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	Subject: Ethics and Anti-Corruption
	Date Issued: March 11, 2016
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I. GENERAL STATEMENT

Iochpe-Maxion S.A. is committed to the highest ethical standards and to conducting its business in accordance with all applicable laws and regulations.


The terms established in this Procedure are in accordance with the Code of Ethics of Iochpe-Maxion S.A. available at <http://iochpe.mediagroup.com.br/PT/Companhia/Codigo-Etica> (in Portuguese) and at <http://iochpe.mediagroup.com.br/EN/Company/Code-Ethics> (in English) (the “**Code of Ethics**”).

Our employees are expected to conduct themselves responsibly and in accordance with applicable rules with regard to personal behavior, use of Iochpe-Maxion property, health considerations, safety standards, security regulations, and other areas affecting the orderly and successful conduct of Iochpe-Maxion business.

Also, in virtually every nation in which Iochpe-Maxion S.A., directly or indirectly, does business, it is unlawful to make a payment to a Government Official for the purpose of obtaining or retaining business or for a competitive business advantage. In many countries, payments to private individuals for similar purposes is also prohibited. Numerous laws and treaties have been adopted in recent years that prohibit a variety of corrupt practices, including improper payments. These include:

- Anti-Corruption Law of Brazil of August 1, 2013
- United States Foreign Corrupt Practices Act (“**FCPA**”)
- United Kingdom Bribery Act 2010 (“**UK Bribery Act**”)
- Organization of Economic Cooperation and Development (“**OECD**”) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions
- Organization of American States (“**OAS**”) Inter-American Convention Against Corruption
- Council of European Criminal Law Convention Against Corruption

In addition to being a legal requirement, conducting business without engaging in corrupt practices is a fundamental component of the Code of Ethics and our overarching corporate values. All employees are expected to maintain the highest level of integrity and to maintain accuracy in corporate recordkeeping with regard to all transactions or interactions with governments and commercial entities.

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II. PURPOSE

The purpose of this Ethics and Anti-Corruption Procedure (the “**Procedure**”) is to ensure a sustained self-discipline by each employee and that all Company transactions are carried out in accordance with the Code of Ethics and with all local, national and international anti-bribery and anti-corruption standards and laws.

III. SCOPE AND APPLICABILITY

This Procedure is applicable to all individuals employed by Iochpe-Maxion S.A. and/or its subsidiaries, joint businesses and operations worldwide, including, but not limited to, the Maxion Wheels and the Maxion Structural Components business divisions (collectively referred to as “**Iochpe-Maxion**” or the “**Company**”), regardless of whether the employee is involved in transactions or interactions with government agencies or commercial entities.

IV. DEFINITIONS


Capitalized terms used herein without definition shall have the meanings set forth below:

“**Corrupt Payment**” means the offering, authorization, commitment, or provision of anything of value, e.g., cash or cash cards, travel, gifts or gift cards, scholarships for family members, etc., either directly or indirectly to a Government Official or to an officer, director, employee, agent, representative or consultant of a commercial entity, in an attempt to induce the recipient:

- To grant favorable action, including the award of business to Iochpe-Maxion;
- To refrain from official action contrary to the interests of Iochpe-Maxion;
- To use his or her influence to secure action or inaction of a third party to advance the interests of Iochpe-Maxion;
- To receive special treatment so Iochpe-Maxion can avoid fines/citations, etc.; and/or
- Otherwise to obtain an improper business advantage.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of an entity, whether through the ownership of voting securities or by contract or agency or other similar arrangement.

“**Government Official**” or “**Official**” means any employee, officer, director, agent, consultant or board member of any body or branch of national, regional, provincial, state

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or local government, whether legislative, executive or judicial, or any person acting in an official capacity on behalf of a government entity. It also includes an officer, director, employee, agent, consultant or official of a public international organization, such as the United Nations, as well as officials of political parties, candidates for political office, political parties, and officers, directors, employees, agents, consultants or officials of business entities owned, operated or Controlled by, or otherwise under the dominant influence of, a government.¹

“**Third Party Representative**” means any agent, representative, consultant, independent contractor, distributor, joint venture partner or similar person or entity not employed directly by Iochpe-Maxion but engaged to represent Iochpe-Maxion or to work on behalf of Iochpe-Maxion.

V. TERMS OF PROCEDURE


1. Corrupt Payments / No Facilitative Payments

It is the policy of Iochpe-Maxion not to make a Corrupt Payment under any circumstances, directly or indirectly.

