IV.a.

Controlled Entities are expected using the Company's name fulfill the Company's Program according to Section IV.a by means of the approval of Board of Directors or Executive Board, as applicable.

Controlled Affiliates should report to the Company regularly on the operation of their Program, as well as notify the Company of any bribery allegations and incidents or breaches of the Program on a real-time basis. Regular reporting on the Program should be provided to the Company's CCO, including assessments of compliance and any breaches.

c. Anti-Bribery and Corruption Program -Non-Controlled Entities.

As we do not have ownership or management control over non-Controlled Entities, our ability to ensure the implementation of an effective Anti-Bribery and Corruption Program should be limited. However, the concept of mentioned deliberate omission is applied to Non-Controlled Entities, in addition to possible legal liability, damages to Company's reputation should still be significant. Therefore, we shall endeavor to ensure that the affiliate has implemented the policies and procedures to prevent and detect the bribery practices.

The stages to be carried out by Company's management liable for the investment by means of supervisory role (usually by representation on the Board of Directors or Executive Board) of Non-Controlled Entity are described in Schedule C.



## **V. Anti-Bribery and Corruption Program**

In any questions about the program, contact:

Compliance Director  
Mr. Fernando Salvador  
E-mail: [fsalvador@brkambiental.com.br](mailto:fsalvador@brkambiental.com.br)

Senior Vice President of Corporate Affairs and Regulations  
Mrs. Daniela Sandoval  
E-mail: [danielasandoval@brkambiental.com.br](mailto:danielasandoval@brkambiental.com.br)

## Schedule A: Contacts

BRK and Controlled Entities <sup>4</sup>	SMP / Head	Principal Contacts
BRK Ambiental Participações S.A.	CEO BRK Ambiental + Sergio Barros	Daniela Sandoval
BRK Ambiental Part. em Negócios Industriais	CEO BRK Ambiental + Sergio Barros	Daniela Sandoval
BRK Projetos Ambientais S.A.	CEO BRK Ambiental + Sergio Barros	Daniela Sandoval
BRK Ativos Maduros S.A.	CEO BRK Ambiental + Sergio Barros	Sergio Barros
BRK Digital S.A.	CEO BRK Ambiental + Santi Copello	Santi Copello
BRK Centro Norte Participações S.A.	CEO BRK Ambiental + Santi Copello	Thadeu Pinto
Cia de Saneamento do Tocantins – Saneatins	CEO BRK Ambiental + Santi Copello	Thadeu Pinto
BRK Araguaia Saneamento S.A.	CEO BRK Ambiental + Santi Copello	Thadeu Pinto
BRK Sul Pará Saneamento S.A.	CEO BRK Ambiental + Sergio Barros	Santi Copello
BRK Limeira S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
BRK Sumaré S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
BRK Capivari S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
BRK Porto Ferreira S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
BRK Santa Gertrudes S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
BRK Rio das Ostras Participações	CEO BRK Ambiental + Santi Copello	Sinval Araujo
BRK Rio das Ostras S.A.	CEO BRK Ambiental + Santi Copello	Sinval Araujo
BRK Macaé S.A.	CEO BRK Ambiental + Santi Copello	Sinval Araujo
BRK Mauá S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
Mauá Água S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
BRK Rio Claro S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
Saneaqua Mairinque S.A.	CEO BRK Ambiental + Santi Copello	Fernando Mangabeira
BRK Blumenau S.A.	CEO BRK Ambiental + Santi Copello	Cleber Renato da Silva
BRK Caçador	CEO BRK Ambiental + Santi Copello	Cleber Renato da Silva
BRK Cachoeiro de Itapemirim S.A.	CEO BRK Ambiental + Santi Copello	Bruno Ravaglia
BRK Goiás S.A.	CEO BRK Ambiental + Santi Copello	Sergio Trentini
BRK Jaguaribe S.A.	CEO BRK Ambiental + Santi Copello	Ana Carolina Farias
BRK Manso S.A.	CEO BRK Ambiental + Santi Copello	Bruno Ravaglia
BRK Maranhão S.A.	CEO BRK Ambiental + Santi Copello	José Mario Ribeiro
BRK Região Metropolitana do Recife/Goiana	CEO BRK Ambiental + Santi Copello	Ana Carolina Farias
BRK Uruguaiana S.A.	CEO BRK Ambiental + Santi Copello	Herbert Dantas
UVR Grajaú S.A.	CEO BRK Ambiental + Santi Copello	Leonardo Muniz
F.AB. Zona Oeste S.A.	CEO BRK Ambiental + Santi Copello	Sinval Araujo
BRK Ambiental Participações S.A.	CEO BRK Ambiental + Sergio Barros	Daniela Sandoval
BRK Ambiental Part. em Negócios Industriais	CEO BRK Ambiental + Sergio Barros	Daniela Sandoval

