



CODE		BUSINESS TRANSPARENCY AND ETHICS COMPLIANCE PROGRAM MANUAL	
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## 1. HIGH MANAGEMENT COMMITMENT

The high management of **MANUELITA S.A.** is committed to the fulfillment of national and international standards concerning transnational bribery and corruption; thus, its intervention as well as the company's performance, will be guided and developed according to principles of transparency, legality, integrity, and under strict ethical and corporate social responsibility standards.

the Business Transparency and Ethics Program\* (PTEE-by its acronym in Spanish\*) formulated by This manual, upholds **MANUELITA S.A.** and its managing team's commitment in this subject matter, which contains rules of conduct and demeanor to be abided by its partners, shareholders, final beneficiaries, directors, associates, investors, employees from Subordinate, providers, third-parties, or any person representing their interests with providers, authorities, communities, and any such third-parties or stakeholders that are, in general, relevant to **MANUELITA S.A.**

**MANUELITA S.A.'s** High Management opposes, disapproves, and regards as unacceptable, any practice or behavior related to bribery or corruption from its partners, shareholders, final beneficiaries, directors, associates, investors, employees, brokers, agents, distributors, consultants, clients, providers, third-parties, or any person representing their interests, being therefore, bound to enforce relevant legal and disciplinary actions upon any such conduct, toward the achievement of exemplary fines.

Our operations will be carried out according to market rules, and in abidance to free and fair competition standards intended to prevent corrupt conducts, which may affect the balance of economy or national and international markets.

We will provide financial and technological resources needed to effectively comply with this program and undertake to promote a culture of prevention concerning said risks that affect our society.

### **MANUELITA S.A.'s HIGH MANAGEMENT**

## 2. INTRODUCTION

This document is a Compliance Manual for the Business Transparency and Ethics Program (hereinafter the “Manual”), of **MANUELITA S.A.** intended to fulfill Law 1778 from 2016 and External Circular Letter No. 100- 000011 from 2021 of the Superintendence of Corporations, and other standards that may modify, derogate, or substitute them.

This Manual is an instrument statutorily and organically integrated into **MANUELITA S.A.** to exercise due control over tasks carried out by its shareholders, directors, representatives, contractors, brokers, agents, distributors, consultants, clients, providers, third-parties, and any person representing their interests, as to have them perform in an ethical manner according to standards and rules established on this document, thus abiding to applicable law and regulation.

The Manual responds to legal principles and recommendations, formulated by the Superintendence of Corporations to design and develop a Business Transparency and Ethics System for the Real sector, pursuant Law 1778 from 2016, Legal Basic Circular Letter 100-00005 Chapter XIII, from November 22, 2017 of the Superintendence of Corporations, as added by External Circular Letter No.10-000011, from August 9, 2021.

Likewise, guidelines from Law 2195, of January 18, 2022 are incorporated.

According to the above, the activities performed by **MANUELITA S.A.** must be do so in accordance to principles, values, policies, and procedures, stated for the matter on this Manual, in addition to policies stated by the Code of Conduct, Internal Labor Regulations, and Confidentiality Statements; also, Counterparts will be accountable to comply with these ordinances.

### 3. LEGAL FRAMEWORK

This Manual has been designed pursuant Law 1778 from 2016, which states guidelines concerning legal persons' accountability on activities of transnational corruption, and Legal Basic Circular Letter 100-00005 Chapter XIII, from November 22, 2017 of the Superintendence of Corporations, as added by External Circular Letter No. 100-000011 from August 9, 2021, by which administrative instructions and recommendations are issued, intended to pursue business transparency and ethics programs, through self-monitoring and risk management on corruption and transnational bribery”.

Moreover, the following must be considered:

- **Anti-corruption and Anti-bribery standards:** FCPA Law, UK Bribery Act, the Anti-Bribery Convention of the Organization for Economic Cooperation and Development (OECD), Anti-corruption Domestic Standards, and any other applicable Law against corruption and bribery.

- **Domestic standards against corruption:** Law 1474 from 2011 (Anti-corruption Statutes) thereby establish principles aiming to enhance prevention, investigation, and sanction procedures concerning acts of corruption or bribery, and the effectiveness of public management control, along with its legal Acts, and the standards that modify, substitute, or complement them.

#### International Rules and Standards

Upon development of Colombia's significant efforts to fight corruption, an international legal framework has been adopted, which regards the following conventions and covenants:

- a. The Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.
- b. The Inter-American Convention against Corruption of the Organization of American States-OAS.
- c. The Council of Europe Criminal Law Convention on Corruption;
- d. The Council of Europe Civil Law Convention on Corruption;
- e. The African Union Convention on Preventing and Combating Corruption.
- f. The United Nations Convention against Corruption (UNCAC).

#### Domestic standards:

- **Law 1778 from 2016:** “Standards concerning legal persons' accountability on transnational acts of corruption”
- **External Circular Letter No. 100-000011 from 2021:** Full Modification to External Circular Letter No.100-000003 from July 26, 2016, and addition to Chapter XIII from Legal Basic Circular Letter of 2017
- **Law 2195 from January 18, 2022:** Transparency, Prevention, and Fight against corruption

#### 4. DEFINITIONS

**Total Assets:** Defines all assets, both current and non-current, recognized in financial statements concerning current financial resources controlled by the Company.

**Associates:** Defines natural or legal persons that have brought in contributions in the form of money, labor, and other goods of economic value, to one-man enterprises or companies in exchange for fees, participation interests, shares, or any other participatory form, regarded by Colombian legislation.

**High Management:** Defines natural or legal persons, appointed according to social charter or any other internal provision stated by the given legal person, and Colombian legislation, as the case may be, to manage and direct said legal person, whether members of a chartered body, or qualified individual, namely: Board of Directors, Chair, Legal representatives, and Managers of **MANUELITA S.A.**

**Shareholders:** Defines natural or legal persons that have brought in contributions in the form of money, labor, and other goods of economic value, to a company, in exchange for fees, participation interests, shares, or any other participatory form, regarded by Colombian legislation.

**Compliance Audit:** It describes the systematic, critical, and regular assessment for the due implementation and enforcement of PTEE.

**Risk management:** The culture, processes, and structures intended for the effective administration of potential opportunities and adverse effects.

**Risk appetite:** The level of risk tolerated by an entity.

**Channel of Complaints:** Defines the on-line report system for complaints related to acts of transnational bribery, provided by the Superintendence of Corporations in its website.

**Contractor:** Within the context of a business or transaction, it regards any such third-parties providing services to a company or having any sort of legal contractual interaction with it. Contractors may include among others: Providers, brokers, agents, distributors, consultants, and individuals partaking from collaboration contracts, temporary mergers or consortia or, shared risk with the Company.

**State Contract:** Pursuant Article 32 Law 80 from 1993. "All legal transactions that generate obligation, engaged into by entities concerning this Charter, are defined as State contracts, as stated by private law or special provisions, or resulting from the exercise of free will autonomy, including but not limited to the following:

- Work contract
- Consultancy Agreement
- Service Rendering Agreement
- Concession Agreement
- Trust commissions and State-owned Trusts

**Client:** The natural or legal person acquiring or buying products or services in personal capacity or in behalf of others.

**Counterpart:** Natural or legal persons **MANUELITA S.A.** holds a commercial, business, contractual, or legal interaction, of any nature; namely: partners, shareholders, final beneficiaries, directors, associates, investors, employees, brokers, agents, distributors, consultants, clients, providers and third-parties.

**Corruption:** To acquire a specific benefit as a result of an action or omission, improper exercise of an office, power, resources, or information. Corruption may be public or private, voluntary or intentional; it may consist in offering, paying, promise to pay, or authorize the payment in moneys or valuables, to a public or private official to perform an anti-ethical action, or an action that entails breach of trust.

Some modalities that could lead to acts of corruption are:

- To offer or accept inappropriate gifts.
- To offer or accept excessive courtesies.
- Facilitation payments.
- Giving grants to political and/or charitable organizations.
- To offer or accept bribes or gratuities.
- Payment of extortions;
- To use brokers and/or agents, in behalf of **MANUELITA S.A.** offering or paying for any of the aforementioned concepts.

