



Lhg Mining

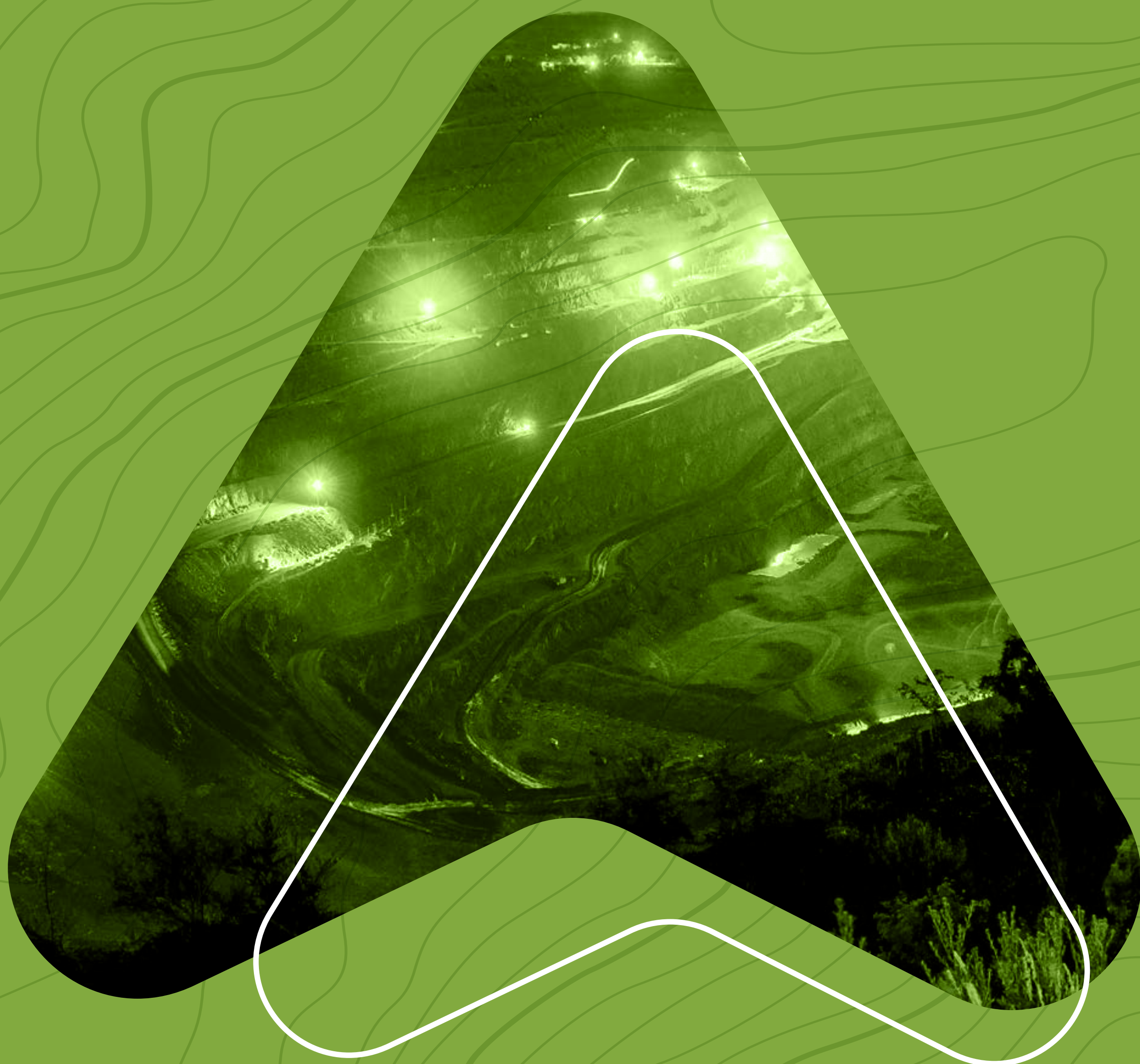


CODE OF
CONDUCT
AND ETHICS





CODE OF
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AND ETHICS





LETTER FROM THE PRESIDENT

With a well-established trajectory of value creation and growth, LHG Mining was born in an environment guided by ethics and integrity in its most absolute form, which is the central focus of the J&F Group's businesses.

