



**POLICY FOR RELATED-PARTY TRANSACTIONS AND OTHER  
SITUATIONS INVOLVING CONFLICTS OF INTERESTS**

**COMPANHIA BRASILEIRA DE ALUMÍNIO**

Approved by the CBA Board of Directors

Approved on: July 07, 2021

Applicable from the date of approval until a resolution by the Board of Directors

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# **POLICY FOR RELATED-PARTY TRANSACTIONS AND OTHER SITUATIONS INVOLVING CONFLICTS OF INTERESTS OF COMPANHIA BRASILEIRA DE ALUMÍNIO**

## **INTRODUCTION**

This "*Policy for Related-party Transactions and other Situations involving Conflicts of Interests*" aims to ensure that all decisions, especially those regarding related-party transactions and other situations posing a potential conflict of interest involving CBA, are taken in the interests of the Company and its shareholders and conducted on an arm's-length basis and with equal treatment for third parties, upholding best corporate governance practices and transparency.

## **REFERENCES**

The references for this policy are: (i) the corporate governance guidelines set out in CBA's Bylaws; (ii) the Code of Conduct; (iii) Brazilian Corporation Law; (iv) the applicable CVM standards; (v) the Novo Mercado regulations; and (vi) the Brazilian Code of Corporate Governance.

## **SCOPE**

This Policy covers all CBA employees, officers and contractors where responsible for understanding and complying with this Policy at all times, regardless of where they live or work.

## **EFFECTIVENESS**

This Policy is effective from the date it is approved and may only be amended by decision of the CBA Board of Directors.

## **GENERAL PROVISIONS**

Non-compliance with the guidelines set out herein and the related laws to which CBA is subject, including due to omission, shall result in the imposition of disciplinary measures and penalties established by law, in the Code of Conduct and Consequences Management Policy of CBA.

The Board of Directors shall resolve any cases not covered by this Policy.

This Policy will be available at <https://www.cba.com.br/ri>.

## **DEFINITIONS**

The terms and expressions below shall have the following meanings when used in this Policy:

**"B3"**: B3 S.A. – Brasil, Bolsa, Balcão.

**"Code of Conduct"**: the *"Code of Conduct"* approved by the CBA Board of Directors' meeting.

**"Brazilian Code of Corporate Governance"**: Brazilian Code of Corporate Governance – Listed Companies, prepared by the Interagents Working Group and coordinated by the Brazilian Institute of Corporate Governance (IBGC).

**"Company" or "CBA"**: Companhia Brasileira de Alumínio.

**"Market Conditions"** those in which during the negotiation comply with the principles of: (a) competitiveness (service prices and conditions compatible with market practices); (b) compliance (compliance of the services provided with the contractual terms and responsibilities of CBA and adequate information security controls); (c) transparency (adequate reporting of terms agreed with the proper application, and the effects thereof on CBA's financial statements); and (d) equity (establishing mechanisms that prevent discrimination or privileges and practices that assure inside information is not used or business opportunities are not taken for individual or outsider benefit). A related-party transaction on market conditions means it should observe the same principles and procedures that would apply to transactions between CBA and independent parties.

**"Board of Directors"**: the CBA Board of Directors.

**"Controller's Department"**: the department responsible for identifying and classifying related-party transactions.

**"CVM"**: the Brazilian Securities Commission.

**"CVM Resolution 642"**: Resolution No. 642, of October 07, 2010, as amended.

**"Executive Board"**: the statutory Executive Board of CBA, which under the Bylaws is responsible for approving Related-party transactions up to R\$200,000.000.00 (two hundred million Reais).

**"Bylaws"**: CBA's Bylaws, as amended.

**"CVM Directive 480"**: **CVM Directive** 480 of December 07, 2009, as amended.

**"Brazilian Corporation Law"**: Law 6.404 of December 15, 1976, as amended.

**"Close Relatives"**: family members who could be expected to exert influence all be influenced by the person in transactions of these members with the entity and include: (a) the person's children, spouse or companion; (b) the children of the person's spouse or companion; and (c) the person's dependents, spouse or companion.

**"Related Parties"**: for the purpose of this Policy, this term has the same definition established in Technical Pronouncement CPC 05 (R1), issued by the Accounting Pronouncements Committee and approved by the CVM by way of Resolution 642. The definition of Related Parties will be automatically updated as a result of any amendment to the applicable regulations and standards, especially CVM Resolution 642.

**"Key Management Personnel"**: persons having authority and responsibility for directly or indirectly planning, steering and controlling the activities of the entity, including any managers (executives or others) of this entity.

