

Ethical Code Audaces

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1. General Principles

Audaces is a company with the Mission of “Promote the Fashion Success”, looking for the development of the market in which it operates through its Vision that guides its actions to “Become a world reference in innovative technology and reliable services that generates values for the fashion market”. Therefore, it has Values that guides its relationship with its employees, clients, suppliers, distributors, franchisees, and other business partners, and yet reaching its competitors, public power and society in general. In this document, its ethical principles and rules of conduct are formalized, targeting this relationships (internal or external) that helped to strengthen Audaces reputation as a Ethic, Innovative and Sustainable company.

The presented principles in this Ethical Code must be practiced by the entire values chain, independent from location or country that Audaces or any of its representatives is present, looking for high standards of personal and professional integrity, and compliance with applicable laws, regulations and rules.

2. Audaces Values

- **Audacity:** We have passion for what we do. We are audacious, innovatives and we overcome challenges.
- **Collaboration:** We value partnership, cooperation, individual skills and we respect differences.
- **Results:** We work for fair profits that represent the valorization o our performance. We are sustainable and generate value for our clients.

3. Essential Competences

- Audacity;
- Clients prioritization;
- Focus on results and operational efficiency;
- Teamwork for the team;
- Leadership
- Selfdevelopment;
- Strategic vision.

4. Relationship with Partners

Every partner has its rights respected and transparent access to the company data, regardless of the partner participation.

We allow comercial relationships between Audaces and the partners and employees family members, as long as oriented by principles of exemption and transparency, ethics and the absence of conflicts of interest, subject to the market conditions and the company needs.

5. Relationship with Employees

Audaces treats its employees with dignity, respecting individual differences and values, providing a work environment with opportunity of professional and personal growing for everyone.

The relationship with its employees will always happen with professionalism, trust, honesty, integrity and impartiality without the use of any abusive practice, always preserving their health and physical integrity above any economic interest. We do not allow abusive practices with employees, such as sexual harassment, arrogance, intimidation, treats or anyother that clashes with the company values.

Audaces expects from its employees, when at work, adequation to the established corporative procedures, such as a honest and dignified conduct, in conformity with laws and society ethical standards. Audaces also expects all the business matters, without exception, to be dealt with secrecy and confidentiality by all employees.

5.1 Recruitment and Selection (R&S)

In any R&S process, the candidate must have its skills carefully evaluated, just as any for the position, without any discrimination.

In the R&S process, it must always be considered the internal recruitment possibility, offering professional growing opportunity for who is already part of the staff. The internal employees selection must be applied with the same criteria used for external candidates.

The employees participation in the internal recruitment process will happen under the authorization of the immediate supervisor. The candidate suitability in the company values is a R&S evaluation criteria, being considered crucial for the continuity of the process.

It is not allowed to admit blood or in-law relatives in 1st and 2nd degrees, such as father/mother, son/daughter, brother/sister, uncle/nephew, brother-in-law and adopted (a), in addition to spouses for work in direct subordination.

5.2 Relationships of Hierarchy

The participation of an employee in an Internal Recruitment process must be understood as a natural alternative of career development, and can not give rise to any type of retaliation.

Everyone must listen to and considerate new ideas and distinct opinions, inquiries and positioning that represent a way of learning and improving processes, independent of the employers hierarchy levels.

The cooperation between areas must be encouraged by everyone with the aim of growth of the company as a whole and sharing and disseminating the knowledge, respecting the criteria of confidentiality and secrecy of privileged information. It is the role of everyone to point out the need to improve processes to avoid errors or their recurrence.

The respect between leader and subordinate is an essential factor for a good operation of the company and the principle of leadership cannot be confused with arbitrariness.

It is the role of leaders to guide their subordinates as to how they will be evaluated, making clear all the aspects that will be observed.

It is responsibility of the leader and subordinate to give feedback at any moment with objective of guide and improve the performance of everyone.

5.3 Prejudice

Prejudices and discrimination of any nature are not allowed, be they of religious, philosophical or political conviction, national origin, sex, color, age, marital status, sexual orientation, physical conditions or any other nature.

To everyone must be given the same respectful, fair and cordial treatment, regardless of position or role held in the company.

5.4 Harassment, Aggression and Violence

Audaces does not allow any type of aggression, violence, harassment, independent if it is of sexual, economical, moral or any other nature, neither any other situations that constitute disrespect, intimidation or threat in the relationship between employees, regardless of their hierarchical level.

