

Code of Conduct



Lotus

We were born with the purpose of contributing to cities

Lotus was born in 2018 with the purpose of innovating in the construction, development, management and sale of real property markets. We care for the quality of our works, architectural design and integrity in conducting our businesses, being recognized by the quality of our job.

In order to achieve our purpose, it is crucial that our activity is driven by an ethical environment, clear and committed to well-being and integrity of our Employees, partners and other related Third Parties. Our relationships are always based on integrity, whether with public or private entities, employees, clients or suppliers, always following the current national and foreign legislation. Therefore, it is important that all of our personnel are equally engaged to our purposes.

This Code of Conduct is intended to help you to act in the best way, being a guide to our behavior in our everyday business and relationships. We hope this Code be a living instrument, present in the day-to-day life of everyone who cooperates and interact with Lotus, and that through this instrument, it is always possible to improve and perfect our operations.

We want to always be in touch with all of our partners and employees, and wish this Code to be used by everyone in our activities and businesses. So, if you have any doubts regarding the applicability of this document, what is the right way to act in a certain situation, or any topic addressed in this Code, do not hesitate to send your questions to Compliance Committee, which is available through transparencia@lotuscidade.com.br.

Ruy and Luiz Felipe Hernandez
Partners

Summary

Effective as of:
07/01/2022

Version:
01

Mission and Values

1. Mission and Values

Lotus is a young company that, in short time, has been conquering its space as one of the most innovative construction companies, generating trends and changing the market, with a modern and intelligent approach, focusing on the high-quality standard of our works.

Lotus' Mission is to execute works and engineering services with excellence, punctuality, commitment and trust, giving priority to keep the tradition and recognition of a successful company.

Our Vision is to be a company with national reference in the engineering fields in which we operate, always aiming at a sustainable growth, satisfaction and commitment with our clients.

Lotus' Values are:

- ▶ Ethics
- ▶ Transparency
- ▶ Clarity
- ▶ Loyalty
- ▶ Technological Innovation
- ▶ Client Satisfaction
- ▶ Punctuality
- ▶ Commitment to quality
- ▶ Deadline

In order to materialize such values and ensure they are lived in practice, Lotus has prepared this Code, which brings the basic conduct principles that structure Lotus, under an ethical, upstanding and sustainable environment. It applies to all of our partners and Employees, regardless of title or position held, as well as Third Parties, including service providers, suppliers and other third parties who in any way act in the name, interest or benefit of Lotus.



How We Interact





2. How We Interact

2.1.

Relationship with Clients

In order to contribute to the cities in a different manner, to bring an authorial architecture, constructive quality with distinguished aesthetic rigor, to bring designs with technology and sustainability, and also act with efficiency and agility in meeting deadlines, always in compliance with the law, Lotus understands that the relationship with its clients must be equally distinguished and reflect all high parameters that Lotus commits to have.

So, our relationships with Clients are based on integrity and transparency. We do not offer or promise undue advantages, nor accept ex-

change of favors in our negotiations. We value our Clients by their individuality and seek to maintain mutual reliability in our relationships, through transparent businesses. In this regard, our actions must never coerce, force or in any other way embarrass our Clients to close a deal with us, nor to act so as to threaten free competition.

2.2.

Relationship with Employees

People are part of our search for excellence. Only thanks to the individual efforts of each one of our Employees Lotus is able to grow and conquer even bigger spaces. Part of this valuation is reflected in our work environment, which must be harmonic and productive, ensure equal development opportunities for everyone, and be based on respect, reception and acceptance and appreciation of differences.

Lotus does not abide any kind of harassment, discrimination, prejudice or intimidation.

We respect the labor laws and all other rules applicable to our relationship with Employees, not forbearing any forms of improper, forced, child labor or in conditions inconsistent with dignity and development of our Employees, in our productive chain.

Further, we worry about welfare and health of our Employees, ensuring a safe environment, with facilities and protection equipment proper to the activities of our business. All legislation and technical rules must be observed in any undertakings and activities of Lotus, both by our Employees and Third Parties.

Moreover, managers and officers are particularly responsible for giving the example and maintaining the work environment intact and



ethical, nurturing cordiality and dialogue. Our managers are expected to:

- ▶ Support, comply with and disclose this Code of Ethics and other policies adopted by Lotus;
- ▶ Not use their positions, influence or Lotus' name to obtain benefits for themselves or relatives, friends or third parties; and
- ▶ Not establish unachievable goals or unreasonable pressures to their Employees.