**"Policy"**: this "Policy for Related-Party Transactions and Other Situations Involving Conflicts of Interests".

**"Disclosure Policy"**: the "*Policy for Disclosing Material Events or Facts of Companhia Brasileira de Alumínio*" approved at a meeting of the Board of Directors of CBA.

**"Novo Mercado Regulations"**: the listing regulations for Brazil's B3 Novo Mercado.

**"Related-party Transactions"**: transactions entailing the transfer of resources, services or obligations between Related Parties, regardless of whether a price is charged". Related-party Transactions include (but are not limited to): (a) purchase and acquisition of goods, properties and other assets, (b) provision or receipt of services, (c) leases and rentals, (d) transfers of assets, rights and obligations, (e) assuming and transferring financial obligations, including loans and capital contributions, (f) awarding guarantees, avals or endorsements, (g) assuming commitments, including the performance of contracts and donations, (h) awarding property or asset leases of any nature, (i) agreements settling

obligations of any nature.

## **CHAPTER 1 – GUIDELINES ABOUT RELATED-PARTY TRANSACTIONS AND CONFLICTS OF INTEREST**

### **1.1. Principles**

The following principles inform this Policy, without prejudice to others established in this Policy:

- (i) management members must act in CBA's best interests, regardless of who has appointed them to their respective positions;
- (ii) the controlling shareholders and management cannot vote or intervene in matters in which they have a conflict of interest with CBA;
- (iii) controlling shareholders must act in CBA's best interests as a whole, including all of its shareholders; and
- (iv) management should conduct the activities of CBA and its subsidiaries with the required diligence and loyalty, in accordance with the fiduciary duties established in articles 153 to 155 of Brazilian Corporation Law.

### **1.2. Situations involving conflicts-of-interest and voting impediments**

Conflicts of interest arise when a person is involved in a decision in which it has the power to influence the final outcome, guaranteeing personal interest or financial gain for themselves, a relative or third party they are involved with, or which can interfere in their judgment capacity.

In the case of CBA, the potential conflicts of interest are those in which the personal objectives of decision-makers, for any reason, may not be aligned with the objectives of CBA for specific matters.

When a potential conflict of interest is identified, including a related-party transaction, the party involved in the decision process should declare themselves impeded and abstain from participating in a given negotiation, in order to ensure CBA's interests are upheld. Furthermore, this person should explain their involvement in the transaction and, if requested, provide details about the transaction and the parties involved.

Any such impediment should be documented in the minutes of the meeting resolving the transaction, and this party shall withdraw, including physically, from the discussions and resolutions.

If requested by the body resolving the transaction, these impeded persons may partly participate in the discussion, for the sole purpose of providing greater information about the transaction and the parties involved, but shall withdraw from the conclusion of the discussion, including voting on the matter.

If a person in a potential conflict of interest does not declare the conflict, any other member of the body to which they belong who is aware of the situation may do so.

The failure to make a voluntary declaration by any decision maker shall be considered to be a breach of the principles of good corporate governance, this Policy and the Code of Conduct, where such conduct shall be immediately reported to the Company's Board of Directors so a decision can be taken regarding the applicable measures in the case at hand.

## **CHAPTER 2 - RULES AND PROCEDURES FOR TAKING DECISIONS INVOLVING RELATED PARTIES OR OTHER POTENTIAL CONFLICTS OF INTEREST**

### **2.1. Identifying potential Related-party Transactions**

Company shareholders and Key Management Personnel shall inform the Company's Controller's Department of any transactions between them (or the respective Close Relatives) and CBA they are aware of, also informing Compliance.

If the transaction informed, as mentioned above, constitutes a veritable Related-party Transaction, in accordance with the judgment to be made by the Controller's Department, this transaction shall be subject to the procedures of this Policy.

When so requested by the Controller's Department, the informed transactions shall include the information necessary to analyze their classification as Related-party Transactions.

After the CBA's Controller's Department has received the information, it will serve notice of this transaction to the Company's Executive Board or Board of Directors and its Compliance department, as the case may be, in accordance with this Policy.

### **2.2. Procedures for performing Related-party Transactions**

By way of its Executive Board or Board of Directors, as the case may be, the Company shall ensure that any and all Related-party transactions conducted by CBA are formally documented subject to the following criteria:

- (i) the transaction should take place on the market conditions in place at the time of its approval;
- (ii) the terms of the transaction and business purpose should be stated in a specific document; and
- (iii) the terms of this Policy should be complied with in full.

The Controller's Department shall classify Related-party transactions based on the amounts involved to determine the escalation limits that should analyze and approve them, in accordance with this Policy.



