

# BUSINESS ETHICS PROGRAM

OUR DNA: making things right

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## ANTI-CORRUPTION POLICY

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## GLOSSARY

For purposes of this Policy, any terms starting with a capital letter will have the meaning assigned thereto below, whether used in the singular or plural, save for the proper names of Pei AM's corporate bodies and areas, which are written throughout this Policy with an initial capital letter:

**Governance Agreements:** Are any agreements executed from time to time between Pei AM's shareholders to regulate the majorities and decision-making mechanisms and, in general, Pei AM's governance guidelines, among others, including but not limited to Pei AM's or its controlling or related companies' shareholder agreements.

**Unfair Administration:** Refers to any event whereby a Director, Collaborator, or external advisor, in his/her own benefit or that of a third party and abusing the functions of his/her position, fraudulently disposes of Pei AM's assets or agrees to any obligations on behalf thereto without Pei AM's authorization and to Pei AM's detriment.

**Managers:** The managers are the legal representative, the liquidator, the factor, the member of the boards of directors, or whoever exercise or hold such functions under the bylaws.

**Anonymous:** Refers to any report whose authorship is unknown and lacks any information leading to its author. Anonymity will not be compromised by the assignment of a code or any other designation through which a person may communicate without revealing his/her identity.

**Self-control:** Under the SAGLAFT scope, it is Pei AM's will to manage the ML/TF risks and apply any relevant action plans to efficiently control and mitigate them.

**Reports Base:** Is the document recording any Reports on breaches of the Code of Conduct, the Manual on the Prevention and Control of ML/TF Risks, and the Anti-Corruption Policy, received through the Ethics Mailbox, or any other document part of Pei AM's Business Ethics Program.

**Beneficial Owner or Actual Beneficiary:** Refers to the individual(s) who ultimately own or control a Counterparty, or the individual in whose name a transaction or business is carried out. It also includes the person(s) exerting the ultimate an actual control over an entity or other legal structure, or owning 25% or more of the equity thereof, should it be a company.

**Brokers:** Refers to third-party intermediaries that obtain Clients or businesses for Pei AM and receive a commission, payment, or percentage (fixed or variable) in consideration for such work.

**Ethics Mailbox:** Is the report submission email: [buzoneticoPEI@deloitte.com](mailto:buzoneticoPEI@deloitte.com), implemented by Pei AM and operated by Deloitte as an independent third party, to report any situations related to breaches of the Code of Conduct, the Manual on the Prevention and Control of ML/TF Risks, and the Anticorruption Policy.

**Safeguard Clause:** Refers to the clauses that must be mandatorily included in all agreements entered into by Pei AM, whose purpose is to prevent and control any ML/TF risks in Pei AM's contractual relationships.

**Client:** Refers to any individuals or legal entities, whether public or private, with whom Pei AM, in exercise of its corporate purpose, executes lease, concession, loan for use, sale, and/or other agreements or contracts, under which Pei AM delivers properties.

**Code of Conduct:** Is Pei AM's internal document defining the interaction framework between Pei AM's Employees and different Stakeholders.

**Collaborators:** Refers to any individuals linked to Pei AM through an employment contract.

**Key Collaborators:** Refers to Pei AM's Executive Direction, Presidency, Vice-presidencies, Management Offices, and Direction-level Collaborators, among whose functions are: i) Managing and executing Pei AM's financial resources; ii) Managing the treasury; iii) Carrying out accounting and financial activities; iv) Managing relationships with customers, tenants, brokers, strategic allies and, in general, engaging in commercial activities; v) Leading Pei AM's goods and services procurement processes and Suppliers contracting processes; vi) Having a relationship with state entities and/or Public Officials to obtain permits, licenses and, in general, managing Pei AM projects' regulatory activities; vii) Internal Control and Audits; viii) Controlling and managing the Key Collaborators' recruitment and contracting processes; and ix) Managing legal, ethic, Prohibited Conducts and ML/TF-related prevention matters.

**Audit Committee:** Is the corporate body whose purpose and mission are to supervise the financial reports, internal control system, the applicable regulations' and the Code of Conduct's, the Manual on the Prevention and Control of ML/TF Risks', and the Anti-Corruption Policy's compliance. This committee consists of the Executive Director, the President, and the Compliance Officer or whoever acts in their stead.

**Ethics Committee:** Is the corporate body in charge of supervising and managing the Reports submitted to the Ethics Mailbox, bringing any investigations on potential specific category-violations under the Code of Conduct, the Manual on the Prevention and Control of ML/TF Risks, the Anti-Corruption Policy, or any other document of Pei AM's Business Ethics Program and, depending on the results of the investigation, approving any relevant course of action and measures. This committee consists of the Executive Director, the President, the Human Resources Direction, and the Legal and Corporate Affairs Management Office.

**Communities:** Refers to the groups of people, state entities, and non-profit entities (e.g. foundations, charities, associations, etc.) located in the areas where the real estate projects or properties managed by Pei AM are, and related thereto by common characteristics and interests.

**Prohibited Conducts:** Refers jointly to the following conducts: Unfair Management, Public Corruption, Private Corruption, Fraud, Transnational Bribery, Influence Trafficking, Improper Use of Inside Information, Money Laundering, Terrorism Financing, and any other conduct contrary to the manuals, policies, and the Good Corporate Practices and Code of Conduct's provisions, and the Colombian regulations, or which is inappropriate or improper under the contract or agreement regulating any relationships between third parties and Pei AM, or customs and good judgment.

**Background Check:** Is the study carried out by a specialized firm to establish, based on public records and databases, the existence of, at least: (i) Judicial, sanctioning, coercive collection, or administrative

proceedings of any kind, including but not limited to those related to Prohibited Conducts; (ii) Accounts payable to state entities; (iii) Disqualifications to formalize transactions or contracts; (iv) Corporate reorganizations, bankruptcies, or liquidation proceedings; and (v) Property extinction proceedings.

**Counterparty(ies):** Refers to any individual(s) or entity(ies) with whom Pei AM has a commercial, business, contractual, legal, or other types of relationships. Among others, counterparties are shareholders, partners, Collaborators, Clients, and Suppliers of goods or services.

**Control:** Refers to the use (implementation) of mechanisms such as policies, procedures, and others to minimize the likelihood or level of severity of any ML/TF-related risks in Pei AM's businesses, contracts, and transactions.

**Private Corruption:** Refers to any act performed by a person, directly or through an intermediary, aimed at unduly obtaining any kind of economic benefit from an individual, for either such person or Pei AM, in connection with a matter that such individual is or will be in charge of. Private Corruption will exist whenever, directly or through an intermediary, a person promises, offers, or grants any gift, object of value, or unwarranted benefit, or unduly influences a private third party to unduly favor Pei AM and/or any person.

**Public Corruption:** Refers to any event whereby a person gives or offers money, payments in kind, or any type of gift, benefit, or object of value, directly or indirectly, to a Public Official, for him/her to engage in any of the following, in furtherance of his/her duties: (i) Delay or fail to perform his/her duties; (ii) Act in a manner contrary to his/her official duties; (iii) Perform his/her duties; and/or (iv) Receive money or other benefits from any person acting on behalf of and representing Pei AM and/or having interests in a matter that the Public Official is in charge of.

**Due Diligence:** Refers to the meticulous execution of a set of procedures necessary to adopt/make sufficiently informed decisions in light of any possible risks on ML/TF.

**Reports:** Declaration or report submitted through the Ethics Box by any individual, on actual or alleged violations of Pei AM's Code of Conduct, Manual on the Prevention and Control of ML/TF Risks, Anti-Corruption Policy, or matters whose compliance is required under the Business Ethics Program.

**Rights of Petition for Land Acquisition:** Refers to the mechanisms through which Pei AM validates and requests information on both properties and Land Owners.

