



Code of Ethics and Conduct

Azul Linhas Aéreas Brasileiras S.A.

1. PRESENTATION

This Code of Ethics and Conduct (the “Code”) of Azul S.A. and Azul Linhas Aéreas Brasileiras S.A. (“Azul” or “Company”), as well as of their affiliates, companies under common control or subsidiaries (“Affiliates”), sets forth the ethical principles and standards of conduct that guide the businesses and decisions of the Company. The Code seeks to promote and ratify the values of the Company (the “Values of Azul”). A multidisciplinary group including different areas of the Company prepared the Code, whose contents were initially approved by the Board of Executive Officers and Executive Committee in May 2009. In November 2017, the Code was duly updated and approved by the Executive Committee and Board of Directors.

THE VALUES OF AZUL ARE THE FOLLOWING:

SAFETY: Respect Life in your actions;

CONSIDERATION: Treat others as you would like to be treated;

INTEGRITY: Honor your word and act ethically;

PASSION: Use passion in what you do to serve people;

INNOVATION: Innovate everything and always seek to renew yourself;

EXCELLENCE: Do your best to obtain exceptional results.

2. SCOPE

All Crewmembers of Azul (the term “Crewmember” includes, without exception, the chief executive officer, executive officers, directors, managers, aeronauts, aviators, and other employees of Azul), as well as the members of the Board of Directors, are required to comply with the Code. The Code governs the actions, relationships and behavior of the Company (including all its Affiliates) and Crewmembers (who must comply with it, representing their acknowledgment and acceptance of the Code). The Code must also be applied to the business partners of the Company, pursuant to Article 42, Item III, of Decree No. 8.420/2015.

Crewmembers and the members of the Board of Directors are required to know and fully apply this Code of Conduct, strengthening the principles and values set forth herein.

3. PURPOSE

Azul considers the disclosure of the contents of this Code fundamental. Its Values are extensively, generally and unrestrictedly applicable to any circumstance in the Company’s day-to-day operations. Nonetheless, the Code may be updated to contemplate unforeseen circumstances and/or supplemented by more specific policies, as applicable. All Crewmembers will be informed of these procedures from time to time. For instance, *Semana Azul* (the internal communications newspaper of Crewmembers) and *Intranet Azul* (<https://intranetazul.voeazul.com.br>—online daily updating vehicle) will inform of any amendments to the Code, which will also be available in the Company’s intranet.

In order to provide full transparency to and intensify the dissemination of the Code, the **Conduct Committee** and the **Canal Confidencial** were created. The Conduct Committee

is responsible for the management of the Code, ensuring its compliance and adequacy to the reality of the business environment of Azul. The Canal Confidencial consists of a direct communications platform that can be used by Crewmembers to solve any doubts, obtain clarifications or file reports.

The relationship between Azul, its employees, shareholders, directors, suppliers, clients, competitors, and government agencies is based on best practices. Situations that may cause any harm resulting from personal interests of employees and shareholders are not allowed.

Failure to comply with the guidelines described in this Code and in the other internal rules and regulations is deemed a serious violation, primarily if it results in personal benefits or benefits to third parties to the detriment of Azul or any of its Affiliates. Offenders are subject to the penalties provided by law, including the termination of their employment contract.

4. BASIC POLICIES OF THE CODE

4.1 Integrity

At Azul, all Crewmembers are required to commit to conducting business honestly and ethically. Integrity is the foundation for a positive and beneficial relationship between Crewmembers, our clients, our investors, our business partners, and all those with whom Azul may have a relationship. One acts with integrity when one speaks the truth, honors one's commitments and is accountable for one's acts. One also acts with integrity by treating others sincerely, respectfully and with dignity.

At Azul, no acts against the Brazilian or foreign governments are tolerated, including: (i) direct or indirect promise, offer or delivery of undue advantage to a government agent or a third party related to the government agent; (ii) the use of individuals or legal entities as intermediaries to conceal or disguise the real interests or actual identity of beneficiaries of the acts practiced; and (iii) the obstruction of investigations or inspection activities conducted by government agencies, entities or agents or any intervention in their activities, including with regards to regulatory agencies and other competent inspection agencies.

