



QUALITY MANAGEMENT SYSTEM

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Integrity Program

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Author/Reviser	Antonio Gama		04/28/2017
Commentator	Carlos Peixoto/Robert Smits		04/28/2017
Approver	Pieter van Stein		04/28/2017

1. INTRODUCTION

SAAM SMIT TOWAGE BRASIL is present in the Brazilian port and maritime support market, through the growth of sustainable business grounded on ethic actuation, based on the values of respect, honesty, commitment, transparency, and responsibility.

SAAM SMIT TOWAGE BRASIL adopts strict observance to legislation and its internal standards and policies, being distinguished as a company of the sector able to spread its values, which base its actions to its clients, suppliers, and partners.

The Integrity Program of SAAM SMIT TOWAGE BRASIL gathers procedures established in internal policy, to be observed and used by its collaborators and managers in the systematic search for prevention, detection, and fighting to frauds and corruption in all its active and/or passive forms.

2. PRINCIPLES

The Integrity Program of SAAM SMIT TOWAGE BRASIL is grounded on the following principles:

2.1. Support of Senior Management

Full commitment of the Senior Management with the implementation, follow-up, and continuous improvement of actions of prevention, fighting, and acts of sanction to corruption.

2.2. Ethic Conduct

Ethic conduct of all collaborators and managers of SAAM SMIT TOWAGE BRASIL, according to methods and procedures, defined in its policies, standards, and codes of ethics and conduct in business.

2.3. Risk Assessment

Systematic assessment of the effectiveness of the methods intended to diagnose the risk activities of SAAM SMIT TOWAGE BRASIL through analyses of internal and external controls.

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2.4. Internal Controls

Analysis for evidence of the effectiveness, sufficiency, and adequacy of the methods and procedures intended to prevent, monitor, and fight frauds and corruption, identifying and mitigating the vulnerabilities existing in the processes and activities.

2.5. Correction Actions

Full awareness by the Company's Senior Administration of the vulnerabilities, frauds, and corruption acts identified by the internal control processes, audits, and complaint channels. Immediate application of the actions required to the interruption of such practices and the application of the sanctions and corrections required to the processes and people in charge.

2.6. Structuring of the Integrity Program:

- Effective control environment, comprehending attitude, awareness, and global actions of the managers and collaborators in relation to the importance of the controls to SAAM SMIT TOWAGE BRASIL;
- Set of activities intended to identify and assess the internal and external factors that may affect the achievement of the expected results;
- Control intended to prevent undesirable events to identify deviations between the performed and the forecast and to assure that the due corrections are promoted;
- Identification, preparation, and availability of information required to the performance of the operations at all levels of the organizational structure;
- Establishment of activities intended to check the efficacy of the Quality Management System.

3. PURPOSE

To prevent, detect, fight, and correct acts of frauds and corruption, practiced against SAAM SMIT TOWAGE BRASIL through the integration of instruments and control activities towards the risk management.

4. STRUCTURE

The Integrity Program of SAAM SMIT TOWAGE BRASIL, in line with the principles and guidelines of the Quality Policy, consolidates the set of policies, conducts, mechanisms, procedures, and actions conducted by several units of the company's organizational structure, according to its respective assignments, described in the company's Quality Manual.

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The unit in charge of the activities that compose the SAAM SMIT TOWAGE BRASIL Integrity Program establishes normative orientations, keep them updated, check its compliance, implement the required actions, objectively define the responsibilities, and provide information intended to the program management.

The Integrity Program shall base the conduct of managers, collaborators, clients, and suppliers of SAAM SMIT TOWAGE BRASIL, as a way of preventing, detecting, fighting, and correcting in a systematic manner any acts of frauds and corruption.

The Integrity Program is annually assessed regarding its effectiveness, together with the other items provided in the critical analysis of the Quality Management System.

5. MANAGEMENT STRUCTURE

5.1. Commitment of the Senior Management

The Integrity Program of SAAM SMIT TOWAGE BRASIL was approved by CEO, CFO, and Operations and Commercial Officer. Its management and monitoring are responsibility of the Quality area.

The approval of the Integrity Program and the assessment of its results is liability of the Senior Management, which determines the corrective measures in the case of unsatisfactory results and updates according to changes of scenarios and in the risk profile, with the purpose of guaranteeing the continuous improvement of the adopted actions and, consequently, avoid that frauds and corruptions may occur in the company's activities.

5.2. Independence, structure, and authority of the internal instance responsible for the management of the Integrity Program and inspection of its compliance

It is liability of the Quality area to develop, implement, keep, and assess the Integrity Program, directly reporting to the CEO.

