

# mills

## Code of Ethical Conduct

Latest revision:  
December 2022





## LETTER FROM THE CEO

Dear collaborator:

Since 2015, Mills' Code of Ethical Conduct has guided employees, and other individuals with which we maintain relationships, in fostering patterns of behavior that Mills believes are important when conducting business activities.

As a good practice of periodic review, and with the recent repositioning of our brand, we have decided to update our Code of Ethical Conduct.

I wish to reiterate that this document must always be used as a guide for decision-making and resolving any ethical issues that may arise.

Mills' employees are responsible for complying with the principles presented in this document, adhering to guidelines, offering suggestions, and reporting failures or possible deviations through the Company's Ethics and Compliance Reporting Channel. Remember: we are all accountable for acting in an ethical and responsible manner.

This commitment will allow us to make Mills an even more honest and upstanding Company, one that places value in respect, transparency, diversity, and accountability.

If you have any questions or concerns, please speak with your manager or Mills' Audits, Risks and Compliance department.

We are certain that we will be able to count on your support in ensuring that Mills continues to maintain the highest standards for ethics and



**Sérgio Kariya**  
CEO

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# Introduction



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Mills' Code of Conduct was developed to offer guidance to managers, employees, service providers and other individuals and organizations which Mills maintains relationships with. This Code seeks to reflect high level ethical and moral standards, guarantee credibility, and preserve Mills' image by establishing a series of core values at our company.

Mills' reputation and positive image are key assets held by our shareholders, managers and employees and are directly linked to their behavior and commitment to the principles established under this Code of Conduct.

Mills' managers and employees must commit themselves to implementing the principles described in this Code and are responsible for disseminating and putting such principles and the Company's core purpose into practice.

Our managers must consistently encourage ethical conduct and adopt a behavior based on transparency, honesty, and respect, placing value in simplicity, humility, accountability, and autonomy, and fostering an engaging and pleasant environment guided by the principles of tolerance and justice. Such behavior seeks to ensure that all employees and stakeholders are respected and treated in an appropriate manner.





# Purpose, Culture and Principles





## Purpose, Culture and Principles

### Purpose

We are consistently working to ensure that Mills remains a leading, reliable, and transparent Company that fulfills its responsibilities before society and the environment, helping to create a more humane and fairer Brazil.

We offer the safety needed to dream bigger. And when talking about safety, it involves several distinct aspects: the ideal choice, the best available equipment, and highly specialized teams. Therefore, we seek to provide the greatest experience possible, inspiring individuals to truly push the limit and make their dreams a reality.

### Culture

We want our employees to engage with a vision of the future and carry the energy needed to collaborate and simplify each new challenge, seeking to provide a high level of satisfaction and growth.

#### • SATISFACTION

We want our customers, suppliers, and employees to be delighted by the experience we provide.

#### • GROWTH

We are constantly seeking out new ways to grow and want our employees to grow with us.

#### • TRANSFORMATION

We actively seek to transform, generating a positive impact for our employees, society, and the environment.

We will only be able to achieve these dreams if we collaborate in developing our organizational culture together.

For these purposes, we have defined five principles that are at the core of our DNA, in addition to elements that we aspire to make a reality each day:

### **1 - We are always present**

We get involved and develop a strong understanding of our customers' businesses to ensure the best decision making.

### **2 - We work together**

Care and respect for our people is part of our essence. We know that we can go further when we work together!

### **3 – We commit to our promises**

We know that trust and commitment are essential. That is why we are committed to our customers' experience, to consistently deliver and provide excellent results.

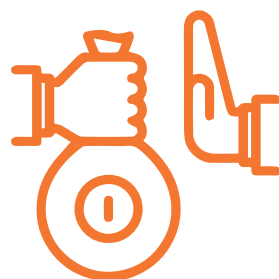
### **4 – We are at the forefront of change**

We are entrepreneurs and the pioneering spirit is part of our DNA. With nonconformity and courage, we can reinvent ourselves to lead changes within our sector.

