



**TAM Ethics Code and Guidelines
Policy**



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TAM Ethics Code

- E** To delight our customers with our honest attitude, keeping our spirit of serving unshakeable.
- T** To treat people with respect, whether customers, employees, interns, apprentices or third parties, having humbleness as the guide of our actions.
- I** To encourage fair labor practices for both our employees and our suppliers.
- C** To comply with the laws and rules applicable to our businesses and to our commercial conduct in the countries where we operate.
- A** To act vigorously to avoid any conflicts of interests between work and personal matters.
- D** To give special attention to our social responsibilities.
- A** To act with honesty and justice for us to be worthy of trust from people we have relation.
- T** To make and keep our work place safe, with special emphasis to environment protection.
- A** To ensure that our environment is free of discriminations of origin, race, belief, color, gender, physical disability or any means of social prejudice.
- M** To keep a culture in which the ethical conduct is recognized, valued and taken as an example for all members of TAM community

1. Purpose

By publishing this Code and Guidelines of Ethics, TAM expects to assist everyone representing TAM to adopt a uniform approach regarding ethical matters in the conduction of the businesses of the company, to the company, and to empower them to act in several typical situations on the organization daily basis. As important as the Code is its essence, for given the hugeness of the issue, should a situation of apparent conflict with the Code and its Guidelines arises, its essence must be a parameter to solve the problem

2. Scope

This document is applicable to TAM SA and its direct controlled companies throughout the world ("TAM"), namely: TAM Linhas Aéreas SA, TP Franchising Ltda., Multiplus SA, Transportes Aéreos Del Mercosur SA, in addition to companies colligated to TAM Linhas Aéreas SA, namely: TAM Fidelidade Viagens e Turismo Ltda. (TAM Viagens), TAM *Capital Inc.*, TAM *Capital 2 Inc.*, TAM *Capital 3 Inc.*, TAM *Financial Services 1 Limited*, TAM *Financial Services 2 Limited* and TAM *Financial Services 3 Limited*.

All TAM stakeholders, among which clients, board of administration, employees, interns and apprentices of TAM throughout the world.

Third parties representing TAM - franchisees, employees of franchisees, suppliers, service providers, consultants, travel agents and commercial representatives/employees of commercial representatives (if usual) - as long as these guidelines are applicable to them and in accordance with the related Code of Ethics.

3. Requirements

It is requested from all those affected by this policy, upon awareness of an external organization having relation with TAM and in conflict with these guidelines, to take all required measures for adaptation, if necessary, and to immediately interrupt business and/or contractual relation therein.

TAM forbids any employee from making any retaliation or harming any persons reporting or helping to solve a problem related to ethic conduct. It is also forbidden to suggest or request another person to disobey this TAM Code and Guidelines of Ethics.

It is important that each employee, intern, apprentice and third party to be aware of the importance in communicating any doubt on improper ethic conduct, this person can use the tool “Canal de Ética TAM [TAM Channel of Ethics]”, in the following address www.eticatam.com.br, available in all countries where TAM operates and as allowed by law.

4. Responsibilities

4.1. TAM Committee of Ethics

TAM Committee of Ethics is subjected to General Counsel and Compliance, which has as fixed members the General Counsel and Compliance, the Internal Audit department direction and the Compliance Manager. This Committee is responsible for solving conflicts of ethics and compliance that are not solved by the command chain or which are not provided for in this Ethics Code and Guidelines, therefore its meeting taking place on a need basis. Managers of departments having an occurrence under analysis shall be called to meeting of this Committee. The Committee has consultant, decision making and normative nature, aiming at observance and compliance with ethical principles set forth by Federal Constitution, by national and international laws in force and by TAM internal documents, its Code and Guidelines of Ethics, in any commercial or professional relations between companies and stakeholders, individually or collectively considered.

Attributions of the Committee of Ethics are extended to all companies of TAM and are detailed in its Internal Rules.

4.2. Compliance Manager

It is responsible for executing a review of this Code, when required, to adapt and include new items or unforeseeable concepts. It has the responsibility to broadly promote TAM Ethics Code and Guidelines, coordinating and operating on-site and on-line training (via e-learning at UniTAM), or through internal campaigns of communication and awareness whenever it is required.

It is responsible to actively elaborate, discuss, approve and execute actions aiming at teaching, disseminating and clarifying conduct standards desirable by TAM and adaptation of practices, policies and internal procedures to ethical principles defined and to applicable laws in force in each country of operation.