**Employee:** All natural persons **MANUELITA S.A.** holds a subordinating relationship with, duly regulated by work legislation.

**Manuelita Ethics Committee:** (Hereinafter: "Ethics Committee ") Is intended to receive, analyze, and decide about violations to: Code of Conduct, Business Transparency and Ethics System Manual, and high relevance cases reported to the Ethics Hotline. It also identifies Business Transparency and Ethics initiatives, policies and/or procedures in need of improvement and recommendations to enhance the Program.

It is comprised by: (i) Chair, (ii) Corporate Auditor, (iii) Corporate Manager for HR and Sustainability, and (iv) Corporate Legal Manager.

**Due Diligence:** A constant and regular review and assessment process **MANUELITA S.A.** must perform, according to corruption or transnational bribery risks it may be exposed to.

**Sexual extortion:** Abuse of power to obtain a sexual benefit or advantage. Sextortion is a form of corruption where sex, more than money, is bribery's exchange currency. It isn't limited to certain countries or sectors, but rather found wherever those in power lack integrity, and pursue the sexual exploitation of those that are vulnerable and dependent of their power.

**Risk Assessment:** The Process used to establish priorities in risk management, by comparing risk level with predefined standards, objective risk levels, or another criteria.

**Foreign Public Official:** Defines any person in charge of a legislative, administrative, or legal office in a Government, its political subdivisions or local authorities, or foreign jurisdiction, regardless of whether the individual was appointed or elected.

- Foreign Public Official also describes a person on a public office, working for a Government, its political subdivisions or local authorities, or foreign jurisdiction, either for a State Body or company, or an entity which decision making is subject to the State's, its political subdivisions or local authorities, or that of a foreign jurisdiction. Moreover, any official or agent working for an international public organization will receive such definition.

- Any person performing a task, job, office, mandate, or commission for the legislative, executive, or judicial branches of any governmental administration, or any autonomous State body, regardless of whether the individual was appointed or elected.

- All employees or workers of a State-owned company

- Every political party; every candidate for a popular elected office; every official from a public body or organization, or international governmental entity (namely: The World Bank).

- Any person acting as official representative for any of the aforementioned persons or entities.

**Risk Factors:** Defines possible elements or causes of Corruption/ Transnational Bribery Risks for any Overseen Entity.

**Total Revenue:** Defines all income recognized in the Period's P&L, as main source of information concerning a Company's financial performance for that reporting period.

**Risk Matrix:** A control and management tool that allows to identify the company's most important activities (processes and products), the type and level of risk relevant to such activities, as well as exogenous and endogenous factors concerning said risks (Risk Factors).

**International Business or Transactions:** Are negotiations or transactions of any nature, held with foreign natural or legal persons from either public or private law.

**Compliance Officer:** A natural person appointed by **MANUELITA S.A.'s** Board of Directors, to lead and manage the Business Transparency and Ethics, and transnational bribery Program. Said individual may, if so, decided by the Board, operate in regards to other Risk Management systems, such as those concerning money laundering and terrorism financing, personal data protection, and preventing infringements to the Competition Law.

**Politically Exposed Person:** Public Officials are considered Politically Exposed Persons (PEP), in any nomenclature system and job classification of public service both domestic and territorial, upon duties either appointed or commissioned on: Issuing of standards or regulations, general direction, formulating institutional policies and plan adoptions, programs and projects, direct management of the State's properties, moneys, or values, the administration of justice or administrative and enforcing powers, and all others that are specifically intended for the management or administration of resources concerning political movements or parties. Such tasks may be carried out through budgeting, public procurement, project management on investment, payments, settlements, asset management.

**Close associates:** Refers to legal persons that have directors, shareholders, officers, and managers, from any of the PEP mentioned above; that established private equity or trust funds in their behalf, or with whom there is a commercial relationship, to which Due Diligence will apply according to current legislation. This definition will also apply to international and foreign organizations PEP's.

**Enforcement Policies:** The general policies adopted by **MANUELITA S.A.**, in order to carry out its business and operations in an ethical, transparent, and honest fashion, while able to identify, detect, prevent, and lessen corruption and transnational bribery risks.

**Legal person:** Among other definitions, it describes any kind of association put together according to Colombian Law; entities regarded as controlling, pursuant Article 2 of the Anti-bribery Law; non-profit organizations posted in Colombia; and any other entity recognized as a legal person under Colombian legislation.

**Provider:** A natural or legal person that supplies goods and/or services, in a regular or as one-time only fashion.

**Business Transparency and Ethics Program or PTEE:** Defines a document that gathers the Compliance Policy and specific procedures under Compliance Officer's charge, intended to fulfill the Compliance Policy, aiming to identify, detect, prevent, manage, and mitigate corruption and transnational bribery risks that may affect **MANUELITA S.A.**, as defined by the Risk Matrix.

**C/ST\* risks:** The Spanish acronym for Corruption and/or Transnational Bribery\* risks.

**Corruption risks:** Defines the possibility that either by action or omission, the purposes of public administration become misdirected or public assets become affected by a private benefit.

**Transnational Bribery Risks\* (ST-by its acronym in Spanish\*):** Defines the possibility for a legal person, to either directly or indirectly give, offer, or promise to give a Foreign Public Official, amounts of money, Articles of pecuniary value, or any such benefit or profit, in exchange for said public official to carry out, overlook, or delay, any action concerning his/her function, and related to an International Business or Transaction.

**Reputational risk:** It describes the possibility of loss an entity incurs into due to smear, poor image, bad publicity, true or false, concerning the entity and its business practice, which may lead to losing clients, reducing revenues, or facing legal proceedings.

**Contagion Risk:** Defines the possibility of loss an entity may endure either directly or indirectly, resulting from an affiliate's actions or experiences. The affiliate or associate may include natural or legal persons that may have an influence upon the entity.

**Inherent risk:** It describes the actual risk the Company's activity represents, without regard to controls' effect.

**Residual risk:** The resulting level of risk after control application.



**Warning Signs:** Facts, situations, events, amounts, quantitative and qualitative indicators, financial reasons, and other information the entity considers relevant, from which to timely or prospectively construe the possible occurrence of an incident or situation beyond what the Company may determine as normal.

**Transnational Bribery:** An activity by which a legal person gives, offers, or promises, either directly or indirectly, through its employees, directors, shareholders, contractors, or Subordinate Companies, to a Foreign Public Official, amounts of money, Articles of pecuniary value, or any such benefit or profit, in exchange for said public official to carry out, overlook, or delay, any action concerning his/her function, and related to an International Business or Transaction.

**Subordinate Company:** Article 260 from the Code of Commerce states: "A company will subordinate or be controlled, if its decision-making power is subject to the will of another or other person (s), regarded as its controlling matrix, either directly -in which case the first one will be known as affiliate-, or with the support or intervention of the matrix' subordinates -when it will be known as subsidiary-"

## 5. OBJECTIVES

This Compliance Manual of the Business Transparency and Ethics Program, has the primary objective of articulating policies, values, principles, and guidelines established by **MANUELITA S.A.** to lead and guarantee the performance of all its activities and operations, in an ethical, transparent, and honest fashion, while establishing procedures identification, detection, prevention and control of risks concerning bribery and corruption.

### 5.1 Specific Objectives

- Promoting and generating a culture of transparency, legality, and integrity within the organization, where transnational bribery and corruption in general, are regarded unacceptable by **MANUELITA S.A.'s** shareholders, directors, and employees, in the development of their operations.
- To identify, detect, prevent, manage, and mitigate Transnational Bribery risks, and others related to any act of corruption that may affect **MANUELITA S.A.**
- To establish policies, procedures, responsibilities, and control mechanisms adopted by **MANUELITA S.A.** to fulfill the commitment of conducting its business with integrity, and transparency, and to guarantee compliance to national and international legislation in the matter.
- To operate under reliable finances, with a transparent, sound, and dependable conduct.
- To determine **MANUELITA S.A.'s** guidelines and commitment to timely prevent or detect acts of corruption, and to ensure that its managing team, partners or shareholders, directors, employees, communities, and other stakeholders it interacts with, are able to understand and reflect their individual compliance liability.