### **5 – We are committed to the future**

Ethics is one of Mills' key pillars. We know that our prosperity is achieved through a commitment to generating value in a sustainable way.





# Compliance - Fraud, Bribery and Corruption



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## ***Compliance – Fraud, Bribery and Corruption***

Mills is committed to full compliance with the Brazilian Anti-Corruption Act (Federal Law No. 12,846/13) and all applicable laws and regulations related to combating bribery and corruption practices. Mills requires that its managers, employees, and contractors conduct their activities with integrity and are committed to maintaining the highest possible level of ethical standards.

Employees, suppliers, third parties and partners acting on behalf of the Company are expressly prohibited from offering, promising, authorizing or directly or indirectly receiving any undue advantage or other benefit that characterizes a financial, commercial or personal advantage in relation to customers, contractors, consultants, suppliers or any other external partner, whether private or national or international government bodies, for the purpose of favoring or influencing acts or decisions for their own benefit or that of the Company.

Employees are responsible for promptly reporting all conduct that violate this Code and/or constitutes a practice of bribery, fraud, or corruption through Mills' Reporting Channel.



# Behavior

## Behavior

### • *Workplace Harassment and Abuse of Power*

Mills does not tolerate abuse of power or harassment of any kind, nor does it tolerate situations that constitute disrespect, intimidation, or threats in relationships between employees, regardless of hierarchical level.

Romantic relationships between managers and direct or indirect subordinates are also not permitted, as well as any form of romantic or sexual advances, innuendos, and practices that may constitute sexual harassment.

### • *Discrimination*

To build a trusting relationship with its employees, Mills strives to respect and promote diversity and therefore does not tolerate any form of prejudice or discrimination.

Mills employees must value equality and fairness, thus guaranteeing a safe and dignified work environment that is free from any form of discrimination and harassment.

### • *Child and Forced Labor*

Mills does not use child or forced labor at any of its production units. The Company does not accept that companies which it maintains a relationship with, suppliers and/or business partners, conduct or support forced labor or labor analogous to slavery, nor does it accept the use of child labor.





- ***Sale of Goods***

The sale of products and/or services within Mills' workplace environment by employees or third-party employees is permitted, provided that such activities do not violate this Code, any current legislation, and Mills' Internal Policies. Exceptional cases must be approved in advance by the Company's Ethics Committee.

- ***Social Media and Press***

Employees must ensure that the Mills' brand is used responsibly on social media, aiming to preserve the Company's best interests, in addition to its professional image and reputation.





# **Gifts, Presents and Business Courtesies**



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Any form of product or service offered by suppliers or customers as a courtesy, usually characterized as promotional and advertising items, such as pens, notepads, souvenirs, T-shirts, caps, invitations to concerts and/or events, among other items, may be received provided that the maximum estimated value of such items does not exceed BRL 150.00 and does not interfere with employee's impartiality and decision-making processes. Other items offered that exceed this value are considered gifts and must be kindly refused or reported to the Ethics Committee in order to be disposed of appropriately.

Gifts must be received in a transparent manner within the workplace and never at home. Such gifts must not be commercialized.

Institutional gifts, such as scale models and platform miniatures, may be received from suppliers and offered to customers through the same channels as a means of promoting the product and company.

Requests for gifts or favors made to suppliers that constitute an undue advantage are prohibited.

The same principle must guide Mills' positioning before business partners, suppliers, and customers. Those involved with the Company must therefore refrain from offering gifts with an estimated value more than BRL 150.00.

Invitations to visits, trade fairs, events, workshops, and seminars, including, but not limited to, the publicizing of products and services, must only be accepted for the purposes of obtaining technical knowledge or expanding networks of contacts. Such activities include gaining a more in-depth understanding of



suppliers' production plants and trade association events and fairs focusing on products and services. Mills must reimburse travel expenses incurred by employees during such events.

