

Ethical Behavior Code

The "Ethical Behavior Code" is a tool meant to enhance the relationship of the organization and raise its existing atmosphere of confidence. This code aims at establishing the ethical principles and norms of behavior orienting the internal and external relations of the Hering Group companies, especially CIA. HERING ´s.

It falls to everyone who, by any means, takes knowledge of it, no matter of the attributions and responsibilities, to use it in their relationship with Cia. Hering as a source of consultation for all actions and contribute to the observance of all its contents.

The implementation of this ethical behavior code aims at contributing to the strengthening of a business culture centered on sustainable development.

1. Hering Principles

The principles guiding the companies of the Hering Group, especially Cia. Hering ´s and underlying the ethical guidelines of this code, are presented as follows: Cia. Hering is a company centered on people and the needs of customers. It is oriented to the market and to adding shareholder value.

1.1 Satisfied customers

Winning over and maintaining customers, anticipating and meeting their expectations.

1.2 Profit, as a means of perpetuation

Profit is the base for generating jobs and income for the benefit of the whole society.

1.3 Health, safety, awareness, preservation

Offering a safe and healthy working environment, developing an awareness for health preservation.

1.4 Quality, commitment of all

Making quality our strength along all the process.

1.5 Competitive technology

Developing, absorbing and fixing creative, innovative and competitive technology.

1.6 Human being valued and respected

Respecting the human being as the final beneficiary of all its processes.

1.7 Ethics, a question of integrity and reliability

Maintaining the relationships with the interested parties at a high ethical base.

1.8 Image, a patrimony to be preserved

It is everyone's responsibility at work, in social relations, as well as the relations with the environment.

1.9 We are Hering

Working in partnership, with dedication, creativity, competence and the spirit of a sustainable organization.

2. Shareholder Relationship

2.1 Company commitments

- Basing all relationship with shareholders on transparent, reliable and constant information, so they may follow the company's activities and performance.
- Rendering information on the business, results and others, through authorized means, observing the established legal norms and good practices of corporate governance.

2.2 Employee commitments

- Always acting in a way to protect shareholder interests, making sure all information and interests of investors are preserved and only released in line with legal dispositions, preventing that same be used for their own advantage or the one of third parties.
- Just making use of information available on the market and never resorting to privileged information.

3. Relationship with Competition

3.1 Company commitments

- Maintaining professional relations with competitors based on respect. These relations must preferably be established through "Class Associations"
- Making use of the commercial practices respecting the laws and culture of the countries Hering trades in.

3.2 Employee commitments

- Respecting competing companies without committing acts which may slander their image.
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4. Relationship with Customers

4.1 Company commitments

- Incentivating a lasting and mutual trust relationship with customers.
- Complying with the agreed on with customers, respecting their rights and duties, and supplying goods and services manufactured according to the technical specifications and pertinent legislation.
- Being proactive catering to customers needs, acting in a quick and effective manner to meet their demands.

4.2 Employee commitments

- Maintaining a high level of professionalism and respect when dealing with customers, providing ready service and support with courtesy and efficiency.
- Preserving the data confidentiality of Hering customers.

5. Relationship with Suppliers

5.1 Company commitments

- Incentivating a lasting and mutual trust relationship with its suppliers.
- Taking into consideration not only the economic-financial indexes, commercial conditions and product quality or services offered but also the ethical and socially responsible behavior for selecting and maintaining suppliers.

5.2 Employee commitments

- Abiding to technical, transparent, ethical and impartial criteria, basing on company needs to choose, qualify and hire suppliers.

6. Relationship with Employees

6.1 Company commitments

- Having a relationship with employees based on trust, integrity, commitment, transparency and freedom of expression in the labor relations, as well as respect and appreciation of the human being in their privacy, individuality and dignity.
- Developing mechanisms reconciling the safety and health maintenance of its employees.