5.5 Child or slave labor

Audaces does not tolerate the use of slave labor or in similar conditions inside the company or by its suppliers and business partners. In the same way, it does not tolerate the use of child labor, unless under the young apprentice program, as determined by current legislation, without prejudice to their studies.

5.6 Use of firearms, drugs and commercialization of products

It is not allowed in the workplace the possession and use of illicit drugs, or consumption of alcoholic beverages, as well as the exercise of functions under the influence of these substances, avoiding its impact in the professional performance and everyone's safety.

It is not allowed any type of firearms in the company facilities, except by employees with explicit authorization for possessing it.

It is prohibited the commercialization and trade of products of particular interest while in the working time in the company facilities.

5.7 Private employee information

Audaces respects the privacy of its employees and, therefore, the access to their personal information is limited only for the people with the legal right to see them and, even so, only it is needed for the work operations.

The employee's personal data can only be collected or processed by reasons of business order and always in compliance with current legislation.

It is the employee obligation to give information to keep their personal data updated.

5.8 Company assets

Audaces' assets, equipment and installations are intended exclusively for use in its operations and cannot be used for private purposes, except in specific situations defined by the company.

It is the employee's responsibility to proper use and conserve the company's assets placed in its custody.

Purchases, sales, write-offs or disposals must be carried out in accordance with the company's internal rules and in its best interest.

Employees are prohibited from using, for their own benefit or those of third parties, the company's goods, services and credits, including intellectual and industrial property rights, as well as strategic and confidential information belonging to the company.

5.9 External services and activities

The exercise of activities, services or even employment outside the company cannot interfere with the work to be carried out at Audaces.

Volunteer work activities are encouraged by the company.

Activities in immediate or future conflict with Audaces activities or interests, declared and disclosed in the Audaces Strategic Planning, are not allowed. It is both applied to employees, partners, Family members in any degree, or even business partners.

It is recommended that any initiative in this direction, even if it does not come into company interests, must be previously communicated to the Ethical Committee, avoiding future conflicts.

The external activities can not in any hypothesis damage the image of company, and the employee must act with prudence and zeal, not exposing or jeopardizing the company or its own career.

Employees are expected to behave in accordance with the Company values and conduct described in this code.

5.10 Use of electronic systems of information

The electronic systems and resources of Information Technology are available for the employees for the proper performance of its functions. Its use for personal matters is allowed as long as it does not contradict the norms and guidelines defined in the Technological manual nor hamper the progress of assignments.

Audaces can, at its discretion, use and monitorate any information transmitted or resident in these media. Therefore, users in general must not expectate privacy in the use of the systems and resources.

Every information and files related to the professional activity created, received or stored in the electronic systems are property of Audaces and constitute commercial and legal assets.

The access passwords to systems and informations is personal and non-transferable, and its use is exclusive to every employee, and granting it to co-workers or third partis is not allowed.

5.11 Intellectual Property and Confidentiality

The intellectual property is a strategic asset of Audaces, and it is a company competitive differential. All patents, trademarks, know-how resulting from work of an intellectual nature by the company, technical data, process, market or strategic information are exclusive property of Audacity.

Every employee is responsible for treating with confidentiality and secrecy the information about intellectual property that she or he happens to receive or access because of their work, and must use it with cautions so it is not shared without the company explicit authorization.

Audaces respects, in the same manner, the intellectual property rights of third parties.

6. Relationship with Clients

It is an Audaces value to search for constant clients satisfaction and generate value for them through meeting their expectations and developing quality and innovative solutions and technologies.

Audaces does not discriminate against customers, either by origin, economic size or location, but reserves the right to terminate any business relationship whenever its interests are not being met, or even when the relationship represents a legal, social or environmental risk.

The information about our products and services must be clear and true. Every product strictly follows the legal requirements of the market for which it is intended.

It is totally prohibited to any Audaces employee to make or receive any improper, illegal or dubious payments, or give/receive privileges or benefits that are or outside the usual commercial practices, either directly or by third parties, in order to facilitate the sale of our products and services, even if it results in losses of negotiation opportunities.

All Audaces customers must be treated with courtesy and efficiency, being offered clear, accurate and transparent information within the agreed deadlines and forms.

The Audaces relationships with the clientes must happen with mutual respect and honesty in the negotiation, always under the local and international law.

Any attempt to bribe, favor or attack this code must be reported to the Ethics Committee, ensuring privacy, where applicable.