## 6. SCOPE

The Business Transparency and Ethics Program applies to each and every process of **MANUELITA S.A.** which are directly and indirectly related with national and international transactions being performed and must be abided and fulfilled by the counterparts that have a commercial or contractual, direct and indirect relevance with transactions completed by **MANUELITA S.A.**, in the development of its corporate purpose.

No economic, corporate, or commercial grounds will suffice to justify the violation to policies and principles established by the Program and gathered in this Manual.

The Program will be approved by the Board of Directors, as a sign of commitment from **MANUELITA S.A.'s** high management, to prevent acts of bribery and corruption it may otherwise be involved in.

The PTEE Program will be updated, upon changes on **MANUELITA S.A.** commercial activity, which tamper or may alter the degree of C/ST risk, or every two (2) years at least.

## 7. ANTI-CORRUPTION AND ANTI-BRIBERY POLICY

For **MANUELITA S.A.** the Policy to Prevent and Fight against Corruption and Transnational Bribery is based on the Zero Tolerance principle in all levels of the organization, and all the actions of counterparts involved with the entity.

Said acceptance is to be made by written and/or must appear on the documents applicable to each legal or natural person, in other words: by clauses on commercial and work contracts, or any such document that formalizes the relationship with **MANUELITA S.A.** or by a separate document in a form known as Anti-bribery and Anti-corruption Commitment.

In addition, said documents must contain:

- Clauses that enable **MANUELITA S.A.** to terminate the contract upon suspicion of a third-party breaching the Anti-corruption and Transnational Bribery policies, as well as any legislation applicable to the matter.
- The obligation to cooperate with investigation processes upon violations to Anti-corruption and Transnational Bribery policies of **MANUELITA S.A.**
- The duty to notify **MANUELITA S.A.** about a subcontracting and sending all information concerning said subcontractor prior any involvement.

The Anti-corruption and Anti-Transnational Bribery policy of **MANUELITA S.A.** strongly

prohibits bribes and gifts in any form, handed directly or indirectly or through a counterpart, which may be intended to obtain a benefit and/or influence the Company's processes. Such conducts will be subject of investigation, by a Compliance Officer, and may be typified as "private corruption" or "bribery", pursuant following Articles 250 and 405 of Colombian Criminal Code and Law 1778 from 2016, as well as the Anti-corruption Statute Law 1474.

Counterparts and any person representing the interests of **MANUELITA S.A.** are liable to report whichever circumstance deemed to entail a possible violation to the Code of Conduct and this Manual, to the Ethics Hotline.

To focus on the compliance of our Anti-corruption and Anti-bribery Policy we must consider some concepts and warnings that should keep us alert, concerning the development of our activities for each internal process we may take part of:

Private corruption:

The configuration of this felony is intended to prevent acts of corruption among private parties, the corporate sector in particular, through inappropriate favoring of third-parties by managing team, directors, staff members, among others, in detriment of the Company's assets and interests.

The following will be criminally prosecuted:

- Whomever, directly or indirectly, offers, promises, or hands out a gift or unjustified gain to a member of a company, and also,
- any member of the Company who, directly or indirectly, requires, receives, or accepts such benefit. In both cases there is a personal benefit or gain for a third-party, as the Company.

Fraudulent administration: (Article 250B from the Criminal Code)

There's disciplinary action for total damage to a company's interests or economic equity, due to fraudulent use of its physical assets (facilities, offices, furniture, equipment, among others) or intangible assets (e.g.: The Company's know-how, Good will or reputation, developed business models, brands, among others), for self-gain or a third-party's, by the following individuals:

- Social De-Facto or Legal Manager. Pursuant Law 222 from 1995
- Partners of a Company already established or undergoing establishment procedures.
- Managing team .
- Staff members.
- Consultants.

This felony aims to punish the aforementioned individuals, when acting maliciously and abusing of their power to ensure personal or a third-party's benefit.

The warning signs described here, are some we need to consider when looking to identify risks related to acts of corruption, and that if we react diligently and timely, we

could prevent their occurrence:

- Lack of traceability, or vouchers of payments made under the concept of representation expenses.
- Offering or reception of valuable gifts, invitations, or courtesies in luxurious restaurants, or events such as concerts, sporting events, among others. Such sort of situation may be understood as the pursue to influence a decision making.
- Attainment de contracts without material support or actual benefit for the Company.
- Contributions in money or in-kind, to political campaigns when prohibited or if beyond the limits established by applicable law.
- The handing of gifts in money or in-kind, to an official employee, public official, or public contractor.

For more warning signs, please refer to 'Report Channels' chapter.

Identification of events or conducts that could lead to a risk of corruption:

Such conducts which, according to statutory requirements in criminal matters, that may be carried out by a private individual, and further affect a company's activities: Private corruption (Article 250A from the Criminal Code) and fraudulent administration (Article 250B from the Criminal Code).

Transnational Bribery:

Bribery is one of the typical conducts of corruption.

- By transnational bribery we refer to a legal person, whom through one or several staff members, contractors, directors, or associates, own or from a subordinate legal person, gives, offers, or promises to give a Foreign Public Official, either directly or indirectly, amounts of money, a pecuniary value object, or another sort of benefit or gain, in exchange for carrying out, overlook, or delay any procedure concerning the performance of his/her duties and regarding an International Business or Transaction.

## **8. STAGES IN RISK MANAGEMENT FOR TRANSNATIONAL BRIBERY AND CORRUPTION**

### **8.1 Identification C/ST risk**

Risk Identification is the first stage for the construction of the Business Transparency and Ethics Program, to actually fulfill the objective of preventing risks of corruption and Transnational Bribery.

Hence the need to analyze the unique characteristics of MANUELITA S.A. as that is the starting point for the PTEE implementation or update to not only meet the organization interests, but to also comply 100-000011 with provisions of the External

Circular Letter No. duly from 2021, Law 2195 from 2022 and other relevant legislation.

As a consequence, this PTEE is therefore adopted based on the Company' size, structure, nature, corporate purpose, business activity, country of operation etc. These elements will be the necessary input to create and enforce anti-bribery and anti-corruption policies, procedures, and methodologies, as well as the organization's risk matrix, which will cover identified risks and controls needed for the mitigation of Risk Factors the Company is exposed to.

## **8.2 Identification of C/ST Risk Factors**

Once the Identification stage has been furnished, it will be **MANUELITA S.A.'s** duty to use human, technical, operative, and/or financial resources, intended to adopt the measures needed for risk mitigation. By doing so, the organization will attain sufficient knowledge to determine the order and priority of risks' assessment and management. Similarly, through **MANUELITA S.A.'s** Board of Directors, there will be PTEE modifications and updates when required.

Some Risk Factors the company must consider upon construction of the Risk Matrix and other complementary measures pursuing the PTEE suitable performance, are:

- a. Country risk. It regards the jurisdictions of the company's operation. Places subject to factors such as: Lack of an independent and efficient justice system, a large number of public officials questioned for corrupt practices, absence of effective standards to fight corruption, lack of transparent policies on public procurement and foreign investment, a weak political and administrative structure, absence of effective State presence in certain geographic areas, pursuing operations in tax havens, among others.
- b. Economic sector risk. Market niches that present an increased level of corruption according to studies from the OECD. Furthermore, it regards activities that require a large number permits and licenses provided by public officials, which enables corrupt practices.
- c. Third-parties risk. Defines the parties engaging into a business, namely: contractors, suppliers, and/or brokers, where collaboration or shared risk contracts may exist, or when hard to demonstrate a legal purpose, or that although having a legal purpose, they lend themselves to whitewash illegal payments.
- d. Others. Those not included in the aforementioned categories but could be understood as a C/ST risk factor for the organization, according to Compliance Officer's risk assessment.

## **8.3 Measurement of a C/ST risk assessment**

Having furnished the previously mentioned stages **MANUELITA S.A.** must enforce the needed mechanisms for each of the risk factors and individual risks to be properly

identified, assessed, and studied, in pursue of its mitigation, with controls and responsible leaders established on the Risk Matrix. In that sense **MANUELITA S.A.** will endeavor for such risks not to materialize, thus generating adverse consequences for the organization.

#### **8.4 Control and monitoring of Compliance Policies and PTEE.**

**MANUELITA S.A.**, must set in motion all the mechanisms that play a part, from the performance of its activity, to fight against transnational bribery and corruption. By doing so, it may constantly verify and evaluate their effectiveness for such purpose.