On the next pages, you will have access to our Code of Conduct and Ethics, a document that should be used as a rule and guide for our activities and attitudes as employees and business partners.

We believe that always doing the right thing is the promising way to keep our culture and values alive, making our businesses always evolve in a sustainable and honest way.

Everyone must know, understand, practice, and disseminate the content of this Code. It guides us in making decisions and maintaining a healthy and welcoming work environment.

Have an enjoyable reading!

Aguinaldo Filho
CEO LHG Mining

SUMMARY



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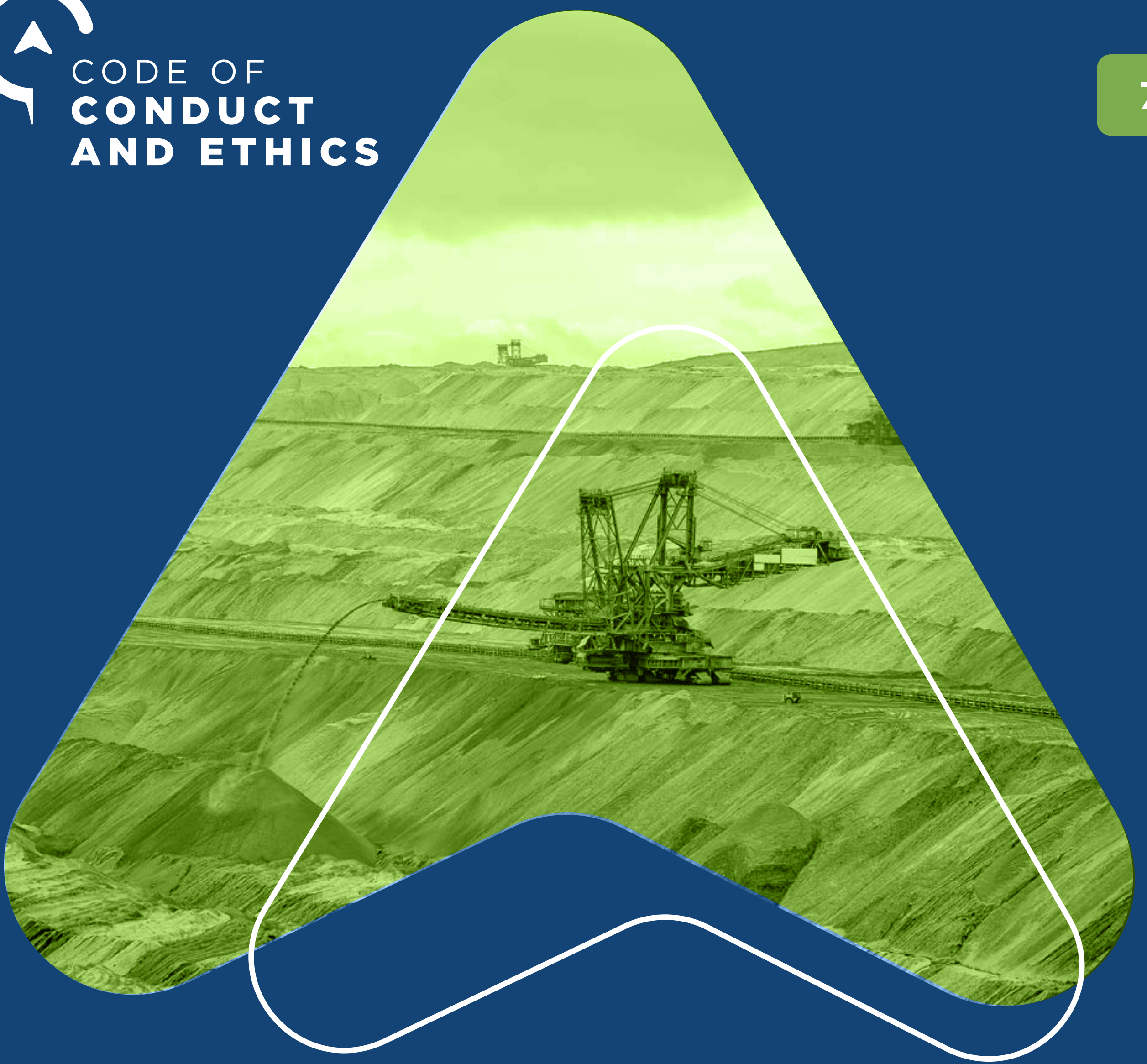
1. INTRODUCTION	7
1.1 Our mission and our values	8
1.2 Definitions	9
1.3 Scope of application	9
1.4 Responsibilities of team members and third parties	10
1.5 Responsibilities of leaders	10
1.6 Penalties for violations	12
1.7 Reporting possible misconduct	12
 2. EMPLOYMENT PRACTICES AND WORK ENVIRONMENT	 16
2.1 Health and safety	17
2.2 Equal employment opportunities and diversity in the workplace	17
2.3 Harassment	18