**Director:** Refers to Pei AM's legal representatives, Managers, committee members and, in general, Pei AM's managers and directors.

**State Entity(ies):** Refers, under the Colombian regulations in force, to: (i) The Nation, departments, provinces, capital district and special districts, metropolitan areas, public establishments, state-owned industrial and business companies, mixed-economy companies, indirect decentralized entities, and other legal persons where the state has an ownership interest; (ii) The Senate of the Republic, the House of Representatives, the Superior Council of the Judiciary, the Office of the Nation's Attorney General, the National Civil Registry, the ministries, administrative departments, superintendencies, special

administrative units; and (iii) In general, any State agencies or instrumentalities with the authority to contract under the law.

**Fraud:** Refers to any act carried out by a person to deceive, induce into, or keep a third party in error through trickery or deception, aimed at causing detriment to a third party's assets and to benefit the defrauding person or a third party.

**Risk Event(s):** Any ML/TF incident or situation of risk, taking place in a particular place during any given period of time.

**Risk Factors:** Are the ML/TF risk-generating agents. For SAGLAFT purposes, they correspond to the Counterparties, products, channels and jurisdictions, or geographic areas. For purposes of the Manual and considering Pei AM's activity, a "Service" will be referred to whenever the product factor is discussed, in accordance with the ML/TF risk matrix included in the Manual.

**Terrorism Financing:** Set of activities aimed at directly or indirectly channeling legal or illegal resources to provide, collect, deliver, receive, manage, contribute, custody, or save funds, goods or resources, or carry out any other act that promotes, organizes, supports, maintains, finances, or financially supports organized crime groups, illegal armed groups or their members, national or international terrorist groups, national or international terrorists, or terrorist activities.

**Close Relatives:** Refers to any individual's family members expected to influence or be influenced by such an individual, in connection with their relationships with Pei AM, which include: (i) The individual's children and spouse, partner or significant other; (ii) The individual's spouse, partner or significant other's children; and (iii) The individual's or his/her spouse, partner or significant other's dependants.

**Public Official:** Refers to any individual holding a legislative, administrative, or judicial position in a State, its political subdivisions or local authorities, or a foreign jurisdiction, regardless of whether the individual was appointed or elected, including but not limited to: (i) Any state entity, department, government agency or entity's official or government employee; (ii) Any person in an official capacity or acting on behalf of a government, department, municipality, government and/or State Entity agency or entity; (iii) Any completely or partially state-owned company's official or employee; (iv) Any public international organization's employee, such as, but not limited to the World Bank or the United Nations; (v) Any political party's official or employee acting in an official capacity on behalf of a political party; and (vi) Any candidate for public office.

**FATF:** Refers to the organization's acronym: "Financial Action Task Force".

**Collaborator's Performance:** Is an assessment that ponders lack of knowledge, anticipation time, and quality of the report management.

**Stakeholder(s):** Are any investors, Collaborators, Clients/tenants, Communities, partners, Partners of Projects Subject to the Policy, Landowners, Suppliers, Brokers, Lobbyists, external advisors, competitors, State Entities, and/or Public Officials, as defined in the Anti-Corruption Policy, and any others that Pei AM has a relationship with.

**Investors:** Refers to Pei AM's shareholders, partners, or investors, as well as their assignees or successors.

**ML/TF:** Refers to money laundering and terrorism financing.

**Money Laundering:** Set of activities aimed at giving an appearance of legality or concealing the illicit origin of any resources obtained from illegal activities or activities outside the law.

**Sanction Lists:** Refers to databases with lists of individuals and entities that, according to the entities publishing them, may be involved in suspicious activities, investigations, proceedings, or convictions related to Prohibited Conducts and LA/TF, which Pei AM has made available for its Collaborators to carry out the Due Diligence Processes. These lists correspond to the Control lists issued by: (i) The Department of the Treasury of the United States of America (List of Specially Designated Nationals and Blocked Persons, "SDN List"); (ii) The United Nations Security Council; (iii) The International Criminal Police Organization (INTERPOL); (iv) The National Police of Colombia; and/or (v) Those suggested, from time to time, by the Superintendency of Companies of Colombia in its Basic Legal Circular.

**Lobbyists:** Refers to third-party experts, qualified in the provision of communication, public affairs management, and crisis management advisory services, among others, for the protection and maintenance of Pei AM's image and reputation in all types of situations, vis á vis the different Stakeholders, through strategic relationship and daily assistance to Pei AM's public relations.

**Manual on the Prevention and Control of ML/TF Risks:** Refers to the manual aimed at implementing the SAGLAFT in Pei AM.

**Risk Matrix:** Refers to the risk matrix on Prohibited Conducts prepared and updated by Pei AM within the framework of the SAGLAFT.

**Corporate Sustainability Model:** Refers to the program through which Pei AM establishes and defines its voluntary social investment actions, whose primary purposes are social welfare, sustainability, and generating a good reputation for Pei AM.

**Criticality Level:** Refers to variables such as: (i) The financial and reputational consequences that an event may cause; (ii) The Employee's Performance; and (iii) Recurring improper ethical behaviors, negatively affecting Pei AM.

**Anti-Corruption Regulations:** Refers to 1778 of 2016 (Transnational Bribery), the Colombian Anti-Corruption Statute (1474 of 2011), the Colombian Criminal Code, External Circular No. 100-000003 of July 26, 2016 issued by the Superintendency of Companies, any Policies on Good Corporate Practices, any other consistent Colombian legal provisions or regulations on corruption prevention, and any provisions modifying, substituting, or regulating the above from time to time.

**OFAC:** Refers to the acronym in English for "Office of Foreign Assets Control".

**Compliance Officer:** Refers to Pei AM's designated individual in charge of verifying the proper and timely compliance with the procedures provided for in the Manual on the Prevention and Control of ML/TF Risks and the Anti-corruption Policy; ensuring and promoting the management and Control's execution,

implementation, and monitoring; monitoring the SAGLAFT's implementation and continuous improvement; and rendering reports to any relevant authorities.

**Transaction:** Refers to any action by a Counterparty to establish commercial, financial, or contractual relationships with Pei AM. Transactions may be classified in Attempted Transactions, Unusual Transactions, and Suspicious Transactions.

**Unusual Transaction:** Refers to a transaction that, given its quantity, frequency, or any other characteristic is inconsistent with the economic activity of Pei AM's Client, Collaborator, partner, Supplier, Landowner, or contractor.

**Suspicious Transaction:** Refers to an unusual Transaction that Pei AM's Client, partner, Collaborator, Supplier, Land Owner, or contractor has not provided a satisfactory justification for, and thus leads to reasonably conclude that it is being used to conceal, cover up, confirm, guard, invest, acquire, transform, transport, or perform any act aimed at providing an appearance of legality to goods and services originated in illegal activities, or to allocate resources to Terrorism Financing.

**Attempted Transaction:** Refers to a Suspicious Transaction that was not completed because the person attempting it refrained therefrom or Pei AM's controls prevented it.

**Ethics Mailbox Operator:** Refers to Deloitte, the independent third-party managing Pei AM's Ethics Mailbox.

**Pei AM:** Means PEI Asset Management S.A.S.

**Publicly Exposed Persons (PEPs):** Refers to individuals performing prominent public functions, or managing or handling public resources as a result of their positions. This definition also includes individuals who have performed prominent public functions, or managed or handled public resources as a result of their positions for up to two years following their leave of office or as provided for in the relevant regulations in force. Senior executives of state entities, high-ranking officials of political parties, and heads of state are also PEPs.