Furthermore, **MANUELITA S.A.** must consider regulatory changes of its activity, such as anti-corruption and transnational bribery legislation for it to be included in the PTEE Manual, Investments, the introduction in new markets of special jurisdictions, the performance of compliance audits, and regular supervision activities under the charge of Compliance Officer.

#### **8.5 Compliance Audit for PTEE.**

**MANUELITA S.A.** will have every financial and human resource available, that may be sufficient to cover a proper transnational bribery risk assessment.

In regards to accounting operations control, records and accounts are to be kept and maintain, reflecting with accuracy and precision all transactions and arrangements made, concerning **MANUELITA S.A.'s** assets.

Employees, **MANUELITA S.A.'s** partners, shareholders, and directors, may not change, overlook, or distort accounting books to cover up illegal activities or those that don't convey the nature of a registered transaction in an accurate manner. Upon such scenario, or any that could be seen as a Warning sign, the same must be reported to Compliance Officer, through the established channels (e-mail, Ethics Hotline, etc.)

**MANUELITA S.A.** has suitable internal procedures and controls, to prevent bribes and other improper payments to be concealed or disguised from transactions, such as: Payments for commissions, fees, sponsorship, grants, representation expenses, or any other field used to cover-up or whitewash said improper nature or payment.

Aiming to control and oversee the degree of efficiency in Anti-corruption and Anti-bribery Policies, along with the Business Transparency and Ethics Program, the Compliance Officer will schedule a Compliance Audit when deemed needed. The results of that audit will be analyzed, aiming to adjusting procedures that pose failure, and enhance the Business Transparency and Ethics Program in general terms.

Those in charge of **MANUELITA S.A.'s** audits and internal control, must include verification of compliance and efficacy of Business Transparency and Ethics Programs in the annual audit plan.

## 8.6 Contractual Protections

Work contracts and those signed with commercial partners must convey contractual obligations, legal remedies, and/or fines concerning improper conducts.

In addition, contracts must convey that Counterparts know and voluntarily submit themselves to policies stated on the **MANUELITA S.A.**'s Business Transparency and Ethics Program.

## 8.7 Information transparency

Upon performance of control and audit, **MANUELITA S.A.** will carry out revisions to financial statements and bookkeeping, in order to guarantee that financial information reflects the actual patrimonial and economic status of its transactions.

Moreover, the books and records that accurately and clearly document all financial transactions are kept available for evaluation. **MANUELITA S.A.** will not have “off-the-books” nor double-entry accounting.

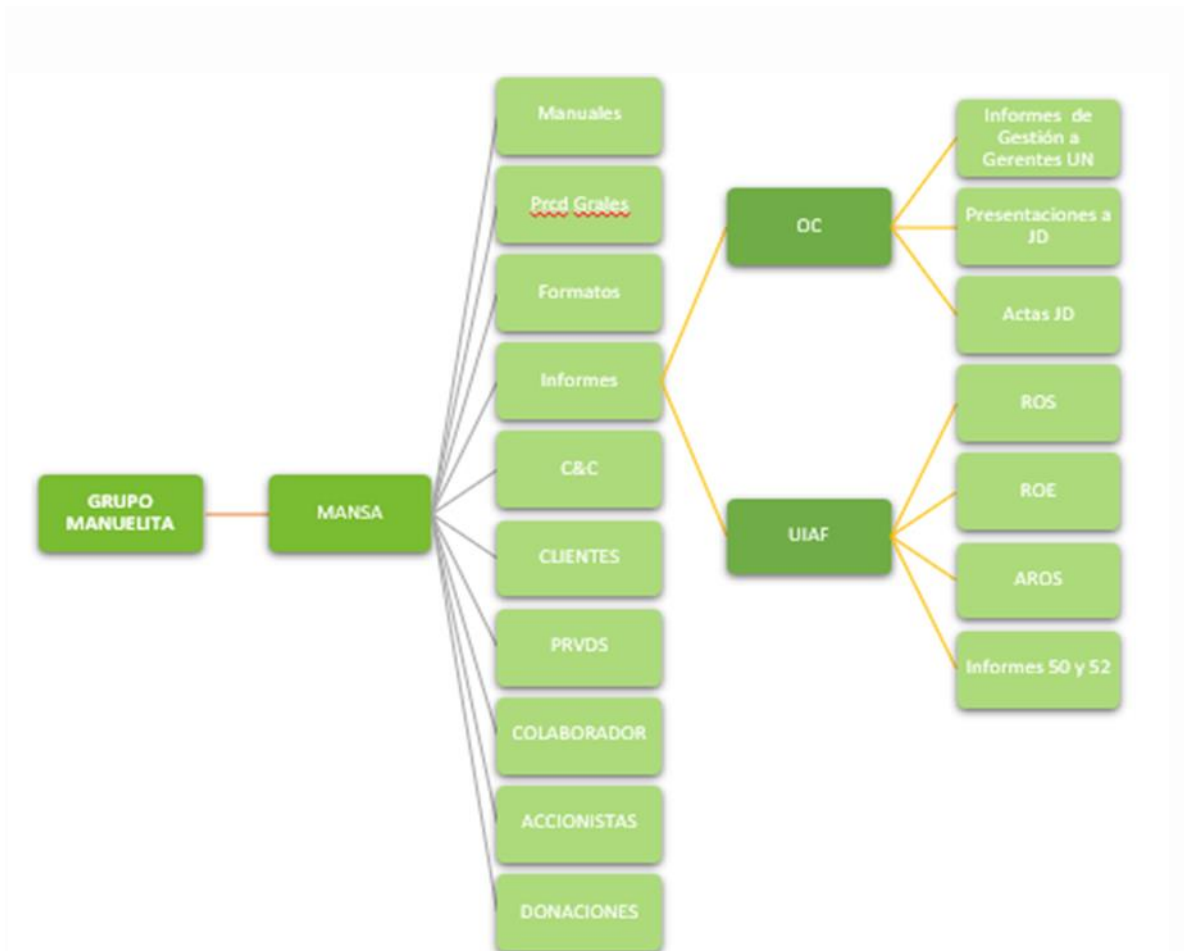
Accordingly, **MANUELITA S.A.** hereby guarantee that:

- All its financial transactions are suitably identified, clearly stated in the proper accounting books and records, and available to be inspected by its Board of Directors, a given assessment, and statutory auditing.
- There are no “off-the-books” nor secret accounts, and no documents are issued unless they truly and accurately capture the transactions referred to.
- There are no records of inexistent expenditure, nor de unidentified liabilities, nor aimless transactions. Clear, genuine and lawful.
- Accounting books and other documents of the sort, are not deliberately destroyed prior statutory timelines.
- There are audit systems, through statutory auditors and/or internal auditors that identify any transaction that may infringe the anti-bribery and anti-corruption policy, or other applicable accounting standards.

## 8.8 Keeping of documents and records

The keeping and filing of such documents and support documentation will adjust to Article 28, Law 962 from 2005, or its modifying or replacing provision, which states that documents and records must be kept for a period of ten (10) years, following the date of last entry, document, or voucher, being able to use for such purpose, and to **MANUELITA S.A.**'s choice, a preservation in paper or any technical means, digital, or electronic, that could guarantee is exact reproduction.

**MANUELITA S.A.**, will have a share point to ensure that the supporting documents of all the operations of the business are guarded and filed in an appropriate manner according to the standard and that information is available in case of on-site visits or extra-situ requirements by the Superintendence of Corporations.



No businesses, operations, or contracts, are to be engaged into without the relevant internal or external support, properly dated and authorized by involved or issuing parties. This support documentation will adhere to document filing schedule.

All third-parties Due Diligence records, even those that were rejected, will be saved in the third-party's file, managed by MANUELITA S.A.'s, recruiting department, during the next 5 years after January 1st of the following year when the enquire was made, or upon termination of the legal business or contract signed.

### 8.9 Due Diligence Procedures

The Due Diligence is intended to provide **MANUELITA S.A.**, the needed elements to identify and assess the corruption and transnational bribery risks related to its counterparts' activities.

