



CODE OF CONDUCT

COMPLIANCE



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MESSAGE FROM THE BOARD

This **Code of Conduct** is the product of our branding strategy and has been compiled based on the need to guide our teams on how to achieve standards of conduct that protect M2Sys image and reputation, and to foster more profitable relationships with our customers, suppliers, competitors and, also, the society.

M2Sys Code of Conduct outlines the required standards of conduct, which are aligned with our **Values**:

- **Customer focus;**
- **Respect for people;**
- **Commitment;**
- **Professional ethics;**
- **Creativity and innovation;**
- **Personal and professional growth;**
- **Assertive communication; and**
- **Legal compliance.**

The standards described herein must be achieved by all employees, regardless of their employment status in the company, so that we are able to streamline our efforts, have a higher quality standard, and lower operational, technical and legal risks.



1. GUIDELINES

This **Code of Conduct** provides guidance on professional ethics to everyone working for **M2Sys Tecnologia e Serviços S/A** (“M2Sys”), at all levels and departments, including shareholders, officers, employees, interns, and their suppliers, service providers, and commercial and technical partners, regardless of their employment status in the company. For the purposes of this **Code of Conduct**, the term member will be used to describe all the persons mentioned above.

At **M2Sys**, employees must always act in accordance with the standards defined in this **Code of Conduct**.

This **Code of Conduct** is not intended to serve as an employment contract and, therefore, confers no contractual or employment rights, and makes no implicit or explicit promise.

This **Code of Conduct** describes ethical rules and conventions that must be followed and taken into consideration by employees, and sheds light on the ethical behavioral standards accepted by **M2Sys**, without prejudice to the existence or publication of any other Policies, Norms and Procedures applicable to specific functional areas.

Despite the fact that laws change from country to country, **M2Sys** values and the conditions set forth in this **Code of Conduct** cross all national borders and shall be followed in all places the company conducts business.

1.1. Compliance Committee

M2Sys has a **Compliance Committee** formed by senior company professionals working in different areas, where every member serves in an independent and unbiased manner.

The **Compliance Committee** supports **M2Sys** departments and employees in all matters regarding the interpretation of this **Code of Conduct**, including questions involving conflict resolution and company management, mitigating and preventing risks to **M2Sys**.

The **Compliance Committee** must review every matter brought forward by employees or people outside **M2Sys** where non-compliance with the rules set forth herein and with other company policies is suspected.



1.2. Hot Line

M2Sys offers a **Hot Line** to all employees and people outside the company for direct and anonymous contact with the **Compliance Committee**.

This Hot Line is available at the “**Contact Us**” section - “**Whistle blowing**” at **M2Sys** website - www.M2Sys.com.br, where users can have their matter sent to the **Compliance Committee**.

The matter shall be recorded for due review and handling by the members of the **Committee**, who shall also protect the confidentiality of the whistleblower.

All messages sent to the **Compliance Committee** shall be reviewed and discussed by the Compliance Committee, which shall take all applicable measures, always with an unbiased approach to the situation, protecting information confidentiality and complying with the rules set forth in this **Code of Conduct**.



2. CONDUCT

M2Sys expects its employees to act with care and diligence, as would an active, fair and righteous person when conducting their own business and private matters. **M2Sys** also expects honest and respectable behavior, in accordance with the laws and ethical standards of the society.

In this sense, it requires that all employees follow the standards of conduct specified herein when working for the company.

2.1. Personal and Professional Conduct

M2Sys employees shall:

- i. foster an attitude of team spirit and harmony;
- ii. be loyal to **M2Sys**, honest, independent, unbiased, discrete and refrain from promoting their personal interests;
- iii. protect the image and reputation of **M2Sys**;
- iv. ensure a pleasant, fair, and healthy work environment;
- v. be righteous, straightforward, and respectful of other **M2Sys** employees, customers, suppliers and service providers, never taking advantage of their lack of knowledge or experience;
- vi. be proactive when solving problems and show new ideas;
- vii. always seek improvement in the tasks performed;
- viii. follow **M2Sys** Policies, Norms and Procedures, and be accountable for them;
- ix. strictly observe the provisions set forth in this **Code of Conduct**, not allowing permissive or differentiated behaviors to be encouraged;
- x. repudiate any discriminatory action or omission because of a person's race, religion, gender, age, or any other form of diversity in the work environment;
- xi. consider all risk and impact assessments that may be associated with their duties;
- xii. always ensure that managers are kept up-to-date with the activities being performed in the company;
- xiii. prevent that any **M2Sys** employee earns credit for other person's efforts;