**Anti-Corruption Policy:** Refers to Pei AM's internal policy establishing the guidelines and rules that the Policy Subjects must comply with in their relationships with the different Stakeholders, in order to prevent Prohibited Conducts and set specific responsibilities aimed at preventing, detecting, investigating, responding to, and in general, managing the risks associated with any Prohibited Conducts.

**Policies on Good Corporate Practices:** Refers to the agreements, manuals, and policies issued by Pei from time to time to regulate any decision-making mechanisms and, in general, Pei AM's governance guidelines, among others, including but not limited to Pei AM's shareholders agreements.

**Ethics Mailbox Reports' Attention Procedure:** Refers to the procedure through which Pei AM manages any reports submitted through the Ethics Mailbox and their handling by the Ethics Committee.

**Due Diligence Procedures:** Refers to the Sanction Lists' and Background Checks' consulting procedures, whose terms and conditions are regulated under the Anti-Corruption Policy.



**Contracting Procedure:** Refers to the procedure used by Pei AM to contract Suppliers or Collaborators.

**Land Owners:** Refers to the individuals or entities that Pei AM enters into or negotiates contracts or promise of sale agreements, exchange for sale agreements, and other legal schemes with to acquire properties for their subsequent development, commercialization, lease, and/or operation of a real estate project.

**Suppliers:** Refers to third-party contractors providing or supplying Pei AM with any goods and/or services necessary to develop, market, and/or operate its projects and, in general, pursue its business.

**Ethics Committee's Rules:** Refers to the rules governing the Ethics Committee's operation and organization.

**Suspicious Transaction Report (STR):** Refers to the communication delivered by Pei AM's Compliance Officer to the UIAF, informing on the existence of ML/TF-related Suspicious Transactions.

**Internal Reports:** Refers to the reports internally handled by Pei AM and submitted by any Collaborator aware of an Attempted, Unusual, or Suspicious Transaction, which shall be addressed to Pei AM's Compliance Officer through the ethical line.

**ML/TF-related Risks:** Refers to any ML/TF-related risks. They correspond to the following categories: Legal, Operational, Reputational, and Residual.

**Legal Risk:** Refers to Pei AM's possibility of loss once sanctioned or required to indemnify third parties for any damages resulting from a breach of the legal rules or regulations, or any contractual obligations. This possibility of loss may also arise from flaws in any contracts and transactions derived from malicious actions, negligence, or involuntary acts affecting any contracts or operations' performance.

**Operational Risk:** Refers to the possibility of losses as a result of deficiencies or failures in connection with human resources, processes, technology, infrastructure, or any external events. Operational Risks include Legal Risks and Reputational Risks.

**Reputational Risk:** Refers to Pei AM's possibility of losses resulting from reputational, bad image, and negative publicity events, whether true or not, regarding Pei AM and its business practices, that may entail loss of Clients, decreases in revenues, or legal proceedings.

**Residual Risk:** Refers to the resulting level of risk after applying any relevant mitigation controls to the related risks.

**Red Flags:** Refers to the set of qualitative and quantitative indicators to identify any possible event or situation beyond Pei AM's ordinary course of business, which may also contribute to build solid and relevant elements of judgment to begin with the efficient investigation and processing of any ML/TF cases.

**SAGLAFT:** Refers to the acronym for *Sistema de Autocontrol y Gestión del Riesgo LA/TF* [ML/TF-Risks Management and Self-Control System], referred to under the Superintendency of Companies' Basic Legal Circular.

**Service:** Refers to the term related to the "product" risk factor.

**SIPLA:** Refers to the acronym for "*Sistema Integral para la Prevención del Lavado de Activos*" [Comprehensive System for Money Laundering Prevention]. The term is referred to in DIAN's External Circular 170.

**Transnational Bribery:** Refers, under Colombian law, to any event where an individual, directly or indirectly, gives, offers, or promises to a foreign Public Official any sum of money, object of monetary value, or other benefits or gains in exchange for such official performing, failing to perform, or delaying any of the duties of his/her position, in connection with an international business or transaction.

**Projects' Equity Partners:** Refers to the persons that Pei AM decides to associate with to develop and/or operate a project. The Project Equity Partners' only obligation with respect to the project is to make capital contributions and their involvement therein is passive.

**Project Partners Subjected to the Policy:** Refers to the person that Pei AM decided to associate with for a project, which is actively involved in the development, commercialization, or operation thereof, in its capacity as operator, developer, contractor, builder, or broker, among others, in addition to its capacity as partner. Project partners with the above qualities shall comply at all times with the Anti-Corruption Policy, in furtherance of their activities in connection with the project.

**Business Acquisition Subjects:** Refers to any companies or vehicles where Pei AM intends, directly or indirectly, to acquire shares or interests through a purchase, merger, spin-off, total disposal of assets, purchase of commercial establishments, corporate structure modification, or any other type of corporate reorganization process.

**Background Checks Subjects:** Refers to Projects Partners, Project Partners Subjected to the Policy; Land Owners; Lobbyists, Key Collaborators, and Suppliers.

**Due Diligence Subjects:** Refers to the Background Checks Subjects, Sanction Lists Subjects, and Business Acquisitions Subjects.

**Policy and Manual Subject(s):** Refers to any person required to comply with the Anti-Corruption Policy: Projects' Partners Subject to the Policy, Directors, Collaborators, external advisors, Lobbyists, Brokers, Suppliers and, in general, anyone acting on behalf of and representing Pei AM.

**Sanction Lists Subjects:** Refers to Project Partners, Clients/Tenants, Land Owners, and Policy and Manual's Subjects.

**Response Time:** Refers to the maximum period of time elapsed between a Report's submission through the Ethics Mailbox and the closing of and notice to the complainant of the results and recommendations of the relevant case.

**Influence Trafficking:** Refers to any event where a person improperly influences a Public Official in connection with matters that such Public Official is or will be in charge of, in order to obtain an economic benefit for him/herself or third parties.

**Cash Transaction:** Refers to any transactions carried out by Pei AM or its Collaborators in the ordinary course of business and in furtherance of their duties, involving the delivery or receipt of payments in cash (bills or coins) in an amount equal to or exceeding one million Colombian pesos (COP \$1,000,000).

**UIAF:** Refers to the *Unidad de Información y Análisis* [Financial Information and Analysis Unit], a government entity in charge of any reports on Suspicious Transactions, Cash Transactions, and Absence of Suspicious Transactions (AROS by its acronym in Spanish).

**Misuse of Inside Information:** Refers to the misuse of confidential information by a person who was aware of it as a result of his/her position or functions, in order to obtain any benefit for him/herself or a third party.

## INTRODUCTION

The Anti-Corruption Policy's adoption takes place within the framework of the Code of Conduct and responds to Pei AM's commitment to: (i) Formalize its rejection of Prohibited Conducts; and (ii) Comply with the Anticorruption Regulations and the provisions in its policies, manuals, and other Good Corporate Practice Policies.

This Policy, like any regulation, is not and cannot be completely comprehensive. Therefore, Pei AM expects the Policy Subjects to apply their good judgment and discretion to ensure that its provisions are complied with at all times. The Policy Subjects' ignorance or improper understanding of this Policy shall not excuse their breach thereof.

The Policy is applicable to and required from all Policy Subjects; therefore, Pei AM shall provide them with the relevant opportunities to learn, train in, and clarify any doubts in connection with the terms thereof.

All Policy Subjects are expected to be responsible for and autonomously manage their: (i) Knowledge and understanding of this Policy; (ii) Compliance with any obligations and procedures they may be required to hereunder; (iii) Attendance to any trainings scheduled by Pei AM in connection with these matters; and (iv) If anything in connection with this policy is not clear, the Policy subjects shall seek the Compliance Officer's advice, whose responsibilities will be exercised by the Internal Auditor and/or the Legal and Corporate Affairs Management Office. All Policy Subjects, without exception, are required to comply with the rules in this Policy.