- To identify, detect, prevent, manage, and mitigate C/ST risks that may affect **MANUELITA S.A.'s** operations.
- To identify the final beneficiary (ies), and the tenure and control structure of a legal person, structure without legal status, or similar, under which the legal business or government contract have been engaged into, and reasonable action taking on the verification of reported information.



- Due Diligence may have a different approach depending on whether the counterpart features a master list flag from a C/ST perspective, such as a Heightened Due Diligence.
- To establish **MANUELITA S.A.'s** guidelines and commitment that timely prevent or detect C/ST activities and to ensure that all its managing team, partners, or shareholders, directors, employees, suppliers, and clients, understand and reflect their individual compliance liability.
- The natural person, legal person, structure without legal status, or similar, under the obligation to implement a risk prevention, management, or administration system on money laundering, terrorism financing, and proliferation of weapons, or that are under obligation of surrendering information to the Single Final Beneficiaries Registry\* (RUB-by its acronym in Spanish\*), must take Due Diligence measure to allow, among others, to identify final beneficiary (ies).

(Refer to AMSA. Due Diligence Procedure)

## **9. GUIDELINES AND MECHANISMS FOR ANTI-CORRUPTION AND ANTI-BRIBERY POLICY COMPLIANCE**

### **9.1 Acquaintance of Domestic and International Counterparts**

For **MANUELITA S.A.** is important to keep a close relationship with its counterparts, that is why it is a critical policy to know them well, as a method of prevention for domestic and transnational corruption and bribery risk.

**MANUELITA S.A.** has the technological tools to verify in informational, restrictive and binding lists, any information from counterparts linked to C/ST, prior engagement, criminal records from their shareholders, final beneficiaries, directors, legal representatives, and Manager, as well as their suppliers and employees.

For that purpose, Due Diligence procedures have been defined for counterparts understanding, which require the filling out of registration forms, as they provide full insight about the counterpart, its financial information, history, and reputation.

The filling out verification and information from registration or update forms, as well as attainment of support documentation defined for each form, are a responsibility of the officials with roles established according to each business unit, carrying out said tasks for **MANUELITA S.A.**

Registration forms must contain clauses for counterparts to certify awareness and commitment to comply with policies and procedures intended for bribery and corruption risk prevention.

### **9.2 Interaction with Public officials**

To **MANUELITA S.A.** it is paramount to keep an excellent relationship with all governmental bodies, therefore prohibits the company's employees or any of its authorized staff, to act on its behalf, offer, promise, or grant gifts, or any other illegal incentive, to public officials, aiming to influence their judgement, or receive favors in

exchange. (Article 2, Law 1778 from 2016).

It is forbidden for all employees of MANUELITA S.A., to accept any trip paid for by a supplier, external entity or government official to events, conferences or symposia, unless expressly authorized by the Management of **MANUELITA S.A.**

**MANUELITA S.A.** must not pay contributions in behalf of political parties and candidates on public office, unless previously authorized by Corporate Board of Directors and the Chair, according to the General Contributions Procedure Policy, and Due Diligence Procedure Numeral 6, grants and Contributions Policy.

For the managing team and officials of **MANUELITA S.A.** who have direct interaction with suppliers of goods and services, under no circumstances will be allowed to give or receive fees, bribes, or payments of any sort, that could influence business decisions or create a conflict of interest.

**For Public officials recruiting:** When a current or former Public Official is interested in becoming an employee for **MANUELITA S.A.** the Due Diligence procedures must be fulfilled, and approved by Compliance Officer, prior verification of compliance with current legislation and the Identification Procedure of Politically Exposed Persons-PEP- (Act 830 from 2021).

Similarly, should an employee, partner, shareholder, or director following their involvement with **MANUELITA S.A.** become enrolled into a public office, which may give them the category of PEP, a heightened Due Diligence is to be carried out, without it being a limitation to fulfill both roles, pursuant Act 830 from 2021.

The area responsible for linking counterparties must maintain a file with updated information on those related who, due to their activities additional to those contracted with PALMAR DE ALTAMIRA S.A.S., are classified as Politically Exposed Persons (PEP), guaranteeing the availability of information in case of on-site visits or extra-situ requirements by the Superintendence of Corporations.

*"As mentioned in Decree 830/21 "The quality of PEP, will be maintained over time during the exercise of the position and for two (2) more years from the abandonment, resignation, dismissal or declaration of non-subsistence of the appointment, or any other form of dismissal, or termination of the contract", it must be confirmed with the consulted the dates on which the public function was developed. "*

The minimum information **that** the file must contain will be:

Nombre	Cargo en Manuelita	Fecha Ingreso	Cargo o función que lo cataloga como PEP (Decreto 830/21)	Fecha Inicio	Fecha Terminación	Funciones como PEP

### 9.3 Fees

**MANUELITA S.A.** specifically prohibits to receive fees beyond legal ones, resulting from performing duties as employee, **MANUELITA S.A.**, granting bribes or payments of any nature, that may influence business decisions or create a conflict of interest. No gifts or services are to be accepted if it could compromise or appear to be compromising for an **MANUELITA S.A.'s** employee.

### 9.4 Gifts, Meals, and Leisure

**MANUELITA S.A.** prohibits its employees, directors, managers, or shareholders, to pay travel expenses and those of the sort (transportation, air flight, lodging, and related meals) of any Domestic or Foreign Public Officials, suppliers, clients, or contractors, to obtain or provide any sort of benefit between the parties.

Presents and invitations must have the sole purpose to promote, keep, and reinforce commercial interactions with suppliers or clients.

Travel expenses, lodging, leisure, or food, for public or private officials, clients and/or suppliers, must be previously approved by **MANUELITA S.A.'s** General Management.

The only travel expenses that will be paid, are those that have been approved by the General Management for such staff members or executives that are required to and authorized for air flights related to the business. They must submit all original vouchers with amounts and concepts approved by the Management.

In addition, the following rules will also apply:

- ✓ All expenses must have a commercial purpose to justify them. Under no circumstance may presents, meals, leisure, air flights, or lodging be given, with the purpose to obtain something in exchange, or to improperly influence or gain advantage.
- ✓ The staff members of **MANUELITA S.A.** are allowed to give away certain promotional items of symbolic value, which may have **MANUELITA S.A.'s** logo.
- ✓ All expenses must be accompanied with documentation requested by the
- ✓ department in charge of cost justification and be properly reflected on accounting books and records.

The company's employees, or representatives, that given their responsibilities or duties need to travel around the national territory and/or overseas, in the company's behalf or representation, may Not:

- Offer, give, promise, or authorize, any money or goods (cash amounts, presents, loans, meals, air flights, lodging,) to any Public Official, natural or legal person, seeking to obtain, keep, or redirect businesses to any individual, in order to gain advantage.
- To make payments, or give presents, or benefits through intermediaries.
- To conceal or disguise gifts or offerings through other expenditure records authorized by **MANUELITA S.A.** in the pursue of its activity.
- To offer air flights, courtesies, gift cards (coupons), even if not of material value, when used to gain improper advantage or obtain a favor, favorable concept for the company or its representative, paid by the company or him/herself.

## 9.5 Facilitation payments

Facilitation payments are prohibited according to the laws that fight against bribery in most countries. Facilitation payments, also known as “facilitation”, “acceleration”, or “gifts” are small payments made to ensure or speed up the carrying out of a routine action, to which paying party is entitled to.

**MANUELITA S.A.** officials are demanded to report to a Compliance Officer about any discrepancy, or unusual request or query made by suppliers or in the course of proceedings with bodies and/or officials from the public sector either domestic or foreign, which may be regarded as a Warning sign.

The payment procedure will remain, with the purpose to guarantee that every expenditure and disbursement carried out, are made according to internal control parameters in a precise and timely fashion, seeking to ensure that concepts cover the supply of goods, raw material, consumables, service rendering, or the payment of contributions or grants, all of which must be approved.

## 9.6 Political Donations and contributions

**MANUELITA S.A.** classifies Donations as Listed and Non-Listed. Donations Listed, are those concerning the business strategy, playing a part in reaching the objectives; while Non-Listed Donations go along with the business strategy on fostering projects, initiatives, or activities intended for the benefit of the general community.

**MANUELITA S.A.** prohibits social donations conferred with the purpose to influence the decision of a government official or to exchange special favors seeking an advantage in businesses.