Commemorative events at Mills, such as end-of-year celebrations and recognition for having reached targets, are permitted, and the associated costs must always be approved in advance by one of the company's officers.

Employees may take part in celebratory events at clients' premises, provided that the employee's approved immediate such activities with your superior in advance.

In cases in which expenses are incurred by the same group of employees at an event, including meals, payment must always be provided by the most senior employee present.





# Conflicts of Interest



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## Conflicts of Interest

Any situation in which employees' personal interests may conflict with Mills' or interfere with the effective performance of their duties must be avoided and reported through the Company's Reporting Channel.

In an equivalent manner, transactions conducted with related parties must comply with Mills' Related-Party Transactions Policy, which is available for consultation on our Intranet platform.

## Representation before Third Parties

Mills employees must not sign documents and/or assume any type of obligation on the company's behalf, except with prior authorization formalized by means of a designated legal instrument, such as a power of attorney.

## Family Relationships

Any and all situations involving a family relationship between employees and third parties that carry out transactions of any nature with Mills must be reported to the Audit, Risks and Compliance department to ensure that such activities are transparent, do not entail any form of liability, and that impacts on business activities are assessed.





We allow employees and service providers that hold a degree of kinship with Mills employees to be hired, if there is no form of direct or indirect subordination maintained between such individuals at any time, and the activities performed do not conflict with one another.

The following relationships are considered kinship:

RELATIONSHIP CHART		
Degree	Consanguinity	Affinity
1st	parent and child	spouse, former spouse, partner, former partner, stepfather, stepmother, father/mother-in-law, stepson, son, and daughter-in-law
2nd	grandparent, grandson, sibling	grandparent, grandchild, and sibling of a spouse or partner
3rd	great-grandparent, great-grandchild, uncle/aunt, and niece/nephew	great-grandparent, great-grandchild, uncle/aunt and niece/nephew of a spouse or partner





Mills' employees may perform activities that are not related to their duties at Mills, provided that such activities do not constitute a conflict of interest and:

- There are no conflicting schedules involved and the activities in question do not interfere with the discharging of work duties at Mills.
- They do not use any of Mills' resources to serve personal interests, even in emergency situations.
- Employees do not use their position at Mills to gain access to market data, or confidential or privileged information, to favor their personal business activities or obtain gains of any nature.
- Do not compete with Mills' businesses.





# Third-Party Relationships



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## INVESTORS

Mills Investor Relations department is responsible for maintaining relationships with shareholders and investors and must comply with the shareholding control model to which the Company is subject. Relationships with shareholders and investors must be based on the accurate, transparent, and timely provision of information that allows them to monitor Mills' activities and performance.

Investors must not receive specific treatment depending on the number of shares they hold, subject to legal restrictions. All investors are provided with accurate information and receive equal treatment.

Respecting the best practices for Corporate Governance, the Company maintains an exclusive exchange of information with shareholders that are part of its controlling group in order to ensure that business activities are conducted properly.

The confidentiality of information that is not yet public knowledge and may interfere with the quotation of shares traded must be preserved by all parties involved. The provisions set forth in Mills' Policy for the Disclosure of Relevant Acts and Occurrences, which is available on the Company's Intranet, must be fulfilled.

Employees interested in investing in Mills' shares (MILS3) must adhere to the rules established under Mills' Securities Trading Policy, which is also available on the Company's Intranet.

## COSTUMERS

Integrity is essential to Mills' business activities and must not be compromised under any circumstances. Mills establishes contracts based in trust with its customers and suppliers and must therefore comply with agreed upon terms. Whenever customers' demands cannot be met, such a fact must be clearly stated, and the corresponding reasons explained in an accurate and respectful manner.







Being transparent is our way of acting towards our clients and all those who have dealings with us.

The Company values long-term relationships and therefore works to exceed its customers' expectations by offering a high level of safety, technological advancement, agility, innovation, respect for life and the environment.