2.4	Work-life balance, labor and immigration rules	19
2.5	Human rights	19
3.	BUSINESS PRACTICES	20
3.1	Environment and sustainability ..	21
3.2	Conflict of interest	21
3.3	Related parties	22
3.4	Anti-corruption practices	22
3.5	Gifts and entertainment	23
3.6	Political contributions	24
3.7	Charitable donations and sponsorships	24
3.8	Relationship with the government	25
3.9	Hiring of public agents	25
3.10	Relationship with unions	26
3.11	Relationship with the community	26



3.12	Anti-money laundering and combating the financing of terrorism	27
3.13	International trade controls	28
3.14	Books and records	28
3.15	Antitrust and competition	29
3.16	Use of LHG Mining’s property and electronic communications ..	29
3.17	Use of confidential information and data protection	30
3.18	Intellectual property	31
3.19	Communication with press, social media and proprietary channels	31
3.20	Reflect upon your decisions	32
	LHG Mining ETHICS	
	LINE CONTACTS	34



1. INTRODUCTION

LHG Mining is committed to conducting business ethically, with integrity and in compliance with applicable laws. Compliance with the Code of Conduct and Ethics (“Code”) and behavior in line with LHG Mining’s mission and values are mandatory conditions for all team members and third parties.



1.1

OUR MISSION
AND OUR VALUES



MISSION

“To be the best in all that we do, completely focused on our business, ensuring the best products and services to our customers, a relationship of trust with our suppliers, profitability for our shareholders and the opportunity of a better future for all of our team members.”



VALUES

- ✓ Ownership
- ✓ Determination
- ✓ Discipline
- ✓ Availability
- ✓ Sincerity
- ✓ Humility
- ✓ Simplicity



1.2 DEFINITIONS

“Misconduct” means any actual or suspected violation of this Code, policies, procedures and processes, laws or applicable regulations.

“LHG Mining” consists of LHG Mining Ltda. and all its controlled companies, as well as their subsidiaries (directly or indirectly controlled entities).

“Leader” or “leaders” means any team member responsible for supervising the business activities of the company or other team members, including the members of the Board of Directors.

“Team member” or “team members” refers to all LHG Mining employees, including employees hired for a fixed term and at-will employees, as well as interns.

“Third parties” means any commercial partner, third party company, service providers, autonomous and related.

1.3 SCOPE OF APPLICATION

This Code applies to all team members and third parties.



1.4 RESPONSIBILITIES OF TEAM MEMBERS AND THIRD PARTIES

All team members and third parties must: (a) act ethically; (b) read, understand and comply with this Code; (c) comply with all applicable laws and regulations; (d) understand the policies, procedures and processes applicable to their activities; and (e) attend training and obtain the necessary certifications.