It is expressly stated that any failure to comply with the obligations and/or prohibitions in this Policy and its annexes shall be deemed a material offense and may even constitute a cause for termination of the employment contract under paragraph 6, Article 62 of the Labor Substantive Code.

## **1. GENERAL INFORMATION**

### **1.1. ANTI-CORRUPTION POLICY'S PURPOSE AND SCOPE**

The Anti-Corruption Policy's purpose is to set forth the guidelines and rules that the Policy Subjects must comply with in their relationship with the different Stakeholders to prevent any Prohibited Conducts, and establish specific responsibilities to prevent, detect, investigate, respond to and, in general, manage any Prohibited Conducts-related risks.

## **2. BUSINESS ETHICS PROGRAM: PROCEDURES AND OBLIGATIONS**

In order to promote within Pei AM a relationships framework based on the principles of impartiality, transparency, trust, equality, legality, and two-way communication and concurrently protect its reputation, avoiding it from becoming associated with any commission or occurrence (participant, accomplice, or facilitator) of Prohibited Conducts, this section sets forth the rules of conduct applicable to any Policy Subjects in their relationship with the Stakeholders.

### **2.1. GENERAL PROHIBITION**

Policy Subjects are prohibited from directly or indirectly incurring in, participating in, determining, concealing, or attempting any Prohibited Conduct.

### **2.2. DUE DILIGENCE PROCEDURE - RELATIONSHIPS WITH STAKEHOLDERS AND BUSINESS ACQUISITIONS**

#### **2.2.1. Objectives of the Due Diligence Procedures**

Adopting Due Diligence measures, before and after any transaction, business, or project, enables:

- Becoming familiar with the background of any Due Diligence Subject with whom a contract is to be entered into.
- Identifying the risks inherent to the transaction, business, or project under assessment, and making the decision to withdraw therefrom or establish any relevant controls and/or mitigation mechanisms.
- Establishing any necessary controls.
- Identifying any terms and conditions that need to be included in the contracts regulating the relevant transaction, business, or project, as a risk mitigation measure.
- Making informed business decisions in connection with the risks inherent to a transaction, business, or project.

### 2.2.2. Checking of Sanction Lists

Any Sanction Lists Subjects' checking therein is mandatory pursuant to the following rules:

- **Responsible parties:** Any Collaborators responsible for a transaction, business, contract, or project involving a Sanction Lists Subject, shall check said subject in the relevant Sanction Lists.
- **Frequency:** The Sanction Lists checking shall be:
  - (i) Carried out prior to the commencement of any negotiations and immediately before the closing or formalization of the contractual relationship with the Sanction Lists Subject; and
  - (ii) Annually updated for the term of the contractual relationship.
- **Sanction Lists Subjects:** The relevant check shall refer to the following persons:
  - (i) Sanction Lists Subjects, in accordance with the definition in this Policy or any protocols thereof; and
  - (ii) Whenever the Sanction Lists Subject is a company, their: (i) Legal representatives; (ii) Board of directors' members (principals and alternates); (iii) Tax auditors, for companies and individuals (principals and alternates); and (iv) Partners or shareholders shall be also checked, purposes for which a capital or shareholding composition certificate will be requested to the relevant Sanction Lists Subject.
- **Books and Recordkeeping:** The Collaborators of t Pei AM's area responsible for the transaction, business, contract, or project, shall keep any supporting documents and files related to the Sanction Lists checks and make them available to the Internal Control Area and the Compliance Officer for any relevant audits.
- **Procedure for the treatment of results:** If the Sanction Lists check yields **positive results**, that is, any comments or findings, such information shall be immediately delivered to the Compliance Officer, so that he/she may analyze the finding and make any relevant decisions in such connection together with Pei AM's Presidency and Internal Control Area.

### 2.2.3. Background Check

It is mandatory to carry out the Background Check regarding Background Checks Subjects, in accordance with the rules established below:

- **People in Charge:**
  - (i) The Legal and Corporate Affairs Management Office shall perform the relevant the Background Checks in any transaction, business, contract, or project involving: (a) Projects Partners Subject to the Policy; (b) Landowners; and (c) Lobbyists. It will also do so in connection with Directors.

- (ii) The Human Management Area shall carry out the relevant Background Checks on Key Collaborators.
  - (iii) The Procurement Area shall carry out the relevant Background Checks on Suppliers meeting any of the following requirements: (A) General builders of Pei AM's projects, under any contracting scheme; (B) Those performing any type of auditing activities in connection with any of Pei AM's projects; (C) Those selected to execute contracts with Pei AM; and (D) Those carrying out any type of activities or procedures with Public Entities, required for the development of Pei AM's projects and, for the benefit of Pei AM, in furtherance of any contract awarded.
- **Frequency:**
    - (i) Immediately before the appointment, or closing or formalization of the contractual relationship with the Background Check Subject;
    - (ii) Update at least once a year, for the contractual relationship's term and/or upon renewing the contractual relationship or entering into any new agreement.

The obligation to perform the updates shall apply from this Policy's issuance date.

- **Background Checks Subjects:** Background Checks shall apply to the following persons:
  - (i) Background Checks Subjects; and
  - (ii) Whenever the Background Checks Subject is a company, their: (A) Legal representatives; (B) Board of directors' members (principals and alternates); (C) Tax auditors, for companies and individuals (principals and alternates); and (D) Partners or shareholders shall be also checked, purposes for which a capital or shareholding composition certificate will be requested to the relevant Background Checks Subject.
- **Books and Recordkeeping:** The Legal and Corporate Affairs Management Office's, Procurement Area's, and Human Management Direction's Collaborators, as appropriate, shall keep all supports and files related to the Background Checks and make them available to the Compliance Officer for any relevant audits.
- **Procedure for the treatment of results:** If the Background Checks yields **positive results**, that is, any comments or findings, such information shall be immediately delivered to the Compliance Officer, so that he/she may analyze the findings and make any relevant decisions in such connection, together with Pei AM's Presidency and Internal Control Area, including but not limited to the implementation of controls and mitigation measures or decisions on any contracts in force.

#### 2.2.4. Due diligence for the acquisition of real estate:

Performing the relevant Due Diligence Procedures shall be mandatory before directly acquiring any real estate for Pei AM, in accordance with the following rules:

- **People in Charge:** In connection with any real estate assets' acquisition, through any contractual means, the Legal and Corporate Affairs Management Office shall be in charge of performing the



relevant Due Diligence Procedures referred to in Section 2.2.4.

- **Scope and purpose:** The Due Diligence Procedures to be performed in advance to the acquisition of any real estate, regulated in this paragraph (iv), aim at minimizing any risk of engaging in contractual relationships that may imply or derive in, among others, any property extinction actions. This, within the framework of ML/TF risks and Prohibited Conducts-related situations or any materialization thereof. The following Due Diligence Procedures shall be performed:
  - (i) Sanction Lists Checks, in accordance with Section 2.2.2. above.
  - (ii) Background Checks, in accordance with Section 2.2.3. above.
  - (iii) Preliminary study of the property's real estate registration certificate.
  - (iv) The real estate asset's titles study to establish, review, and assess, among others: (A) The chain of the property disposals thereof; (B) Any previous owners' background; and (C) Any liens and encumbrances thereon.
  - (v) File any Rights of Petition for the Acquisition of Lands before the State Entities in charge of the real estate assets' monitoring, inspection, and control, as determined under the law, to: (A) Show Pei AM's good faith and lack of negligence upon acquiring the real estate assets; (B) Minimize any risk of a potential property extinction and/or land restitution actions; (C) Prevent any ML/TF-related risks and Prohibited Conducts from actually occurring; and/or (D) Avoid any actions by the creditors, for debts acquired prior to Pei AM's transfer of the properties to any relevant trust structures for the projects development.
- **Due Diligence Procedure Subjects:** The Due Diligence Procedures referred to this section 2.2.4. shall apply to any Land Owners.
- **Frequency:** Sanction Lists checks, Background Checks, and the filing of Rights of Petition for Land Acquisitions shall be pursued both before any negotiations for the acquisition of the relevant properties' acquisition begin and immediately before the transaction's closing or formalization.
- **Books and Recordkeeping:** The Legal and Corporate Affairs Management Office's Collaborators or those of the Law Office hired by Pei AM for purposes of the acquisition, as applicable, shall keep all supports and files related to the Sanction Lists checks, Background Checks, and Rights of Petition for Land Acquisitions, and will make them available to the Compliance Officer for any relevant audits.
- **Procedure for the treatment of results:** If the Sanction Lists checks, Background Checks, and Rights of Petition for Land Acquisitions yield any **positive results**, that is, any comments or findings, such information shall be immediately delivered to the Compliance Officer, so that he/she may analyze such Due Diligence findings, together with Pei AM's Presidency and Internal Control Area, and make any relevant decisions in such connection.