6. PRELIMINARY RISK ANALYSIS

The periodical and systematic risk analysis, carried out by the Quality area (Internal Controls) of SAAM SMIT TOWAGE BRASIL, adopts as essential premise the compliance with the Brazilian legislations and regulations related to the several inspection and control bodies

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(commercial, maritime, labor, fiscal, capital market, others). The structures and procedures for the said periodical analysis are itemized below:

- Structure of internal audit;
- Assessment by external audit;
- Maintenance of the control and risk activities;
- Regime of decision responsibilities in all instances;
- Comprehensive policies and conduct rules for employees and sensible activities;
- Assessment processes of responsibility, accountability, and correction
- Code of Ethics and Conduct.
- Anticorruption Policy

The methodology of operational risk management takes into account internal and external factors (people, processes, and systems), which may affect the achievement of the purposes of SAAM SMIT TOWAGE BRASIL and considers the fraud and corruption risk assessment. The assessment methodology by defense lines includes the risks of frauds and corruption in the mapping of the processes, especially in those considered more susceptible to illegal acts.

7. STRUCTURE AND IMPLEMENTATION OF THE POLICIES AND PROCEDURES

SAAM SMIT TOWAGE BRASIL has a set of policies and procedures that aim at identifying, fighting, and minimizing the occurrence of illegal acts in its activities. The following are highlighted in such set:

7.1. Standards of Conduct and Code of Ethics

The managers and collaborators have their actuation grounded on the Code of Ethics and Conduct in Business of SAAM SMIT TOWAGE BRASIL.

7.1.1. Code of Ethics and Conduct in Business

The purposes of the Code of Ethics and Conduct in Business are:

- a) To systematize the ethic values in the conduct of the business of SAAM SMIT TOWAGE BRASIL;
- b) To guide actions and relationships of the company;
- c) To establish rules of behaviors allowed and forbidden to the collaborators and managers in the exercise of the administrative and business activities.

The purposes are grounded upon the following circumstances:

- Dignity and Respect;
- Actuation Freedom;
- Privacy of Personal Data;
- Harassment and Aggressive Behavior;
- Equal Labor Relationships;
- Interest Conflict;
- Kinship;
- Parallel Activities;
- Giveaways, Gifts, and Favors;
- Relationship with Partners;
- Governance;
- Protection of the Exclusive Information;
- Integrity of Accounting Records and Procedures;
- Suppliers;
- Public Sector and Corruption Fighting;
- Participation in Bids,
- Contracting of Public Agents;
- Fair Competition;
- Antiboycott Laws;
- Export Control Laws;
- Client's Satisfaction;
- Profit with Sustainability;
- Commitment to Quality and Safety;
- Image Preservation.

7.2. Accounting Records and Controls

The Financial Statements, prepared by SAAM SMIT TOWAGE BRASIL, meet the accounting practices adopted in Brazil, and the international accounting practices and principles. They represent the equity and financial position of the Company and comprehend the equity balance, the result statements, the comprehensive result, the changes of net equity, the cash flow, the corresponding explanatory notes and, finally, the report of the independent auditors.

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7.2.1. Accounting Information Processing

The financial information is recorded on a daily basis in the Management and Finance System - ERP Navision, where the accounting (equity and result statements) and financial (cash flow, report of financial follow-up, accounts payable, inventory, others) information is generated and extracted, according to the accounting standards and principles.

The safety of the information and structure of Navision system follows the standard established by IT of SAAM SMIT TOWAGE BRASIL, with control of access in layers, authentication of user of network followed by authentication in the application.

7.3. Proper Diligences to Contracting and Supervision of Third Parties

SAAM SMIT TOWAGE BRASIL has procedure standard for Acquisition of Materials and Services by the Supplies area, with regime of responsibilities and approvals, where it is instituted the limits of values assigned to the decision of the competent managers of the respective contracts.

The processes of bids, contracts, and management of contracts with suppliers and clients are carried out in compliance with the internal governance standards, the applicable legislation, and the regulations of the control and inspection bodies.

The standards set forth include the conducts the employees shall follow, as well as the observance to the basic principles of bid, which are: legality, impersonality, morality, equality, publicity, administrative probity, binding to the invitation instrument, and objective judgment; and those related thereto.

The suppliers, service providers, third parties, and partners, there considering the individuals and legal entities, have their actuation based on the respective contracts, with emphasis to the accepted conduct standards, on the ethic posture, and responsibility for deviations.