1.5 RESPONSIBILITIES OF LEADERS

In addition to their responsibilities as team members, leaders are responsible for creating an environment that promotes compliance with this Code. Leaders must lead by example, being responsible for encouraging their teams to engage with compliance with the guidelines of this Code, demonstrating with conviction the correct application of this Code and LHG Mining’s policies. Monitoring the team members’ integrity is as important as monitoring their performance. Leaders must also promote an environment where team members are encouraged to express opposing views and ask for guidance and support on this Code, policies and ethical behaviors.



It is a leader's role to

- Demonstrate by words and deeds that ethics is paramount.
- Lead by example.
- Ensure that ethics always prevails, even if it conflicts with a business goal or objective.
- Ensure open communication, encouraging team members to ask questions about this Code and the company's mission and values.
- Conduct team members on the guidelines of the Code to prevent unethical behaviors.
- Upon becoming aware of misconduct, immediately contact the Compliance, Legal or Human Resources Department (as applicable) and work in good faith with such departments in case of investigation.
- Recognize team members who report possible misconduct as champions of this Code and the company's mission and values.
- Avoid any form of retaliation against those who report possible misconduct or assist in investigations.
- Encourage team members to report violations, being involved or not. If any team member self-reports, this act may be taken into account in the disciplinary process.



1.6 PENALTIES FOR VIOLATIONS

LHG Mining will not tolerate violations of this Code. Failure to comply with this Code or policies may result in disciplinary action, which may include termination of the employment contract and other consequences, as permitted by law.

In cases with third parties, failure to comply with this Code, once verified and confirmed, will characterize as breach of trust and may result in contract termination.

1.7 REPORTING POSSIBLE MISCONDUCT

If team members or third parties have questions about this Code or are aware of possible misconduct, they must contact preferably via Ethics Line or with a leader or the Compliance, Legal or Human Resources Department.



The reporting of concerns or complaints is an essential part of LHG Mining's Compliance program. LHG Mining wants to know all its team members' concerns in order to be able to appropriately address them. If a team member is aware or suspects of a violation of this Code, policies or the law, he/she must immediately report these concerns, unless prohibited by law. It is not necessary to know whether a specific action is a violation, but it is necessary to raise concerns and report any situation that could represent a violation. team members should not delegate the task of reporting these concerns to others. Nothing in this Code prevents team members from reporting potential violations of the law to government officials.

The Ethics Line is the tool by which LHG Mining may be notified of possible violations of the Code, internal policies and current legislation. All reports will be directed and treated internally by an autonomous and impartial team, always with confidentiality and professional secrecy.

Everyone can access the Ethics Line, which is available not only to team members of LHG Mining, but also to clients, suppliers, partners, communities involved or any citizen that to contact. LHG Mining encourages its stakeholders to use the Ethics Line in good faith, in order to bring to the company's attention, as long as with responsibility and commitment to honesty, useful information to identify any irregularities.

The Ethics Line is an important tool for LHG Mining's Compliance Program, functioning as follows:



- The report is made through communication channels (website, telephone, e-mail or directly to the company's compliance professionals). The report may be anonymous or identified at the discretion of the whistleblower.
- A specialized and independent company will receive the report, conduct a preliminary analysis and send to appropriate treatment of LHG Mining's compliance professionals.
- After a complete and impartial analysis of the facts, the report is concluded and a response is recorded to the whistleblower.
- Always remember to take note of the protocol number and follow the progress of the opened report, also to provide additional information, when needed or requested.

Collaborate with investigations

Everyone has the obligation to cooperate with any internal or external investigation on a misconduct report and to provide honest and accurate information. Never change or delete/destroy any documents or evidences to obstruct any investigation.



Non-retaliation

Internal investigations and reports will be treated according with the principles of objectivity, confidentiality, impartiality and independence, and the whistleblower will be protected against any retaliation or negative consequences. Acts of retaliation will not be tolerated.