## 2.2.5. Necessary Clauses and Other Due Diligence Measures

In addition to the Due Diligence and “Know your Counterparty” Procedures referred to in sections 2.2.2, 2.2.3., and 2.2.4. above, any Collaborators in charge of the transaction, business, contract, or project involving the Due Diligence Subjects shall implement the following Due Diligence measures:

- **Necessary Clauses:** All contracts and agreements to be entered into with a Due Diligence Subject shall include Safeguard Clauses whereby the latter represents, warrants, and agrees to, at least, the following:
  - (i) His/her/its knowledge of the applicable regulations and Pei AM's policies on the management and control of any Prohibited Conducts-related risks, particularly the Code of Conduct, the Manual on the Prevention and Control of ML/TF Risks, and this Policy.
  - (ii) His/her/its express commitment to comply with the applicable regulations on the matter.
  - (iii) His/her/its implementation of Due Diligence measures, procedures, and controls for the management of any Prohibited Conducts-related risks, in accordance with the applicable regulations.
  - (iv) His/her/its delivery of the information to Pei AM, in order to verify compliance with the above representations and warranties.
  - (v) His/her/its safeguard representation on the origin of your funds.
  - (vi) His/her/its agreement that Pei AM may early terminate the contractual relationship, of the should any of the aforementioned representations and warranties be breached.
  - (vii) His/her/its authorization for Pei AM to process any personal data required to carry out any consults with credit bureaus, public databases, Sanctions Lists and non-binding lists for Colombia, and any other databases for credit, financial, and commercial verification purposes.
- **Other Due Diligence measures:** Additionally, Collaborators shall continuously endeavor to identify any potential risk situations or Red Flags, thus allowing Pei AM to determine whether there is any likelihood of engaging in a Prohibited Conduct, as follows:
  - (i) Requests for unusual payments, last minute payments, payments for invoices higher than or exceeding the usual amounts, unusual advance payments or commissions, and/or any payments lacking sufficient support.
  - (ii) Requests for payments to bank accounts abroad, located in countries other than that where the third party is located or carries out its business.
  - (iii) Requests for payments to other third parties' bank accounts or in cash, and not directly to the third party to the business or agreement.

- (iv) The third party has a relationship with State Entities or is close to a Public Official.
- (v) Collaborators, continuously and with the frequency determined by each of the areas in charge of the relationship or interaction with the Due Diligence Subjects, shall also include within their protocols and internal procedures the monitoring and follow-up of any findings, contingencies, and red flags identified during the Due Diligence Procedures performed pursuant to Sections 2.2.2., 2.2.3., and 2.2.4.
- (vi) Monitor in a reasonable, periodic, and rigorous manner any payment of remunerations to each of the Due Diligence Subjects during the contractual and/or commercial relationships' validity, to make sure that they do not lead to any Prohibited Conducts.

### **2.2.6. Business Acquisitions**

Whenever Pei AM intends to acquire shares or interests in any company or vehicle, whether directly or indirectly, through a merger, spin-off, total disposal of assets, business establishment purchase, corporate structure modification, or any type of corporate reorganization process, a due diligence expert specialized in this type of transactions shall be hired to be in charge of the due diligence measures referred to in Sections 2.2.2., 2.2.3., and 2.2.4. above (Sanction Lists checks and Background Checks) and any others relevant for this type of transaction, prior to: (i) The beginning of any negotiations on the relevant transaction; and (ii) Upon closing or formalizing said transaction.

Additionally, any contracts and agreements whereby any of the transactions referred to in the above paragraph are regulated and formalized, shall include the representations and warranties mentioned in Section 2.2.5 above, as well as any others applicable in light of the relevant transaction and in the judgment of the expert advising Pei AM in such connection.

## **2.3. RELATIONSHIPS WITH PUBLIC OFFICIALS**

### **2.3.1. Good practices**

The Policy Subjects' relationship with Public Officials shall abide by the following guidelines:

- Relationships are prohibited from being, directly or indirectly, aimed at incurring in, engaging in, determining, hiding, or attempting any Prohibited Conduct.
- Any Public Officials' and Close Relatives' engagement as Suppliers or employees is prohibited, unless expressly authorized by the Ethics Committee.
- The Policy Subjects shall always attend with another person any meetings with Public Officials in the company, and shall record any topics discussed therein in the relevant internal minutes, which

such Policy Subjects will sign. These minutes shall be delivered to Pei AM's Legal and Corporate Affairs Management Office, not later than three (3) business days following the meeting.

- Any meetings whose only participants are Collaborators and Public Officials, the relevant Collaborator shall attend with another Collaborator. An internal minute duly signed by the Collaborators attending the meeting and referring to the issues discussed therein, shall be kept for the record. The relevant minutes shall be delivered to Pei AM's Legal and Corporate Affairs Management Office, not later than three (3) business days following the meeting.
- Any communications with Public Officials shall be made through suitable means such as the corporate email or physical letters. The Policy Subjects shall refrain from communicating through instant messages (chat) or telephone calls making it impossible to keep an evidence of the topics discussed. Teleconference meetings shall abide by the abovementioned rules.
- An appropriate language shall be used in all contacts with Public Officials to avoid any messages that may lead to solicitations or be perceived as ambiguous or contrary to the law.
- The Legal and Corporate Affairs Management Office shall be informed of any irregularity perceived in any relationships with Public Officials.
- The Legal and Corporate Affairs Management Office shall always endorse any contract executed between Pei AM and a State Entity.
- Collaborators will be required to attend any trainings scheduled by the Legal and Corporate Affairs Management Office in connection with the relationships with Public Officials.
- Both the Legal and Corporate Affairs Management Office and the communications area shall coordinate and endorse all trainings and events, whether academic or others, that the Policy Subjects may wish to pursue with State Entities and Public Officials,

### **2.3.2. External Representatives for Public Officials**

Lobbyists, external advisors, and any other external third parties acting as representatives for Pei AM for relationship-related activities with Public Officials, shall mandatory comply with the following rules:

- A contract regulating the relationship between Pei AM and the Lobbyist, external advisor, or external third parties acting as Pei AM's representatives and directly in charge of any relationship-related activities with Public Officials, shall be executed. This contract shall establish the powers and authorizations that the Lobbyist, external advisor, or external third parties acting as Pei AM's representatives will have in connection with their relationship-related mandate with Public Officials.
- Lobbyists, external advisors, or external third parties acting as Pei AM's representatives shall abide by the Legal and Corporate Affairs Management Office's orders and instructions in connection with any sustainability-related issues, in furtherance of their mandate.