Any occasional expenses with customers related to transportation, accommodation or entertainment and gifts (except for gifts limited to a total amount of BRL 150.00), are not permitted.

Meals provided during business meetings with clients, which are understood to be expenses associated with the Company representation, are permitted, and must always be approved in advance by one of Mills' corporate officers. Such actions must always be based on camaraderie and courtesy and never be designed to influence business activities.

Any form of inaccurate registration or commercial request made without the proper awareness and approval of our customers is not acceptable under any circumstances.

Discounts, deductions, credits, and subsidies of any nature may only be offered to customers if they are in accordance with Mills' Commercial Policies and Procedures and current legislation and are approved by the respective employee involved

## **SUPPLIERS**

The selection and contracting of suppliers must always be based on technical, professional, and ethical criteria in line with Mills' general guidelines.

During the quotation process, Mills employees must ensure that all parties are provided with equal access to information, technical data, and understanding of the purpose and scope of the contract.



## COMMUNITY

The Company does not allow any community-based practices to be adopted that benefit the personal interests of managers, employees, or public officials to the detriment of institutional interests. Mills may offer donations and sponsorships to non-profit institutions that are proven to play a key social role as established in the Company's Donation and Sponsorship Policy. The Company is committed to ensuring that its business activities are conducted ethically and with integrity and therefore carefully analyzes the background and history of organizations who will receive its support.

## COMPETITORS

Mills respects its competitors and aspires to maintain caring, responsible, and considerate relationships with other organizations active on the market. Mills' employees must not make statements, whether verbal or written, that could defame the image of competitors.

Mills' employees, regardless of their respective position, are prohibited from negotiating with competitors with the purpose of fixing prices and conditions of sale or any other behavior that may constitute a violation of antitrust laws and/or economic order.

Practices such as industrial espionage, obtaining knowledge of competitors' plans and acts that may be interpreted as antitrust violations or run contrary to local, national, or international laws are also prohibited.

Providing strategic or confidential information or information that is otherwise damaging to business activities to any third party, including, but not limited to, competitors, is strictly prohibited.

## TRADE UNIONS

Mills considers trade unions to be legal representatives of employees. Their right to associate with such entities is respected.



## **SOCIAL PROJECTS, POLITICAL OR RELIGIOUS DEMONSTRATIONS AND POLITICAL PARTIES**

Employees may not conduct or approve political contributions or donations on Mills' behalf. The promotion and financing of projects of a philanthropic, cultural, social, and environmental nature, including tax incentives, must be approved by Mills' executive board, and aligned with the Company's strategic guidelines.

Mills respects its employees' right to engage in activities of a religious and/or political nature. However, employees must take part in such activities during their free time outside the workplace environment using their own resources.

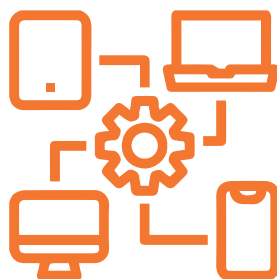
Any manifestation on the part of employees that may generate embarrassment among other employees or involves the dissemination of propaganda of a religious, political, and ideological nature through the Company's communication vehicles, its assets, and tools, on its premises or that of customers, suppliers or on Mills' behalf is prohibited.

Donations to political parties and/or similar entities are not permitted by Mills.

## **PUBLIC OFFICIALS OR POLITICALLY EXPOSED PEOPLE**

Mills consistently seeks to reaffirm its commitment to establishing a high level of integrity and transparency in its relationships with all target audiences, particularly the Government, and prohibits any acts of corruption and bribery, whether active or passive in nature, as part of its relationships with Public Officials, Politically Exposed People or related third parties, whether on a national or international level.





# Use of Mills' Assets



All employees must seek to preserve Mills' assets, whether such assets refer to equipment, machinery, vehicles and facilities, or any other items. They must use them responsibly and exclusively for the purposes for which they are intended, as well as respecting the Company's interests.