Get in touch through the channels:

Website: www.canaldeetica.com.br/grupojf

Phone Brazil: 0800 885 5608

Other countries: +55 11 2424 6013*

**collect call*

E-mail: grupojf@canaldeetica.com.br



2. EMPLOYMENT PRACTICES AND WORK ENVIRONMENT

LHG Mining's employment practices are guided by the commitment to ensure the safety of all team members and treat them respectfully, in compliance with applicable laws and regulations. LHG Mining expects that third parties share the same principles of employment practices and work environment.



2.1 HEALTH AND SAFETY

LHG Mining is committed to providing a safe work environment. Each team member is responsible for observing the safety rules that apply to his/her job. Team members are also responsible for taking the necessary precautions to protect themselves and their colleagues, as well as immediately reporting accidents, injuries and unsafe practices or conditions.

LHG Mining is also committed to providing a workplace free from risks associated with the use of drugs and alcohol. Team members must work free from any substance that could impair their performance or compromise safety in the workplace, such as illicit drugs and alcohol.

2.2 EQUAL EMPLOYMENT OPPORTUNITIES AND DIVERSITY IN THE WORKPLACE

LHG Mining is committed to guaranteeing that all candidates have equal employment opportunities, regardless of race, color, ethnicity, nationality, age, gender, religion, disability, veteran status or any other status protected by law. LHG Mining also develops and retains



a diverse and inclusive workforce, recognizing that a diverse mix of backgrounds, skills and experiences maximizes our ability to achieve our goals and provides us with a sustained competitive advantage.

LHG Mining will ensure that only legitimate job-related requirements and procedures are used in recruitment, selection, promotion, transfer and disciplinary measures, including termination, compensation, benefits, classification, dismissal, training and educational programs.

2.3

HARASSMENT

LHG Mining is committed to guaranteeing a workplace free of violence and moral or sexual harassment. LHG Mining will not tolerate harassment to its team members. Harassment covers a wide range of offensive behaviors, whether verbal, written or physical. Such behaviors, in addition to interfering with an individual’s work performance, create an intimidating and hostile environment.



2.4 **WORK-LIFE BALANCE, LABOR AND IMMIGRATION RULES**

LHG Mining complies with all labor laws. Team members must never request other team members or third parties to violate these laws (e.g., ask a team member to work unpaid overtime).

LHG Mining recognizes the right of team members to participate in the political process or any associations as individuals. However, team members may only engage in such activities on their own time and at their own expense. Team members must not use LHG Mining’s paid time, resources, facilities or assets for such purpose, as well as the Company’s name, without express written permission.

LHG Mining is also committed to hiring only individuals who are legally authorized to work in the country where they are seeking employment.

2.5 **HUMAN RIGHTS**

LHG Mining forbids the use of child or forced labor and will not tolerate the exploitation of children, physical punishment, any form of abuse or slavery.

All are equal before the law and, without distinction, are entitled to equal protection against any discrimination or incitement that violates the Universal Declaration of Human Rights.



3. BUSINESS PRACTICES

Team members and third parties must conduct business with customers, suppliers and competitors in an ethical, fair and transparent manner.



3.1 ENVIRONMENT AND SUSTAINABILITY

LHG Mining complies with all applicable environmental laws and is committed to supporting the economic, social and cultural development of the areas where it operates.

All team members and third parties of LHG Mining must respect the environment and responsibly use resources, including water, paper and energy, without waste, and act with social and environmental responsibility.

3.2 CONFLICT OF INTEREST

Team members must act in the best interest of the company when working at LHG Mining. A conflict of interest can arise anytime the personal or professional interests of an individual or group of team members is at odds with the best interests of LHG Mining.

All team members and third parties must report to LHG Mining any potential conflicts of interest of which they may be aware.



3.3 RELATED PARTIES

Related parties are individuals or legal entities that directly or indirectly control or are under the control of LHG Mining, or have influence over LHG Mining. The relationship between related parties is common for doing business and for business strategy, however it is necessary to observe the limits imposed by local legislation, avoiding any conflicts of interest and losses to LHG Mining.

