

INTEGRITY PROGRAM

PUBLIC SERVICE RELATIONSHIP POLICY



1. Objective

Guidelines to be followed by Montreal and its employees when dealing with public officials.

2. General Provisions

a) Scope

- The provisions set out in this Policy are applicable throughout Montreal and may be used by external audiences.

b) Concepts

- **Public Official:** Any public official, civil servant or not, of the direct, indirect or foundational administration of any of the powers of the Union, the States, the Federal District, the Municipalities, a Territory, a company incorporated into the public patrimony or an entity for whose creation or funding the treasury has contributed or contributes more than 50% (fifty percent) of the assets or annual revenue, as well as any political party leader, their employees or other persons acting for or on behalf of a political party or candidate for public office.

- For the purposes of this annex, public officials shall also be considered to be those who, even temporarily or without remuneration, hold public office in state bodies, entities or diplomatic representations of foreign countries, as well as in legal entities controlled, directly or indirectly, by the public authorities of foreign countries or in public international organizations.

- **Politically Exposed Persons (PEPs):** According to Resolution No. 16 of 2007 of the Financial Activities Control Council (COAF), Politically Exposed Persons are considered to be Politically Exposed Persons are public officials who hold or have held, in the last five years, in Brazil or in foreign countries, territories or dependencies, relevant public positions, jobs or functions, as well as their representatives, family members and collaborators.

- **Corruption:** All the acts described in Article 5 of Law no. 12.846/2013:

Art. 50 Acts harmful to the public administration, national or foreign, for the purposes of this Law, constitute all those practiced by the legal entities mentioned in the sole paragraph of art. 10, which attack the national or foreign public patrimony, against principles of public administration or against the international commitments assumed by Brazil, as defined below:

I - promising, offering or giving, directly or indirectly, an undue advantage to a public official, or to a third party related to them;

II - demonstrably financing, funding, sponsoring or in any way subsidizing the practice of the illicit acts provided for in this Law;

III - demonstrably using a natural or legal person as an intermediary to conceal or disguise their real interests or the identity of the beneficiaries of the acts carried out;

IV - with regard to tenders and contracts:

a) frustrate or defraud, by means of an arrangement, combination or any other expedient, the competitive nature of a public bidding procedure;

b) prevent, disturb or defraud the performance of any act of a public bidding procedure;

c) removing or seeking to remove a bidder, by means of fraud or offering an advantage of any kind;

d) defrauding a public tender or contract arising from it;

e) creating, in a fraudulent or irregular manner, a legal entity to participate in a public bidding contract;

f) obtaining an undue advantage or benefit, fraudulently obtaining an undue advantage or benefit from modifications or extensions to contracts entered into with the public administration, without authorization by law, in the public bid invitation or in the respective contractual instruments; or

g) manipulating or defrauding the economic and financial balance of contracts entered into with the public administration;

V - hinder the investigation or inspection activities of public bodies, entities or agents, or intervene in their activities, including within the scope of regulatory agencies and national financial system inspection bodies.

c) Initial provisions

I. It is mandatory for Montreal employees to report any acts contrary to the provisions of this appendix to the Compliance Department for the adoption of appropriate measures.

II. In the event of doubts about the adoption of any conduct - even if requested by their superior, the Montreal employee should consult a Compliance agent or the Compliance Board itself.

III. We do not tolerate reprisals for those who report, in good faith, conduct that does not comply with the Code of Ethics and the company's values.

IV. Employees must treat all public officials and politically exposed persons with whom they interact in the course of their activities at the company in a dignified and respectful manner.

V. Failure to comply with the rules described in this policy will result in a finding of responsibility and application of the sanctions provided for in the Code of Ethics.

d) Corruption

VI. It is forbidden, in all activities and under any circumstances, to offer or promise any undue advantage to a public official or politically exposed person, directly or indirectly.

a. In this scenario, an undue advantage is understood to be anything that may be of value to the public official, even if it is of no value to the person granting it, such as assets of patrimonial value or any other object, advantage or service with the same purpose.

VII. It is also forbidden to offer or promise an undue advantage through third parties, such as brokers or other representatives of Montreal.

VIII. In the event of a demand made by a public official or politically exposed person to hand over an undue advantage, the employee must refuse and inform them that such conduct is not part of company policy.

a. In the event of a refusal to comply with an official's duty, by a public official demanding an undue advantage, the situation must be reported to the Compliance Department for action.

e) Contracting with Public Bodies

IX. Informal contacts with public officials involved in bidding procedures in which Montreal is a participant or has an interest in participating should be avoided.

X. If the employee is contacted by a public official or politically exposed person in the context of a public tender, they must inform them of the Code of Ethics and compliance policies, and avoid contact in this situation.

a. If the matter to be discussed is of a technical nature, the Montreal employee must schedule a meeting with the public official or politically exposed person, at which at least two (2) Montreal employees must be present.

b. The same procedure must be adopted in the context of contracts with public authorities that are in force.

XI. The promise or delivery of any goods, the provision of favors or services, the granting of entertainment or travel to public officials involved in any way in a bidding procedure in which Montreal is a participant or has an interest in participating is prohibited.

XII. In the event of a renegotiation of a contract signed with the Government, Montreal employees should only discuss technical and economic issues related to the contract. The discussions/meetings must be attended by at least two (2) employees.

XIII. It is forbidden for Montreal employees to obtain any economic, commercial or personal advantage by means of amendments or other contractual modifications.

XIV. It is forbidden to maintain contacts with competitors participating in a bidding process in which Montreal is directly or indirectly involved, with the aim of reducing, defrauding, frustrating or ending competition between competitors.

f) Other Interactions with Public Authorities

XV. The precepts of this Annex and the rules of Montreal Code of Ethics must be observed in all contacts with public officials or politically exposed persons in the context of inspection or investigation procedures conducted by public bodies, such as the Internal Revenue Service, IBAMA, CETESB, City Halls, among others.

a. The Montreal employees must not hinder or intervene in the actions of public officials who are carrying out investigation or inspection activities.

XVI. The Montreal employees who interact with public officials in the course of their duties must comply with the procedures and rules applicable to their interactions. It is therefore forbidden to adopt any unauthorized procedure or method to obtain documents or information of interest to Montreal.

MONTREAL



MONTREAL

Access our channels and learn more about this and other topics.