

**YOUR BANKING
PARTNER**

BI&P

Banco Industrial & Partners

CODE OF ETHICS

Last Updated on
10.03.2016

1. PURPOSE

To establish the Code of Ethical Conduct for Banco Indusval S/A, Guide S/A Corretora de Valores and other companies that make up the conglomerate.

2. THE CODE

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Message from the CEOs

We are greatly honored to present the Bank's Code of Ethics.

This document is a guide for reference, initiatives and decisions. It contains guidelines that should be complied with during our professional activities. Each employee should act within increasingly high ethical standards, building these values together with the Bank.

We highlight and reaffirm the Bank's commitment to acting based on transparency, respect to equality of rights and diversity.

We would like to count on everyone's support in the task of complying and overseeing the rules of this code.

Vision and Values

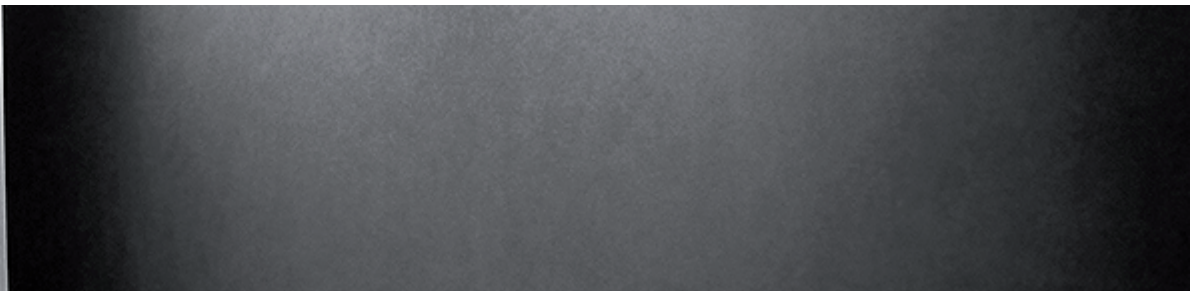
In order to achieve our objectives, we incorporate our values into our everyday lives. They guide all of our actions and are essential for achieving our vision.

▲ Vision

To be an innovative bank that offers excellence in corporate credit, with deep knowledge of our clients' activities and the sectors in which they perform, as well as to be one of the leaders in the growing fixed-income corporate bond market in Brazil.

▲ Values

- Ethics and Credibility
- Client Focus
- Ownership
- Excellence
- Commitment to Results
- Teamwork
- Innovation



Introduction

▲ What is Ethics?

According to the “Aurélio Buarque de Holanda” Dictionary, published in 1986 by Nova Fronteira Publishing House: ETHICS is the “study of the judgments of human conduct that may be classified from the standpoint of good or evil, whether related to a specific society or in absolute terms”.

Some believe that ethics and morals differ in many ways:

- Ethics is a principle, morals are about aspects of specific conducts;
- Ethics is timeless, morals are time-bound;
- Ethics is universal, morals are cultural;
- Ethics is the rule, morals are the conduct under a rule;
- Ethics is theory, morals are practical.

The word Ethics comes from the Greek word “ethos”. The Latin equivalent is “morale”, with the same meaning: conduct, or related to customs.

▲ What is the Code of Ethics and who is it aimed at?

The Bank’s Code of Ethics serves as a reference guide for the establishment of attitudes, positions and decision-making, guiding the professional activities of all employees, trainees, contractors, so that we can reach increasingly high ethical standards during the performance of our activities, showing the path to be followed by all employees, clients and suppliers regardless of hierarchical levels. Thus, reading and understanding it is extremely important. It should be read by all the Bank’s employees, shareholders, executives, interns, contractors, freelancers and apprentices.

▲ Purpose

To set professional performance standards, as well as to incorporate them into all of the Bank’s activities, thus ensuring the preservation of its image.

Ethical Principles

Our ethical principles must be clear, precise and shared with the whole Organization in order to ensure high credibility in the market supported by a reputation of ethics and soundness.

To respect individuals is to respect and to promote stakeholder diversity, regardless of age, ethnicity, color, gender, nationality, disabilities, religion, or sexual orientation, loathing any acts of prejudice or discrimination.

Compliance with the laws in every jurisdiction (city, state, federal and international), so that the internal standards and procedures are aligned and in compliance with the law, thus ensuring that operations are conducted in an honest manner.

To be a mirror is to reflect the organization, making the policies and procedures guiding its decision-making process transparent, as well as reporting operational results consistently.

Corporate Responsibility is the commitment of the whole organization to disseminating the values and guidelines of this Code of Ethics among our stakeholders, having communication channels open to criticism, praises, suggestions, complaints and incident reports.

Internal Environment

Individual Behavior

Measuring the consequences before taking action is crucial. Thus, there must be a commitment to the standards of this code and to all other policies and procedures that can be found in the Corporate Portal.

Perform your work honestly and professionally.

Plan, implement and monitor your projects. This shows your commitment to the process.

Take responsibility.

Discuss and solve problems in a constructive and friendly manner.

Share with your direct superior your questions and suggestions to improve the way you work.