Moreover, private extortion and bribery, illegal conduction of businesses or any disrespect to human rights are not tolerated at Azul. All must receive fair, equal, cordial, and respectful treatment, irrespective of position or title held.

All Crewmembers are required to follow ethical principles in the exercise of their activities at Azul, especially concerning dignity, safety, consideration, integrity, good example, decorum, care, and discipline. Crewmembers are required to act, behave and express themselves in order to protect the name and honor of Azul, as well as the safety and excellence of operations regarding air transportation services in favor of public interest, inspiring the respect and trust of the other Crewmembers, clients, partners, and the society in general.

Neither fraud by Crewmembers against the Company nor any harmful acts against the interest of Azul is tolerated. The Company will file at all times all applicable labor, civil, and criminal lawsuits against any person who commits internal or external fraud.

The Ticket Program for Crewmembers (*Programa de Concessão de Passagens para Tripulantes*) and their dependents and "*Amigo Azul*" must be used in good faith and in accordance with the rules set forth in the internal policy. Either misuse and fraud (such as the sale and marketing of tickets issued through the Programs) are deemed serious violations to this Code, subjecting offenders to the penalties provided by law, including the termination of their employment contract with cause.

4.2 Conflict of Interests

Crewmembers of Azul are required to avoid situations or behaviors that may be conflicting with the interests of the Company. A conflict of interest occurs when the personal interests of Crewmembers (or of any of their family members) are opposite to the interests of Azul or may cause damage or losses to the Company. The following usual situations may operate as conflict of interest: equity interest held by Crewmembers or their family members in supplier companies, business partners or competitors of Azul; the use of Crewmembers' position or power to influence transactions at Azul through engagements, directed or conducted by Crewmembers, regarding companies owned by their family members, friends or acquaintances; businesses promoted by Crewmembers that meet their personal interests or the interests of their family members or friends in detriment to the interests of the Company.

The existence of a conflict of interest in the Azul-Crewmember relationship depends on some existing factors and circumstances. In the event Crewmembers believe that they may have a conflict of interest, even if not described or set forth in this Code, they are required to inform their immediate superior or the Conduct Committee for assessment, discussion, guidance, and final decision on the situation.

All Crewmembers are prohibited from conducting external activities that are conflicting with their activities at Azul, such as providing consulting services and services of any nature or holding positions in organizations with conflicting interests or that conduct businesses with Azul.

4.3 Work Environment

Azul is committed to maintaining a friendly and safe work environment, in which all Crewmembers are fairly, equally, cordially, and respectfully treated, irrespective of their position or title. Azul values diversity and differences among its Crewmembers and none of the conducts below are admitted, under any circumstances:

- discrimination or prejudice of any nature, such as those regarding race, gender, belief, religion, age, political conviction, nationality, marital status, sexual orientation or special condition;
- individual or organizational harassment, sexual harassment or situations that operate as pressure, intimidation or threat, irrespective of the hierarchical level of those involved;
- personal offense, cursing, humiliation, disrespect, embarrassing situations or conducts that in any way imply disrespect to the human person; and
- any type of forced labor or child labor.

Azul is also committed to maintaining fair hiring systems for Crewmembers, without privileges of any nature, assessing candidates for admission or internal promotion based on their ability to meet the minimum requirements and expectations of the intended position.

4.4 Hiring Family Members and Relatives

Family members and relatives cannot be hired for positions directly or indirectly subordinated to managers (or within the same hierarchical line). Azul and its Crewmembers are required to comply with the following rules:

- ✓ The admission of relatives¹ is prohibited regarding Crewmembers classified as managers, for open positions in the same area and/or department of the Company, even if no direct subordination relationship or hierarchy exists.
- ✓ In the event the items above do not preclude the hiring of relatives, family members, and spouses of Crewmembers, such hiring or promotion of relatives, family members, and spouses of Crewmembers must meet the criteria of merits and equal conditions regarding the other candidates and the internal rules of Azul.
- ✓ Special cases will be submitted to the Conduct Committee for approval of the hiring.
- ✓ Crewmembers may have personal relationships among themselves, provided that no hierarchical or administrative subordination exists, nor any decision-making influence regarding management, processes, promotions, and other conflicting conditions not specified in this Code. All personal relationships involving any hierarchical or administrative subordination must be informed to the managers of the Company, who are required to present the situation to the Conduct Committee for analysis and recommendation of a solution.
- ✓ In cases in which no hierarchical subordination exists, but an employee may in any way influence another employee with regards to career, behavior or work decisions, the relevant Crewmember cannot take part in decisions that may benefit or harm another Crewmember.