- Lobbyists, external advisors, or external third parties acting as Pei AM's representatives shall not exceed their mandates and Pei AM's instructions in connection with the relationship-related activities with Public Officials or act in any manner contrary to this Policy. Exceeding the mandate and instructions provided shall be deemed an autonomous and independent action by the relevant Lobbyists, external advisors, or external third parties acting as Pei AM's representatives and, accordingly, shall make them exclusively and individually liable as a result thereof.
- Any solicitation or activity by Lobbyists, external advisors, or external third parties acting as Pei AM's representatives that is contrary to this Policy, shall be deemed to exceed their mandates and, accordingly, shall make them exclusively and individually liable as a result thereof.

## **2.4. PAYMENTS**

### **2.4.1. Prohibited Payments**

Pei AM and the Policy Subjects are prohibited from paying, remunerating, promising to remunerate, delivering or promising to deliver, directly or indirectly through any third parties or intermediaries, any object of value to a Public Official or Stakeholder members, in order to: (a) Directly or indirectly, incur or engage in, determine, hide, or attempt any Prohibited Conduct; and/or (b) Secure an improper advantage or the obtainment or retention of any business for Pei AM or themselves.

Additionally, Collaborators shall ensure that the terms and conditions of any contracts executed with Stakeholder members are not used as a tool to enable or facilitate the concealment of unwarranted or prohibited payments constituting Prohibited Conducts, or to afford them an appearance of legality.

### **2.4.2. Permitted Payments**

Permitted payments under this Policy are:

- Those permitted or authorized under the law.
- Those made to fulfill any Pei AM's contractual obligation to a Stakeholder member.
- Those constituting reasonable expenses in good faith, related to Pei AM's trainings or promotional events.

Collaborators shall register in the accounting any Permitted Payments, based on their relevant supporting documents and following Pei AM's internal policies and regulations. Such payments shall be previously approved by the Treasury Director in all cases.

### **2.4.3. Political Contributions**

Under no circumstance whatsoever will Pei AM and/or the Policy Subjects make any payments destined to support or finance political campaigns, or programs sponsored or promoted by a candidate in the framework of election processes for popular election positions.

**2.4.4. Payments or Commissions to Collaborators and/or Suppliers, and Close Relatives’ Contracting**

- Under no circumstance whatsoever will Pei AM make any payments to its Collaborators, such as commissions or remunerations, other than those contemplated in their employment contracts.
- Likewise, in the case of Suppliers, Pei AM shall not pay any commissions or remunerations, other than those agreed to in any contracts that the Supplier is a party to, or contrary to provisions in the Procurement Policy.
- Finally, Pei AM shall not hire any Collaborator’s Close Relatives as employees or Suppliers, unless the Ethics Committee expressly authorizes so.

**2.5. TRAVELS, GIFTS, AND ENTERTAINMENT**

**2.5.1. General Prohibition**

Travels, gifts, or entertainment aimed at directly or indirectly incurring, participating in, determining, concealing, or attempting any Prohibited Conducts, are prohibited.

**2.5.2. Books and Recordkeeping**

All expenses related to travels, gifts, and entertainment shall be duly recorded in Pei AM’S books and records, in accordance with this Policy and the accounting standards.

**2.5.3. Gifts**

Pei AM has achieved its business objectives due to its staffs’, products’, and services’ quality, not as a result of gifts, entertainment, or the attendance to, or exaggerated or excessive celebration of events, in light of the Ethics Committee’s views and local customs and standards. Accordingly, Policy Subjects shall comply with the following guidelines:

- Any receipt and delivery of gifts by Pei AM in connection with the different Stakeholders members, shall be aimed at sustaining and maintaining its commercial relationships and, in no case will be intended to constitute a determining market competition factor or a reason to obtain businesses under the law, local customs, or the Ethics Committee’s opinion.
- Pei AM’s use of resources for the delivery of gifts (including travels and entertainment) that may somehow lead to any Prohibited Conducts is prohibited. Likewise, any Policy Subjects’ receipt of gifts (including travels and entertainment) that may somehow lead to any Prohibited Conducts is prohibited. The delivery and receipt of gifts (including travels and entertainment) may only take place if each and every one of the following requirements is met:
  - (i) The gift’s value does not exceed five hundred thousand pesos (COP \$500,000).





- (ii) The gift is permitted under the applicable local laws and the guidelines of the employer receiving and/or delivering the gift.
- (iii) The gift is openly and transparently delivered and/or received, through the completion of the relevant form designed therefor by the Compliance Officer and its delivery via email, within the three (3) business days following the relevant receipt or delivery thereof. The email shall state: (a) The gift's receipt or shipment date; (b) A description and the estimated value of the gift; (c) The name of the individual or entity receiving or delivering the gift.
- (iv) Any gifts and/or money used by Pei AM for travels, gifts, and/or entertainment shall be accounted for as expenses and/or expenditures in Pei AM's books and records.
- (v) Gifts are delivered and/or received as a courtesy, in gratitude for the recipient's or business relationship's hospitality to the other party, and shall be consistent with local customs and the Ethics Committee's views on the matter.
- (vi) Delivery of any gift by Pei AM, shall be jointly coordinated and processed by the Legal and Corporate Affairs Management Office and the communications area.
- (vii) Any gifts that fail to comply with the above requirements shall not be accepted and will be returned. The Compliance Officer and the Collaborator's immediate supervisor shall be notified thereof. Whenever a gift cannot be returned by the person who received it, such person shall deliver it to the Compliance Officer, so that latter returns the gift back.
- (viii) Policy Subjects shall not accept or allow any Close Family member to accept gifts from Pei AM's Stakeholders and which may lead to any Prohibited Conducts.

## 2.6. TRAVELS AND ENTERTAINMENT

Common sense and moderation must prevail in any payments in connection with any travels or entertainment on behalf of Pei AM, whether in favor of Collaborators or Stakeholders' members. Accordingly, Policy Subjects shall comply with both the following guidelines and Pei AM's travel and expense policy:

- Travel or entertainment activities with the different Stakeholders members is permitted in the framework of the business relationship, provided that they are occasional, modest, reasonable, appropriate, proportional to the type of business activity and the position of the individual providing them, and intended to legitimately serve Pei AM's business objectives in light of the local standards and customs and/or the Ethics Committee's views on the matter.
- All travel and entertainment activities' expenses shall be directly managed by the Area in charge thereof at Pei AM, at the request of the Collaborator interested in providing or carrying them out.

If the abovementioned expenses are managed as reimbursable expenditures, Pei AM's adopted protocols and procedures in such connection shall be complied with.

- In no case whatsoever may any entertainment activities take place or be offered in places for adult entertainment and recreation involving nudism, prostitution, gambling, or games of chance, among others.
- In no case whatsoever may any travel and entertainment activities be offered or provided to influence another party's business decisions or to promote a Prohibited Conduct.
- The rules herein will also apply whenever any Pei AM's Stakeholders members offer or provide travel or entertainment activities to the Policy Subjects.
- Any payments related to travel and entertainment activities offered to any Stakeholders members shall be directly made to the Supplier by Pei AM and under no circumstance whatsoever will be directly paid to the relevant Stakeholder members as a reimbursable expense. Travel expenses will be reimbursed to Pei AM's Advisory Committee members, Directors, and the Executive Director in certain exceptional cases.
- Any travel and entertainment expenses' accounting record shall identify the relevant attendees to the activity or trip, including their first and last names, and position held at Pei AM.
- All reimbursable expenses shall be supported by the corresponding invoices, and any expenses and approvals must be duly and accurately registered in Pei AM's records.
- Collaborators shall ensure that the records of any travel and entertainment-related expenses clearly reflect their purpose in all cases.

These rules shall apply even in those cases where the Policy Subjects do not request the relevant travel expenses' reimbursements, i.e. whenever they bear directly such expenses.