Never sell products in the workplace as a second source of income. In the case of non-compliance, employees will be subject to warnings and penalties.

Internal Relationship

A great deal of our time is spent in the workplace. In order to create a healthy environment, it is necessary to understand that respect goes both ways, and that we must cherish integrity and mutual cooperation among employees.

It is up to Management to coordinate and to be accountable for educational initiatives that can contribute to the personal and professional growth of the people under their management, besides taking impartial decisions guided by the standard criteria and procedures.

Employees, trainees and contractors must respect one another regardless of their hierarchical levels. Be careful when interacting with others, bearing in mind that incidents of prejudice or discrimination are liable to legal penalties. Employees are expected to be courteous to the general public.

Communication Channels

The bank has two communication channels:

Communicate – A channel through which you can criticize, praise or suggest anything related to the Bank.

Speak Ethically – This channel is for reporting incidents of misconduct in the workplace.

All channels are confidential, and under no circumstances can their contents be disclosed without a purpose.

No type of arbitrary punishment against whistle-blowers, or against people participating in the problem-solving actions, such as the employees that make up the ethics committee, will be tolerated.

Occupational Safety

In order to maintain employees' physical integrity, health and safety, and the organization's assets, we entrust everyone the commitment of honoring the systematic guidelines of prohibition, prevention and control, of the following:

Using, selling, distributing or carrying alcoholic beverages or any illegal product or substance, such as drugs and weapons.

Act of gambling or sex in the premises of the company.

Accessing websites or sharing emails with inadequate content such as chain email, pornographic material, and images containing any kind of violence.

Respect the anti-smoking laws in the workplace.

Follow the instructions of the employees trained to handle fire and towards safety equipment to prevent accidents.



▲ Harassment

Management and high hierarchical positions require great responsibility. Any kind of intimidation or harassment among employees, regardless of their hierarchical position will not be tolerated. Once any kind of harassment is detected, it should be reported immediately through the communication channels in place, such as “Fale com Ética”.

The following kinds of harassment are considered to be crimes:

Moral or Psychological Harassment is any kind of abusive actions (gestures, behavior, words, attitude, etc.), that due to systematic repetition, hurt the dignity or psychological or physical integrity of a person.

Sexual Harassment is every conduct of a sexual nature which is undesired, with the objective of gaining advantages through promises of raises or promotions, or that threaten one’s employment. Offenders may or may not be in a higher hierarchical position.

▲ Conflict of Interest

There is said to be a conflict of interest when the personal interests of an employee or manager are in opposition to those of the organization. Acting towards these interests is a risk for everyone, so they should be managed and signalized.

Inform Human Resources whenever there is a job indication done by a relative. Signaling this is necessary, even though BI&P allows that to happen as long as not under the same management or in areas in which there is conflict of interest.

Any kind of relation to suppliers of the organization, professional or not, must be reported to management.

Do not carry out religious or political activities within the premises of the bank.

Identify and Report any transactions that indicate conflicts of interest involving clients, partners, suppliers or employees through the communication channels available or to your direct manager.

Do not take advantage of your position or professional activity for your own benefit, such as getting discounts or lower fees when obtaining a loan.

▲ Gifts and Favors

BI&P is against its employees’ offering or receiving money, checks (regardless of the amount), illegal substances or gifts that may seem to favor the company or a person, whether directly or through the means of a third party.

Expenses on Third Parties can only be incurred by authorized departments, in accordance with the Procurement Policies.

Offering and Receiving gifts preferably with the company’s logo. Gifts worth more than R\$500.00 must be reported to a direct manager.

Avoid soliciting from suppliers sponsorship that may lead to unexpected pressure situations.

▲ Personal Finance Management

Managing personal and household finances is no easy task. We are used to managing our routines, activities, commitments and time, but we often forget to manage our money. That is necessary, however, in order to maintain our physical and mental health, besides ensuring our professional performance. As a result:

Plan your Financial Life, writing down your short- and long-term goals.

Monitor your monthly and daily expenses consciously. This makes it easier for you to forecast your end-of-month account balance and distinguish essential from unnecessary expenses.

Avoid delinquency.

▲ Anti-corruption law

Corruption is a global problem and that brings significant impact on the entire financial system, so the BI&P aims to cooperate with national and international initiatives to prevent and combat corruption. BI&P established internal guidelines for the fulfillment of such undertakings, which are available on the Anti-Corruption Policy.

External Environment

▲ Relationship with Customers

Our mission with our clients is to contribute with their financial development process. To know our clients, assess their needs and offer products and services that reflect their profiles, according to their strategic objectives, so they achieve their goals. Our commitment is to:

Ensuring there is Privacy of information. Information should be handled and used only for commercial purposes and by authorized professionals according to law 105/2001.

Offering Quality Products and Services and being available for an open dialogue in case they have questions, suggestions or complaints, through our website, Ombudsman's Office or Customer Service.

Forbidding any emails about any products or services without the previous approval from clients.

▲ Relationship with Shareholders

Strengthening our relationships through credibility and transparency and by seeking to ensure the highest chances of success for investors so that they have accurate information about the funds entrusted to us.