To continuously advise every TAM operation regarding Ethics, revising the content to be promoted in every document of the company, to solve any doubt regarding possible interpretation divergences

related to the content of document of Ethics of the company and to promote, when required, its due alterations, coordinating and authorizing its publication.

To define guidelines for the operation of the company's report tool, called "Canal de Ética TAM", aiming at collecting, responding, clarifying and forwarding to empowered persons any doubts and/or reports of violation related to ethics conduct until it is possible to inform a secret and reliable solution for the questioning and, above all, free from retaliation or discrimination. It is responsible for making sure the secrecy, quality and briefly in the treatment of cases reported in the "Canal de Ética TAM".

4.3. Managers

To be an example of ethical conduct for their subordinates.

To ensure the compliance with this Code and Guidelines, encouraging their subordinates to show their concerns related to the ethical conduct.

To prevent problems identifying, communicating and monitoring the main areas of violation risk of this Code and Guidelines.

To detect problems related to this Code, counting on the support of the Committee of Ethics, thus evaluating the effectiveness of the measures taken.

To promptly respond, as soon as noticing any failure in the compliance with this Code and Guidelines, requiring to due responsible ones the application of proper disciplinary measures.

4.4. Employees, Interns and Apprentices

To be aware and apply TAM's Ethics Code and Guidelines, as well as understanding its essence, formalizing the act by means of the signature of a "Personal Commitment Term" upon its contracting to the company and whenever a revalidation is requested.

To care for and cause the compliance with the Code and Guidelines of Ethics in their actions within the scope of the company, in operational or managerial levels.

To immediately communicate the existence of any concern that the employee or other persons may have about possible violations of this Code.

4.5. Third Parties

To be aware of the TAM's Ethics Code and Guidelines, formalizing the act by means of the signature of a "Personal Commitment Term" upon service agreement execution with TAM.

To communicate the existence of any concern about possible violations of this Code and to collaborate with investigation when requested.

5. Guidelines

5.1. Undue Payments

TAM's employees will not give or offer any valuable item as an attempt to have any improper advantage in the sale of goods or services, in conducting financial operations, or in representing TAM's interests within public officials. This guideline establishes the behavior standards and the practices which must be complied with regard to some types of payment, entertainment, and public

contributions. TAM will not authorize, tolerate, or be involved in any commercial practice which is not in accordance with this guideline.

5.1.1. Policy

a) Never give, offer, or authorize anyone to offer, direct or indirectly, any item of value to a customer, business partner, supplier, private entity or public official in order to gain any improper advantage. A commercial courtesy as a gift, contribution, benefit or entertainment, must never be offered in circumstances which can be seen as an improper behavior, or which constrains the person who receives it.

b) Never give tips or other type of payment to government officials or public officials in order to speed up routine of administrative proceedings without consulting TAM's General Counsel and Compliance department.

c) According to Anti-Corruption Laws it is forbidden the promise, authorization, granting, offer or payment of any valuable to any governmental or legal entity representative with the purpose of corrupting or influencing such person in order to obtain any improper business or advantage, etc. If possible, before giving a gift or offering something to a private employee or public official, the existence of a Code of Ethics applying to such position has to be asked or questioning if there is any regulation or rule preventing such person from receiving any product or benefit of TAM.

5.1.2. Situation of Risk

a) Person or company representing TAM or considered a representative, which:

- Has been accused of improper commercial practices;
- Has influence on a purchase decision, and a reputation of accepting bribes;
- Have relatives or other relationships which can have an improper influence on the decision of a customer or public official;
- Approaches you during a decision-making period for the closing of a deal, claiming he/she has a "special agreement" with an authority or with the customer;
- Insists on being paid a fee before the announcement of the decision of the closing of a deal.

b) Any other request for the payment of a fee, or any other payment in another country on behalf of someone else.

c) Commission that seems exceptionally high compared to services rendered.

d) Offering of benefits or gifts having commercial value superior to R\$100.00 (one hundred Reals) to any government or public official, which is forbidden by the Public Officer Code of Ethics.

5.2. International Commerce

In commercial relations with foreign countries, regulations agreed upon between these countries and Brazil must be complied. These regulations can involve imports, exports, and financial transactions.

5.2.1. Policy

- a) To comply with all relevant aspects of the international commerce control rules, including those related to licensing, shipping documents, import documentation, reports and files of the records of the countries where you conduct business.
- b) To ensure that all international commerce operations are analyzed in compliance with laws and regulations, whereas the strictest must prevail.
- c) To define which of the parties in an import transaction is liable for the accuracy of the import documentation. When TAM is held responsible, establish the follow-up procedures and check the accuracy of the information presented to the government officials by TAM and its agents.