## **2.7. DONATIONS**

Within the Corporate Sustainability Model's framework, Pei AM shall strive to meet the following objectives: (i) Maintain trust-based relationships; (ii) Promote the environment's care; and (iii) Contribute to the community's social development in general. The above shall abide by the following guidelines:

### **2.7.1. General Prohibitions and Guidelines**

- Any contributions or donations to State Entities or private organizations, aimed at directly or indirectly incurring, engaging in, determining, hiding, or attempting any Prohibited Conduct are prohibited.
- Indirectly donations are not permitted. Therefore, affording the appearance of a donation through any Pei AM's brand sponsorship or advertising material thereof is prohibited.

- No donation may be made without previously carrying out the corresponding Due Diligence Procedure, provided that this is possible, in accordance with the terms and conditions herein.
- Collaborators shall inform the Compliance Officer of any event or situation affecting the purpose of any donations made on behalf of Pei AM.

### **2.7.2. Types of Donations and Beneficiaries**

In general, donations to State Entities or private organizations shall be in kind. Any State Entity or private organization willing to become a beneficiary or recipient thereof, shall satisfy the following requirements:

- The State Entity or private organization will have structured programs with a measurable impact on the beneficiary population and quantifiable metrics to monitor progress over time.
- The State Entity or private organization shall demonstrate a proven track-record in the execution of projects and significant contributions to the Communities.
- The State Entity or private organization shall guarantee the supervision of the resources delivered.
- The State Entity or private organization shall represent no reputational risk to Pei AM.

Notwithstanding the above, any monetary donations meeting the requirements referred to in the above paragraph may be made to foundations whose purposes refer to museums or higher-level university institutions, provided that they are previously authorized by the Executive Director or the Board of Directors.

### **2.7.3. Parties in Charge of Donations and Authorization Process Thereof**

- The Legal and Corporate Affairs Management is Pei AM's area in charge of identifying any donation opportunities that complement and strengthen its Corporate Sustainability Model.
- The Legal and Corporate Affairs Management Office will be exclusively in charge of receiving, processing, analyzing, and responding to any donation requests. Donation requests received by any other Pei AM's area shall be immediately forwarded to the Legal and Corporate Affairs Management Office.
- Any Donation Requests received and deemed unviable as a result of their lack of alignment with the Corporate Sustainability Model, shall be answered in writing by the Legal and Corporate Affairs Management Office and the relevant processing thereof shall be recorded.
- Whenever a donation proposal or request is aligned with the Corporate Sustainability Model, the Legal and Corporate Affairs Management Office shall: (i) Request the relevant donation's approval by Pei AM's Executive Director and Presidency; and (ii) Process it in accordance with the guidelines of this Section 2.7, following its approval.



- If Pei AM decides to make a donation beyond the Corporate Sustainability Model's scope or exceeding the respective project's annual budget, said donation shall be expressly approved by the Executive Director and express evidence in writing of its approval and the reasons thereof shall be kept for the record. The Legal and Corporate Affairs Management Office will be in charge of safekeeping the relevant supporting documents of such decisions.
- The annual budget of each of Pei AM's projects will include the item destined for donations and to develop the Corporate Sustainability Model. Therefore, any Pei AM's areas designated as project leaders will be exclusively responsible for the execution of the resources and budget allocated therefor, whenever applicable.

#### **2.7.4. Donations' Formalization**

Following the donations' approval pursuant to section 2.7.3. above, their formalization shall comply the following:

- A donation contract or agreement shall be entered into by Pei AM and the State or private entity-beneficiary of the donation.
- All donations shall be subjected to a monitoring and control scheme that will include the evidence of its actual delivery, and follow up and impact metrics, whenever pertinent and applicable.
- Donations shall be accounted for in Pei AM's books and records, indicating any relevant information about their beneficiaries, associated management metrics, and execution-related evidence.

#### **2.8. DOCUMENTS KEEPING AND PRESERVATION**

Pei AM requires all books, records, and accounts to be kept in reasonable detail, so that they accurately and fairly reflect any and all transactions and disposals of assets. As a result thereof, proper internal controls must be maintained to ensure Pei AM's awareness and ethical direction of all transactions in furtherance of Pei AM's policies in force in such connection. Accordingly, Policy Subjects shall comply with the following rules:

- All accounting records, expenses, expenditure reports, invoices, vouchers, gifts or presents, entertainment, travels, and others delivered by Pei AM shall be recorded and reported in accordance with the accounting general principles. Furthermore, they shall accurately reflect Pei AM's transactions and disposal of assets.
- Any direct payments made by Pei AM shall be consistent with the purpose of the relevant supporting documents thereof.
- Payments by Pei AM or on behalf thereof may only be made with the proper authorization and documentation, and consistently with the purpose of the relevant supporting documents thereof.
- The aforementioned supporting documents shall be kept in Pei AM's archives, abiding by the

internal policies in force on the matter.

- No false, fabricated, or misleading records may be included in Pei AM's books and records under any circumstance whatsoever. The above includes any falsification, omission, or disguising of the records, as well as the creation of incomplete or misleading records in Pei AM's books, and any induction of such acts or records in the books, registries, or accounts of any third parties doing business with Pei AM.
- Authorizing or financing any transaction not disclosed or recorded in Pei AM's books, registries, and accounts, for whatever purpose, is prohibited.
- No undisclosed or inactive fund may be established or exist.
- The use of Policy Subjects' funds or personal resources to achieve anything prohibited hereunder is strictly forbidden.

## **2.9. DISCLOSURE OF, TRAINING ON, AND ACCESS TO THE POLICY**

Pei AM will implement a communication strategy, led by the Compliance Officer and with the Legal and Corporate Affairs Management Office's support, to effectively disseminate this Policy among the Policy Subjects and Stakeholders. This strategy will focus on ensuring the Policy Subjects' proper understanding thereof, so that they have the knowledge, tools, and skills necessary to appropriately control the risks and comply with Pei AM's Anti-Corruption Policy. The communication strategy's basic components shall be:

### **2.9.1. Communications**

Communications will be regularly addressed to the Policy Subjects and Stakeholders, and shall:

- Constantly reaffirm Pei AM's commitment to build a business culture based on fairness, honesty, transparency, and legality, where any Prohibited Conducts-related risks shall be properly managed, prevented, responded to, and controlled; and
- Immediately inform on any issuance, modification, and/or update of this Policy and its supplementary documents and materials.

### **2.9.2. Training**

For all of the Stakeholders and, particularly, the Policy Subjects to be familiar with, understand, comply, and remain updated on any issues regulated herein, the Compliance Officer shall ensure that Collaborators attend any relevant trainings therefor, at least once a year. Collaborators hired for the first time shall attend an induction training.

Notwithstanding the foregoing, each of Pei AM areas' vice-presidents and managers shall implement measures aimed at fostering the Collaborators' awareness and constant review of this Policy.



To enable the Stakeholders' and Policy Subjects' readily access to Pei AM's Anti-Corruption Policies, such policies shall be Available in Pei AM's website and/or Pei AM's intranet process site.

## **2.10. REPORTING OF ACTUAL OR POSSIBLE VIOLATIONS OF THE POLICY**

This Policy 's success depends on all the Policy Subjects'--whether acting independently or as a group--prevention of any Prohibited Conduct. Accordingly, Policy Subjects have an obligation to and are responsible for immediately reporting to the Compliance Officer or through the Ethics Mailbox, any of the following actions:

- Any breach of this Policy's guidelines that in their opinion has taken place.
- Whether they observed or have reasonable evidence that another Policy Subject violated the Policy.
- Whether they observed or have reasonable evidence of any event that may be classified as a Red Flag, pursuant to Section 2.2.5. of this Chapter.
- All complaints shall be processed by the Ethics Committee, who shall do so promptly, confidentially, securely, and treating any Collaborators involved (complainant and alleged offender) with dignity and respect.
- Reports of any breach of the Policy may be made through the Ethics Mailbox, which provides to both the Policy Subjects and the Stakeholders, a confidential and anonymous means to notify Pei AM of any violations, irregularities, suspicious, unusual, illegal, or fraudulent activities in connection with this Policy.