Financial Reporting and rendering accounts should be duly detailed, regular, and clearly describe the transactions carried out.

Preventive Risk Analysis towards financial and socio-environmental impacts.

Absolute Secrecy about shareholder information.

▲ Relationship with Suppliers

Keeping a relationship free from personal advantages, and in compliance with the labor and socio-environmental laws. That offer products and services in a safe and efficient manner.

Choosing and hiring suppliers through technical, professional and ethical criteria, such as bids and quotations, thus ensure the best cost-benefit ratio for BI&P.

Avoiding suppliers that have any kind of business relationship with employees.

Giving Preference to suppliers that are concerned with the socio-environmental sustainability of their activities

▲ Relationship with Competitors

Intended to establish mutual respect with our direct or indirect competitors. The organization will not:

Obtain confidential information or perform economic espionage.

Make or Publish comments that might mar competitors' images.

▲ Relationship with the Press

Media outlets' goal is to provide information for society. It is through them that public opinion is formed. Therefore it is of utmost importance for the Bank to provide them with true and unbiased information.

See to it that press requests are fulfilled whenever possible by supplying information according to the needs and secrecy practices of each request.



Express ourselves through press officers or high executives previously authorized to speak for BI&P.

▲ **Relationship with Trade Unions**

BI&P recognizes trade unions as legal representatives of its employees.

Respect the free association and affiliation to trade unions.

Solve labor and trade union matters through dialogue.

▲ **Relationship with the public sector or political parties**

Respect the laws and authorities of all spheres of government to establish a transparent relationship with the government so that it is possible to:

Fulfill and document their requests for information promptly, whether of the local, state or federal government, always under the supervision of the legal department.

Do not make any kind of payment or bribe officials or civil servants.

State that any employee expression or involvement in political, party or electoral activities is a personal matter and the Bank should, under no circumstances, be involved.

▲ **Relationship with the Community and the Environment**

Since its inception, BI&P has been committed to human development, society and the environment as one of its principles. As a result:

It created in January 2008 Instituto Indusval de Sustentabilidade [Indusval Sustainability Institute], whose goal is to develop the Bank's social and environmental initiatives, by designing new projects and programs. It also promotes strategic alliances to disseminate the corporate social responsibility concept.

Take responsibility for our business and act in accordance with the Socio-environmental Responsibility Policy, thus helping raise awareness among clients and suppliers.

Refuse loans to companies that use slave or child labor, are involved in gambling, prostitution or the production of substances that jeopardize the health and safety of humans, animals or plants.

Play a role in the Community through Instituto BI&P de Sustentabilidade, which selects, monitors and evaluates socio-environmental projects to produce wider-reaching positive impacts.

BI&P Preservation

BI&P's assets are for the use of the Bank's own employees. It is everyone's duty to maintain BI&P's facilities, equipment and information to ensure the continuity of the bank's operations and the credibility of its image among internal and external stakeholders. Thus:

Keep information secret by making sure important data is not accessible to unauthorized personnel. Obtain previous authorization from management when you have to use any information about the organization externally.

Blocking your computer is a safe way to ensure that third parties will not have access to information available to you only.

Keep your desk clean, it is recommended to file documents or to scan them into digital files. This ensures information security, and you can keep your workspace clean.

Phone calls should be made for business purposes only. Do not share data or passwords that may jeopardize you, BI&P, its clients or suppliers. Remember that calls are recorded and can be monitored when needed.

Protect the Bank from the unnecessary use of inputs, loss or theft of any equipment or assets and prevent the Bank's premises from being damaged or vandalized.

Safeguard BI&P and its reputation against illegal operations or money laundering. Protect information from espionage, counterfeiting, loss, destruction or theft.

Ethical Misconduct

Non-compliance with the provisions of this Code of Ethics and the Bank's other rules and policies by an executive, employee, intern or contractor may lead to sanctions, ranging from a verbal or written warning, revision of or suspension from duties, dismissal for cause to the applicable legal penalties.



Communication Channels

The channels below are available for answering question and receiving complaints, incident reports or suggestions. Your identity will be kept secret, and the necessary measures will be taken in accordance with the provisions of this code. The Ethics and Compliance Committee, and Internal Audit are responsible for assessing whether the guidelines of this Code are up-to-date and relevant, as well as for raising awareness of it.

Internal Channels

Speak Ethically

<http://portalbip>

Ethics Committee

<http://portalbip> or comite.etica@bip.b.br

External Channels

Talk to Us

0800 704 0418

<http://www.bip.b.br/port/institucional/home/fale.asp>

Customer Service / Ombudsman's Office

In Brazil: 0800 704 0418 (Monday through Friday from 9:00 a.m. to 7 p.m., except on holidays).

Other countries: (55) 0800 704 0418 (Monday through Friday from 9:00 a.m. to 7:00 p.m., except on holidays).

Or through the website: <http://www.bip.b.br/port/institucional/home/ouvidoria.asp>

3. RELATED REGULATIONS

In compliance with standards issued by the regulatory bodies self-regulatory organizations.

4. APPROVED BY

Approved by the Board of Directors and the Board of Executive Officers.
On 05.14.2013

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