5.2.2. Situations of Risk

- a) Billed price not reflecting the total value of the imported products.
- b) Any payment to exporters or on benefit of the exporter which is not included in the billed price, or which has not been reported to customs authorities.
- c) Transfer of values among partners which do not cover all costs and profits.
- d) Inaccurate or incomplete description of the imported products on the invoice.
- e) Inaccurate identification of the country of origin of the imported products.
- f) Use of customs tariff classification which does not seem to fully correspond to the imported products

5.3. Prevention of Money Laundering

People involved in criminal activities (drug dealing, bribery, fraud) might attempt to "launder" the crime profits in order to hide their existence or make them seem legitimate profit. Failing to identify these transactions and relationships with customers who put us at risk can seriously harm TAM's integrity and reputation.

5.3.1. Policy

- a) Comply with all applicable laws which forbid money laundering, and which demand cash or suspicious transactions to be reported.
- b) Learn to identify the payment conditions which are associated with money-laundering activities - multiple money orders, traveler checks, large amounts of cash, checks on behalf of a customer written by an unknown third party, etc.

5.3.2. Situations of Risk

- a) Customer or agent which seems reluctant to provide complete information, or provides insufficient, false or suspicious information, or seems to be anxious to avoid a request for reports of filed records.
- b) Payments made through financial operations which do not suit the customer's commercial activities, which seem not to have an identifiable connection with the customer, or which have been identified as money-laundering mechanisms.

- c) Customer's or agent's request to make a payment in cash.
- d) Early liquidation of loan, in cash or high-liquidity bonds.
- e) Requests for acquisitions which are unusual or inconsistent with the customer's activities.
- f) Structures of operations and payment conditions which do not correspond to a truthful commercial purpose, or which evidence exceptionally favorable payment conditions.
- g) Unusual transfer of funds from or to foreign countries which have no relation with the transaction.
- h) Transactions that involve locations which have been identified as tax havens, or areas known for money laundering activities.
- i) Structure of financial transactions with the purpose to avoid providing data or reports, such as, for example, multiple transactions below the minimum limit for the provision of information.
- j) Electronic transfers which are not in accordance with the customer's commercial activities, or which origin or destination is not described in the operation.
- k) Requests for money transfer or refund to third parties or to an unknown or unrecognized checking account.

5.4. Privacy

Personal data of consumer, customer, employees, medical and financial records and other sensitive personal information must be properly protected. TAM is committed to protecting customer personal information it obtains or stores. Each employee must protect the customers' individual information, and any other personal information sensitive from inappropriate or unauthorized use or disclosure.

5.4.1. Policy

- a) Comply with all laws, regulations, and treaties giving provision on privacy and data protection. For further details on information protection, refer to the Information Security Policy.
- b) Provide to consumers, according to the law or to the privacy guidelines, the following:
 - Warn about relevant privacy norms;
 - Description of the type of information collected, and which is its purpose;
 - Possible uses of the information for TAM's business;
 - Access to information for verification and correction;
 - Security for the information.
- c) Do not acquire, use or disclose individual consumers' information in a manner which does not comply with the privacy norms or the applicable laws and regulations.
- d) If you have access to consumers' individual information, use this information only for previously authorized commercial purposes.
- e) Keep secured files containing information about consumers and employees.

5.4.2. Situations of Risk

- a) Commercial or marketing plans which involve inappropriate and unauthorized data collection or distribution, as well as the use and disclosure of employees/consumers' individual information.
- b) Privacy or communication guidelines which are obsolete or incorrect.
- c) Disclosure or request of disclosure of employees/consumers' individual information, particularly personal information which is sensitive to third parties.
- d) Transfer of consumer information among countries.
- e) Inappropriate security control, which could lead to unauthorized access to employees/consumers' individual information
- f) Access TAM internal systems to search for information on customers, employees or suppliers for personal purpose, for instance, search of information in the employees records for purpose of "fleeting" or "fighting", personal relationships, etc; search for information on famous, important or wealthy customer; use of the company's commercial information for benefit of relative or friend's companies, as donation or assistance contribution.

5.5. Relationship with Suppliers

TAM's relationship with its suppliers is based on legal and fair practices. We expect our suppliers to meet the legal requirements applicable to their business. The quality of our relationship with suppliers has a direct impact on the quality of services provided to our customers, as well as the quality of products and services of our suppliers impact the quality of our services.

Therefore, TAM's relationship with its suppliers is guided by a sense of partnership and cooperation, in order to allow for the identification of solutions to sustainability matters along the business chain and fostering the continuous improvement in the excellence level of its products and services.