- Offering conditions for the professional and personal development of the employees, underscoring that the search for self-development is each one's responsibility and acknowledging the individual differences of performance.
- Acknowledging the effort and commitment of its employees to enhance the result of their work, through RPP (Result Participation Program) for reaching the proposed goals.
- Making sure that all personal information, including medical ones and on benefits, be restricted to the employee only and the personnel in charge of safeguarding, maintaining and treating this information. The requests, analyses and passing on of this information are carried out solely by whom is entitled to do so, in line with the exact terms of the legislation and normative dispositions, as well as rendering evidence in court according to the orientation of the legal department.
- Enabling and promoting access of handicapped people to the labor market. Having as a goal to secure the citizenship, quality of life and skills development of these people.

6.2 Employee commitments

- Making use of the company patrimony and information just for working purposes and company interest. Bearing responsibility for and commitment with the company vision, mission, values, goals and objectives.
- Representing the company towards the external public and the press solely when duly authorized by its Board, respecting the principle: "Image, an asset to be preserved".
- Maintaining secrecy on strategic company issues, such as: business, technologies, know-how, information, as well as those of its public interest, avoiding to hurt their interests.
- Using the working hours solely for company interest activities.
- Utilizing working tools made available by the company, such as machines, cars, computers, e-mails, telephones, etc, just for company purposes.
- Only sharing confidential information with other employees when needed to perform company functions.
- Maintaining secrecy towards third parties of all knowledge and information, including methods, processes, cost sheets, commercial proposals, technological information, intellectual property, commercial and industrial secrets, accounting, financial corporate information, as well as others related to the Hering activities and which constitute its exclusive property.
- Not utilizing the post, function, hierarchical position or influence aiming to obtain any favoritism for themselves or third parties.
- Not accepting gifts from customers, suppliers, partners and competitors, except for mementos clearly identified and without any significant commercial value. Significant value gifts which, for any reason cannot be returned, will obligatorily be incorporated to the Hering patrimony.
- Not submitting to or accepting situations of moral harassment (understood as the act of repeatedly disqualifying the self-esteem, security, or image of the employee by means of words,

gestures and attitudes because of the hierarchical position).

- Not submitting to or accepting situations of sexual harassment (understood as the act of sexual insinuation which affects the well-being of a woman or a man, or which constitutes a risk for their permanence on the job.
- Communicating to and involving their hierarchical superior in any fact or decision concerning company interests.

7. Relationship with Governmental and Non-Governmental Entities and Political Parties

7.1 Company commitments

- Maintaining good relationship with governmental and non-governmental entities as well as political parties, dealing with the organization 's issues of interest in an impartial manner and without any party-political connotation.

7.2 Employee commitments

- Obtaining previous authorization from the respective department board for public manifestation on behalf of Hering.
- Proceeding in a way there is no interference in their professional performance in eventual party-political activities.

8. Relationship with the Environment

8.1 Company commitments

- Devising and setting up facilities and systems in order to minimize risks and environmental impact of its processes by means of the application of the best environmental and safety practices, complying with current legislation and norms.

8.2 Employee commitments

- Acting with respect, responsibility and engagement, aiming to preserve the environment in line with company norms, policies and valid legislation.

9. Relationship with Society

9.1 Company commitments

- Being aware of local demands in order to develop social responsibility actions towards the community where it is present, stimulating the formation of responsible citizens and thus guaranteeing sustainable development.
- Applying practices marked by economically viable, ecologically friendly and socially fair operations.

9.2 Employee commitments

- Respecting the community traditions and cultural identity, seeking to identify its legitimate interests, collaborating to the progress and general well-being, respecting collective interests.

10. General Conditions

10.1 Validity

- The present Hering Group Code of Ethical Behavior will take effect as of March 2009 and will be valid indeterminately in the terms of the current legislation.

10.2 Management

- The Cia. Hering Administrative Board will bear responsibility for managing the current code.
- It is the duty of each Hering employee to contribute their share for the compliance of this code. Should there be any doubt on the conduct to be adopted concerning the code in your activities or if you know of any violation to it, request orientation from your hierarchical superior or forward your query to the Administrative Board.

10.3 Publicity

- So that the desired effects are lawfully accomplished, especially against third parties, the present code, as well as the term of commitment and receipt, will be duly registered at the Public Register of Titles and Documents of the County of Blumenau, State of Santa Catarina.