Crewmembers of Azul are ensured freedom to join unions, and the Company must maintain a permanent policy of open and constant dialogue with entities that represent its Crewmembers, beyond the usual collective negotiations and changes in legislation.

With regards to child labor, Azul only admits the hiring of underage individuals as apprentices, pursuant to Law No. 10.097/2000 and Decree No. 5.598/2005, for the administrative and technical areas, provided that their education and educational development are not affected.

Azul maintains inclusion policies and special programs for People with Disabilities, providing conditions that allow activities to be safely performed in the Company.

4.5 Honest Negotiations

At Azul, our commitment is to fairly, correctly, and honestly negotiate with and treat our Crewmembers, clients, business partners, and competitors. We will keep an honest and constructive relationship at all times with all audiences involved in our activity, creating long-lasting and harmonious relationships, based on mutual trust.

All Crewmembers are prohibited from adopting any behavior that hurts the image of our competitors, suppliers or business partners. All information about our competitors and the market in which they operate must be obtained through transparent and legal practices.

¹ Pursuant to the Brazilian Civil Code, relatives include: children, grandchildren and great-grandchildren; spouses/partners, parents-in-law, brothers- and sisters-in-law, sons- and daughters-in-law; parents, brothers and sisters, nephews and nieces, great-nephews and great-nieces; grandparents, uncles and aunts, cousins, second-degree cousins, second-degree nephews and second-degree nieces; great-grandparents, great-uncles and great aunts and second-degree uncles and second-degree aunts.

4.6 Engaging Suppliers and Business Partners

In commercial relationships, we will always negotiate with our suppliers and business partners with transparency and honesty.

All potential suppliers and business partners of Azul will be assessed and selected through clear, honest, and undiscriminating criteria. Every decision must be grounded on technical quality and economic reasons, and no favoritism or privileges of any nature will be admitted.

The receipt of any amounts, gifts, and privileges in purchases of materials and/or services creates conflicts of interest (meaning the compromise of Crewmembers with the relevant supplier and/or business partner), hurting the image of Azul. Accordingly, this conduct will not be tolerated, except in the case of corporate gifts of small value.

The Company will disclose its Values and rules of conduct to its suppliers, which are required to act consistently with such Values and the rules set forth in this Code.

No supplier or business partner of Azul may resort to child labor or slavery, and Crewmembers are required to report this type of practice.

Azul cannot engage Companies owned or directed by Crewmembers or their direct or indirect family members.

Azul expects its suppliers and business partners to provide services with transparency, correctly delivering the contracted products and services, as well as to take all measures required in terms of occupational health, safety and the environment.

Azul will end its relationship with suppliers and business partners in the event of losses or risks to its image or interests as a result of non-compliance with legal, tax, labor, social security, environmental, and occupational health and safety laws and regulations.

4.7 Using the Assets of Azul

Crewmembers are required to look after the assets of Azul, ensuring common sense in the use and preservation of the assets under their responsibility. All assets, equipment, and facilities of Azul are intended for the exclusive use of its operations and cannot be used for private, illegal or inappropriate purposes or purposes unauthorized by the Company.

Donations of any asset or equipment of Azul must comply with the internal rules and Bylaws of the Company.

4.8 Gifts and Presents

Crewmembers are required to use common sense before accepting presents, gifts, advantages or trivial hospitality acts (lunches, dinners, tours, shows, etc.) from suppliers or business partners or potential suppliers or business partners.