5.5.1. Policy

- a) To provide with opportunities for competition among suppliers, and select suppliers in accordance with clearly defined criteria.
- b) To work with suppliers who help TAM to create value in its business chain, in a consistent manner with respect to quality, cost of services rendered and treatment of sustainability aspects proposed by the Company.
- c) To carry out business with suppliers who comply with legal requirements relating to labor relations matters, health and safety, environment, ethics and transparency, as well the legal requirements applicable to their business.
- d) To forward to the "TAM Channel of Ethics" any risk situations seen in the relationship with suppliers, in order to take corrective or punitive measures, when applicable.

5.5.2. Situations of Risk

- a) Selection of suppliers based on criteria other than open bidding process.

- b) Selection orientation of a supplier with potential conflicts of interest, such as: owner or manager having family or friendship connections with the responsible for the contract, or adopting the practice of giving presents or other valuable items to the responsible for the contract.
- c) Lack of safety in facilities and processes related with the core activities of the suppliers.
- d) Existence in the business chain of underage workers, or circumstances of forced labor or coercion.

5.6. The Government as a Customer

An important portion of the company's revenue comes from government agencies, ministries, and public authorities. TAM has the commitment to carry out its businesses with all government representatives within the highest ethical standards and in strict compliance with the applicable laws and regulations.

5.6.1. Policy

- a) To comply with all applicable laws and regulations, especially the requirements associated with government transactions and agreements.
- b) To be honest and accurate during the negotiations with government authorities and agencies.
- c) To adopt effective processes to ensure the reports, certificates, statements, and proposals are updated, accurate, and complete; agreement requirements must be duly identified and communicated to the division in charge of the execution of the agreement.
- d) To not make any unauthorized replacements of the contracted services, or any deviation from the agreement requirements without the agreement in writing of the proper government authority.

5.6.2. Situations of Risk

- a) Charging incorrect and unauthorized values in public agreements.
- b) Violation of the national, regional, or local government regulations.
- c) Accepting information relating to the competition or a supplier, unless the contracting authority or the representative of the public agency has expressly and legally authorized the disclosure of such information

5.7. Antitrust Laws

In the conduction of its businesses, TAM complies and defends all free competition laws and regulations.

5.7.1. Police

- a) To comply with all the laws, procedures and treaties which regulate the competition defense, as well as legal decisions, administrative acts, and government decisions affecting TAM and its employees.
- b) To not propose or enter into any agreement or deal with any competitor without being sure this action does not contravene the free competition laws.

5.7.2. Situations of Risk

a) Discussions or agreements with competitors concerning:

- Pricing;
- Sales terms or conditions;
- Costs, profits, or profit margins;
- Service offer;
- Division of territory.

b) Any contact with competitors, which might be seen as an improper deal or understanding, be it in person, in writing, on the telephone, through e-mail, or any electronic means of communication.

5.8. Environment, Health and Safety

TAM is committed to protecting the environment, health, and safety, and will try its best to provide a safe and healthy work atmosphere to its employees, avoiding unfavorable and damaging impacts on the environment and in the communities where it has operations

5.8.1. Policy

a) Comply with environmental laws.

b) Create and maintain a safe work environment, and prevent occupational accidents.

c) Reduce waste, emissions, and the use of toxic material.

d) Respect neighbor countries' environmental rights and interests

5.8.2. Situations of Risk

a) Unsafe activities and conditions, such as:

- Failure in using personal protection equipment;
- Chemical products without labels;
- Exposed electrics, or electrics without security conditions;
- Blocked fire escapes;
- Driving vehicles in an imprudent manner;
- Working in high places without protection equipment.

b) Failing to comply with regulations and procedures relating to health, safety, and the environment.

c) Deficiencies pointed out by the government inspection.

d) Risks or accidents relating to the environment, health, and safety, which have not been reported.

5.9. Labor Practices

TAM is committed to offering fair labor practices, including the prohibition of all forms of discrimination. By granting equality of access and fair treatment to all employees, having merit as the basis, we increase TAM's success and, at the same time, promote the progress of individuals.

TAM is committed to complying with the labor laws of each country where it has operations. This includes the laws governing the freedom of association, privacy, recognition of the collective convention, prohibition of hard or compulsory work, prohibition of children labor, or any type of discrimination.