7. Relationship with Franchisees and Distributors

The Audaces relationships with franchises and distributors is a success relationship and, therefore, must be based on respect and trust. Therefore, all the franchisees and distributors are equally treated in honest and fair manner following the laws in force and this Code of Ethics, and must act in the same way with customers, suppliers and other business partners.

The franchisee or distributor can not use fraudulent and/or illicit means to try to obtain greater financial gains or a bigger portfolio of customers.

The information passed to the franchisees and distributors are transmitted in objective and clear manners, with respect to Audaces Values and the contractual clauses that define this relationship.

he franchisee and distributor must respect the manuals and procedures established by Audaces, respecting the law, the environment and contractual, social and commercial rights.

The Franchisee and Distributor has the duty to keep secrecy over Audaces information and data, such as of its clients.

8. Relationship with Suppliers

The Audaces relationship with suppliers, including the companies that offer services inside the company facilities (hired), must be based by mutual respect and honesty.

The hiring of any supplier must always be based on technical, professional, ethical and economic criteria, in line with the general guidelines and Audaces Values. The Audaces suppliers must have compatible conduct with the principles defined in this Code.

This way, it is expected clarity in the services and products characterization, just as respected the secrecy of information in this relationship.

Audaces can end any business relationships with a supplier whenever there is damage to its interests or disregard of legal, tax, social, environmental, health or work safety issues.

It is explicitly prohibited to any employee (or legal representatives) to receive or make payments of any advantage to suppliers to influence in any decision of the company. Therefore, it is totally prohibited the payment or receipts of bribes, illegal commissions and similar payments that, in addition to violating ethics, may subject Audaces and employees involved to criminal proceedings or legal penalties. Attempts at favoritism must be immediately reported to the sector manager or the Ethics Committee.

9. Relationship with Competitors

The Audaces relationship with competitors is based on the respect to the free and loyal competition. Any market or competitors information, legitimate and necessary for the business, must be obtained through transparent and reputable practices, not being allowed to obtain them by illicit means. Here, illicit means are illegal and morally unacceptable ways of accessing confidential information.

Verbal or written statements that could affect the image of competitors or to contribute to the dissemination of rumors about them must not be made, and the competitor must be treated with the same respect that Audaces expects to be treated. It is prohibited to give competitors and information about Audaces products or business.

It is forbidden for any employee to maintain understandings with Audaces competitors in order to fix prices and/or sales conditions, to adopt or to influence the adoption of uniform or pre-agreed commercial conduct, divide the market and subordinate the sale of one product to another.

10. Relationship with the Federal, State and Municipal Government

Audaces respects the law and expects the same conduct from all its employees wherever it operates. The relationship with the Government, in any instance, must be honest and constructive.

The provision of information to any sphere of the Government, including municipal bodies, must always be in writing, filed and with proper guidance from the Legal Department, regardless of its content or purpose.

The information sent must be accurate and sufficient to clarify the issue addressed, in order to strictly comply with current and applicable laws and regulations.

It is expressly forbidden for all employees (or legal representatives) to make payments as a bonus, or offer any bonus or advantage to public agents and government authorities to influence any decision for the benefit of the company.

Therefore, payments of kickbacks, bribes, illegal commissions and similar payments are strictly prohibited, which, in addition to violating ethics, may subject Audaces and employees involved to criminal proceedings or legal penalties.

It is forbidden to offer any type of benefit as a form of gratitude or gratification, even on a personal basis. All supply, work, financing, service, consultancy / advisory contracts must be previously submitted for evaluation, guidance and approval by Audaces' legal department.

Attempts at favoritism must be immediately reported to the sector manager or the Ethics Committee.

11. Relationship with the Environment

Audaces constantly seeks to reconcile its activities and business activities with sustainable development, environmental preservation and the health and physical integrity of its employees.

Everyone is expected to carefully observe the work environment and possible risks to the environment - inside and outside the company - acting proactively in relation to them, informing the direct leadership when directly involving the company or competent bodies in situations outside so that corrective actions can be taken.

Audaces, whenever necessary, will obtain environmental permits, aiming at understanding the risks to the environment before taking any action that may have an impact on it. It will always follow the rules established for this purpose.

12. Relationship with the Society

Respect for people and citizen institutions – governmental or not – guides relations with the communities where Audaces is present.

The company encourages the participation of all employees in volunteer programs.

The investment in social, cultural and environmental projects must be oriented by the real demands of the involved communities to promote the social transformation. Therefore, any donation, sponsorship or other way of support to the social development and the improvement of life conditions from people and communities, must be practiced in accordance with sustainability, engagement and volunteering guidelines.