Any kind of violation to these principles that may be witnessed or indirectly known by the Employees, must be immediately notified through the Whistle Blowing Channel, available at <https://canaldedenuncias.com.br/lotuscidade> or also by phone 0800 300 4532.

2.3

Relationship With Third Parties

Third parties, which include, among others, service providers, suppliers, subcontractors and any other natural persons or legal entities who act in the name, interest or benefit of Lotus, are an important part of our business, without whom we could not reach the excellence we seek. All of our relationships with Third Parties, whether institutional or commercial, are supported by the integrity principles present in the society, in this Code, in the Anti-Corruption Policy and in the Third Party Hiring Policy of Lotus.

Any and all Third Parties who act in the name, interest or benefit of Lotus are required to be in line with and observe our principles in their relationships. All Lotus' internal policies, including this Code and the Anti-Corruption Policy, equally apply to Third Parties. Being aware of this Code, in addition to the need to execute the term of commitment, is mandatory.

For further information regarding the criteria and requirements used to hire Third Parties, Lotus has a Third Party Hiring Policy, which is

available for consultation at <https://lotuscidade.com.br/codigodeconduta>. In case of doubts, you can also reach out to transparencia@lotuscidade.com.br.

2.4.

Relationship With Competitors

Preserving free competition is substantial to the delivery of works of quality and excellence to our Clients. Thus, it is our responsibility as well to ensure healthy and lawful relationships with our competitors. In this regard, any Employees and/or Third Parties are prohibited from acting on behalf of Lotus in practicing unfair competition acts or that interfere with and threaten, directly or indirectly, free competition in the market, with any antitrust practice being strictly prohibited, including any form of collusion or market split, price alignment, formation of cartel, or any form of undue interference with the competition nature of public biddings.

2.5.

Relationship with the Society and Environment

All Lotus' undertakings reflect our concern with our environment. Social responsibility is a cornerstone of our operation. In this sense, we have different sustainable initiatives to ensure ecological feasibility of our buildings, maintaining our commitment to ensure social welfare and life quality. During the construction process, we use recycling and material reuse techniques, in addition to encouraging our Employees to also adopt sustainable behaviors in their personal life, such as reduction in use of plastics and water.



So, we believe that we can always do more for the communities in which we are inserted, including in local initiatives that may positively impact the environment in which we are.

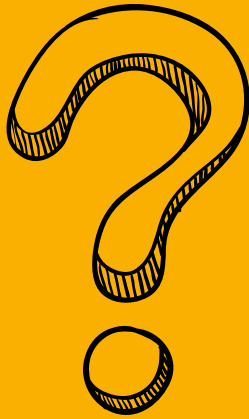
2.5.

Relationship with Public Authorities

Our daily activities often depend on licenses, permits and other authorizations granted by the public authorities. In this sense, our relationship with public authorities, especially with Public Agents, must be based on transparency and integrity, as well as on the other principles established in the National and Foreign Anti-Corruption Laws.

In general, Lotus expects that people who relate to Public Agents in exercising their duties, acting in the name, interest or benefit of Lotus, to act in a transparent, ethical and lawful man-

ner, following the rules of this Code, the Anti-Corruption Policy and all national and foreign applicable laws. It is important that our people create a critical sense to distinguish irregular situations. For this, when facing a delicate or doubtful situation, we encourage our people to ask themselves the following questions:



“Is the act I intend to practice consistent with the Code and Policies of Lotus?”

“Could I easily defend the lawfulness and morality of the act I intend to practice before my superiors, family and authorities?”

“What would my friends and family think if they knew about the act I intend to practice? Would they consider my action as ethical and positive?”

Negative answers to any of these questions must be immediately identified as signs that the relevant conduct should not be practiced, and that Lotus’ proper channels should be notified to point out the issues identified.

Likewise, it is strictly prohibited for Employees and Third Parties that act on Lotus’ behalf to offer, promise or grant, directly or indirectly, any kind of undue advantage, whether pecuniary or not, for public agents or third parties related to them, for whatever reason.

For further information, Lotus has an Anti-Corruption Policy that deepens the topics addressed in this item and that together with this Code, must be observed in full by Employees and Third Parties. The Anti-Corruption Policy may be requested to the e-mail address transparencia@lotuscidade.com.br. In case of doubt, please contact the same e-mail address.

2.6

Relationship with the Press

Lotus believes in democracy and plurality of opinions and recognizes the press’ role as a fundamental instance in consolidation of a truly democratic society, that accepts and discusses divergent opinions and visions. Therefore, our relationship with the press must also be based on respect to differences, honesty and transparency, always reflecting our correct and lawful actions.