5.9.1. Policy

- a) Using merit, qualifications (education, experience, competence), and other professional criteria as the only basis for all decisions related to work affecting employees and interns.
- b) Recruiting, hiring, training, compensating, promoting, and providing employment conditions without regard to race, color, religion, national origin, gender, pregnancy, sexual orientation, age, physical disability, or other characteristics protected by the law.
- c) Providing with a work atmosphere free from improper insinuations of any nature, such as insinuations addressed to someone because of his or her race, color, religion, national origin, gender, pregnancy, sexual orientation, age, physical disability, or other characteristics protected by the law.
- d) Respecting the employee's privacy right by using, maintaining and transferring the personal data records in accordance with TAM's internal procedure. However, TAM reserves the right of using of the company's assets (computers, e-mails, telephones, proprietary information) according to the applicable law and internal procedures defined by Information Security area.

5.9.2. Situations of Risk

- a) Hostile work environment (telling jokes, or circulating material which denigrates or offends an individual of a certain race).
- b) Allowing race, color, religion, national origin, gender, pregnancy, sexual orientation, age, physical disability, or other characteristics protected by the law to have an influence on hiring, promoting, compensating, and other professional decisions.
- c) Refusal to work or cooperate with certain individuals due to race, color, religion, national origin, gender, pregnancy, sexual orientation, age, physical disability, or other characteristics protected by the law.
- d) Violation of the country's labor laws.
- e) Disclosure of an employee's data to a person or authority which has no commercial need of such information, without the employee's acknowledgement.
- f) To use the position or function for the following purposes, considered abuse of power: make the employee to execute a task to bring the first personal benefit; cause obtaining of personal advantage as access to restrict places; personal benefit making use of TAM name to obtain discount in accommodation, leisure travel, vacation, entertainment or even economic advantages with other TAM partners.
- g) Sexual harassment initiatives towards another employee or person in the workplace (according to applicable law in each country).

Sexual harassment is a crime with penalty of detention from one to two years according to the Brazilian Law, Criminal Code, Art. 216-A, and by the CLT (Brazilian Labor Law Consolidation) and it is considered severe fault, which enables the company to fire the harasser for fair dismissal. It is characterized by an act of power or blackmail; regarding sexual harassment, the harasser is always hierarchic superior in the area or not. The International Labor Organization (ILO), United Nations, characterizes sexual harassment on work presents the following peculiarities afflicting the harassed person (whether a man or woman):

- to be clearly a condition to keep the employment;
- Influence on promotion and/or career;
- Harm professional performance;
- Humiliate, insult or intimidate.

h) Moral harassment initiatives towards another employee or person in the workplace (according to applicable law in each country).

Moral harassment is the abusive conduct made by a person or several persons against an individual or group aiming at depreciating or harass. It does not involve, as a requirement, a hierarchic relation. It is normally a set of repetitive and extended hostile posture including gestures, words or action to humiliate, disqualify or diminish the harassed person. This practice is liable for conviction because it leads to shame, embarrassment, exposure to humiliating practices and fear with negative reflection on the work environment and individual's health, therefore aiming at the persons' dignity.

A manager with a demanding and meticulous personality requiring excellence in the performance of tasks cannot be labeled as a harasser. This conduct is part of his direction and disciplinary function. Oral conflicts and discussions, inclusive heat discussion, may happen as part of the challenge of achieving corporate goals. These situations can be understood as moral harassment because the goal is to achieve results from an ethical conduct of all involved. An occasional oral attack is not moral harassment. Isolated incidents including cursing, arising out of work related tension does not represent moral harassment. Both the oral harassment due to the aforementioned reasons and moral harassment are not practice accepted by TAM in any way, although considered different things. Moral harassment is ongoing and repetitive situation and oral aggression is an isolated fact.

5.10. Conflict of Interests

TAM recognizes and respects the employees' rights to participate in businesses and other financial activities outside of the Company. However, such activities must be lawful and free from conflicts with their responsibilities as employees of TAM. Employees must not improperly use TAM's resources or influence, or harm the company's reputation or good name.

5.10.1. Policy

a) Report your external activities, financial interests, or relationships which might be a contingent conflict of interest, or which seem conflicting. To report in writing through the form "Statement of Conflict of Interest" to the manager, as well as the company's Legal-Compliance department and Human Resources Department.

b) Avoid actions or relationships which might conflict with or seem to conflict with professional responsibilities or with TAM's interests and inform them through the form "Statement of Conflict

of Interest” to the manager, as well as the company’s Legal-Compliance department and Human Resources Department.

c) Do not make improper use of TAM’s resources, intellectual property, time, and facilities, including office equipment, e-mails, and software.