Company facilities and vehicles may only be used as part of professional activities, and the use of such assets for private purposes is prohibited, except when previously approved by the company.

The use of technological resources made available to employees, such as the Internet, computers, and telephone for private purposes is tolerated, provided that the use:

- Do not violate Brazilian law or any of Mills' policies;
- Do not compromise the image and good reputation of Mills, its employees, customers or third parties; and
- Do not jeopardize work activities or the security of Mills' information.

All information produced, saved, and maintained using Mill's equipment and systems, or provided to the Company by its employees, is considered the Company's exclusive property. Mills will be able to access and monitor this information in an unrestricted manner at its discretion through the Audit, Risks and Compliance department.





# Management of Information



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Information, as well as Mills' assets, are essential to the Company's operations and must be responsibly managed and protected by all employees.

It is essential to preserve the confidentiality of Mills' commercial, strategic, and financial information, among others. Such information must not be forwarded to people outside the Company.

Access credentials (username and password) are personal and non-transferable. Access guidelines must be strictly complied with, thereby preventing undue access and/or the use of such information by unauthorized people.

Other good practices and guidelines about information security must be observed in accordance with our Information Security Policy and Internal Privacy Policy.

## General Personal Data Protection Act – Federal Law No. 13,709/18 (LGPD)

Mills is committed to complying with Federal Law No. 13,709/18 – the LGPD – and we follow the guidelines related to the rights of personal data holders, the recommended means of processing data, and best practices for Information Security.

All employees who have access to personal data, whether a Mills employee or a Third-Party employee, must follow Mills' Internal Policies, which include guidelines to comply with the LGPD's regards to the use and safeguarding of information.

Mills ensures that the personal data it collects is used for specific purposes associated with the activity in question. As a result, personal data holders, in accordance with established laws may request that their information be reviewed, corrected and/or deleted by contacting the Data Controller at the email address: **[encarregado@mills.com.br](mailto:encarregado@mills.com.br)**.







# **HSE - Health, Safety and Environment**



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## HSE – Health, Safety and Environment

Health, Safety, and the Environment are fundamental and non-negotiable values at Mills. It constitutes our Company's sense of conscience, as well as a guideline to our conduct and moral practices. In order for the Company's activities to be carried out in a safe and healthy environment without impacting the environment, Mills complies with existing legislation and identifies the hazards, risks, aspects and impacts involved in each of the activities performed, establishing monitoring and control procedures for addressing significant risks and impacts as established under Mills' HSE and Sustainability Policies.

### SAFETY

Each member of the Company, including employees, service providers or customers, technical staff and senior leadership must make every effort to conduct their work safely, in addition to alerting, offering guidance and requesting that those implementing unsafe work practices comply with regulations.

Situations involving risks or deviations, as well as Workplace Incidents, must be reported to the employees' immediate supervisors and/or person responsible for the area, as well as the HSE team, immediately upon being identified.

Employees working in operational areas or areas subject to risks identified by the HSE area must adhere to Health, Safety and Environment guidelines laid down by law and/or established by Mills, including, when indicated, the use, replacement, and maintenance of their personal protective equipment.





It is the obligation of all employees to offer co-workers, third parties, or visitors guidance regarding the proper use of PPEs and Health, Safety and Environment regulations while they are on Mills' premises.

Mills' leadership areas, alongside the HSE department, will supervise the use of PPEs, as well as act to prevent deviations, reporting any non-conformities to the employee's direct manager and the Company's executive board, whenever necessary.

To guarantee the safety of all Mills employees and third parties, the possession of firearms or other weapons, drugs, and narcotics, as well as the sale or consumption (or work under the influence) of drugs and alcoholic beverages in the workplace or whenever performing work for Mills is prohibited.

Only duly authorized security companies may use firearms or other weapons within Mills premises.

## HEALTH

Mills is committed to maintaining and offering measures to preserve the employee health during the execution of activities, in addition to taking action to prevent occupational illnesses.