- xiv. avoid the dissemination of false or misleading information in all **M2Sys** documents and systems;
- xv. avoid using their technical expertise to commit fraud or any illicit act, including destroying evidence, records or electronic data from locations and resources;
- xvi. notify any violation to this **Code of Conduct** and other **M2Sys** internal regulations to the Compliance Committee; and
- xvii. keep **M2Sys** information confidential.

Additionally, employees that are unsure about the applicable laws or **M2Sys** expectations regarding the standards of conduct shall talk to their supervisors, the person who hired them (in case of M2Sys suppliers) or to the **Compliance Committee**, and shall be familiarized with all internal regulations before performing their duties.

2.2. Legal Compliance

No **M2Sys** employee is expected to violate or allow any other person to violate the Brazilian laws and regulations, or the laws and regulations of any country where the company is conducting business, or violate this **Code of Conduct**, regardless of their position in the reporting line of the company.

Under no circumstances shall a supervisor be allowed to ask his subordinate at **M2Sys** to violate current laws or any other company internal regulations.

Employees shall notify the **Compliance Committee** through the “**Contact Us**” section - “**Whistle blowing**” or personally by talking to one of the members and report any violation to, or attempt to violate, current laws or internal regulations.

2.3. Conflict of Interest

Conflicts of interest may arise during the course of performing duties at **M2Sys**, where the personal interests of employees, the interests of the company, and the interests of current or potential customers, suppliers or partners may diverge.

Employees shall notify the **Compliance Committee** through the “**Contact Us**” section - “**Whistle blowing**” of any potential conflict of interest so that the matter can be duly reviewed and **M2Sys** board is given proper recommendations.



Please find below a non-exhaustive list of situations that can create a conflict of interest, which shall always be formally notified to the **Compliance Committee** by **M2Sys** employees as soon as they become aware of it:

- i. up to third degree relatives, or close relationship by affinity, with a manager, controller or relevant employee at **M2Sys** competitors, customers or suppliers;
- ii. up to third degree relatives, or close relationship by affinity, with other **M2Sys** employees;
- iii. a **M2Sys** employee performing another professional activity, receiving compensation or not, in another company or nonprofit entity
- iv. a **M2Sys** employee having a close relationship with an authority¹, etc.

2.4. Research, Inventions and Academic Papers

M2Sys employees have the right to conduct scientific or academic research as part of their professional or personal duties. However, in both cases, they shall formally request authorization from the Board to use any **M2Sys** confidential or privileged information they may have access to in view of the activities they perform in the company. The Board may take the matter to the Advisory Committee for decision.

Similarly, employees shall formally notify the Board of all results obtained during any scientific and/or academic research involving the use of **M2Sys** confidential or privileged information, as well as any inventions, discoveries and improvements derived from technological processes, sales systems or other **M2Sys** activities.

In this sense, any improvements, inventions, new processes or systems discovered during the effective term of the employment or service contract entered into with **M2Sys** (that are considered to be the output of any scientific or academic research involving the use of **M2Sys** confidential or privileged information, and methods or products associated therewith, or with which the company is involved or interested in) shall be the exclusive property of **M2Sys**, regardless of the possibility of patent registration or not.

¹ Authority: any person holding a public position or having certifying authority, with decision-making power in matters of interest to M2Sys.

² M2Sys Confidential or Privileged Information: any and all piece of information, including all M2Sys internal materials, such as manuals, designs, product description, presentations, either in hard copy or electronically, that are not in the public domain.



2.5. Relationship with Third Parties

2.5.1. Customer Relationship

M2Sys expects that all commercial negotiations bring economic benefits to all of the stakeholders and that these interactions be based on the principles of righteousness and transparency.

Customer impartiality when making decisions as to start a commercial relationship with **M2Sys** or to validate products or services provided by **M2Sys** shall always be safeguarded.