Regarding the internal audit, to meet the standards that regulate the processes, audits are carried out in the acquisitions made by SAAM SMIT TOWAGE BRASIL, in the scope of the Branches and Head Office, with the purpose of assessing the regularity of the internal procedures.

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7.4. Due Diligence during the processes of acquisitions and shareholding restructuring (merger, spin-off, and incorporation)

The Bylaws of SAAM SMIT TOWAGE BRASIL establishes that the processes of acquisitions and shareholding restructuring shall be preceded by the shareholders' approvals. To obtain such approvals, it is required a work of due diligence by independent companies.

The companies contracted to the due diligence are selected through administrative process, carried out by the Financial Board, with the possibility of participation of the managers that meet the conditions set forth thereof. The activities developed by such contracted companies include economical-financial assessment, business plan, allotment of the purchase price, performance of accounting due diligence and due diligence of the control environment, with opinion of independent professional.

7.5. Channels of complaints of irregularities

SAAM SMIT TOWAGE BRASIL makes internal and external channels available to receive complaints, and deal with questions related to frauds and corruptions, with guarantee of anonymity to the complainant.

In the internal and external channels, with access from external source, collaborators and managers of the company, their receipt, treatment, and responses to the complaints, resulting of the practice of illegal acts, are carried out in order to preserve the anonymity of the complainants.

From complaints, verifications or signs of suspected acts of corruption, internal assessment processes are initiated, whether on a disciplinary basis, or on an ethic basis, observing the right to adversarial proceeding and full defense of who supposedly practiced or collaborated with the eventual illegal act, being able to result in the application of sanctions:

- Assessment of Disciplinary and Civil Liability;
- Application of the effective laws by the competent bodies and institutions.

The complaints of suspicion of corruption arising in the channels are directed and dealt with by a competent external company, guaranteeing to the complainant the information secrecy.

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7.6. Sponsorships and donations to candidates and political parties

7.6.1. Sponsorships

The conduct of Sponsorships of SAAM SMIT TOWAGE BRASIL is internally regulated, and its purpose is to sponsor projects carried out in partnership to the following purposes:

- Social Inclusion;
- Human development;
- Business reciprocity;
- National values - redemption and maintenance of cultural wealth;
- Democratization;
- Decentralization - projects that promote the several artistic, cultural manifestations, and manifestations of valuation of the practice of sports;
- Transparency - projects based on standards of compliance, quality, ethics, cost effectiveness, and effective results to the society;
- Social-environmental responsibility - focused on the well-being and life quality of the population.
- Social-corporate responsibility - projects and contents that do not contain offense or discrimination to specific or minority groups, regarding the gender, ethnic group, color, religion, political option, sexual orientation, disabilities, social class, and regionalisms, prioritizing actions with contents that do not expose or induce to situations of hazard, errors, risks, violence, discrimination, or prejudice, positioning SAAM SMIT TOWAGE BRASIL before the market, society, and clients, as a company socially responsible, which values symbolic elements of the national and regional culture and, also, communication and marketing projects which contents do not attack the image of competitors.

SAAM SMIT TOWAGE BRASIL does not sponsor projects:

- That may represent market, financial, business, or institutional risk;
- Of legal entities that may have in their shareholding structures employees of SAAM SMIT TOWAGE BRASIL with the function of manager;
- That attack ecosystems and projects of character solely religious;
- Bound to political-party entities;
- That associate the SAAM SMIT TOWAGE BRASIL mark to activities considered illegal or forbidden; connected to gambling or speculative games, unless if regulated in specific legislation;

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- Of activities that cause negative impact to the environment and company.

7.6.2. Donations to candidates and political parties

SAAM SMIT TOWAGE BRASIL does not make any kind of donation.

8. TRAINING AND COMMUNICATION

8.1. Periodical Training on the Integrity Program

SAAM SMIT TOWAGE BRASIL makes available to its employees and managers the qualification and improvement, towards the Individual Development, and well as to the teams.

In such sense, the portal of SAAM SMIT enables full access to themes related to ethics, conduct, personnel regulation, money laundering prevention, internal controls, operational risks and management of goods and services.

Themes such as Ethics and Conduct are subject matter of training courses, suggested in the Operations Manual, through Safety Talk.

8.2. Communication

SAAM SMIT TOWAGE BRASIL makes available the following communication channels:

- Site on the Internet;
- Jornal Porto Seguro;
- Intranet Porta, where information on the history is found; organization charts, manuals, and normative procedures of internal use;
- Professional e-mails for disclosure of information in general, campaigns, and other functionalities.