Crewmembers cannot accept on their behalf, or on behalf of their family members, presents, gifts or advantages in the event these items: (i) compromise their position as Crewmember; (ii) harm the Values and purposes of Azul; or (iii) may influence any of their decisions.

No presents, gifts, advantages or trivial hospitality acts (lunches, dinners, tours, shows, etc.) should be accepted in case they exceed reasonable amounts and frequency of occurrence. Offering or receiving offers in cash for any reason is also prohibited.

Invitations for events at the expense of clients, suppliers, business partners, government agencies, and other entities can only be accepted by Crewmembers in the event: (i) an actual opportunity to develop a business networking for Azul exists; (ii) professionals of other companies are also invited; and (iii) their attendance is authorized by their hierarchical superior.

4.9 Relationships with the Government

Crewmembers are prohibited from promising, offering, giving or authorizing the delivery of undue advantages (including, but not limited to, funds, products—such as free airline tickets—and services of Azul) to government agents (authorities and civil servants) of Brazilian or foreign direct or indirect government entities, including agencies or companies that, directly or indirectly, comprise the government (including the Executive, Legislative, and Judicial branches).

The provision of information of Azul to all levels of government, including municipal, state or federal government agencies, must be made in writing, upon acknowledgment of receipt, according to the instructions of the Legal Department of Azul. In the event of demands presented by a representative of the government to a Crewmember, the Crewmember must inform such representative that the matter will be first reviewed by the Legal Department of the Company.

Azul prohibits any payments, as undue bonuses or advantages, to civil servants to speed up, omit or delay routine services or administrative procedures.

4.10 Presents and Gifts to the Government and Civil Servants

Presents, gifts, advantages or items of value (including lunches, dinners, tours, airline tickets, shows, etc.) must not be promised, offered or delivered to, or accepted by, any Brazilian or foreign municipal, state or federal government authority, or any civil servants or government agents (except in the event it is very clear that such presents, gifts, advantages or items of value will not influence the decisions of Azul, or the decisions of governmental agencies in favor of Azul, to the extent allowed by the internal regulation of the agency to which the relevant civil servant belongs). Azul and its Crewmembers are required to comply with the relevant applicable law regarding all levels of government. In case of doubts about the applicable law or the possibility of offering or receiving a present, gift, advantage or item of value, please contact the Legal Department of Azul through the following e-mail: juridico@voeazul.com.br.

4.11 Legislation

Azul and its Crewmembers are required to comply with all laws, rules, ordinances, and regulations in effect in the locations where Azul operates in Brazil and abroad. Any doubts on the interpretation and application of laws, rules, ordinances or regulations must be referred to the Legal Department of Azul through the following e-mail: juridico@voeazul.com.br.

4.12 Using Electronic Information Systems

Crewmembers have access to the electronic systems of Azul, which must be used as a work tool. Personal use should be moderate, neither violating existing internal standards and guidelines nor affecting the work performance of Crewmembers.

Crewmembers are not allowed to transmit information and messages that contain obscene and slanderous material, videos, chain messages to collect funds, and other similar messages. Azul may use electronic resources that prevent the receipt and remittance of this type of material. At the discretion of Azul, the access to internet websites whose content is considered inappropriate may be blocked within the Company.

Crewmembers are responsible for the appropriate protection and use of their login and password to access the IT systems of Azul. Crewmembers are required to treat this information as confidential, personal, and non-transferrable information. Software or electronic programs may be protected by copyrights and cannot be copied without the written authorization of their developer. The installation of software or programs in the computers of Azul without the authorization of the IT Department is also prohibited.

4.13 Alcohol, Drugs and Weapons

For safety reasons, as required for the operation of Azul, the ingestion of alcoholic drinks is prohibited during work hours, as well as arriving intoxicated at the Company or its bases, airports, and aircrafts. This rule also applies to Crewmembers and/or their family members onboard our aircrafts. The use or carrying of any type of drugs or narcotics is also prohibited, as well as being intoxicated by such substances at work, as this may affect the safety of the operations of the Company or the performance of the other Crewmembers. No weapons are allowed in the facilities of Azul, except by expressly authorized professionals.

