

# POLÍTICA RAÍZEN

## Antitrust Compliance Policy

Revision	Date	Changed Items	Prepared by	Approved by
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## **1. Purposes**

### **a. Compliance with Law and update**

This document aims at assisting Raízen's employees to appropriately comply with laws in force, preventing and fighting against practices that damage the antitrust environment and jeopardize the Company.

Besides avoiding the application of sanctions by competent authorities, complying with laws ensures the Company's good reputation on the market and before society, contributing to sustaining a healthy antitrust environment and to a better country.

Raízen is concerned with the continued renewal of its antitrust compliance policy, seeking to identify and neutralize potential risks of infringement to applicable laws to which it may be subject. In this regard, this document offers mechanisms so that the Company may quickly detect and prevent any practices contrary to the laws, its values, and Business Principles.

### **b. Identify and train sensitive areas**

The first step for a good antitrust compliance policy is to identify the most sensitive areas and respective training. Once identified the areas that are more exposed to situations which may be characterized as anti-competitive practices, it is possible to provide targeted training, besides allowing that employees become more confident in their attitudes to comply with applicable laws and aware of expected implications.

The purpose is to assess how activities are developed in several areas of the company and guide those most sensitive under the antitrust viewpoint, which will receive specific training conducted by the Legal Department.

All other employees are required to undergo online training, which is available at Raízen Intranet. These employees may contact the Legal Department at any time to clarify doubts or request on-site training for certain team or group.

### **c. Adopt procedures**

Standardized procedures ensure to understand and adequately comply with the antitrust laws. The guidelines upon hiring, general and targeted training for each area, guidelines on partners relationship, membership in associations and trade associations, to whom to report in case of doubts or denunciation and disciplinary sanctions applied by Raízen in the event of violations of the Compliance guidelines are an integral part of these procedures.

## 2. Scope

The guidelines presented target all Raízen's employees, regardless of their location and business unit.

## 3. Control of antitrust violations

### a. Practices opposed by the company

Antitrust violations may cause severe damages to the company and its employees. The Brazilian and international laws provide for high penalties, besides other penalties (publication in newspapers of widespread circulation, prohibition to contract with governmental institutions and financial institutions, etc.) and damages to the Company's image.

**Raízen neither stimulates nor allows its employees to incur in any anti-competitive practice on the company's behalf, and applicable laws and the guidelines set forth herein shall be mandatorily observed.**

### i. Cartel

The horizontal conduct is that one to occur between the economic agents operating in the same market, that is, between agents in direct antitrust relation, such as Raízen Combustíveis and other distributors in the fuels market, and Raízen Energia and mills in the production of sugar, ethanol, and bioenergy. The cartel is the most known horizontal conduct.

Cartel is the express or implied agreement between competitors to combine business conduct, such as pricing, price increase or decrease, allocation of customers, and performance markets.

Employees are forbidden to participate in any type of collusion or combination with competitors. In case of doubt or suspicious of any illegal activity, the Legal Department shall be immediately consulted/informed.

Fuels resellers, TRRs (Carrier-Reseller-Retailer), carriers or input suppliers shall not combine business practices with competitors either. Raízen is not included in these markets (considered downstream), but nonetheless, is not exempted from responsibility. In the event the company somehow participates in such combination, whether encouraging it or contributing thereto, it may be fined, and its employees may undergo criminal proceedings.

### 1. Hardcore Cartel

The hardcore cartel, also referred to as classic cartel, is that one with recurring and long-lasting interaction amongst competitors. This is a conduct easy to understand, the most common and easily identified by authorities.

#### How does it occur?

- Through direct contact with competitors to:
  - Increase or price fixing.
  - Limitation in the product offering.
  - Allocation of customers.
  - Coordination in the definition of business strategies.
  - Any activity to result in damage to antitrust environment.