## **2.11. SANCTIONS AND CONSEQUENCES OF BREACHING THE POLICY**

Any breach of this Policy by a Policy Subject is material and shall entail the imposition of sanctions by Pei AM and/or the termination of their relevant contract or agreement pursuant to Pei AM's internal rules and procedures. This, in addition to any other sanctions imposed by the competent authorities under the Colombian law.

## **3. MISCELLANEOUS**

### **3.1. POLICY'S COMMUNICATION TO THE STAKEHOLDERS**

Policy Subjects are mandatory required to interact with Pei AM and its Stakeholders, pursuant to that provided for herein.

Within this Policy's communication strategy framework, which Pei AM shall adopt in accordance with paragraph 2.9. above, Pei AM will ensure that any contracting and relationship processes with the different Stakeholders involve the necessary and appropriate measures aimed at:



- Such Stakeholders' becoming familiar with and understanding this Policy;
- Such Stakeholders' agreement to interact with the Policy Subjects and Pei AM, always abiding by and complying with the applicable regulations; and
- Such Stakeholders' agreement to report any conduct that violates this Policy.

### **3.2. VALIDITY AND PERIODIC REVIEWS**

This Policy shall be indefinitely valid.

Reviews thereof shall be carried out to establish, at Pei AM's Compliance Officer, Executive Director, Presidency, and Legal and Corporate Affairs Management Office's discretion, whether any updates thereof are required:

- Every two years;
- Whenever the applicable regulations modify any issues dealt with in the Policy, thus warranting an early update and amendment hereof; or
- Whenever any of the risks contemplated in the Risk Matrix and regulated in this Policy actually takes place or materializes, thus meriting and warranting an early update hereof.

This Policy repeals, substitutes, and renders totally ineffective any and all previously issued documents regulating the matters contemplated herein, as of its approval and relevant publication date.

### **3.3. THIS POLICY IS MANDATORY**

In accordance with the Good Corporate Practices Policies, Pei AM's Executive Director or Board of Directors approve this Policy, which is mandatory as of its approval and communication to all Policy Subjects.

### **3.4. MANAGEMENT AND DECISION MAKING**

Th's Anti-Corruption Policy's management and decision-making process corresponds to the Executive Director, the Board of Directors, or the Compliance Officer in accordance with its provisions, the Manual on the Prevention and Control of ML/TF Risks, and the Ethics Mailbox Reports' Attention Procedure.

### **3.5. ANNEXES**

The following background check certification form is an integral part of this Anti-Corruption Policy.

## ANNEX 1 BACKGROUND CHECK CERTIFICATION

[\*\*\*], identified with citizenship card No. [\*\*\*], acting in his/her capacity as legal representative for [\*\*\*] [(the "Contractor/Lessee/[\*\*\*]"), hereby declares that Contractor is familiar with and understands the Anti-Corruption and ML/TF risk management provisions contained in Pei AM's Code of Conduct and Manual on the Prevention and Control of Money Laundering and Terrorism Financing Risks. Therefore, he/she declares, as of the date of the relevant contracting by Pei AM:

- a) That upon this statement's delivery, neither Contractor nor any of its employees, officials, representatives, managers, partners, consultants, or agents: (i) Have been sanctioned or are being investigated for any conduct classified as prohibited under the Anti-Corruption Policy (the "Prohibited Conducts") or any crime provided for in the Colombian regulations; (ii) Have been included in any of the Sanctions Lists referred to in Pei AM's Anti-Corruption Policy (the "Sanctions Lists"); (iii) Have been investigated or sanctioned, or are being investigated by any ML/TF and Anti-Corruption-competent authorities; (iv) Have been convicted or investigated, or are being investigated for high social impact-crimes, or been linked to any publicly-known situation that reasonably affects or may affect their good name and/or business reputation; (v) Owe any accounts payable to State Entities; (vi) Are involved in sanctioning proceedings derived from any failure to pay taxes or submit tax returns; or (vii) Are incurring in any inability to formalize transactions or contracts; or (viii) Are the subjects of any insolvency proceedings under Act 1116 of 2006 and the applicable Colombian regulations on the matter.
- b) That neither Contractor nor any of its employees, officials, representatives, managers, partners, consultants, or agents are or have been a party to any contract, agreement, or arrangement with any persons that, upon delivering this statement: (i) Have been sanctioned or are being investigated for any Prohibited Conduct; (ii) Have been included in any Sanctions Lists; (iii) Have been investigated or sanctioned by any ML/TF and Anti-Corruption-competent authorities; (iv) Have been convicted or investigated, or are being investigated for high social impact-crimes, or been linked to any publicly-known situation that reasonably affects or may affect their good name or business reputation; (v) Owe any accounts payable to State Entities; (vi) Are involved in sanctioning proceedings derived from any failure to pay taxes or submit tax returns; or (vii) Are incurring in any inability to formalize transactions or contracts; or (viii) Are the subjects of any insolvency proceedings under Act 1116 of 2006 and the applicable Colombian regulations on the matter.
- c) That the Contractor's activity is lawful and pursued within the framework of the law and, accordingly, the Contractor's resources do not originate in or are used for any Prohibited Conducts or other illegal activities, as provided for in the Colombian criminal law.
- d) That Contractor has implemented any necessary and adequate internal controls and procedures

to: (i) Know its employees, officials, representatives, managers, partners, clients, suppliers, donors, and persons with whom it has any relations; (ii) Know its businesses and the origin of its assets, as well as, that of its resources' destination, which is not aimed at or related to any Prohibited Conducts; (iii) Identify and know the legal representatives, members of the board of directors, and partners of the people with whom it engages in business and/or any type of legal relationship; (iv) Know the supporting documents of its clients' operations and those of the persons with whom it has any relationships, so that Contractor's activities are not used as a mechanism to engage in Prohibited Conducts; (v) Prevent its resources, however received in furtherance of its activity, from being used to engage in Prohibited Conducts; and (vi) Prevent its employees, officers, representatives, managers, partners, consultants, and agents from engaging in any Prohibited Conducts. Similarly, Contractor represents and warrants that during the whole term of its relationship with Pei AM, it shall continue to apply --using best efforts and the required due diligence--, the aforementioned internal controls and procedures, to prevent any Prohibited Conduct.

- e) That if Contractor becomes aware of any attempt to violate or breach Pei AM's Code of Conduct and Anti-Corruption Policy, or the legal regulations on the matter in force, or any act that may constitute a Prohibited Conduct (as defined in the Anti-corruption Policy), Contractor shall immediately inform it to Pei AM through the Ethics Mailbox.
- f) That Contractor received the following documents, whether in a physical and/or electronic form: (i) Pei AM's Code of Conduct; and (ii) Pei AM's Anti-Corruption Policy and Manual on the Prevention and Control of ML/TF Risks. In view of the foregoing, Contractor expressly agrees that at all times for the term of its contractual relationship with Pei AM, it shall comply with and ensure compliance thereof by its employees, officials, representatives, managers, partners, consultants, or agents.
- g) That Contractor acknowledges and accepts that any inaccuracy, imprecision, breach, or lack of truth of any of the representations herein shall be deemed a material offense and, consequently, will be sanctioned pursuant to the terms and conditions of the agreement regulating its contractual relationship with the Contractor, notwithstanding any other legal actions available to Pei AM.