Not comprehensive list

## Schedule B: Anti-Bribery and Corruption Program - Company and Fully Held Entities

### B1. Governance and Commitment of Management

i. CEO <sup>5</sup>	Frequency
a) Review and approve the Code, Polity and Program.	Annually
b) Include in agenda the Ethics and Integrity Committee meetings (or equivalent Committee) issues pertaining to bribery, including: <ul style="list-style-type: none"> <li>Review of Program outcomes</li> <li>Review of actions taken due to allegations and ensure its suitability.</li> </ul>	Quarterly
ii. Administration	Frequency
a) Review and approve the Code, Polity and Program.	Annually
b) Provide the outcomes of development, changes and implementation of the Program	Annually
c) Review and approve the bribery risks	Every 2 (two) years
d) Implement the policies and ensure that appropriate actions are taken for breaches.	As necessary.
iii. Compliance Area	Frequency
a) Develop the Program with the management.	Recurrent
b) Monitor the Program to ensure the elements are actually performed.	Quarterly
c) Keep updated the new developments and update the Program	Recurrent at least annually
d) Report to CEO and Ethics and Integrity Committee the outcomes of Program.	Quarterly
e) Provide information and support to affiliates and teams	As necessary.
iv. Responsibilities for the Company's Management who are directors of Affiliates <sup>6</sup>	Frequency
a) Company's management who are directors of affiliates should: <ul style="list-style-type: none"> <li>seek to stop any illegal practices of which he/she becomes aware;</li> <li>seek to ensure that affiliate takes appropriate actions with respect to identified issues, including meeting its reporting and disclosure requirements;</li> <li>seek legal and compliance advice where financial crime concerns are not being adequately addressed by the affiliate;</li> <li>report any incidents of bribery or other criminal conduct as they become known;</li> <li>consider requesting more detail or an independent review of third-parties and associated payments, gifts, entertainment and travel expenditures, where bribery risk is high (e.g. large government contracts, highly regulated industry);</li> <li>only vote to approve acquisitions or joint ventures when due diligence, if appropriate in the circumstance, addresses bribery risks and adequate mitigation plans are in place to address any identified risks.</li> </ul>	As required
b) Company's management who are directors of affiliates should not: <ul style="list-style-type: none"> <li>approve making of bribery or facilitation payments</li> <li>approve payments to consultants engaged to assist in obtaining business, unless it is clear what services are being provided, that the fees are reasonable, and that appropriate due diligence was performed;</li> <li>approve remuneration structures that reward "risky" behaviour, unless</li> </ul>	As required

<sup>5</sup> For the Company: Under the responsibility of Ethics and Integrity Committee. For Affiliates: applicable only if affiliates have their own governance structure (i.e. an independent Board of Directors).

<sup>6</sup> See Schedule A

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appropriate controls are in place.