4.14 Accounting Records

Crewmembers are required to comply with the internal policies of Azul regarding accounting records to fully and accurately reflect all transactions involving the Company.

5. SHAREHOLDERS

The main commitment of Azul is developing activities and businesses that promote an adequate return to its shareholders and potential investors, distributing dividends pursuant to the law and seeking the appreciation of its shares, in accordance with its business plans.

The relationship of Azul with its shareholders, potential investors, and analysts is guided by the most modern Corporate Governance rules, maintaining an open, transparent, accurate, and timely communication, in accordance with the recommendations and approvals of its Directors and specially-designated employees, respecting the timely access of all to material information.

6. CONFIDENTIALITY

Crewmembers who, as a result of their activities at Azul, have access to any confidential information that was not publicly disclosed by the Company (the “Confidential Information”) are required to maintain absolute secrecy about such Confidential Information in order not to harm the businesses of Azul, especially by disclosing them to any of our competitors. Confidential Information includes Azul’s strategies, methods, business plan, presentations (printed or electronic), guides, books, handbooks, records, electronic files, electronic mail, and other documents, as well as technical information regarding its products, aircrafts, engines, equipment, routes, services, hotrans, promotions, and processes. Protection against unauthorized disclosure and use of such Confidential Information is extremely important to maintain the competitive position of Azul and its reputation.

7. CONDUCT COMMITTEE

Azul has a non-permanent Conduct Committee responsible for: (i) managing this Code; (ii) reviewing and judging more serious cases of violation to this Code; (iii) imposing the applicable disciplinary penalties; and (iv) deciding on the clarification of any doubts regarding its contents.

The Conduct Committee is comprised of the Human Resources Officer, General Counsel, Chief Financial Officer (or, alternatively, one guest Officer) and the Person Responsible for Internal Audit. The members of the Conduct Committee serve for a two-year term of office, and reinstatement for an additional term is permitted.

The members of the Conduct Committee are responsible at all times for: (i) ensuring that the rules of conduct of Azul are comprehended; (ii) ensuring the investigation and adequate treatment of conflicts and deviations of conduct submitted to the Committee for analysis; (iii) extensively disclosing the guidelines and rules of this Code to Crewmembers and third-party partners; and (iv) clarifying any doubts regarding this Code.

8. REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

All Crewmembers who believe, in good faith, that a violation to this Code occurred or may be occurring in any area of the Company are required to, as soon as possible, report such fact to any member of the Conduct Committee. Crewmembers who do not wish to be identified may file an anonymous report through the Canal Confidencial, by accessing the website www.canalconfidencial.com.br/azul or dialing 0800 377 8050. This is a dedicated and toll free number, available 24 hours/day, through which Crewmembers may leave an anonymous message. This number may also be used by people foreign to the Company, such as suppliers, business partners, investors, and shareholders of Azul, as well as by anyone who may report violations to this Code. Alternatively, any communication regarding the Code (suggestions, doubts or reports) may be freely sent, by anyone, on a confidential or anonymous basis, to the following address:

Azul Linhas Aéreas Brasileiras S.A.
Avenida Marcos Penteado de Ulhôa Rodrigues, 939, Torre Jatobá, 9º andar
Tamboré - Barueri - SP / CEP 06460-040

Attn.: Conduct Committee (Confidential)

All reports received by Azul will be treated as confidential, to the extent possible, in order to allow the appropriate investigation of the reported facts. Any reports of fraud, misappropriation, private bribes or corruption of Brazilian or foreign government agents regarding commercial acts or transactions involving Crewmembers, suppliers, and business partners will be presented to the Conduct Committee for investigation.

Pursuant to the policies of Azul, no retaliation is allowed against Crewmembers who report, in good faith, any suspected violations to this Code.

9. DOUBTS AND SUGGESTIONS

Crewmembers may sometimes have doubts about their conduct in the performance of their work. In case of doubt about the application of the general principles of this Code to a certain situation, Crewmembers should contact one of the members of the Conduct Committee.

This Code may be amended or updated from time to time, which amendments and updates will be informed to all Crewmembers.

Azul 