d) Report to the immediate superior received gifts worth more than R\$100 (one hundred Reais) for all proper arrangements. The Manager of the Legal-Compliance department shall clarify doubts on receiving and offering of gifts, benefits, trips and entertainment from or to customers, employees, third parties or service renderers

e) Report to the immediate superior before accepting any administration or direction position in an external business.

f) Report to the superior before accepting a board position in a nonprofit institution, whenever there is a commercial relation with TAM, or the expectation of financial or any other type of support by TAM.

g) Rules for hiring of relatives under responsibility of the Human Resources Department outline criteria and formalization required for restriction to hire new employees having relatives at TAM companies, controlled or colligated companies. In the event of any conflict of interest in hiring a new employee, Human Resources Department shall communicate it to the Legal-Compliance Department Manager for advice on decision making. In cases with conflict of interest confirmation, in activities not previously restricted but becoming harmful to the company’s interests, an amicable solution must be found by the Human Resources Department with person in charge of granting or revoking permit or in agreement with advices and final evaluation of the Legal-Compliance Department. It is also applicable to employees promoted or transferred to new positions, in the same Management or not, but changing position/activity and who may incur in subordination with conflict of interests.

5.10.2. Situations of Risk

a) Holding a financial interest in a company that could possibly affect TAM’s business with them.

b) Accept a part-time job where you will use part of your work shift at TAM, or use TAM’s equipment or materials.

c) Provided that there is employment association with TAM, no employee can act in a competitive company or act in competitive activities as a self-employed or not person. Provided that not harming its performance at TAM, it is allowed to the employee to have a secondary activity. Secondary activity is considered any job with constant nature (not eventual) developed in addition to activities already carried out at TAM. Activity as a lecturer or others similar, performed as eventual nature, are not considered secondary activities.

d) Accepting gifts from suppliers, customers, or competitors when you are in a position where you can influence TAM’s decisions which could affect or seem to affect the external company.

e) Receive discounts and personal benefits from suppliers, contractors, or customers which are not available to the general public or to TAM’s employees in similar conditions.

- f) Accept an offer to buy "shares from friends and family members" in a company which is issuing shares (securities) through an IPO, if you contact this company as part of your activities at TAM.
- g) Redirect businesses to a supplier whose owners or administrators are relatives or close friends of yours.
- h) Improper use of TAM's resources, or your position, or of the influence you might have to promote or support another company or nonprofit activity.
- i) Favor the hiring, directly supervising, or making a direct decision about the promotion of spouse, relative, or close personal friend.
- j) To hold interdepartmental positions or direct subordination, which may have some direct or indirect influence on your activities and/or final interests in the company, particularly when appropriateness and impartiality on decision making can be questioned.
- k) Personal relationship or love affair which might cause a conflict of interest with the employee's responsibilities at TAM, or compromise the company's interests.

5.11. Financial and Commercial Responsibility

The Financial and Commercial Responsibility is composed of three critical elements to the commitment of maximizing value created by shareholders:

- (1) Compliance to corporate and tax laws;
- (2) Rigid professional processes, and;
- (3) Integrity in disclosure of financial information.

5.11.1. Policy

- a) Follow the General Accounting Procedures and the accounting principles usually accepted, as well as standards, laws and regulations to record transactions and deliver financial reports, estimates, and forecasts.
- b) Keep complete and accurate books and accounting records, issued in a timely manner so as to correspond to all commercial transactions.
- c) Protect all physical, financial, informative assets, and all the other assets of the company. For further details on protection of information assets, refer to the Information Security Policy.
- d) Use economy criteria based on risk to make commercial decisions.
- e) Present fair forecasts and evaluations, and in a timely manner, to the administration.
- f) Maintain consistent processes and controls.

5.11.2. Situations of Risk

- a) Financial results which seem incompatible with the underlying performance.
- b) Inaccurate financial records.
- c) Confidential information disclosed to unauthorized third parties.

- d) Lack of controls to protect the assets against risk and loss.
- e) Physical assets or other resources which could have a better use, reallocation, or be sold.
- f) Doubtful revision and approval procedures.
- g) Adaptation of routines and controls in recently-acquired businesses in distant locations and with small teams.

5.12. Negotiation with Internal and Privileged Information

TAM is committed to participating in the markets in an open and fair manner with regard to the public negotiation of bonds and securities. We have established conduct standards for employees and other people who might obtain relevant and sensitive information, including pricing, which are not in public domain (internal and privileged information), by means of work developed at TAM.

Negotiations with internal and privileged information constitute crimes when it comes to the financial market. This guideline demands not only the full compliance with these laws, but also that even the appearance of negotiation with internal and privileged information is avoided. This guideline's purpose is not to restrict the freedom of employees of appropriately making personal investments, or TAM's right to legitimately use and disclose internal and privileged information in the regular course of its businesses.