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## Schedule B: Anti-Bribery and Corruption Program - Company and Fully Held Entities (continued)

### B2. Risk Assessment

i. Bribery Risks Assessment	Frequency
<p>a) Complete/ update the bribery risks for each business in which the Company or fully controlled entity operates based on the International Transparency Corruption Perception Index (see Schedule D – Structure of Bribery Risk Assessment) and the factors listed in i.b below.</p> <p>Remarks: risks evaluation shall be prepared by entities and reviewed by management, according to the responsibilities described in C1 Governance and Commitment of Management</p>	<p>Every 2 (two) years<sup>7</sup></p>
<p>b) Complete the bribery risks evaluation for positions, transactions or specific business projects, considering:</p> <ul style="list-style-type: none"> <li>• Nature of activities and industry</li> <li>• Level of interaction with public officials and government agencies (for example, permissions, licenses, fees, immigration).</li> <li>• If there are customers in public sector or public purchases.</li> <li>• Level of involvement and activities of agents/intermediaries/consultants</li> <li>• Level of involvement of the parties</li> <li>• If internal control issues have been identified in the past</li> </ul> <p>Remarks: positions, transactions or business projects that involve significant interaction with public officials and government agencies or in large quantity of customers in public sector or significant value of public purchases, they shall be classified as "high risk" regardless the specific geographic and market risks.</p>	<p>As necessary/ Every 2 (two) years</p>
<p>c) Implement the proportional mitigation strategies based on the risk level of assessed bribery, including several degrees and audit types ("due diligence"), internal controls and training, as indicated in Program.</p>	<p>Recurrent</p>

<sup>7</sup> Bribery risks evaluation must be updated for significant changes occurring in the business such as:

- a) Business, transaction or project show high risk of bribery.
- b) Breaches are suspected or identified.
- c) Expansion for new geographical location/market)

## Schedule B: Anti-Bribery and Corruption Program - Company and Fully Held Entities (continued)

### B3. Policies

i. Anti-Bribery and Corruption Policy		Frequency
a) Keep the Anti-Bribery and Corruption Policy (the "Policy") including guidance on the following:		
<ul style="list-style-type: none"> <li>Zero tolerance to bribery (offered or received)</li> <li>Relationship with public officials</li> <li>Gifts and entertainment offered and received</li> <li>Donations and sponsorships</li> <li>Contracting third-parties including agents and partners</li> <li>Penalty for breaches</li> <li>Policy and procedures of denouncement.</li> </ul>		Recurrent
b) Ensure the Policy is written and available so that it can be easily understood by all employees in the local language of specific geographic location.		Recurrent
c) Ensure the Policy is in accordance and aligned with all relevant Anti-bribery laws in all jurisdictions in which the business is carried out.		Recurrent
d) Ensure the Policy is easily accessible including the disclosure on the company's intranet and websites.		Recurrent
e) Review and update the Policy as needed.		Annually
ii. Purchase Policy		Frequency
a) Maintain the Purchase Policy that guides purchase processes, selection criteria and risks of conflicts of interest related to purchases or significant services, as suitable to business.		Recurrent
iii. Human Resources Policy		Frequency
a) Keeping the Human Resources Policy including the following:		
<ul style="list-style-type: none"> <li>Forbid offers of employment or internship to obtain/hold business.</li> <li>Establish a prohibition for offering employment to public officials working or have worked directly with the Company</li> <li>Allow the dismissal for cause of Employee by fraudulent activities including bribery and corruption.</li> </ul>		Recurrent