In this sense, we support free manifestation of our personnel. However, as a rule, contacts with the press on behalf of Lotus must be made only by its officers. So, any manifestation to the press related to Lotus’ activities should be previously and expressly notified and authorized by the Communication Department.

Our Guidelines



3.

Our Guidelines

3.1.

Data Protection and Information Security

In addition to having physical assets, such as computers, equipment, machinery and other materials, Lotus also deals with intangible assets of great relevance, such as personal data of our Employees, Clients and any Third Party with which we have a relationship. Processing of such personal data is a relevant subject for us and, therefore, we follow every prescription of the General Data Protection Law.

In this sense, external sharing of any kind of personal information collected and processed by Lotus, as well as a diverse manipulation or process of personal data for purposes other than Lotus' institutional purposes is not allowed.

Likewise, not only the personal data received must be processed internally, but also any information that circulate in our internal systems, such as corporate e-mails and internal networks, are owned by Lotus and should always respect the due purposes related to our operations. Thus, sharing or transferring technologies, marks, methodologies and any confidential information of Lotus or information from other parties under Lotus' control is prohibited.



3.2.

Gifts, Promotional Gifts, Entertainment and Hospitality for Public and Private Agents

Offering or acceptance of gifts, promotional gifts or entertainment items or hospitality by the Employees or Third Parties acting in the name, interest or benefit of Lotus should always occur pursuant to the rules of this Code and other applicable internal policies, including our Anti-Corruption Policy, as well as the applicable national and foreign legislation.

In this regard, every Employee and Third Party acting in the name, interest or benefit of Lotus must pay special attention to the offering or receipt of promotional gifts, gifts and hospitality not being associated with any kind of personal third-party benefit, nor to the obtaining of, or even the intention to obtain,

any kind of undue earning of any kind for Lotus and its business. Such actions must be strictly promotional and institutional, cannot involve items of significant value, cannot imply or generate conflicts of interest or characterize an undue advantage, and can never be used to reward any kind of business obtained, or to have any kind of undue influence or exchange of favors, whether implied or express, in own or Lotus' benefit.

In particular, Employees or Third Parties acting as representatives of Lotus should be especially careful in the relationship with Public Agents, always acting with strict respect to the legislation and rules applicable to such persons. As a general rule, it is forbidden to offer gifts, promotional gifts, entertainment and hospitality for Public Agents.

For further information, Lotus has an Anti-Corruption Policy that deepens the topics addressed in this item and that together with this Code must be observed in full by Employees and Third Parties. The Anti-Corruption Policy may be requested to the e-mail address transparencia@lotuscidade.com.br. In case of doubt, please contact the same e-mail address.

3.3.

Political Donations

We are part of democratic society, that allows every individual to exercise their citizenship and be free to exercise their political rights. Nevertheless, respecting the national and foreign legislation applicable to it, Lotus does not make political donations or contributions, and does not maintain any kind of political party activity.

Donations to parties or candidates made by persons related to Lotus, whether by Employees or Third Parties, should not bind or benefit Lotus in any event, whether directly or indirectly. The provision of any services involving Lotus that may be considered an electoral contribution is expressly prohibited. The use of our premises for political party activities or the use of our funds for such purposes is prohibited as well.

3.4.

Sponsorship and Donations to Charity

Social and environmental sustainability responsibilities are two of Lotus' cornerstones. In this sense, donations and sponsorships for non-profitable organizations as a way to support initiatives that make difference in the social reality of the communities in which we act are permitted.

However, in order to avoid donations and sponsorships are used as a way to cover any illegal practices, every donation made by Lotus must follow some basic guidelines, as approval by the Compliance Committee and performance of prior diligence in the institution that will receive the funds.

For further information, Lotus has an Anti-Corruption Policy that deepens the topics addressed in this item and that together with this Code must be observed in full by Employees and Third Parties. The Anti-Corruption Policy may be requested to the e-mail address transparencia@lotuscidade.com.br. In case of doubt, please contact the same e-mail address.

3.5.

Conflict of Interests

Lotus adopts an ethical and transparent behavior in all of its relationships and expects Employees and Third Parties act the same way. So, our personnel must prevent personal matters to be a priority in detriment of Lotus' interests, so as to generate a Conflict of Interests.





A Conflict of Interests situation is characterized when an individual, with a decision-making power, has personal interests conflicting with the interests related to their professional role with Lotus, and may be defined by the determination of any kind of advantage in own or third-party benefit (relatives, friends, partners, etc.) in prejudice of Lotus.