• **Any type of monitoring or agreement is forbidden with representatives of competitors in order to combine, manipulate or adjust prices, advantages or any condition to harm the free competition.**

## **2. Bid rigging**

Bid rigging is equally opposed. Business areas' employees to participate in bids shall observe the following guidelines:

- **Adopt transparent procedures.**
- **Ensure that the company's decisions are taken independently from other competitors, including representatives and distributors of Raízen's products.**
- **Do not share with competitors information about proposals, price levels, business strategies.**

### **a. Control and monitoring of practices**

The Legal Department will manage and monitor the guidelines set forth herein, assuring that business areas participating in bids do not incur in any anti-competition conduct.

### **b. Points of attention and reviews**

The guidelines to participate in bids set forth herein will be reviewed periodically by Legal Department and may suffer changes, and employees will be informed whenever these guidelines are amended.

## **3. Exchange of sensitive information**

Most people have the false impression that only those cartels with clear combination for a particular action (price increase, for instance) are punishable. The mere exchange of sensitive information amongst competitors (without any guarantee that the effective alignment/agreement will be adopted) is also an antitrust violation and characterized crime.

**Sensitive information is that one related to the business, such as prices, costs, production, customers and suppliers, volumes, capacity, and business strategies.**

For those employees working in shared distribution bases, aviation bases, sugar, ethanol, and bioenergy mills, joint ventures, amongst others, attention must be doubled, due to closeness with competitors.

The following points of attention must be observed in activities that may involve the exchange of sensitive information with competitors:

- **Discuss issues strictly necessary to the joint venture operation.**
- **Managerial meetings must have a previously defined agenda and registered in minutes signed by all attendees.**
- **Operational information required in the joint venture must be made available on an aggregate basis.**
- **Return information received improperly, delete it and inform it to the sender. File the email stating that the message was deleted and notify the Legal Department.**
- **Sign all non-disclosure agreements when negotiating with competitors.**

The following points of attention must be observed in the relationship with customers and suppliers:

- **Information about prices must be shared by Raízen's employees only with resellers/representatives, individually, provided that such sharing is necessary to perform its activities.**
- **Resellers/representatives cannot share Raízen's information with their competitors or the company's competitors.**
- **Information about proposals must be shared only with the entity promoting the bidding, individually.**
- **Even if the entity requests the disclosure of information about proposals, price levels, business strategies or any other sensitive antitrust information under the presence of other competitors, this information only must be directly sent to the authority confidentially and individually.**

#### 4. Associations or trade associations

Trade associations or associations are sensitive environments, as they gather competitors in the same environment, and they may take advantage of situation to extrapolate legitimate discussions and share sensitive antitrust information, such as:

- Prices effectively practiced or estimated;
- Costs, production, customers, and suppliers;
- Commercial terms and conditions;
- Guidelines about deductions, promotions, or rebates;
- Confidential information;
- Company strategies;
- Launching or allocation of products.

When attending the meetings within the scope of associations or trade associations, the following rules shall be observed:

##### Forbidden (what not to do)

- **Do not share information about prices (or deductions), sales, production, and other commercial conditions/information of the company or its customers and/or suppliers;**
- **Do not share information about participation in bids or on the offering of proposals;**
- **Do not exchange, provide nor even request competitors' commercial information;**
- **Do not remain silent if any illegal issue is discussed amongst participants (in this case, the best option is to interrupt and guide participants that the issue shall not be carried forward);**
- **Do not use vocabulary that may be misunderstood or misrepresented;**
- **Do not recommend, incentive or agree, even if implicitly, with price fixing, supplier and customer boycott or exclusion of competitor, supplier or customer.**

##### Required (what to do):

- **Before participating in any meeting with the competitor's attendance, request to check the meeting's agenda;**
- **Request that every meeting with the attendance of competitors is stated in writing and that minutes are signed by all attendees;**
- **File agendas and minutes of the meeting;**
- **In the event any illegal issue arises, immediately interrupt the meeting and inform that the issue shall not be carried forward and request this is included in the minutes;**
- **Be always clear and specific in your statements, especially on the telephone, always contextualizing the information.**

**a. Monitoring**

The Legal Department may participate in the meetings held within the scope of associations or trade associations in order to monitor the proper performance of Raízen's employees with these entities.