9. MONITORING OF THE INTEGRITY PROGRAM, REMEDIATION MEASURES, AND APPLICATION OF PENALTIES

9.1. Continuous monitoring of the Integrity Program

To take the full compliance with the Integrity Program into effect and assure that the company is protected against the practice of acts that conflict with the principles and guidelines of the Anticorruption Policy, the monitoring of the program will be implemented in two different fronts:

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- The first consists of monitoring the effectiveness of the program, through indicators that show the compliance with the Anticorruption Policy.
- The second includes the monitoring of the performance of the program in the company's critical processes, those more susceptible to the practices of criminal acts, which will be performed through indicators that evidence the results of the application of the program in the scope of such processes.

The monitoring will be instituted based on the Code of Conduct and Ethics in the Business.

A set of relevant risk indicators, so classified by the senior management, as well as the risks identified in processes that were assessed through specific methodology are validated per its end area and by Quality.

The result of the monitoring of the Corporate indicators of SAAM SMIT TOWAGE BRASIL is reported to the managers in charge and to the Senior Management.

Upon the occurrence of deviations in relation to the tolerance limits to risk established, and to the compliance with the provisions of the Anticorruption Law and supplementary standards, the managers will be actuated to explain such occurrences, adopt the corrective and improvement measures of the controls applicable to the identified situation, set the conduct of the people in charge under the terms of the Integrity Program, and assess possible responsibilities.

9.2. Procedures that assure the prompt interruption of irregularities and timely remediation of the generated damages

SAAM SMIT TOWAGE BRASIL assures the prompt interruption of the irregularities or infractions detected and the timely remediation of the harmful situation.

The irregularities resulting of deviations for the non observance of the ethic values defined in the Code of Ethics and Conduct in Business, complained through the internal and external complaint channels, are submitted and analyzed by the Ethics Committee of SAAM SMIT TOWAGE BRASIL.

The deviations related to the conduct of the employees, including the licensed, assigned, requested, time contracted ones, and managers, are internally dealt with, where the

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assessment of the irregularity is established by the immediate manager that will resolve on the reference of the occurrence to open the assessment procedure of civil and disciplinary liability.

Regarding the remediation of the damages, when it affects third parties, the previous reimbursement to the client is carried out during the disciplinary assessment.

Regarding the reimbursement to SAAM SMIT TOWAGE BRASIL, to be carried out by employee involved in a complaint, there is the possibility of charge, but only after the regular disciplinary assessment of the facts, and the consequent judgment that ends up in the civil liability of the employee.

If the involvement of third parties, individual, or legal entity is checked, it is proceeded to the issuance of crime notice to Federal Police so that the claimed and assessed facts are conduct in the penal scope, subsidizing possible judicial charge.

In such cases, the recovery of eventual losses will be bound to the following measures:

- Administrative charge;
- Mandatory discount;
- Judicial charge, without prejudice to the mandatory discount.

9.3. Application of disciplinary measures in case of breach of the Integrity Program

The breaches to the Code of Ethics and Conduct in Business are subject to treatment by the Ethics Committee of SAAM SMIT TOWAGE BRASIL, which purpose is to guide, advise, and act in the management on the professional ethics of the company's managers and employees, in the treatment with people and with public assets, also resolving on anti-ethic conducts and transgressions of the internal standards.

Any no compliance with the internal standards, practiced by any employee, including the licensed, assigned, requested, term contracted ones, and managers, may cause the opening of assessment procedure of civil and disciplinary liability.

The breaches to the Code of Ethics and Conduct in Business of SAAM SMIT TOWAGE BRASIL practiced by members of the Senior Management are submitted to the appreciation of the Board of SAAM SMIT group that is responsible for the application of eventual penalties.

Whereas the Integrity Program of SAAM SMIT TOWAGE BRASIL is constituted by a set of mechanisms and procedures duly provided in internal standards, the breaches to the program by employees and managers, will be submitted to the same disciplinary mechanisms.

The analysis and investigation of irregular facts are carried out together with the Senior Management and may result in warning, suspension, or termination of the employment contract.

10. FINAL PROVISIONS

10.1. Management and Assessment of the Integrity Program

The Integrity Program will be annually assessed based on the effectiveness indicators.

The result of the monitoring, containing the assessment of profile and Compliance, as well as eventual proposals of improvement will be reported to the Officers and Board of SAAM SMIT.

The Quality area (Compliance) is the unit in charge of the management of the Integrity Program.