So, when giving priority to personal interests in detriment of Lotus' institutional interests, our Employees and partners may incur in a Conflict of Interests. In case of doubts as to the existence of situations of this kind, Lotus must be notified to assess the situation and define the best solution for the case.

For further information, Lotus has an Anti-Corruption Policy that deepens the topics addressed in this item and that together with this Code must be observed in full by Employees and Third Parties. The Anti-Corruption Policy is available at <https://lotuscidade.com.br/codigodeconduta>. In case of doubts, you can also reach out to transparencia@lotuscidade.com.br.

3.6.

Accounting Controls

We value the transparency of our business. To ensure such transparency, it is essential that our accounting records reflect accurately our activities, and must be detailed and analytical, enabling the monitoring of our expenses and revenues.

Accounting Department is responsible for Lotus' bookkeeping, and the Compliance Committee has the authority to monitor the accounting records that involve situations of greater risk to the integrity, such as those that include payments or receipt of amounts from the public authorities. Our accounting records must always be ready to be audited, whether by internal or external audit, or audit performed by regulatory bodies of the public authorities.

Mergers, Acquisitions and Corporate Transactions

All corporate transactions in which Lotus participates, including the formation of joint ventures or specific purpose vehicles with new investment partners, or mergers and acquisitions, should be preceded by a prior careful diligence process, in order to ensure that our business partners, or new companies that potentially may be acquired or built by us, share the same integrity principles and practices provided for in this Code.

The provisions of this Code apply in full and will be fully complied with by all companies in which Lotus has controlling interests, as well as by investment companies that currently control Lotus.

Our Compliance Program



4.

Our Compliance Program

4.1.

Whistle Blowing Channel

In order to ensure and encourage the guidelines of this Code and other internal policies are followed and respected, ensuring the occurrences related to harassment, conflict of interests, fraud, corruption, among other irregularities, are not ignored, Lotus has a Whistle Blowing Channel available at:



- ▶ Phone number: 0800 300 4532
- ▶ Web: <https://lotuscidade.com.br/canaltransparencia>

The Whistle Blowing Channel accepts delivery of anonymous reports, and all reports sent will have a non-retaliation guarantee. Reports sent through the Whistle Blowing Channel will be received and processed by our Compliance Committee, which may contract a specialized third party to perform the investigation. The Compliance Committee will be responsible for applying penalties, if it thinks fit.

The Compliance Committee is composed by 5 members, or multiple departments and levels of Lotus e its duty will be to ensure application of this Code and the National and Foreign Anti-Corruption Laws.

Completion of the investigation procedures of the reports submitted will be subject to resolution by Lotus' competent instances, for application of the applicable measures and sanctions.

4.2.

Management of the Compliance Program

All of Lotus departments and employees are responsible for overseeing the proper administration, monitoring and continuous improvement of Lotus Compliance Program, under the Compliance Committee supervision.

The Compliance Committee is independently functioning and possess the adequate resources to develop specific compliance activities in addition to having internal authority to implement the changes in the compliance program it thinks necessary, and to immediately cease any irregularity it becomes aware of. Similarly, the Compliance Committee is responsible for the periodic monitoring of risks, and update of Lotus' compliance program, receiving and investigation reports, being ensured with functional independence and power to decide on the application of disciplinary actions.

The Compliance Committee will appoint the departments responsible for coordinating periodical trainings for the employees in matters related to this Code and to other internal Policies. The trainings may engage specialized third parties.

4.3.

Breach of the Code and Disciplinary Actions

This Code must be mandatorily complied with by Lotus' Employees and Third Parties, and violation of its terms and/or any other applicable legislation may result in application of disciplinary actions.

Such actions may include, depending on the severity of the violation, among others, the following:

- ▶ Formal warning;
- ▶ Temporary suspension;
- ▶ Termination of relationship with Lotus;

Application of the penalties mentioned above will be at the Compliance Committee's discretion. Additionally, administrative, criminal and/or civil liability applicable to the conduct is not excluded.

Glossary for Consultation

5.

Glossary for Consultation

Public Agent:

Represents the person who performs - event temporarily or without compensation, by election, nomination, designation, contracting or any form of investiture or relation - office, position, employment or public function in bodies, state entities or diplomatic representations, in legal entities directly or indirectly controlled by the government of a foreign country or in international public organizations. In more details: (i) agent of the government, authority, employee, official or representative of any public governmental entity, body, department, agency or office, including any entities of the Executive, Legislative and Judicial Branches, entities of direct or indirect public administration, public companies, government-controlled private companies and public functions, whether national or foreign; (ii) any individual who holds, even temporarily and without compensation, a position, function or employment in any entity of a State and its instrumentalities, including entities that provide services or serve a public function; (iii) officer, director, employee or representative of a public international organization; (iv) officer, director or employee of any political party, as well as candidates to elective or political public offices, in Brazil or abroad; (v) member of a royal family, including persons who do not have formal authority, but who can influence business interests.