Transactions with related parties must be consistent with market conditions, carried out with transparency and always in the best interest of LHG Mining. Transactions with related parties are subject to policies, procedures and additional approvals.

3.4 ANTI-CORRUPTION PRACTICES

LHG Mining has zero tolerance for any form of bribery or corruption. Bribery and corruption involve receiving, providing, offering or promising to provide, directly or through third parties, anything of value to public or private entities for the purpose



of unduly influencing their acts or obtaining an undue advantage. LHG Mining prohibits anyone acting on its behalf from making or receiving bribes or improper payments.

3.5

GIFTS AND ENTERTAINMENT

Offering corporate gifts and providing entertainment for legitimate business purposes must be reasonable and comply with LHG Mining policies. Gifts in cash or cash equivalents are not permitted. Gifts and entertainment involving public agents are subject to policies, procedures and additional approvals.

Team members must not accept a gift if they believe it was offered for the purpose of influencing a business decision or may in fact influence it. For more information about Gifts and Entertainment, see applicable policies.



3.6 **POLITICAL CONTRIBUTIONS**

It is not allowed to make, on LHG Mining’s behalf, any contribution in cash, goods or services for campaigns or political causes. The individual right of team members to engage in civic affairs and to participate as citizens in political processes will be respected. However, this participation must take place outside working hours and, in this situation, it must be made clear that the political manifestations are personal and not of the company.

3.7 **CHARITABLE DONATIONS AND SPONSORSHIPS**

Charitable donations to non-profit institutions and team members are allowed under limited circumstances, respecting the internal policies.

Donations and sponsorships that involve public agencies must comply with local laws and be previously reported to the Compliance Team to perform Due Diligence.



3.8 RELATIONSHIP WITH THE GOVERNMENT

LHG Mining operates transparently in its interaction with public agents. Team members must avoid any interaction that may create the appearance of impropriety or illegality. Fraud of any kind is strictly forbidden. Payments to government officials or authorities are prohibited unless permitted by law and approved by the governance structure of LHG Mining.

LHG Mining fully cooperates with national or foreign inspection authorities everywhere it operates. Team members must never obstruct the action, inspection or investigation of any authority and must fully cooperate with their activities as provided by law. If any team member receives notification from or is contacted by a government agency, he/she has to immediately notify the Legal Department.

3.9 HIRING OF PUBLIC AGENTS

LHG Mining may only hire an actual or former public agent or civil servant, or persons related to them, after



duly verifying that the engagement is permitted by law and does not appear to be for an improper purpose.

3.10

RELATIONSHIP WITH UNIONS

LHG Mining respects the rights of team members to bargain collectively and form or join a union. Management of union relations includes the willingness to dialogue and transparent negotiations, always based on mutual respect, compliance with local law and the guidelines of ethics and integrity in this Code.

3.11

RELATIONSHIP WITH THE COMMUNITY

LHG Mining maintains a communication channel with the community, since it understands that this solid and transparent relationship allow the company to know the community needs.



This engagement reflects in actions and improvements to the community, such as, for example, actions in the health, education and income generation through qualification activities. Local development with social responsibility is one of the pillars that guide LHG Mining actions, since the authentic and open relationship with the communities adds even more value to the business and provide gain for all involved.

3.12

**ANTI-MONEY LAUNDERING
AND COMBATING THE
FINANCING OF TERRORISM**

LHG Mining complies with all applicable anti-money laundering laws and reporting requirements. Money laundering is an attempt by individuals or organizations to hide the proceeds of their crimes by making those proceeds look legitimate. LHG Mining also complies with regulations to combat the financing of terrorism when there is a purpose of creating social terror or endangering people or properties, as well as disturb public peace.

Team members and third parties must be alert at all times for suspicious activity with such purposes.



3.13 INTERNATIONAL TRADE CONTROLS

LHG Mining complies with all laws relating to international trade, including economic sanctions and embargoes, which restrict or prohibit trade and transactions with certain countries, organizations, entities and individuals. Team members must take steps to make sure that international transactions are not prohibited by said embargoes.