## Schedule B: Anti-Bribery and Corruption Program - Company and Fully Held Entities (continued)

### B4. Communication and Training

i. Internal		Frequency
a) Provide a copy and overview of the Code and Policy		At hiring
b) Review and certify, in writing, understanding of the Code and the Policy. If not in compliance, appropriate remedial action is taken.		At Hiring and Annually
c) Provide the Anti-bribery training with post-training attestations of understanding to all people in high risks positions <sup>8</sup> ; consider including examples and lessons learned from actual incidents in training.		Annually
d) Management strengthens the responsibilities of Employees to act with ethics, including the confidential channel of denouncements (hotline). In particular, this strengthening should be communicated at times when bribery risk may be increased, such as bidding for major government project/concession, renewing an important license, and major holidays when gift giving is common. Consider including anonymized descriptions actual incidents and resulting disciplinary action in communications.		Annually (Every six months for units high-risk business)
e) Keep the records of all training and certifications for seven years.		Recurrent
ii. External		Frequency
a) As suitable, according to internal lawyers, inform to all third parties (contractual provisions or otherwise) on the zero tolerance policy of Company regarding bribery and business carried out with or on behalf of Company shall comply with this policy.		As Necessary
b) As suitable, according to internal lawyers, offer Anti-bribery training to agents and any other third party that should have a relationship with public officials on behalf of the Company.		As necessary. (Only for High risk business)
c) As suitable, according to internal lawyers, offer the certification to third parties on the compliance with Anti-bribery and Anti-corruption Policy of Company or equivalent.		As Necessary: (only for high Risk third parties) <sup>9</sup>

<sup>8</sup> Individuals in higher risk roles include: those who deal with public officials (e.g. property development, regulatory compliance, regulatory affairs), those who regularly extend gifts and entertainment (e.g. relationship managers, business/corporate development professionals), risk management/compliance professionals, and key control owners (e.g. accounting teams).

<sup>9</sup> See the Third Party Due Diligence Policy to know how to evaluate a third party risks.

## Schedule B: Anti-Bribery and Corruption Program - Company and Fully Held Entities (continued)

### B5. Internal Controls

i. Books and records	Frequency
a) Keeping the accurate books and records in accordance with regulatory and legislative requirements.	Recurrent
ii. Procurement Process (see BRK's Procurement Policy for more details)	Frequency
a) Implement the appropriate protocols to select suppliers, which specific procedures and controls are defined according to the degree of bribery risk for all relevant purchase agreement, considering: <ul style="list-style-type: none"> <li>• Purchase process and agreements with third parties administered by independent people of contracting party.</li> <li>• Compensation proposed to third parties in accordance with the benchmarks and/or quotations from competitors to ensure the proposed fees are reasonable for services rendered.</li> <li>• Decide on relevant agreements through committees (instead of a decision taken individually).</li> <li>• Purchase / legal areas shall carry out an audit in third party and agreement review before contracting thereof.;</li> </ul>	Recurrent
iii. Payment Process (see BRK's Accounts Payable Policy for more details)	Frequency
a) Implement the appropriate protocols to ensure the payments are made only for legitimate purposes, which specific procedures and controls are determined according to the associated level of bribery risk, including: <ul style="list-style-type: none"> <li>• Making payments only by reliable channels.</li> <li>• No payment to accounts abroad (unless creditor is locally present).</li> <li>• Check the holder of bank account best before making payments</li> <li>• Ensure all payments are supported by invoices, detailing the products/services rendered and acknowledgment of receipt.</li> <li>• Monitor adherence to agreements, including independent review of payments to high risk third parties.</li> <li>• Analyze the payment to third parties and expenses reimbursement according to the reasonableness and context of services rendered.</li> <li>• Record the payments to government/ entities to enable the monitoring and review.</li> </ul>	Recurrent
b) Payments should not be made using cash or cash equivalents, including no cheques issued to "bearer" or "cash". If petty cash funds are required, they should be used according to guidelines approved by CEO and CFO of business, which should include: <ul style="list-style-type: none"> <li>• Maximum limit of the petty cash float and expenses that can be paid</li> <li>• Identification of expenses that petty cash cannot be used for (e.g. donations, sponsorships, gifts, reimbursements)</li> <li>• Appropriate Internal controls (e.g. supporting receipts, reconciliation, reporting)</li> </ul>	Recurrent
iv. Human Resources	Frequency
a) Keeping the support documentation of hired Employee during the hiring period and subsequently pursuant to legislation in force.	Recurrent
b) Check the history of the person before the hiring, including positions and responsibilities	As necessary
c) Ensure the proper supervision framework in the case of compensation "based on success".	Recurrent



