

CONFLICT OF INTERESTS POLICY

1. PURPOSE

This Policy establishes rules to identify, manage and mitigate potential or effective conflicts of interest, for purpose of preserving and protecting the interests of Alpargatas (Alpa) and ensuring transparency and independence in its relations.

2. SCOPE

GLOBAL

3. DEFINITIONS

Manager: Board Members, C-Levels and Directors.

Public Official means every natural person who exercises, even if temporarily, with or without remuneration, by election, appointment, designation, hiring or any other way of incumbency or relationship, a term of office, position, job, or function in governmental agencies and companies that are part of the direct and indirect government, including regulatory agencies, legislative, executive, or judicial authorities, in any country.

Employees means the Corporation's entire staff, regardless of position and function, location and decision-making authority, including managers, interns, apprentices and subcontractors who work full-time and/or report to the Corporation.

Relationship by Kinship or Affinity means all ascendants, descendants or collaterals of a family up to the 3rd degree, either by blood or affinity, for example, spouse (including marriage-like partners), parents, grandparents, uncles, brothers, children, grandchildren, nephews and nieces and cousins, daughters-in-law, sons-in-law and fathers-in-law. Relationships by affinity can include people with friendship or close relationship.

Related Parties means entities, individuals or corporations that have relevance in the managerial organization of a publicly-traded corporation. In Brazilian legislation, the definition of Related Parties is ascribed in item 9 of CVM Resolution 642 of October 7, 2010 (CPC 05-R1)

Politically Exposed Person – PEP means, in Brazil, public officials who are members of the Executive Authority, the Judicial Authority, the Legislative Authority, and the Prosecution Service and who exercise relevant public positions, jobs, or functions, as follows:

I - the holders of elective offices from the Executive and Legislative Authorities of the Federal Government;

II- the holders of offices in Executive Authority of the Federal Government:

- (a) Minister of State or equivalent;
- (b) Special Nature or equivalent;
- (c) President, Vice-President and Director, or equivalent, of entities of the indirect government;

III - the members of the National Council of Justice, the Federal Supreme Court, the Superior Courts, the Federal Regional Courts, the Regional Labor Courts, the Electoral Regional Courts, the Superior Council of Labor Court, and the Council of Federal Court;

IV - the members of the National Council of the Prosecution Service, the Attorney General of the Republic, the Deputy Attorney General of the Republic, the Attorney General of Labor, the Attorney General of Military Court, the Deputy Attorneys General of the Republic and the Attorneys General of the States and the Federal District Court;

V - the members of the Federal Audit Court, the Attorney General and the Deputy Attorneys General of the Prosecution Service before the Federal Audit Court;

VI - the presidents and national treasurers, or their equivalents, of political parties;

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VII - Governors and State and Federal District Secretaries, State and District Deputies, presidents or equivalent of state and district indirect government entities and presidents of Higher Courts, Military Courts, Audit Courts or equivalent of the States and the Federal District;

VIII - Mayors, Councilmen, Municipal Secretaries, presidents or equivalent of municipal indirect government entities and presidents or equivalent of Audit Courts or equivalent of the Municipalities.

The following are considered to be PEPs abroad: I - heads of state or government; II - senior politicians; III - holders of senior government positions; IV - general officers and senior members of the Judicial Authority; V - senior executives of public companies; VI - political party leaders; or VII - senior managers of public or private international law entities.

Confidential Information means information that is not yet public and belongs to Alpa, such as financial, commercial, strategic and employee data.

4. DESCRIPTION

4.1. General Principles and Guidelines

A conflict of interest occurs when someone starts to act in prejudice to the company, influenced by personal or family situations or activities, putting his or her interests above the Corporation's interests. In these cases, the person's judgment and attitudes taken in an impartial way can be influenced and impaired, thus leading to inappropriate decisions.

The conflicting action of the Employee and/or Manager in prejudice to the company may have the intention of receiving remuneration or not. For the conflict to be characterized, it is enough that the spirit of the action demonstrates that personal interests were prioritized in relation to those of the Corporation.

The conflict of interest may be direct, when associated with Alpa's Employees and/or Manager, or indirect, when associated with someone with a Relationship by Kinship or Affinity with Alpa's Employees and/or Manager. Thus, when an Alpa's employee and/or Manager, in his/her professional environment, identifies the existence of a fact where particular and personal issues are being prioritized in prejudice to the Alpa's interests, this fact should be communicated to the Compliance area.