3.14 BOOKS AND RECORDS

LHG Mining maintains transparent, accurate and complete accounting and financial records in compliance with the law, applicable accounting standards, internal controls and accounting policies. False, misleading or incomplete accounting records are strictly prohibited.



3.15 ANTITRUST AND COMPETITION

LHG Mining is committed to a policy of lawful competition based on the merits of our products and services. We seek to satisfy our customers' needs rather than limit our competitors' opportunities.

Team members must not engage in any conduct that may compromise free and fair competition, such as arrangements with other companies or manipulation of bidding processes. Team members must not offer, request or exchange information with a competitor about prices, proposals, market share or other relevant information.

3.16 USE OF LHG MINING'S PROPERTY AND ELECTRONIC COMMUNICATIONS

LHG Mining allows its team members to use its property, including credit cards, equipment, electronic devices and information technology systems, for legitimate business purposes only. LHG Mining reserves the right to inspect, monitor and control the use of its property



at any time, including e-mail systems and other forms of electronic communication. Any information generated, received or stored in one of these systems is property of LHG Mining, and team members should not expect privacy when using them.

Besides, team members are prohibited from using LHG Mining property to share content that is inappropriate or not related to its job duties.

3.17

USE OF CONFIDENTIAL INFORMATION AND DATA PROTECTION

All team members and third parties must ensure the protection of non-public information to which they may have access while working at LHG Mining. Such information may include details of the organization, prices, profits, suppliers and customer or employee data, among others. Confidential information can only be shared with people outside LHG Mining in accordance with its internal policies and applicable laws.

Specifically regarding personal data, LHG Mining respects the privacy of its team members, customers, suppliers and other third parties, using the data obtained for legitimate business purposes only, always observing applicable laws and related policies.



3.18 INTELLECTUAL PROPERTY

Team members must protect the Intellectual Property (“IP”) of LHG Mining and third parties, including copyrights, patents, trademarks and trade secrets. To the extent permitted by law, LHG Mining owns the rights to all IP arising from the activities of team members while they are employed by LHG Mining. Team members must not use this IP in a manner that is inconsistent with LHG Mining’s property rights.

3.19 COMMUNICATION WITH PRESS, SOCIAL MEDIA AND PROPRIETARY CHANNELS

LHG Mining is committed to making transparent, accurate and truthful communications to the public. Team members must not interact with the press or speak on behalf of LHG Mining unless previously approved in accordance with applicable policies.



LHG Mining respects the privacy and the freedom of expression of its team members and third parties. However, social media should not be used to disseminate opinions or information on behalf of LHG Mining. Any team member who uses social media must do so in a responsible manner and compatible with LHG Mining's values, to avoid a negative impact on the company's image and reputation.

No communication tools - website, podcast, intranet, corporate radio, etc. - can be created on behalf of LHG Mining without the prior approval of the communication department.

3.20

REFLECT UPON YOUR DECISIONS

In certain situations, the appropriate outcome of decisions is obvious and the decision can be easily made. However, in many situations, the appropriate result is not so clear or we may face limitations of time and internal pressures. When facing a difficult situation, the following questions can help us make the right decision.



- 1.** Is this legal?
- 2.** Is this consistent with LHG Mining's policies?
- 3.** Would I feel comfortable if it were made public?
- 4.** Does this reflect the values of LHG Mining?

A “no” to any of these questions means that the decision or action is unethical, inappropriate or could have serious negative consequences for the company, the team member or the third party, and therefore should not be taken. In case of any doubt, do not hesitate to question a member of LHG Mining's Compliance department.

LHG Mining ETHICS LINE CONTACTS

LHG Mining COMPLIANCE

If the report is related to LHG Mining,
please contact us through:

Website:

<https://www.canaldeetica.com.br/grupojf>

Phone:

BRAZIL 0800 885 5608

OTHER COUNTRIES +55 11 2424 6013*

****collect call***

E-mail:

grupojf@canaldeetica.com.br

SUMMARY



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