## Schedule B: Anti-Bribery and Corruption Program - Company and Fully Held Entities (continued)

### B6. Due Diligence - Third Parties and Investment Transactions

i. Third Parties (that is, Consultants, Advisors)	Frequency
a) Assess third parties before contracting to determine the associated degree of bribery risk, of any, considering: <ul style="list-style-type: none"> <li>• Need of withholding</li> <li>• Reputation and qualification</li> <li>• Beneficiaries (for example, are there public officials?</li> <li>• Proposed activities and customers type / involved parties</li> <li>• Probability of interaction with public officials.</li> <li>• Value and conditions of compensation ("fees based on success" significant and unusual should be alert sign)</li> </ul>	As Necessary
b) Conduct enhanced due diligence procedures on Medium and High Risk third-parties before contracting, considering: <ul style="list-style-type: none"> <li>• Background and reference checking</li> <li>• Review available registers of political and/or charitable donations</li> <li>• Review of policies and procedures</li> <li>• Interviews with third-party personnel and site visits</li> </ul>	As Necessary
c) Update the due diligence of third parties	Annually (for high risk) Every eighteen months (for medium risk) Every two years (for low risk)
d) Include the Anti-bribery provisions in all high risk agreements with other significant third parties, as guided by the internal legal advisors, such as: <ul style="list-style-type: none"> <li>• Prohibition of all kinds of bribery</li> <li>• Confirmation that the third party has implemented appropriate Anti-bribery policies and procedures</li> <li>• Anti-bribery statements/ commitment / guarantees and regular certification of compliance by third party.</li> <li>• Entitle to terminate or suspend the agreement by breach of provisions thereof.</li> <li>• Requirement to maintain accurate books and records</li> <li>• Entitle to request information related to possible bribery</li> <li>• Entitle to audit the books and records in any incident</li> </ul>	As Necessary
e) Ongoing monitoring: <ul style="list-style-type: none"> <li>• If the risk profile of the third-party increases (e.g. the third-party is asked to perform a riskier service or conduct work in a riskier region), consider the need to conduct/update enhanced due diligence</li> <li>• Initiate review process when bribery at third-parties is identified or suspected (e.g. through media reports), including reviewing contract clauses to determine possible courses of action and reviewing any payments made</li> </ul>	As necessary.
ii. Investment Transactions (M&A, JV) (see Company's Acquisition Due Diligence Policy for more details)	Frequency
a) Perform the due diligence before the purchase in respect to the Anti-bribery and Anti-corruption Program of proposed acquisition	As necessary.

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b) Review the Anti-bribery and Anti-corruption Program of business purchased promptly after from closing the purchase, for all purchases in Controlled Entities and align with the Program.	As necessary.
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## Schedule B: Anti-Bribery and Corruption Program - Company and Fully Held Entities (continued)

### B7. Report and Review

i. Incidents report		Frequency
a)	Keeping the confidential channel of denouncements for the report of breaches / issues and guidance on Program implementation.	Recurrent
b)	Monitor the confidential channel of denouncement and recognize, record and monitor promptly all reported incidents	As necessary.
ii. Answer to incidents		Frequency
a)	Report all bribery issued to Chief Internal Audit Officer who shall take measures for follow-up as applicable <ul style="list-style-type: none"> <li>VP of Corporate Affairs and Regulation consults the Chief Internal Audit Officer and Compliance Director on all subjects requiring additional verification.</li> <li>VP of Corporate Affairs and Regulation with the management and Compliance Director determined the need to report the incident to the authorities</li> </ul>	As necessary.
b)	Contract the external legal advisors or other specialist to assist in investigation of cases with unusual or suspicious activities or in any breach of the Policy.	As necessary.
c)	Keep the record of all reports and investigations including the resolution stages.	Recurrent
d)	Ensure the internal audit or expert hired by the company, review the third parties books and records, in any suspected bribery, and the audit is allowed by agreement.	As necessary.
e)	Ensure the remoteness of the management members involved in acts of corruption and / or fraud	As necessary
iii. Program Report		Frequency
a)	Compliance area reports to CEO and Ethics and Integrity Committee, areas include <ul style="list-style-type: none"> <li>Breaches, incidents and allegations</li> <li>relevant legal and regulatory developments</li> <li>Update of Program compliance</li> <li>Outcomes of the Program review</li> </ul>	Quarterly
b)	Compliance Area obtains the certificates from affiliates regarding the compliance with Program, and breaches, incidents and allegations list.	Quarterly
c)	Affiliate notifies the Company of any bribery incidents or breaches of the Program	As necessary
d)	Compliance Area forwards a summary of item iii.a to Ethics and Integrity Committee	Quarterly
iv. Program review		Frequency
a)	Compliance Area reviews the Program and identifies the improvement opportunities as well as updates the Program and associated policies are based on the SOX results and internal audit reviews, learned lessons with failures and weaknesses of conformity and other relevant information	Annually
b)	Internal audit tests the compliance with the Program and the effectiveness of related internal controls	Periodically
c)	Compliance area shall evaluate the convenience of an external review to be carried out from time to time or in any significant changes to legislation.	As necessary.