Iochpe-Maxion does not permit “facilitation payments” (small payments to Government Officials to expedite the performance of routine governmental actions such as obtaining licenses, permits or other needed government documents). Exceptions may be made if the failure to make a requested payment would cause significant and immediate harm to the Company or put the health or safety of its employees or their family members at risk, but only if the amount of the payment and surrounding circumstances are disclosed to and approved by the Legal Department in advance. If a Government Official is demanding a facilitation payment for any action, contact the Legal Department and the Head of Internal Audit immediately to determine the best course of action.

2. Gifts, Meals, Entertainment and Travel

¹ Business entities may be considered to be Controlled by a government even though government ownership is less than 50%. The determination of government Control should be made on a case-by-case basis, and one should err on the side of including businesses with substantial direct or indirect government ownership or funding.

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Many alleged acts of corruption arise in the context of gifts, entertainment and travel. It is the policy of Iochpe-Maxion that all gifts, entertainment and travel in connection with Company business must be legal, reasonable and approved by the appropriate level of management. Please refer to the Iochpe-Maxion Gifts, Meals & Entertainment Procedure (IMCP-0050) (the “**GME Procedure**”) for more details. Please note that gifts, entertainment or travel that may be permitted by the GME Procedure may still be a Corrupt Payment prohibited by this Procedure if made for an improper purpose.

3. Charitable Contributions and Sponsorship


A charitable contribution is illegal under some anti-bribery laws if the contribution is intended to improperly influence a Government Official. Iochpe-Maxion employees who receive requests for charitable contributions in connection with business, legislative or regulatory interaction with a Government Official must notify the Head of Internal Audit and the Legal Department. The Head of Internal Audit and/or Legal Department, working with the employee, will conduct a diligent review of the charity to determine who benefits from the charity and whether it has adequate transparency and mechanisms to prevent inappropriate diversion of contributions and will decide whether a charitable contribution is appropriate in the circumstances.

4. Political Contributions

Contributions to political parties or organizations, party officials, candidates for political office and persons closely related to them, or to persons acting for or on behalf of any of the foregoing, can also raise issues under anti-corruption laws. No Iochpe-Maxion employee may, except with prior notice to and approval from the Head of Internal Audit and the Legal Department, make any political contribution, either monetary or in-kind, on behalf of Iochpe-Maxion, or use the Company name, funds, property, equipment or services for the support of any political party, initiative, committee or candidate.

5. Third Party Representatives

Iochpe-Maxion does not do business with individuals or organizations known to make Corrupt Payments, or who otherwise could harm the Company’s reputation. It is a violation of this Procedure for any employee to use or induce any Third Party Representative to perform any act prohibited by the Code of Ethics, this Procedure or any local, state or national law.

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Written agreements with Third Party Representatives should include contract provisions requiring compliance with the Code of Ethics and this Procedure.

6. Acquisitions of Subsidiaries, Other Affiliates, Entry Into New Joint Ventures


The Company's prohibition on Corrupt Payments extends to all subsidiaries, joint ventures, and other affiliates under the Company's Control. Iochpe-Maxion employees involved in the acquisition of or investment in any third party are responsible for the following anti-corruption measures:

- Prior to acquisition or investment, conduct a due diligence review of the other parties to the transaction to include, among other things, determining whether any parties are Controlled by a Government Official and confirmation of the reputation of the parties relative to integrity and lawful conduct. Such a review should include, without limitation, the other significant shareholders of the other parties, as well as the senior management, key employees and directors of the other parties.
- If due diligence reveals that one of such parties is, or is Controlled by, a Government Official, or any beneficial or financial interest of a Government Official, or reveals any potential conflict of interest, the Head of Internal Audit and the Legal Department must be contacted immediately.
- Where the other party to such a transaction is to be Controlled by Iochpe-Maxion, including where the entity is fully consolidated in the Iochpe-Maxion financial statements, assure that the entity implements an effective anti-bribery and anti-corruption compliance program to enable it to comply with the Code of Ethics and this Procedure.

If Iochpe-Maxion will not Control the other entity, the related Iochpe-Maxion business group must exercise reasonable efforts to cause the entity to implement an effective anti-bribery and anti-corruption compliance program, including systems of internal controls and accurate and complete record keeping. The presence of such a compliance program will be a key factor in evaluating the investment and the lack of such a program may be grounds for not proceeding with a transaction.

7. Books and Records

The Code of Ethics mandates accuracy and transparency in all Company transactions. Regardless of the type of transaction, all books and records established by Iochpe-Maxion

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employees must be complete and accurate. Iochpe-Maxion employees must never participate in or consent to the creation of false or misleading documents.