Nonetheless, donations may be made to political campaigns and parties, all of which are to be made in compliance with the Donation Policy stated in the General Contributions Procedure Policy.

Before issuing a Donation, a Due Diligence Procedure must be carried out, to the entity receiving the donation, according to the General Contributions Procedure Policy.

## 9.7 Financial Anti-corruption controls

**MANUELITA S.A.** bookkeeping, must have the clear needed support to be entered into the system, with the previous validation of the most relevant data, according to the operation to be entered, as follows:

- The **MANUELITA S.A.'s** official whom, given the nature of his/her role needs to make trips to represent the company, must guarantee that the information and expenses documentation, fulfill bookkeeping requirement for their record entry.

- It is prohibited to enter false or deceiving incoming payments, records, or reports, or any information that does not comply with sufficient evidence or support.
- All reports, vouchers, invoices, and payroll and service records must be carefully prepared, in a detailed and honest manner.
- All accounting books relevant to suppliers' payments must have been verified by a senior level or supervision for its entry.
- To validate the accuracy of all bookkeeping operations and records, and to ensure that, in the transfer of money or other goods, engaged into between **MANUELITA S.A.** and clients and suppliers, there are no hidden payments, either direct or indirect related to bribes or other corrupt conducts.
- Individuals in charge of the Company's operations bookkeeping, will be responsible to report to a Compliance Officer about any suspicious or unusual operation or transaction, for the relevant assessment and concept.

**MANUELITA S.A.** will evaluate the suspected infringements to bookkeeping processes, and all applicable policies. Should there be evidence of unjustified responsibility from an employee of **MANUELITA S.A.** the relevant disciplinary measures will be taken, as established by the Internal Labor Regulations and the Substantive Labor Code.

## 10. CONTROL AND AUDIT

Every involvement and negotiation with employees, suppliers, public entities and officials, both domestic or foreign, will abide corporate values stated by the Code of Conduct, Internal Labor Regulations, as well as the activities and controls described in the enrollment procedures and recruiting processes, for **MANUELITA S.A.** Said procedures describe diagrams with hierarchy levels for approvals, staffing, payments, and sales, clear definitions of accounts, restricted use of cash, among others.

Therefore, the Internal Corporate Audit Department provides an independent assurance role within **MANUELITA S.A.** being in charge to establish whether the operations control process of **MANUELITA S.A.** is suitably designed and if it works effectively.

Upon control and audit performance, financial statements and bookkeeping are examined, in order to guarantee that financial information reflects the actual patrimonial and economic status of its transactions.

**MANUELITA S.A.** submits to the internal control system, and the accounting and documentary practices, in order for them to be subject to evaluation and analysis from auditing bodies, internal control, and statutory audit agencies.

Likewise, employees, directors, shareholders and the Management of **MANUELITA S.A.** may not modify, delete, change, overlook, or distort records to conceal illegal activities, or those that can't accurately convey the nature of a registered transaction.

In addition, **MANUELITA S.A.** has internal procedures and controls in place that are suitable to prevent the concealment or disguise of bribes or other improper payments, it also provides consultancy regarding the establishing of internal controls, being in

charge of defining a regular process to identify, assess, prioritize, and manage ethics and compliance risks in every department as well as reporting results to the Corporate Compliance Officer.

## 11. RISK FACTORS ASSESSMENT

In order to identify risks and carry out a constant monitoring, attuned with control, ethics, and transparency policies, established by **MANUELITA S.A.** information was collected from every area of the Company to measure, evaluate, control, and monitor its processes, and create a risk matrix. The risk matrix will evolve in line with the ISO 31000 methodological reference.

For a better performance concerning bribery risk, the following factors will be taken into account for the risk matrix:

- a. Country: This factor is considered a benchmark for those countries with high rates of corruption perception, due to the lack of a justice system and absence of effective standards to fight corruption in public and foreign investment matters. Moreover, this risk factor also considers such operations that may exist with Subordinate Companies, in countries regarded as tax havens in accordance to the ranking issued by the National Tax and Customs Authority.
- b. Economic sector or activity: According to OECD reports, some sectors are believed to be the most vulnerable for acts of bribery, hence, This will be a factor to consider in the Risk Matrix; in parallel, upon local normativity demands for a large number of permits, licenses, and other regulatory requirements for the carrying out of the business activity, the performance of corrupt practices pitches in, aiming to speed up any specific proceeding.
- c. Third parties: This factor will be considered according to the counterpart interacting with **MANUELITA S.A.** namely: contractors, suppliers, clients, and Subordinate Companies. The following will be included in that description: Public domestic and foreign officials, custom agents, and tax brokers that may be related to **MANUELITA S.A.'s** operations.

The risk identification and assessment concerning transnational bribery will find leverage in the Due Diligence and Audit processes.

## 12. CONTROL MECHANISMS OF RISK FACTORS

In order to control risk factors identified by **MANUELITA S.A.'s** process assessment, the following mechanisms have been put in place and implemented, among others:

## 12.1 Monitoring and Control

The Manual incorporates a permanent effort on compliance monitoring and assessment. The nature of these evaluations, as well as monitoring extent and frequency, assessment and audit, may vary according to new regulatory requirements, changes in business practices and other considerations.

A Risk Matrix considering risks inherent to the operation in regard to bribery and corruption will remain documented. The heads of processes for **MANUELITA S.A.**, must manage the Risk Matrix under the Compliance Officer's coordination. I will update when deemed necessary or when new possible risks or controls are identified, that are to be reclassified.

## 12.2 Contractual Protections

All contracts must state that the Counterparts know and voluntarily submit themselves to policies contained in this Manual, and all standards and laws related to transnational bribery and corruption.

As a mechanism of control in contracts' enforcement, **MANUELITA S.A.:**

- Will include Anti-bribery and Anti-corruption clauses contracts with suppliers, contractors, and employees, relevant to operations with such third-parties for the business development, and audits or monitoring activities will be stipulated, as the case may be, concerning risk management.
- The head of the Legal Department will be in charge of issuing and/or making sure all contracts with suppliers and contractors contain their commitment and termination clause should the counterpart be involved or implicates **MANUELITA S.A.** in acts of transnational bribery and corruption, or any other illegal action.
  - At the beginning of the contractual relationship with employees or suppliers, each counterpart will be asked to sign a document certifying that they know, understand and accept **MANUELITA S.A.'s** policies concerning Bribery, Corruption, and the Code of Conduct. Such activity must be carried out at least once a year with all counterparts that remain actively in business with **MANUELITA S.A.**

## 12.3 Suppliers:

As a part of the corporate standards, Due Diligence mechanisms will be used with suppliers, to allow for verification of their activities, and to develop business operations under strict compliance with the legislation, and the highest commitment and ethics standards. Adding the following documents for that purpose, to the process of enrollment for suppliers and clients:

- a. Code of Conduct.
- b. Compliance Manual for the Business Transparency and Ethics Program
- c. Anti-bribery and Anti-corruption Commitment

#### 12.4 Statement of staff members with highest risk exposure:

Staff members under highest risk exposure from the process undertaken (executive tasks) must sign the acceptance and statement certificate of **MANUELTA S.A's Code of Conduct**.

#### 12.5 Restrictive Lists Query

Prior engaging into a commercial or legal relationship with a counterpart, its basic information regarding identification, financial activity, reputation, and criminal records must be enquired about, according to AMSA's Due Diligence Procedure.

The responsibility to enquire reporting lists linked to C/ST has been defined, taking into account the departments in charge of third-parties' enrollment tasks and duties. This evaluation must be carried out prior starting any commercial or contractual relationship, and in a regular fashion pursuant Circular Letter No.100-000011 from 2021 or the internal policies of MANUELITA S.A.

It is the duty of the officials responsible for the links of counterparties in each area, to consult the natural and legal persons, their final beneficiaries, administrators and Legal Representatives, in the restrictive and binding lists and report the coincidences detected with priority 1 and 2 to the Compliance Officer, who will evaluate each report, in accordance with the provisions of the Due Diligence procedure and will define if a Due Diligence should be carried out. Intensified.

Matches with priority 3 and 4 categorized as low risk, will be evaluated by the people in charge of the linking processes, without any concept from the Compliance Officer. However, if the controller considers that there are any red flags in these priorities, they will request additional validation by the Compliance Officer.