Conflicts of interest may also arise due to access to Corporation's Confidential Information. When someone is faced with the risk of such a conflict, he or she must be transparent and alert about its existence. When the conflict arises unexpectedly, for example, during the participation in meetings, and at this moment the Employee and/or Manager perceive that his or her independence or impartiality may be impaired, he or she must spontaneously and promptly refrain from participating in the discussions or resolutions, informing the reason for the conflict. The statement of the situation of conflict of interest or existence of private interest as described above, and the subsequent removal of the person involved in the conflict, must be included in the minutes of the respective meeting, if applicable.

The conflict of interest may be present in Alpa's contracting of companies or people connected to our Employees and Managers; after all, in these events, there is the risk, even if involuntary, of privileging those people to whom we are connected, instead of Alpa's interests.

Politically exposed people have access to confidential information in their areas of activity. Such information may be relevant for Alpargatas, therefore, these people must be identified, enabling Alpa to preventively map risks of conflict of interests, which will be reported to the Ethics and Compliance Committee.

The organizational structure of Alpa, as well as of its subsidiaries, is established based on the best interests of the respective companies and never on the personal interests of shareholders, managers or third parties. In this sense, conflicts of interest involving companies of the Alpargatas Group are dealt with in the Related Party Transactions Policy.

4.2. Responsibilities

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- 4.2.1. Employees:** upon identifying a conflict of interest, all Corporation employees must report it to their manager, the Compliance area or the People manager. You can also report an irregularity associated with a conflict of interest anonymously through the Whistleblowing Channel.
- 4.2.2. People Area:** it is responsible, upon hiring, for questioning candidates about family or affinity relationships with Alpa's employees. If there is a risk of conflict of interest in this or any other case it becomes aware of, the People area is responsible for reporting it to the Compliance area.
- 4.2.3. Suppliers Management Area:** when identifying that third party companies engaged by Alpa, including franchises, belong to Employees (or people with whom you have a Relationship by Kinship or Affinity with the Corporation's Employees), or furthermore that an Employee (or people with whom he/she has a Relationship by Kinship or Affinity) is a Manager of such companies, such fact should be reported to the Compliance area.
- 4.2.4. Compliance area:** it is responsible for receiving reports of conflicts of interest, either directly through employees and or Manager or through the Whistleblowing Channel, and evaluate, according to the case, if there is a conflict of interest or not. If there is a conflict of interest, it must forward the case to the Ethics and Compliance Committee. Questions related to conflicts of interest can also be clarified with this area.
- 4.2.5. Ethics and Compliance Committee:** it is responsible for receiving cases of conflict of interest reported by the Compliance area, for suggesting procedures for resolving potential conflicts of interest, as well as for suggesting controls or recommending new mitigation measures for this risk.

4.3. Types of Conflicts of Interest

This Policy does not contemplate all potential or actual conflict of interest situations that may arise. Therefore, some situations of conflict of interest were highlighted in the work environment and the relationship with suppliers, service providers and third parties, whether public or private entities.

Any situation with a suspected conflict of interest must be informed, even if it is not contemplated in any of the events listed below.

4.3.1. Relationship by Kinship or Affinity

Relationships by kinship or affinity between Corporation Employees are allowed, provided that equal criteria are applied to the others, and no advantageous or priority treatment is allowed as a result of the relationship of kinship or affinity.

Furthermore, the Employee is not allowed to hold any position:

- (i) in which there is direct or indirect subordination or any other influence resulting in conflicts of interest with an Employee with whom he/she has a Relationship by Kinship or Affinity.
- (ii) in areas in which he/she has influence in the decision making process management (activities) of another Employee with whom he/she has a Relationship by Kinship or Affinity; or
- (iii) in areas in which they have decision-making power concerning the compensation and performance of another Employee with whom they have a Relationship by Kinship or Affinity.

The occurrence of any of the above situations must be reported to the People area.

In the case of affinity relationships that arise in the work environment, both employees must inform this fact to their respective managers, who must share the information with the People area. If there is the possibility of a conflict of interest risk in such relationship, the information must be shared with the Compliance area.

4.3.2. Use of Confidential Information

Employees may not use their positions, the information they possess as a result of them, or business opportunities identified by the Corporation, to favor or benefit themselves or third parties with whom they have a relationship.

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Personal interests must never affect or influence decision-making or business opportunities of the Corporation. Employees are prohibited from obtaining, promising, authorizing or providing any undue advantage, payments, gifts, lodging or the transfer of any item of value to any other person, whether a public official or not, that may compromise the Corporation's interest or performance.