In addition, employees participating in associations or trade associations will be requested to send to the Legal Department copy of emails, reports and/or other documents shared within the scope of these entities.

**Attendance authorization**

Only employees that are trained and authorized by area's supervisor may attend the meetings of associations or trade associations.

**b. Agenda and Minutes**

Agenda and minutes of the meeting are essential to allow the transparency and recording of the issues discussed and ensure that no anti-competition behavior is unduly attributed to any Raízen's employee.

When attending the meeting within the scope of associations or trade associations, Raízen's employee shall ensure that the agenda and minutes of the meeting contain the following indications:

- **Date and matters to be discussed at the meeting;**
- **Participants: all participants shall be listed, indicating the company/entity to which they pertain;**
- **Clear and objective agenda: all the issues which are or will be discussed shall be specified. Do not leave issues outstanding with generic indications, such as "others" or "issues of general interest", for instance;**
- **The entirety of issues discussed shall be mentioned;**
- **The issues discussed must be clear, so as to not leave doubts as to the contents treated.**

**ii. Other types of conduct**

Other antitrust types of conduct are also punishable by Brazilian authorities. The most common types are:

- **Price fixing or resale conditions** – when the company influences a reseller of its products to practice certain price or market condition downstream. For instance, preventing such reseller from selling in certain Brazilian state, or compel it to practice certain price when it would like to offer a discount or increase price;



- **Territory restrictions** – control the distribution of the product in certain regions or to certain customers;
- **Tie-in sales** – sell a product or service subject to the acquisition of another product or service;
- **Exclusivity** – require exclusivity of service provider or reseller when such exclusivity leaves Raízen’s competitors without conditions to perform on the market.

All the types of conduct mentioned above shall be analyzed with caution, as few of them may be allowed under certain and specific conditions. However, the Legal Department is in charge of such analysis and guidance on application.

No Raízen’s employee shall act to harm the performance of its customers, resellers, and suppliers, whether due to the types of conduct mentioned above or any other practice to produce effects that may damage the legitimate antitrust environment in which it is inserted.

**Raízen does not authorize its employees acting to impose or fix prices practiced by its resellers to end consumer. Resellers and representatives of Raízen have broad and full autonomy to practice the prices they understand as more advantageous for their business.**

#### **b. Zero tolerance policy**

Raízen does not accept its employees practicing any type of anti-competition conduct.

Besides training provided periodically to its employees, the Legal Department undertakes to clarify any doubt, seeking a quick solution to mitigate or eliminate any conflicts and/or risks. Doubts will be answered as soon as possible, taking into account their complexity and the need of consultation with experts in relation to the issue or fact described.

**In the event of suspicious or violation of the provisions set forth herein, all the aspects will be deeply investigated and the employees involved will be held liable and subject to the applicable disciplinary sanctions, and they may suffer all the penalties provided for by laws.**

#### **4. Structure control – mergers, acquisitions, and agreements**

The structure control is under **CADE**’s responsibility by merger reviews.

Pursuant to Article 90 of Law No. 12529/2011, merger is:

- Consolidation of two or more companies previously independent;
- Buyout or partial acquisition of one or more companies by others;

- Merger of one or more companies by others;
- Execution of association agreement, consortium or joint venture by and between two or more companies.

For legal effects, consortiums or association intended for bids promoted by direct and indirect governments and agreements deriving therefrom are not considered mergers.

**The control of mergers required to be submitted to CADE's approval shall be made in advance, which means that, until final decision on the merger, the antitrust conditions shall be preserved among the companies involved.**

**a. Raízen's notification policy**

**i. Corporate operations**

**The Legal Department shall be previously consulted for analysis of the relevance and the need of submitting corporate operations to Cade, before carrying on to their completion.**

**ii. Association agreements**

The association agreements shall be notified to CADE, i.e., agreements with duration equal to or exceeding two (2) years establishing a joint venture to explore an economic activity, and: (a) the agreement sets forth the sharing of risks and results of the economic activity composing its purpose; and (b) the contracting parties are competitors on the relevant market, subject matter of the agreement.