Moral Harassment:

Is identified by the occurrence of embarrassing and severe situations in the workplace and by their continuity over time. Place the examples given and include: (i) Application of work overload followed by improper conditions to perform tasks and exaggerated charging; (ii) threats of dismissal; (iii) giving humiliating nicknames.

Sexual harassment:

Acts, insinuation, forced physical contact and impertinent invitations with the purpose of obtaining sexual advantage or benefit. The individual uses their condition as hierarchical superior or ascendance inherent to the position, office or function to flirt, caress, intimidation and comments of a sexual nature.

Promotional gifts:

Any promotional communication object, of modest or non-commercial value, that is distributed in promotional campaigns, with the purpose of being a commercial courtesy and linked to the memory of the brand, such as: pens, notebooks, diaries, calendars, among others of a similar nature.

Employee:

All individuals related to Lotus, including Members of the Executive Officer, Chief Executive Officer and Boards of Lotus, as well as

all individuals hired by Lotus to perform a labor activity, including interns.

Conflict of Interests:

Is a situation in which an individual is in a position that enables the existence of a conflict between their personal interests and those related to their professional role with Lotus. Characterization of such conflict may be materialized through any kind of advantage in own benefit or of third parties (relatives, friends, partners, etc.) in prejudice of Lotus. The Conflict of Interests may be actual, potential or apparent. These three types of Conflict of Interests are described as follows:

- **Actual:** is an evident situation that actually exists. This event, for example, would occur in a situation in which an Employee, when contracting a third-party company to provide a given service, does not follow an impartial process of selection to seek a Third Party who would act on behalf of Lotus and contracts a Third Party that is a company whose partner is their wife or husband.
- **Potential:** is a situation that has not become an actual conflict, but there is a possibility of some change in the situation to give rise to an actual conflict. This event, for example, would occur in said situation in which an Employee intends to contract a third-party company to provide a given service, and among the companies of the tender, there is one whose partner is their wife or husband, but such selection process has not happened yet.

Apparent:

is a situation from which it could be deduced that there is a Conflict of Interests, but that actually, does not exist. This event, for example,

would occur in the situation in which an Employee intends to contract a Third Party and their wife or husband works for such Third Party, however, with no decision-making power or any kind of interaction with Lotus representing such Third Party.

Entertainment:

Availability of entrance (tickets or invitations) to any kind of entertainment, such as: exhibitions, concerts, plays, sports activities, social events or the like.

Hospitality:

Any kind of hospitality, such as receptions, meals, accommodation, travel expenses, tickets and/or displacement (air, maritime and/or road tickets), among others, that may be required to enable partnerships, for example, invitations to attend events promoted by Lotus, or even to attend social events supported or sponsored by Lotus. Hospitality with exclusive character of tourism or leisure is considered a Gift.

National and Foreign Ant-Corruption Laws:

Laws, rules and regulations to combat corruption, both national and foreign, applicable to Lotus, including, without limitation, Anti-Corruption Law ("Law No. 12,846/2013"), the Misconduct in Public Office Law ("Law No. 8,429/1992"), the Money Laundering Law ("Law No. 9,613/1998") and the Foreign Corrupt Practices Act ("FCPA").

Gifts:

anything of value (object or service) for personal consumption, with commercial value, that a person can offer, give or receive, free of char-

ge, usually in commemorative days or special events, as a result from a relationship or as a form of gratitude, such as: chocolates, beverages, Christmas baskets, etc.

Third Party(ies):

Any kind of supplier, service provider, brokers and other partners, in addition to volunteers, who may be natural persons or legal entities, who act in the name, interest or benefit of Lotus.

Undue Advantage:

Any tangible or intangible asset, including money and values, offered, promised or delivered with the purpose of improperly influencing or rewarding any act, decision or omission of a person, whether they are a Public Agent or not. Gifts, Entertainment, airline tickets, accommodation, donations, sponsorships or anything else of value used for such purposes, that is, improperly influencing or rewarding any act or decision, in order to obtain, or not, an improper commercial advantage are included in this concept.

6.

Term of Commitment

I hereby state to have received, read and understood the Code of Conduct of Lotus Cidade and undertake to respect it and comply it, ensuring its application.

Company/Unit

Date

CPF or CNPJ

Full name (legible) and position

Signature