## Schedule C: Anti-Bribery and Corruption Program - Non-Controlled Entities

Company's management liable for monitoring the affiliate shall ensure the compliance with the guidelines below.

i. Governance - Bribery risk related to Non-Controlled Entities.	Frequency
<p>a) Use the best efforts to ensure the affiliate has:</p> <ul style="list-style-type: none"> <li>• Zero tolerance policy regarding offering and receiving bribes</li> <li>• Code of Conduct for all Employees</li> <li>• Anti-bribery and Anti-corruption Program proportional to the business and risks</li> <li>• Suitable internal controls to handle the bribery risk and ensure the maintenance of accurate books and records.</li> <li>• Incidents and breaches report protocol (including the confidential channel of denouncements and report to Board of Executive Board of Affiliate, as applicable) investigating all incidents and breaches and taking the necessary measures.</li> </ul>	Recurrent
<p>b) The Company's management part of management of affiliates shall:</p> <ul style="list-style-type: none"> <li>• Seek the interruption of any illegal practice identifies that it is aware of.</li> <li>• Seek to ensure the affiliate takes the necessary actions with respect to the issues identified, including compliance with report and disclosure requirements.</li> <li>• Seek the legal advice and Compliance if financial crimes are not properly addressed by the affiliate.</li> <li>• Report any bribery incidents or other criminal conduct as they become known</li> <li>• Consider the request for more details or an independent third party review and associated payments, as well as gifts, entertainment and travels expenses, if the bribery risk is high (for instance, significant government agreements, highly regulated markets in high risk countries).</li> <li>• To vote only for approval of acquisitions or joint ventures where due diligence, if applicable to circumstances include the bribery risk and proper mitigation plans to address any identified risks.</li> </ul>	As necessary.
<p>c) The Company's management part of management of affiliates shall not:</p> <ul style="list-style-type: none"> <li>• Approve bribery or facilitators payments</li> <li>• Approve payments to consultants in charge for assisting to raise business, unless it is clear that the services are rendered, the values are reasonable and due diligence was carried out.</li> <li>• Approve the compensation structures paying for risk behavior except if the proper controls have been implemented</li> </ul>	As necessary.