Thus, all employees shall refrain from creating any conflict of interest that may limit such impartiality - please see the Souvenir and Gift Regulation found in PI 001 - Política de Integridade – Prevenção à corrupção e Proteção à Livre Concorrência (M2Sys Antibribery and Antitrust Policy).

Any negotiation or commercial transaction entered into with customers on behalf of **M2Sys** shall be previously reviewed and followed by the Head of the Commercial Department, with the assistance of the Controlling and/or Legal Departments, which will check compliance with applicable laws and regulations.

M2Sys employees working in the commercial department shall prepare all price quotations and delivery forecasts in a clear, straightforward and genuine manner, clearly informing any potential variations when that is the case.

M2Sys employees shall fully comply with all contractual and commercial conditions agreed with customers.

2.5.2. Supplier Relationship

The procurement and supplier contracting processes conducted by **M2Sys** shall follow the quality standards set forth in POPCT 008 - Compras (Procurement), and the compliance of these processes shall be assessed when there are sensitive suppliers involved³.

M2Sys expects its suppliers to have proper systems in place to ensure compliance with this **Code of Conduct**.

Additionally, suppliers must endeavor all necessary efforts to monitor and ensure their supply chains are aligned with the principles and values of **M2Sys**.

³ Sensitive Supplier: a supplier which, in view of the type of service provided, may directly or indirectly expose M2Sys to events that may violate this Code of Conduct, and anticorruption and free competition laws.



In this sense, **M2Sys** suppliers shall:

- i. not use any form of forced labor and shall ensure full compliance with labor laws;
- ii. ensure child labor is not used in any way and that the employment of young workers complies with the Brazilian labor laws in force;
- iii. ensure wages are in compliance with the minimum amount required by law and aligned with the standards of the sector, without any unauthorized deductions;
- iv. ensure work shifts are in accordance with the local legislation and the standards of the sector;
- v. ensure all of their employees are treated fairly and free from all forms of discrimination in their work environments;
- vi. have a safe work environment that complies with local laws and regulations, taking employee health and well-being into consideration;
- vii. have a fair payment policy towards their own suppliers and subcontractors; and
- viii. protect the confidentiality of **M2Sys** information to which they may have access in view of the relationship they have with the company.

2.5.3. Authority Relationship

M2Sys employees at all levels shall interact with authorities⁴ based on respect, ethics and legal compliance.

Under no circumstances shall **M2Sys** employees maintain any kind of relationship in order to obtain undue advantage for **M2Sys**.

When representing **M2Sys** to an Authority, employees shall engage in a formal and public conduct (e.g. prepare and file meeting agenda and minutes).

2.6. Confidentiality

M2Sys information shall be protected and shall not be disseminated to third parties without the previous authorization of the company. For this purposes, M2Sys has the NSI 009 – Classificação da Informação (Classified Information) rule in place, which shall be strictly followed.

⁴ Authority: any person holding a public position or having certifying authority, with decision-making power in matters of interest to M2Sys.



Additionally:

- i. all employees shall safeguard the confidentiality of all **M2Sys** information and documents obtained during the performance of their duties, obtained from external sources and from other **M2Sys** employees, even after leaving the company;
- ii. all employees shall safeguard computer-stored information and adopt the best practices regarding electronic document security - please see [PSI 001 - Information Security Policy](#);
- iii. no employee shall handle **M2Sys** or customer matters in public locations;
- iv. employees with a **M2Sys** email address shall only use this email to address **M2Sys** matters; and
- v. employees who terminate their contract with **M2Sys** shall not take company documents or information, either in hard copy or electronically

2.7. External Communication

No **M2Sys** employee has authorization to address the public or give interviews to the press about company matters or matters of company interest.

When public addressing is necessary, the Board will define who will be the spokesperson based on [POPPQ 007 – Participação em Eventos Externos e Pronunciamento em Público](#) (Participation in External Events and Public Addressing).

As for the use of social media by employees, **M2Sys** recommends caution and common sense when using this communication channel, and protection of company and customer information.

2.8. Use of Equipment and Infrastructure

All equipment and infrastructure offered by M2Sys to employees are offered for the sole purpose of conducting company activities.