Negotiations with internal and privileged information involve the purchase and sale of shares or other securities of any company, by a person, when this person has internal and privileged information about such company, or discloses this information – for instance, to a relative, colleague or friend – allowing for the individual to buy or sell shares or securities of this company based on this information.

Negotiation/sale of information regarding TAM commercial activities or personal data of TAM's employees and customers to the competition, private companies and others are forbidden.

5.12.1. Policy

- a) Never buy or sell shares or other securities of any company while you have internal and privileged information about this company.
- b) Never recommend or suggest that any other person buys, sells, or maintains shares or other securities of any company while you have internal and privileged information about this company.
- c) Never disclose internal and privileged information to any person outside of TAM, including your family members. For further details on access control, refer to the Information Security Policy.
- d) Disclose internal and privileged information only inside of TAM and in the regular course of work, and when you are sure it will not be improperly used.

5.12.2. Situations of Risk

- a) Internal and privileged information is any information which is not in public domain, and which an investor might consider important in making an investment decision.

b) Any information about a company which is not in public domain, and which might influence your own decision about buying or selling this company's shares or securities is probably internal and privileged information as well.

c) Tips on stock negotiations are probably internal and privileged information as well, in case there is any indication that the information might have come from a person who has internal and privileged information.

5.13. Intellectual Property

We understand that intellectual property is trade secrets, brands, copyrights, and other proprietary information. It is part of this guideline to establish, maintain, and defend the rights on the entirety of the company's intellectual property which has trade expression, as well as use the same rights in a responsible manner. All employees must take measures to protect these assets.

In addition to protecting its own intellectual property rights, TAM respects valid intellectual property rights of third parties. The unauthorized use of these rights of third parties might expose TAM to civil sanctions and indemnities.

5.13.1. Policy

a) Identify and protect TAM's intellectual property.

b) Claim for intellectual property rights in conformity with the law

c) Respect patents, materials protected by copyrights, and other intellectual property rights of third parties which are in force. Consult with TAM's legal department for information on the need to obtain licenses or authorizations required for the use of such type of intellectual property.

d) Seek advice with TAM's Legal Department before:

- Requesting, accepting, or using proprietary information of external people;
- Disclosing TAM's proprietary information to third parties;
- Allowing for third parties to use TAM's intellectual property.

5.13.2. Situations of Risk

a) Receive from an employee proprietary information about a previous employer.

b) Accept proprietary information from an external person without the previous consultation with the company's legal department.

c) Discuss TAM's proprietary information with customers or suppliers.

d) Launch or disclose information about a new service without previously checking if this service is object of an intellectual property registration.

e) Launch or disclose information about a new service without previously checking if there is any patent protecting it.

f) Hire an individual who has previously worked for a competitor, as an attempt to get information from this competitor.

5.14. Security of Information

TAM's information and resources must be properly protected, and each employee must ensure the protection of the corporate data under his or her responsibility. All information security guidelines which support this protection are detailed in the Information Security Policy.

5.14.1. Policy

- a) Formally request the necessary accesses to the performance of your duties.
- b) Do not disclose confidential information to third parties.
- c) Do not disclose, or write in paper your computer access password.
- d) Install software or applications only through the Service Desk.
- e) Use the workstation only for TAM's professional purposes.
- f) Use TAM's electronic mail only to carry out your duties.
- g) Access the internet only for purposes related to TAM's interests and professional matters.
- h) Immediately communicate the Information Security Management about any security incident in order to take any applicable measures.

5.14.2. Situations of Risk

- a) Improper security controls.
- b) Disclosure of privileged information to third parties.
- c) Improper monitoring of corporate resources.
- d) Sharing or disclosure of password.
- e) Leave computer unblocked when user is not nearby.
- f) Not collecting confidential documents from fax machines or printers, immediately after they are printed.
- g) Incorrectly using e-mail and internet.
- h) Accidentally sending or delivering e-mails or printed documents to improper persons.

6. Detailing

6.1. Penalties

The employees, interns, apprentices or third parties violating the Code and Guidelines of Ethics or its essence, as well as other intern policies, will be subject to disciplinary measures that may come to the termination of their respective employment contracts for fair dismissal.

TAM understands as violation:

- To act in disagreement with the Code or other intern policies;

- To request other persons to violate it;
- To be aware of acts that violate the Code and do not report them immediately to the appropriate channels;
- To retaliate an employee who has reported a concern with the ethical conduct.