All instances of gifts, meals and entertainment provided by Company employees must be accurately recorded, according to the Company's internal record keeping requirements pursuant to this Section V.7. and the GME Procedure. Any questions about the method of recording such expenses should be directed to the controller of the appropriate business unit.

8. Conflict of Interest

Iochpe-Maxion does not knowingly place any employee in a position of having a conflict of interest. All employees should work loyally and faithfully during their assigned working hours for Iochpe-Maxion. At no time should they undertake any activity which raises any question of conflict of interest or time between that activity and their assigned job at Iochpe-Maxion.


Iochpe-Maxion has no objection to employees accepting consulting or part-time employment opportunities as long as such activities do not interfere with their productivity or job performance during their assigned Iochpe-Maxion working hours and they create no conflict of interest. No Iochpe-Maxion employee is allowed to participate as owner, partner, manager, employee or service provider of any entity that maintains a commercial relationship with Iochpe-Maxion or that is its competitor.

All full-time employees must report any part-time employment or consulting activity to the corresponding Human Resources Department and receive their approval that such activity does not create a conflict of time or business interest.

9. Employee Responsibility for Compliance; Reporting Violations of Procedure; Consequences for Violations or Failure to Report Violations

It is the policy of Iochpe-Maxion to promptly investigate, correct and report any actual or suspected violations of applicable laws and regulations, the Code of Ethics, and the Company's policies and procedures, including this Procedure. Any violation thereof may provide reasonable grounds for disciplinary actions, up to and including for-cause termination of employment.

All Iochpe-Maxion employees have the responsibility for understanding the requirements of this Procedure and complying with those requirements.

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In addition, all Iochpe-Maxion employees are encouraged to and have the responsibility to report any actual or suspected violations of this Procedure to the Head of Internal Audit and the Legal Department or anonymously via e-mail to ethics@iochpe.com.br or call at +55 11 5508 3817 or go to <http://iochpe.mediagroup.com.br/PT/Manifestacao/Enviar> (in Portuguese) or <http://iochpe.mediagroup.com.br/EN/Manifestation/Send> (in English).

Willful blindness or conscious disregard for suspicious activities may be viewed as a violation of this Procedure and will be subject to disciplinary action, up to and including termination of employment. In some cases, failure to report actual or suspected violations of this Procedure may constitute a legal offense.

10. No Retaliation

Iochpe-Maxion will not tolerate any retaliation (i.e., any adverse employment action, such as demotion or termination) against an employee who honestly reports an issue or concern regarding actual or suspected violations of this Procedure. Such retaliation itself is considered a violation of this Procedure, and will lead to disciplinary action, up to and including termination of employment.


11. Conflicts of Law

The expansion of anti-bribery and anti-corruption laws in countries where Iochpe-Maxion does business, and particularly transactional bribery laws similar to the FCPA and the UK Bribery Act, makes it possible that Iochpe-Maxion employees will encounter situations where local law may be inconsistent with the FCPA or other applicable national laws. If such potential conflicts of law occur, contact the Legal Department before proceeding.

12. Business Unit/Regional Management

Business Unit and Regional Management are responsible for disclosing the information regarding the Code of Ethics. Such information must be visible and accessible for all employees.

Business Unit and Regional Management have an affirmative obligation to be familiar with the requirements of this Procedure. In addition, Business Unit and Regional Management, with the assistance of the corresponding Human Resources Department and Legal Department, will communicate the requirements of this Procedure to Iochpe-Maxion employees and business partners and will commit the required resources to ensure training and compliance in connection with the Code of Ethics and this Procedure.

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13. Legal Department

The Legal Department will:

- Monitor Company activities for anti-bribery and anti-corruption issues, and monitor legal developments of relevance to the Company,
- Support/guide due diligence,
- Develop and negotiate anti-corruption safeguards in written agreements where appropriate,
- Coordinate with other compliance functions, i.e., the Head of Internal Audit, Corporate Finance,
- Provide training to the Human Resources Department and assist with training, as needed, with other Company employees, and
- Coordinate with outside counsel and subject matter experts on questions involving bribery and other corrupt acts.


14. Procedure Guidance

Any questions about this Procedure should be directed to both:

- the Head of Internal Audit:
 - +55 11 5508 3817
 - ethics@iochpe.com.br

-AND

- the corresponding Legal Department:
 - Maxion Wheels
 - +1 734 737 5000
 - steven.esau@maxionwheels.com
 - julie.timmer@maxionwheels.com

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 - +55 11 5508 3816
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Remember, it is always best to ask for guidance before acting.