As for technology equipment specifically, M2Sys expects its employees to protect the information stored therein and to refrain from illicitly using the internet and the corporate email address.

M2Sys has ongoing monitoring processes in place that check user access and the content of corporate emails.



2.9. Brand Protection

M2Sys forbids the unauthorized use of its brand, its visual identity and other distinguishing signs in any location or media, as well as in school and academic projects.

Brand use authorization is granted by the Administrative and Financial Board.

The brand concept includes not only “**M2Sys**”, but also other brands, signs and distinguishing expressions belonging or relative to the company, and its current and future products and services.

Employees must ensure that templates and letterheads used in the performance of their duties are up-to-date and in compliance with the controlled copy kept by the Processes and Quality Department.

2.10. Environmental Protection

M2Sys recognizes the importance of environmental protection and, therefore, believes that its commercial partners and suppliers should also protect natural resources, observing all environmental laws and regulations, engaging in preservation actions, and undertaking employee awareness initiatives.

3. ANTIBRIBERY AND ANTITRUST POLICY

M2Sys fulfills all national and international anticorruption requirements, especially Law 12.846/2013 - the Brazilian Anticorruption Act, and expects its employees to do the same.

In this sense, according to **M2Sys** definition, bribery means any form of payment or promise of payment, in cash or by means of valuable goods, to any person, so that this person, going against the interests of the entity he/she is representing (public or private sector), is able to conduct or maintain business with **M2Sys** or commits acts on behalf of his/her interests, and **M2Sys** forbids this practice.

Using mediators or indirect costing to allow breach is forbidden.

M2Sys will not enter into agreements, contracts or any other deal, and will not allow its employees to enter into agreements, contracts or any other deal, that may limit free market competition and violate Law 12.529/2011 - the Antitrust Act.. Therefore, it forbids any kind of relationship with third parties, including competitors, commercial partners, suppliers or customers, that does not comply with this Law.



M2Sys follows the standards described in PI 001 - Política de Integridade – Prevenção à corrupção e Proteção à Livre Concorrência (M2Sys Antibribery and Antitrust Policy) for guidance on matters of this kind. Employees shall be familiarized with this policy and follow it accordingly.

4. DUE DILIGENCE

M2Sys seeks to ensure that the rules and principles set forth in this **Code of Conduct** are kept in place even after company changes. For this reason, due diligence processes are carried out whenever:

- i. a new individual is appointed to be part of the company or hold a relevant management position in the company; and
- ii. a merger, acquisition or joint venture is planned between **M2Sys** and another enterprise - or any other restructuring model that changes the company organizational chart.

A due diligence process is a preventive investigation intended to gather information on the history of the new individual or company and its managers in the past 5 (five) years. This investigation will confirm the absence of any conflict of interest under the terms of this **Code of Conduct** and will not affect **M2Sys** compliance with national and international anticorruption and free competition laws.

This process can be carried out by an in-house or outsourced team under the direct supervision of the **Advisory Committee**. The entire process shall be documented and filed accordingly.



5. FINAL PROVISIONS

5.1. Commitment

This **Code of Conduct** is an integral part of the procedures that govern the performance of **M2Sys** employees, and shall be known and followed by all employees.

The heads of departments shall enforce compliance with this Code by all **M2Sys** employees, including the suppliers hired by them. The heads of department shall help employees in the interpretation of this **Code of Conduct** and seek the support of the **Compliance Committee** whenever necessary.

5.2. Monitoring

M2Sys employees shall be aware that their activities can be monitored and, under no circumstances, they are allowed to use their technical expertise to counterfeit or change monitoring systems in any way.

All access records, and monitoring and audit reports constitute electronic evidence and can be submitted to legal authorities when so requested.

5.3. Violation and Penalties

Any violation to this **Code of Conduct** and M2Sys Policies, and internal rules, shall result in disciplinary action, which may include employment termination and the application of penalties set forth in the contract, without any prejudice to civil, criminal or labor liability.

Disseminating classified information to third parties, including family members and friends, constitutes a violation to the recommendations specified herein, without prejudice to civil and/or criminal liability.

COMPLIANCE

m2sys
TECNOLOGIA E SERVIÇOS