6.2. Communication

It is important that each employee, intern, apprentice and third parties are aware of the importance of communicating a doubt about an ethical conduct. That may not be an easy decision, for it may involve coworkers and who communicates any failure of conduct may be seen as an accuser. However, it is important to remember that a lack of immediate communication of a possible failure in the ethical conduct may result in:

- Severe damages to the safety, health and well being of the individual, coworkers, customers and the community where TAM has a presence;
- Loss of trust in TAM by customers, shareholders, government entities and the community;
- Fines, indemnifications and other financial penalties against TAM;
- Fines and/or prisons to specific employees in the most severe cases.

Therefore, TAM requires its employees, interns, apprentices or third parties not to be silent when they have any concern related to Ethics. The main reason to communicate a concern is not to harm a coworker, but to save the company's credibility.

This communication may be identified or anonymous and may be made by means of the tool "TAM Channel of Ethics" (www.eticatam.com.br) made available in all countries operated by TAM worldwide and provided where is allowed by local laws of each country.

7. Definitions

The Code of Ethics is a set of values guiding the behavior of TAM SA and related direct controlled company's employees in the conduction of their acts when in service of the company

The essence is a set of moral fundamentals basing the Code of Ethics.

Compliance means to "comply", "meet" and "executing". In general lines it means the corporate commitment in the sense to obey and abide to ethical precepts, laws (local or international), policies and standards in general (internal or external) throughout the company business chain and before all of its public.

Employee is every individual contracted by TAM or by Third Parties, under the terms of article 3 of the Consolidation of the Labor Laws (Brazilian Law = CLT) or according to applicable law in each country.

Intern is every student who maintains an agreement with TAM or with Third Parties, under the terms of the Brazilian Law No. 11.788/08 or according to applicable law in each country.

Apprentice is any student having from 14 (fourteen) through 24 (twenty four) years of age, maintaining an apprentice contract with TAM, under terms of article 428 and following of CLT (the Brazilian Law) or according to applicable law in each country.

Stakeholders are everyone having a relationship with TAM, such as customers, shareholders, employees, suppliers, business partners, society and environment.

Third parties are individual or legal entities having a commercial relationship with TAM, such as commercial representative, suppliers, service renderer, consultant and travel agents.

Franchise or Franchising is a kind of business partnership when someone apply to have the permission/license to operate/sell a TAM Viagens' business, like vacation/travel packages, airline tickets, etc.

Suppliers are individuals or legal entities contracted to supply products, movable assets or materials to the company, under the terms of the purchase orders and/or agreements consensually entered into between the parties.

Service providers are legal entities contracted by TAM for the execution of certain licit activities, material or immaterial, by means of compensation.

Consultants are individuals or legal entities that have specific knowledge necessary to assist the company in the creation and/or development of certain projects, analysis of strategic issues and in the preparation of reports and opinions that will guide the decisions to be made by the company's managers.

Travel agents are legal entities, established as travel agencies, that maintain agreements with TAM aiming at the commercialization of services of air transportation of passengers and cargo carried out by TAM, or for the commercialization of package tours when contracted by TAM Viagens.

Commercial representative is a legal entity contracted to operate a commercial representative of TAM through commercial representative contract setting forth duties and responsibilities of the parties, duration, purpose and remuneration.

Legal Representative is every individual operating on behalf of a Third Party, not an Employee, Intern or Apprentice.

Government officer is any person working or operating on behalf of the government or government entity, irrespectively of hierarchic level, or any executive, director or employee of an international public organization or yet any person working or operating on behalf of a State company or Public Service concessionaire. Govern Officials or Government Authority comprises any person working for a government entity, as well as any person treated as a government authority according to local laws of each country. For purposes of the TAM Policies and Guidelines, government authorities are also considered candidate to public office or any person associated to political party. A government entity includes not only government or national, state or local departments, as well as:

- Commercial companies belonging or controlled by the government (such as state oil company or public hospital);
- Bodies or agencies controlled or run by the government (ANAC, Infraero, etc);
- International public organizations (having two or more government members).

UniTAM is an on-line learning network belonging to TAM, responsible for the development of trainings referred to as e-learning.

Close relative are considered: Father/Mother and Stepfather/Stepmother; Siblings; Sons, Stepchildren and Ward; Spousal or Partner of a love or personal relation; Brother/Sister-in-law; Nephew/Niece;



Uncles/Aunts; Cousins; from blood relative or affinity relative like girlfriends/boyfriends and others under employees' legal dependence.

Competitive companies are considered companies competing with TAM SA worldwide, with one of its controlled, associated or related companies.