According to the above, the priorities have been categorized from 1 to 4, where priority 1 is the highest and priority 4 is the lowest.

<b>Prioridad 1:</b>	Coincidencias en el número de identificación exacto y nombre que contenga la búsqueda
<b>Prioridad 2:</b>	Coincidencias únicamente en el número de identificación exacto
<b>Prioridad 3:</b>	Coincidencias exactas únicamente en el nombre
<b>Prioridad 4:</b>	Coincidencias únicamente en el nombre, con una determinada cantidad de palabras de precisión



Grupo	Nombre Grupo de Lista
1	Principales Listas Restrictivas y/o Vinculantes
2	Listas asociadas a LA/FT/FPADM, Corrupción u otros delitos (Penal) y Extinción de Dominio
3	Listas asociadas a LA/FT/FPADM, Corrupción u otros similares (Administrativo)
4 y 5	Sanciones Administrativas y Listas de Afectación Financiera
6	Listas PEPs
7	Listas Informativas

## 12.6 Keeping of documents and records

All third-parties Due Diligence records, even those that were rejected, will be saved in the third-party's file, managed by **MANUELITA S.A.'s**, recruiting department, during the next 5 years after January 1st of the following year when the enquire was made, or upon termination of the legal business or contract signed.

## 12.7 Conflicts of interest

Conflict of interest defines a situation featuring specific conditions for an employee's personal interests to take precedence over corporate interests, goals, or objectives established by **MANUELITA S.A.**

To that effect, **MANUELITA S.A.** relies on the Manuelita Group's Code of Conduct, to suitably handle and solve situations that may generate a conflict of interest.

Without limiting the situations relevant to conflicts of interest mentioned by said Code, the following are to be additionally considered:

- Kinship
  - When the employee enrolled with the company may influence in any manner the contractual negotiation process concerning services and/or products procured by **MANUELITA S.A.** with a third-party such employee has up to a fourth degree of kinship, third degree of affinity, first degree of civil ties- either a spouse or permanent partner-.
  - When the employee enrolled with **MANUELITA S.A.** performs as supervisor or chief-director of another employee if there is kinship between them up to the fourth degree of kinship, third degree of affinity, first degree of civil ties- either a spouse or permanent partner-.
- According to the role
  - When the employee, has had a direct interest or performed as a

representative, consultant, chair, Manager, director, member of the Board, or partner of a guild, union, company, association, or economic and social group, of a third-party or counterpart with whom **MANUELITA S.A.** is engaging or about to engage into businesses.

### **Identification and report of Conflicts of interest**

Upon the event of any of the aforementioned situations, the employee who would become aware of it, must fill out the “conflicts of interest reporting form”.

Once the Audit Committee has analyzed the situation generating such Conflict of interest, as provided by Manuelita Group’s Code of Conduct, said committee will establish the need to report the situation to Compliance Officer, for the given assessment.

## **13. ROLES AND RESPONSIBILITIES**

**MANUELITA S.A.** has the suitable structure, to endorse the effective and efficient prevention of transnational or domestic bribery risk.

To this end, in addition and complementing which ever duty appointed in another manual or policy of **MANUELITA S.A.** to manage a specific risk, or for any other purpose, these corporate bodies will have the following duties and tasks:

### **13.1 Board of Directors**

It is the responsibility of the board of directors of **MANUELITA S.A.**, to establish and define the Compliance Policies, which includes the instructions that must be given regarding the design, structuring, implementation, execution and verification of actions aimed at the prevention and effective mitigation of any corrupt practice.

- a. Issuing and definition of the Compliance Policy.
- b. To establish the Compliance Officer's profile as defined by Compliance Policy.
- c. To appoint Compliance Officer.
- d. To approve the document that contains the PTEE.
- e. To assume a commitment aiming to prevent C/ST risks, in such a manner that **MANUELITA S.A.** may perform its businesses in an ethical, transparent, and honest fashion.
- f. To guarantee the sourcing of economic, human, and technological resources the Compliance Officer may require to fulfill his/her duties.
- g. To instruct relevant actions against Associates, with directive and administrative duties in **MANUELITA S.A.** over staff members, and directors, when upon breaching the PTEE.
- h. To lead a communication and education strategy suitable to guarantee the efficient advertising and awareness of compliance policies and PTEE to staff members, associates, contractors (in accordance to Risk Factors and Risk Matrix) and other stakeholders identified.

### **13.2 Legal Representative and/or General Manager**

- a) Submitting the PTEE proposal through the Compliance Officer, for approval of the Board of Directors or the main corporate body.
- b) To ascertain that PTEE articulates with Compliance Policies adopted by the Board, or the main corporate body.
- c) To lend effective, efficient, and timely support to Compliance Officer in the design, direction, oversight, and monitoring of the PTEE.
- d) In cases where there is no Board of Directors, the legal representative will nominate the person to fill in for Compliance Officer, in order to be appointed by the main corporate body.
- e) To certify fulfillment of this Chapter's provisions upon the Superintendence of Corporations, when requested by the latter.
- f) To guarantee that the activities resulting from PTEE's implementation are properly documented, as to allow information to adhere to a criteria of integrity, dependability, availability, compliance, effectiveness, efficiency, and confidentiality. The documentary support must be preserved pursuant Article 28, Law 962 from 2005, or its modifying or replacing provision.

### **13.3 Ethics Compliance Officer**

With the purpose for **MANUELITA S.A.** to have a natural person leading and managing PTEE, a Compliance Officer is to be appointed.

#### **Compliance Officer Profile**

- a) The capacity for decision making intended for C/ST risk management, and having direct communication with, and being directly accountable to the Board of Directors or the main corporate body upon inexistence of a Board.
- b) To have sufficient knowledge in regards to C/ST risk management, and having a clear understanding about the company's regular activity.
- c) To have the support of a human and technical team, according to C/ST Risk and company size.
- d) To not be a member of the management, the corporate bodies, or the statutory auditing agency (performing as statutory auditor, or being employed for the statutory auditing agency of the matter), or whichever performs similar duties in the Company.
- e) If Compliance Officer does not work for the Company, said natural person may or not be enrolled with another legal person.
- f) Not performing as main or substitute Compliance Officer, in more than ten (10) companies. To perform as Compliance Officer for more than one Obligated Companies, (i) said Compliance Officer must certify; and (ii) the body appointing such Compliance Officer must verify, that said Officer does not work with competing companies.
- g) When there is a corporate group, or a declared control situation, the Compliance Officer of the matrix or controlling party, may be the same person for all companies that are part of the group or conglomerate, regardless of the number of companies conforming it.
- h) To be posted in Colombia.

### **Compliance Officer Duties:**

- a) Submitting the PTEE proposal along with the legal representative for approval of the Board of Directors or the main corporate body.
- b) To submit reports, at least once a year, to the Board, or in its absence, to the main corporate body. The reports must contain an assessment and analysis about the PTEE's efficiency and effectiveness at the very least, and suggestions to relevant improvements, as the case may be. It must also substantiate the results of the Compliance Officer's performance and the company's management, in general, concerning the PTEE's compliance.
- c) To ascertain that PTEE articulates with Compliance Policies adopted by the Board of Directors.
- d) To oversee for the PTEE's effective, efficient, and timely compliance.
- e) To implement a Risk Matrix and update it, according to the very needs of **MANUELITA S.A.**
- f) , its Risk Factors, the C/ST risk materiality, and accordance to Compliance Policy.
- g) To establish, adopt, and monitor activities and tools, for the detection of the C/ST risk, according to Compliance Policy to prevent C/ST risk, and the Risk Matrix.
- h) To guarantee the implementation of suitable channels that enable any person to report, in a confidential and safe manner, about non-compliances with PTEE, and possible suspicious activities related to Corruption;
- i) To verify the proper enforcement of the Whistleblower Protection Policy established by the company, and in regards to staff members, the Workplace Harassment Prevention Policy as defined by the law;
- j) To determine internal investigation procedures in the company for the detection of non-compliances with the PTEE's, and acts of corruption;
- k) To coordinate the implementation of Internal Training Programs;
- l) To verify compliance of Due Diligence procedures applicable to the Company;
- m) To ensure the proper filing of documentary support and other information related to C/ST risk management and prevention;
- n) To design methodologies of classification, identification, measurement, and control of C/ST risk that are to be a part of the PTEE; and
- o) To carry out the compliance assessment of the PTEE and the C/ST risk **MANUELITA S.A.** is exposed to.