All Related-party Transactions in excess of R\$ 200,000,000.00 (two hundred million Reais) should be approved beforehand by the Board of Directors, where any others can be approved by the Executive Board.

Related-party Transactions should be approved by favorable vote of a majority of members of the Executive Board and Board of Directors, as the case may be, excluding any Related Parties involved.

The Executive Board and Board of Directors, as the case may be, shall have access to (and may request) all documents related to the respective Related-party Transactions and any technical opinions or reports about the matter.

When analyzing Related-party Transactions, the Executive Board and Board of Directors, as the case may be, shall check whether the transactions will be conducted on equitable terms, on an arm's-length basis and in compliance with this Policy. Their analysis may also include:

- (i) whether there are clear reasons for carrying out the Related-Party Transaction;
- (ii) whether the Related-Party Transaction is being conducted on terms at least as favorable for the Company as those generally available in the market for those offered by a third party not related to the Company, in equivalent circumstances;
- (iii) the findings of assessments conducted or opinions issued by specialist and independent firms, if they exist;
- (iv) whether or not a tender process has been conducted for this procurement and its result; and
- (v) the pricing methodology used and other possible alternative forms of pricing the Transaction with the Related Party.

The Company's Executive Board and Board of Directors, as the case may be, may only approve the Related-party Transaction if they conclude it is equitable, advantageous and realized in the Company's best interests, and at their discretion and in accordance with this Policy, they may condition the approval of the Related-party Transaction to any amendments they deem necessary.

### 2.3. **Forbidden Related-Party Transactions**

The following Related-party Transactions are forbidden:

- (i) on terms other than an arm's-length basis; and
- (ii) directly awarding loans or providing guarantees (aval/endorsement):
  - (a) to executives and members of the oversight board or Board of Directors or statutory or nonstatutory committees and their respective alternatives, and their respective spouses, companions, descendants or descendants of the respective spouses or companions;
  - (b) to relatives up to the 2nd degree of the aforesaid parties; and/or
  - (c) to individual or legal entity shareholders, or legal entities with an interest greater than 5% (five percent), any Company's executives and their respectable alternate, and their respective spouses, companions, descendants or descendants of the respective spouses or companions and respective relatives up to the 2nd (second) degree.

## **CHAPTER 3 – DISCLOSURE OBLIGATIONS**

### **3.1. Disclosure criteria**

Pursuant to article 247 of Brazilian Corporation Law, CVM Directive 480 and CVM Resolution 642, CBA is obliged to disclose Related-party Transactions it carries out, without prejudice to the rules that govern the disclosure of material information, pursuant to the Disclosure Policy.

The disclosure shall be made: (i) subject to the exceptions and conditions established in the applicable legislation, in section 16 of the Company's Reference Form; and (ii) in notes to the financial statements, subject to the regulatory terms and conditions, as applicable.

Pursuant to Appendix 30-XXXIII of CVM Directive 480, the performance of Related-party Transactions in an amount which in a single transaction or group of transactions taking place in 12 (twelve) consecutive months totals an amount in excess of R\$ 50,000,000.00 (fifty million Reais) or 1% (one percent) of CBA's total assets shall be reported to the CVM within 7 (seven) working days, pursuant to CVM Directive 480. However, if it is classified as a material fact, the disclosure shall be made in accordance with CBA's Disclosure Policy. The asset's total value shall be determined based on the latest consolidated financial statements published by CBA.

#### **CHAPTER 4– FINAL PROVISIONS**

The two-monthly meetings of the Statutory Audit Committee, established in the committee's internal regulations, shall analyze the adequacy of the Related-party transactions approved in the respective period and, if they find an irregularity in any transaction carried out, this shall be reported to the Board of Directors or Executive Board, as the case may be, so the suitable measures can be taken.

The Statutory Audit Committee may request the Board of Directors or Executive Board provide all the documents and information necessary to appropriately monitor Related-party Transactions in accordance with this Policy and the applicable standards.

If any member of the Statutory Audit Committee is also a member of the audit committee or board of directors of the Related Party whose transaction is being analyzed under its aforesaid remit, in specific regard of this Related-party Transaction the Statutory Audit Committee shall be substituted for this case only by the internal audit practice. In this case, the member of the Statutory Audit Committee shall declare themselves impeded, immediately notifying the other members of the reasons for this and consequently sending the case for analysis by the internal audit practice, which shall report any irregularity found directly to the Board of Directors or Executive Board, as the case may be.

The Statutory Audit Committee shall also recommend to the Board of Directors any corrections or enhancements of this Policy.