**The Legal Department shall be previously consulted whenever agreements are executed with duration equal to or exceeding two years.**

**b. Gun jumping policy**

In operations subject to Cade's control, employees shall not:

- **Provide or exchange strategic and sensitive antitrust information with Management and co-workers of any other economic group involved.**
- **Make payments or initiate any type of integration with teams, services or products, in such manner not to anticipate any effects of operation, without Cade's final approval.**

Events of this type may be characterized as gun jumping and may result in the following implications:

- Annulment of targeted corporate operation;
- Application of fine between R\$ 60 thousand and R\$ 60 million;
- Filing of administrative proceeding to investigate any conduct against the economic order.

## 5. Compliance Program

The content of this antitrust policy is part of the Company's Compliance Program and must be known and observed by all Raízen's employees. Failure to comply with this policy may result in the application of penalties set forth herein, besides all legal implications.

Therefore, all employees must be aware of the guidelines set forth herein so that not to involve Raízen in situations which may be interpreted by appropriate authorities as anti-competition practices.

The participation in periodic training is mandatory, and those allocated to sensitive areas must also participate in specific training.

The Legal Department shall be immediately informed about any act that may be interpreted as harmful to antitrust environment or even the mere suspicious that such act occurred, as well as in case of doubts on the proper application the guidelines set out herein.

### a. Identification of risks

Certain business areas are more exposed to antitrust risks. Thus, few people may be selected by Legal Department to also participate in targeted training, according to specific situations or matters to be discussed in the performance of their activities.

All employees of the following areas are required to participate in targeted training:

VP Sales	LDT	EAB	Roles
Retail	Base Heads	Agricultural Business	Legal
Marketing		Bioenergy	Tax
BtB	Trading Executive Board	Technology	Supplies
Aviation			Foreign Relations

### b. Interviews

To control and monitor the compliance with the guidelines set forth herein, as well as the update of risk matrix, few employees may be selected to participate in interviews. This does not mean that there is any procedure or issue identified in relation to such employee or his/her area of performance, but only a tool of control and investigation.

**c. Training**

**i. Online**

**1. Target Public**

The antitrust compliance general training available at Raízen Intranet is mandatory for all employees and shall take place upon hiring. It will remain available at the Intranet for consultation at any time.

**2. Periodicity**

The antitrust compliance general training will be updated every **two (2)** years or whenever necessary, and employees shall also be updated.

**ii. On-site**

**1. Target Public**

On-site training targeting antitrust sensitive areas will take place upon Legal Department's discretion, at least, yearly.

The attendance of employees summoned is mandatory and any absence shall be formally justified and informed to the Officer of respective area.

**2. Periodicity**

The targeted on-site training will occur yearly whenever the Legal Department or target public deem relevant (in case of shorter periods).

**3. Attendance list in training**

The signature of the attendance list is mandatory for all employees participating in on-site training.

**d. Intranet**

The Intranet compliance area ("Raízen Intranet") is frequently kept up to date and may be accessed by employees at any time for consultation and clarification of doubts.

### **i. Update**

The Intranet is continuously updated according to new legal provisions and other relevant information for the adequate performance of Raízen's employees.

### **ii. Online training**

This section makes available online training, as well as the presentations used in on-site training for employees' consultation at any time.

Online training may be accessed by employees as many times as they deem necessary and even though they have not been called by the Legal Department. In mandatory cases, employees must undergo training at least once.

### **iii. Testimonials**

In order to ratify Raízen's commitment to the compliance with antitrust laws and convey to all employees the relevance of the issue, members of the Executive Board may be periodically summoned to give testimonials on the appropriateness of the issue.

## **e. Control of documentation**

### **i. Emails**

The corporate email is a work tool and cannot be used for personal issues and/or matters not related to the activities performed by the employee.

The corporate email contains the company's signature; therefore, it must be used carefully.