As provided for in the Securities Trading Policy and in the Disclosure of Material Event or Fact Policy of Alpa, it is not allowed to use confidential or privileged information to obtain, directly or indirectly, undue advantages for oneself, one's family members, or any other third parties.

4.3.3. Hiring: Selection and Designation

All the engagements carried out by the Corporation (both employees and third parties) must be based on the competence and skills required for the good performance of the activities to be carried out, subject to the provisions in the other internal policies of Alpa.

Employees may suggest the hiring of people for the Corporation staff with whom they have a Relationship by Kinship or Affinity, provided that: (i) the information about the relationship of kinship or affinity must be informed at the beginning of the designation or selection, (ii) the employee must refrain from any decision making on the hiring process. If there is omission and the hiring takes place, the fact must be reported to the Compliance area, which will report the occurrence to the Ethics and Compliance Committee for resolution on the applicable measures.

4.3.4. Hiring: Suppliers, Franchises and Service Providers

Is forbidden: any supply and/or provision of services to Alpa (i) by a company owned, even in a minority interest, by an employee or a person with whom they have a Relationship by Kinship or Affinity and (ii) by a company managed by an employee or a person with whom they have a Relationship by Kinship or Affinity. Likewise, our employees or their relatives are not allowed to be owners or responsible for the administration of franchises of our brands.

If this fact occurs, either during the relationship with the Corporation, or at the time of verification and/or approval of the third party, it must be immediately informed to the Compliance area, which will report the case to the Ethics and Compliance Committee.

4.3.5. Hiring: Former Public Officials and PEP

The relationship with Public Officials must be guided by the ethical principles described in the Code of Conduct and Ethics and the Relationship with Public Officials Policy, always respecting the laws and rules in effect.

Any interaction of the Corporation with public officials, regardless of the existence of a conflict of interest, must be reported to the Government Relations area.

The hiring of former Public Officials as Alpa employees must be preceded by the authorization of the Ethics and Compliance Committee. The same shall apply to the hiring of Politically Exposed Persons - PEP. The hiring of public officials or PEPs who have already fulfilled the "quarantine" period, as established by local legislation.

Employees who relate to public bodies in the exercise of their functions and who have a Relationship by Kinship or Affinity with Public Officials with decision-making power, even if from different bodies to which they relate, must declare the information related to this person to the Compliance area.

4.3.6. External Professional Activities of Employees

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Alpa's employees may perform external professional or personal activities, as long as they (i) do not conflict with the Corporation's interests and business, (ii) do not use the Corporation's infrastructure, assets and data, (iii) are not performed during their working hours at Alpa and (iv) do not impair their performance in the functions exercised in the Corporation.

The participation of our employees in the Board or Committee of any company should be previously communicated to the Compliance area, which will forward the subject to the approval of the Ethics and Compliance Committee. Additional information may be requested, for a previous evaluation if there is any conflict with the activities and functions exercised by our employees in such participation.

4.4. Receiving gifts and amenities

Employees are authorized to receive gifts and amenities as established in the Gifts and Amenities Policy, but under no circumstances they may represent a way to bind the Alpa employee to future hiring or negotiations.

5. COMPLIANCE HELPLINE

Any doubts, suspicions or evidence of non-compliance with Alpargatas' Code of Conduct and Ethics, with this or any other Policy, must be reported directly to the specific channel for receipt of reports, by calling, in Brazil, 0800 770 7791 or through the website www.canaldedenuncia.com.br/alpargatas. Globally, reports can be made in English or Spanish, through the website www.compliancehelplinealpargatas.com.

The Compliance Helpline is an independent and impartial tool, operated by an internationally renowned service provider. The report can be made anonymously, and the absolute confidentiality of the report and persons involved is assured, even for identified reports. This channel is also open to receiving reports from third parties.

Reports must be accompanied by as much information as possible, such as: (i) objective and impartial description of the fact; (ii) where and when the violation happened or is happening; (iii) who are the people involved and organizations involved; and (iv) documentation that assists in ascertaining the case and forwarding possible actions. Any and all information or evidence is important to guarantee the assertiveness of the report's investigation.

Reports can also be made directly to the Compliance area, by email compliance@alpargatas.com.

6. SANCTIONS

In the event of failure to comply with the legal and regulatory provisions set forth herein, the breaching party will be subject to the imposition of disciplinary measures provided for in internal policies, without prejudice to administrative, civil, and even criminal sanctions, among other applicable measures, as provided for in the Consequences Management and Disciplinary Measures Policy.