## ENVIRONMENT

Mills is committed to complying with the environmental legislation, as well as the preservation of the environment and the rational and conscious use of natural resources.





## GOLDEN RULES

The Golden Rules are inviolable principles to be complied with by all Mills employees, suppliers and third parties, and all personnel and stakeholders must act in accordance with these requirements. Mills' Golden Rules reinforce and preserve the Company's commitment to its employees, managers, customers, shareholders, suppliers, and other stakeholders. Concepts relevant to these Rules are described on the Company's Intranet.

These Rules do not replace the other HSE regulations and requirements, but rather, when taken as a whole, are elements that protect and reinforce our commitment to employees, managers, customers, shareholders, suppliers, and society. It is the duty of every Mills employee to know, practice and disseminate these rules. Failures to comply with Mills' Golden Rules or any other items contained in this Code will be brought to the attention of the Ethics Committee.





# Accounting Records



## Accounting Records

All Mills' commercial, operational, and financial transactions must be recorded with integrity, accuracy and in compliance with IFRS (International Finance Reporting Standards), as well as accounting standards generally accepted and practiced in Brazil and the Company's Accounting Policy, generating consistent records and reports, and providing a uniform basis for evaluating Mills' operations and results.

Employees working in the areas responsible for such activities must conduct the accounting records, as well as the documents that support them within the deadlines established by law. These documents must accurately describe and reflect the nature of the transactions in question, and are subject to internal or external audits, including those implemented by the government.





# **Adherence to Corporate Regulations, Policies and Procedures**



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## **Adherence to Corporate Regulations, Policies and Procedures**

Knowledge and application of corporate regulations, policies and procedures that regulate Mills' activities and processes are the responsibility of each employee and are available on the intranet.

Managers play a fundamental role in offering employees guidance with regards to policies and/or procedures pertinent to their performance at the Company.







# Reporting Channel



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## Reporting Channel

Mills provides a channel for receiving reports through which any misconduct regarding this Code or suspected irregularities can be reported in a completely confidential and anonymous manner. Mills also reiterates the fact that no form of retaliation against whistleblowers will be tolerated under any circumstances.

By reporting acts or suspected irregularities, individuals will ensure Mills' image and establish a healthy work environment in which transparency and respect for others prevail.

The Audit, Risks and Compliance department is responsible for analyzing complaints received and forwarding verified complaints for consideration and deliberation from the Ethics Committee.

The manager of the Audit, Risks and Compliance department is also responsible for periodically reporting to the Audit, Finance and Risks Committee and the Board of Directors with regards to the main activities performed by the Ethics Committee and information relevant to the Reporting Channel.

**Phone: 0800 882 0616**

**<https://canaldedenuncia.com.br/mills>**





# Disciplinary Measures and Action



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## Disciplinary Measures and Action

Failure to comply with any of the guidelines stipulated in this Code of Conduct may be construed as an action taken against Mills' interests.

In this case, appropriate disciplinary, administrative, and legal measures must be established, which may include a warning (verbal or formal), suspension and/or termination of employment contract and specific legal action in compliance with the legislation in force.

The deliberations from the Ethics Committee will always consider nature, severity, and frequency of the violation, observing the applicable legislation and the Company's Consequences Policy.

Exceptions to the behaviors described in this Code will be only accepted if approved by the Ethics Committee.





# Ethics and Integrity Committee



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## **Ethics and Integrity Committee**

Mills has an Ethics and Integrity Committee tasked with deciding upon cases involving a violation of the Code of Conduct and the appropriate disciplinary sanctions to be implemented, as established under the Ethics and Integrity Committee's Internal Regulation and the Company's Consequences Policy, both of which are available for consultation on the Intranet.

The Ethics and Integrity Committee comprises Mills' CEO, Executive Officers, Legal Manager, and Audit, Risk and Compliance Manager. Complaints involving the CEO, members of the Executive Board or the Audit, Risks and Compliance department will be forwarded directly to the Board of Directors.





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