## Schedule D: Structure of Bribery Risk Assessment

Country Score	Risk Rating
70-100	Low
50-69	Medium
0-49	High

### Corruption Perception Index - International Transparency (2019) <sup>10</sup>

Rank	Country/Territory	Score	Rank	Country/Territory	Score	Rank	Country/Territory	Score	Rank	Country/Territory	Score
1	New Zealand	87	44	Latvia	56	91	Serbia	39	130	Mali	29
1	Denmark	87	44	Czech Republic	56	91	Turkey	39	137	Uganda	28
3	Finland	86	48	Saint Lucia	55	93	Ecuador	38	137	Kenya	28
4	Singapore	85	48	Dominica	55	93	Timor-Leste	38	137	Mauritania	28
4	Sweden	85	50	Malta	54	93	Sri Lanka	38	137	Lebanon	28
4	Switzerland	85	51	Malaysia	53	96	Vietnam	37	137	Papua New Guinea	28
7	Norway	84	51	Saudi Arabia	53	96	Ethiopia	37	137	Russia	28
8	Netherlands	82	51	Grenada	53	96	Colombia	37	137	Paraguay	28
9	Germany	80	51	Italy	53	96	Tanzania	37	137	Dominican Republic	28
9	Luxembourg	80	51	Rwanda	53	96	Gambia	37	137	Liberia	28
11	Iceland	78	56	Mauritius	52	101	Peru	36	146	Angola	26
12	Austria	77	56	Oman	52	101	Thailand	36	146	Mozambique	26
12	Australia	77	56	Namibia	52	101	Kosovo	36	146	Bangladesh	26
12	United Kingdom	77	59	Slovakia	50	101	Panama	36	146	Guatemala	26
12	Canada	77	60	Greece	48	101	Bosnia and Herzegovina	36	146	Nigeria	26
16	Hong Kong	76	60	Cuba	48	106	Algeria	35	146	Iran	26
17	Belgium	75	60	Jordan	48	106	Brazil	35	146	Honduras	26
18	Estonia	74	63	Croatia	47	106	Cote d'Ivoire	35	153	Uzbekistan	25
18	Ireland	74	64	Sao Tome and Principe	46	106	Egypt	35	153	Cameroon	25
20	Japan	73	64	Vanuatu	46	106	Albania	35	153	Tajikistan	25
21	United Arab Emirates	71	66	Argentina	45	106	North Macedonia	35	153	Central African Republic	25
21	Uruguay	71	66	Belarus	45	106	Mongolia	35	153	Comoros	25
23	United States of America	69	66	Montenegro	45	113	Kazakhstan	34	158	Zimbabwe	24
23	France	69	66	Senegal	45	113	Nepal	34	158	Madagascar	24
25	Bhutan	68	70	South Africa	44	113	El Salvador	34	160	Eritrea	23
26	Chile	67	70	Suriname	44	113	Zambia	34	161	Nicaragua	22
27	Seychelles	66	70	Hungary	44	113	Philippines	34	162	Iraq	20
28	Taiwan	65	70	Romania	44	113	Eswatini	34	162	Chad	20
29	Bahamas	64	74	Bulgaria	43	119	Sierra Leone	33	162	Cambodia	20
30	Spain	62	74	Tunisia	43	120	Moldova	32	165	Burundi	19
30	Qatar	62	74	Jamaica	43	120	Pakistan	32	165	Congo	19
30	Portugal	62	77	Armenia	42	120	Niger	32	165	Turkmenistan	19
30	Barbados	62	77	Bahrain	42	123	Bolivia	31	168	Guinea Bissau	18
34	Botswana	61	77	Solomon Islands	42	123	Gabon	31	168	Libya	18
35	Lithuania	60	80	China	41	123	Malawi	31	168	Democratic Republic of the Congo	18
35	Slovenia	60	80	Benin	41	126	Azerbaijan	30	168	Haiti	18
35	Israel	60	80	Ghana	41	126	Kyrgyzstan	30	172	Korea, North	17
35	Brunei Darussalam	60	80	India	41	126	Djibouti	30	173	Afghanistan	16
39	Korea, South	59	80	Morocco	41	126	Ukraine	30	173	Equatorial Guinea	16
39	Saint Vincent and the Grenadines	59	85	Guyana	40	130	Guinea	29	173	Sudan	16
41	Cabo Verde	58	85	Indonesia	40	130	Mexico	29	173	Venezuela	16
41	Cyprus	58	85	Burkina Faso	40	130	Laos	29	177	Yemen	15
41	Poland	58	85	Kuwait	40	130	Myanmar	29	178	Syria	13
44	Costa Rica	56	85	Lesotho	40	130	Togo	29	179	South Sudan	12
44	Georgia	56	85	Trinidad and Tobago	40	130	Maldives	29	180	Somalia	9

<sup>10</sup> Research is updated annually; see always the most recent research to obtain the updated outcomes.