#### Points of attention with exchange of emails:

- They must be duly identified and contextualized. Emails must indicate the purpose of information which has been requested/sent. For instance, you must write "referring to our issue XYZ, in reply to your email sent on .././..,";
- The test is simple – would an independent person understand what was the operation, with whom it was executed, who benefited therewith and why?
- Beware the content of emails. Try to clarify what you are writing;
- Copy less people, only those really necessary.
- When possible, request the confidentiality, in order to avoid that your email is sent to improper persons.
- Do not resend the email indiscriminately without being aware of its entire content.

- Emails the content of which is not clear or which may lead to misrepresentation must be answered requesting further information.
- If reply reveals to be content potentially illegal or doubtful interpretation, the email must be delivered to the Legal Department, which shall guide on the measures to be adopted.
- In case of inappropriate emails, employees are recommended to send a reply according to Legal Department's guidelines.

#### Mistakenly-sent Emails:

- If any confidential information is mistakenly sent to a wrong addressee, **do not delete the email.**
- Such email must be replied, informing in the new message that it has been mistakenly sent and requesting receiver to delete/disregard it.
- The email and reply shall be printed and sent to the Legal Department.

Dear [...],

The message you have just received from my email (below) was wrongly sent. Its content and attachments contain strictly confidential information that may not be disclosed, copied, distributed or used anyway.

In this regard, I kindly request you to delete it immediately from your inbox or any other place it has been saved.

#### **ii. Unsourced documents**

- Unsourced documents or of unknown origin must be duly identified.
- Documents of which the origin is unknown, as well as the purpose to which these were produced must not be stored.

#### **iii. File**

The Legal Department will shelve emails with illegal or doubtful content and/or received by Raízen's employees for registration of history and any material consultation.

#### **f. Monitoring/review**

Raízen Compliance Program is continuously updated, according to law amendments and/or relevant alterations in former court decisions.

The Legal Department is in charge of monitoring and reviewing the Compliance Program and its application and observance by RAÍZEN's employees.

## **6. In-house investigation procedure**

In order to ensure an adequate observation of the guidelines set forth herein and the compliance with this policy, Raízen relies on online whistleblowing – *Ethics Channel* – and in-house procedure to investigate the responsibility of employees involved in illegal antitrust activities.

Telephone service: 0800-7-724936  
canaldeetica@raizen.com

### **a. Use of hotline**

The notices of violation and suspicious of infringement, identified or anonymous, may be directly made to the Legal Department or Ethics Channel, and it is at the reporting person's discretion decide how to do it.

If the reporting person has opted for identifying himself/herself, Raízen will adopt all the measures, within legal limits, to protect the confidentiality of any denunciation, and acts of retaliation will not be allowed to any person who submits good faith information about violation of this policy and applicable laws and rules on antitrust matters.

### **b. Opening of in-house procedure – investigation commission**

A commission will be established by the Legal Department to investigate reporting of violation or suspicious of violation of the guidelines set forth herein.

All reports will be analyzed by an investigation commission, which at its discretion will notify the reporting person about the conclusion of the case.

### **c. Application of penalties**

All employees involved in acts of violation of the guidelines set forth herein will be subject to the following penalties, besides all the legal implications deriving from their act.

#### **i. Warning**

In the event the act practiced has low severity but exposes the Company to risk and/or implies in non-compliance with this policy, employee may receive a formal warning, which will be filed with Legal Department and Human Resources Department.

#### **ii. Suspension**

Depending on the severity of the act and its outcome for the Company, the investigation commission may advise the employee's suspension, decision which will be justified and filed with Legal Department.

The suspension period will be determined by HR Officer pursuant to labor laws.

### **iii. Dismissal**

Violations of this policy and/or applicable legal system may result in dismissal, including with cause, of employee(s) involved.

The severity of violation and the applicable penalty will be evaluated by the investigation commission designated by Legal Department.

## **7. Company budget**

Raízen has a specific cost center, destined to the Compliance Program, including the drawing up, update and review of this policy, preparation of training and material distributed, investigation of reports and all the activities deriving from its application.

## **8. Compliance Officer**

Raízen's Compliance Officer is the VP Legal, designated by the Shareholders.