### **Inabilities and Incompatibilities of Compliance Officer:**

No individual may perform as Compliance Office when having incurred into the following: Inabilities:

- Having disciplinary, fiscal, administrative, or criminal records due to offenses concerning corruption, or domestic or transnational bribery, whether of public or private sector, accordingly.
- Not having provided all the needed information, on the evaluations of safety and Due Diligence, known by third-parties, carried out by the company upon staffing.

Incompatibilities:

- Having voting powers in the company Service Procurement Committee.
- To be manager or partner of enterprises the company may have some sort of commercial relationship with, except for companies of the same corporate group, or over which a control situation is enforced.
- Officials' profiles that given their duties, do not evince sufficient independence, nor directive capacities and C/ST risk management skills, will be regarded as incompatible for the role.
- The statutory auditor, internal auditor, or manager are not to be appointed as Compliance Officer.

### 13.4 Statutory Auditor

Statutory auditing is coated by overseeing capacities that exceed the representing of associates interests concerning the operations carried out or implemented at the Company.

According to the guideline (External Circular Letter 100-00011 issued by the Superintendence of Corporations), it defines that control and audit systems are to be established pursuant Article 207 from the Code of Commerce, and applicable accounting standards, allowing the statutory auditor of the legal person, if so, to verify bookkeeping's accuracy, and to ensure that, in the transfer of money or other goods, engaged into between the legal person and its Subordinate Companies, there are no hidden payments, either direct or indirect related to bribes or other corrupt conducts.

The following are statutory auditor's duties:

- a. To ascertain that operations engaged into or completed by **MANUELITA S.A.** adhere to legal provisions, and ordinances from the Board of Directors and the Management.
- b. To timely provide a written report to the Manager and the Board, about accounting discrepancies taking place during the company's operation, and in the performance of its corporate activity.
- c. To ensure **MANUELITA S.A.'s** bookkeeping is carried out in an accurate and updated fashion, and for support documentation and vouchers to be properly kept.
- d. To provide instructions, practice surveys, and request the needed reports to establish permanent control over **MANUELITA S.A.'s** assets.
- e. The statutory auditor, when available, must assess the Business Transparency and Ethics Program, and issue an opinion about it.
- f. To evaluate all of **MANUELITA S.A.'s** inventories, minutes, and books, and thoroughly examine its assets, seeking for timely measures of preservation and safety to be taken for them.
- g. To fulfill other duties appointed by the Law, this Business Transparency and Ethics Program, and those that being compatible with the role, are entrusted by the Board.

- h. Reporting to the competent authorities about any act of corruption learnt about during the performance of duties. In fact, Article 32, Law 1778 from 2016, which adds numeral 5<sup>o</sup> of Article 26, Law 43 from 1990, specifically demands from statutory auditors, the reporting to criminal, disciplinary, and administrative authorities, upon a presumable offense, detected during the performance of duties, in spite of professional secrecy.
- i. Paying special attention to warnings that may lead to suspect of an activity related to a possible act of corruption

### **13.5 Human Resources Management**

- a) To include the compliance duties assessment and the adherence to the ethical business standards on employees' performance assessments.
- b) To design and advertise the Compliance Manual notifications of the Business Transparency and Ethics Program through several means, including: Intranet, Billboards, e-mails, FAQ posts, among others, as requested by Compliance Officer.
- c) Conveying to all MANUELITA S.A. employees about their duty to fill out the relevant Conflict of Interest Declaration upon their occurrence, as stated by the Code of Conduct and the Good Corporate Governance Code Chapter 8.
- d) To incorporate in the Job Description or Role Profile Manuals the set of responsibilities appointed on this manual, to the company's officials.
- e) To disclose the Code of Conduct and this manual, and to issue a record of said disclosure's assessment.
- f) To carry out Code of Conduct training sessions, at least once a year.
- g) To conduct home visits, safety analyses, and enquiries in reporting lists, concerning C/ST and compliance to employees upon enrollment, and to update enquiries every once a year.
- h) To report Compliance Officer about any such finding related to employees' criminal or disciplinary records.

### **13.6 Domestic and International Procurement**

To establish and determine commercial and quality conditions under which **MANUELITA S.A.** will pursue procurement activities regarding raw material and consumables in general, with its suppliers.

The procurement department's criticality deserves special attention, for which it is required a greater degree of surveillance to negotiations achieved, third-parties' staffing processes, the knowing of Legal representatives, and the source of their assets, as well as the degree of interaction among **MANUELITA S.A.'s** officials. For that purpose, Due Diligence procedures, and other financial and non-financial controls, stated in staffing, recruitment, and annual assessment procedures, established by the company to mitigate fraud or bribery risks, must be observed.

Verifications in restrictive and binding lists of the counterparties to be linked or linked, must comply with the provisions of numeral 12.5 (Consultations in lists), of this Manual and the internal policies in force.

### **13.7 General duties of staff members**

The main duty of an employee is to uphold a strict commitment with transparency, control, anti-bribery and anti-corruption policies stated by **MANUELITA S.A.** which will be evident by compliance to the following duties:

- a) To know, apply, and enforce this Business Transparency and Ethics Program Manual, and the regulatory provisions upon which is founded.
- b) Placing abidance to ethical principles above the achievement of commercial objectives.
- c) To report any act of domestic or transnational bribery, and any corrupt activity that would become aware of.
- d) The mandatory attendance to training sessions carried out.
- e) To report the company about any substantial patrimonial increase, which must be substantiated with relevant support documents.
- f) To facilitate the analysis of its financial status, carried out by the company, for staff members performing critical or greater responsibility roles, which must be assessed at least once a year.
- g) Report on activities outside those contracted with the company and that can be classified as Politically Exposed Person (PEP).

### **13.8 Chief Legal Officer**

The functions of the Chief Legal Officer are focused on monitoring and managing the fulfillment of rights and obligations in the performance of contracts, as well as ensuring compliance with rules and policies applicable to MANUELITA S.A. or adopted by it, to minimize the legal risk of the organization and comply with current legislation on C / ST.

Analyze requests and requests in conjunction with the Compliance Officer on processes or requirements of the control entities associated with the Transparency and Business Ethics program.

Ensure that contracts have clauses that allow counterparts to know the responsibilities and policies of the Anti-Bribery and Anti-Corruption programs.

### **13.9 Compliance Area**

The compliance Area of Manuelita will be responsible for the process of linking counterparties for MANUELITA S.A., based on internal policies and current laws of C / ST, for this it must:

- a) Verify natural and legal persons on restrictive lists.
- b) Request Final Beneficiary information when applicable.
- c) Request shareholder composition when applicable.
- d) Block counterparties that, for a period of one year, have not had activity with MANUELITA S.A.
- e) Request updating of documents when the reactivation of a blocked counterparty is required.

- f) For active counterparties at least once a year, request the updating of current documents in accordance with the procedure and policies in force.
- g) Request the DDI from the Compliance Officer when counterparts classified as Politically Exposed Persons are presented (Decree 830/21).

#### 14. DISCLOSURE AND TRAINING

Pursuant the Code of Conduct, this MANUAL and its modifications will be notified to employees, partners, directors, suppliers, and third-parties, through the various communication means **MANUELITA S.A.** has implemented. To that end, this Manual and its modifications will be disclosed on the company's website in the main languages of its operating jurisdictions.

The Compliance Officer with the Human Resources Management support, must annually develop and enforce training plans regarding the Business Transparency and Ethics Program, addressed to such employees, suppliers, and other stakeholders, regarded critical for the company's operation.

Training sessions must cover all aspects listed in this Manual, and the policies, procedures, and codes related to it.

Likewise, the training plan must aim to:

1. Fostering ethics, integrity, and transparency in the daily tasks performance.
2. To communicate about employee's responsibility to report related matters, that undermine the Business Transparency and Ethics Program MANUELITA S.A. emphasizes on.
3. The accessibility of the Ethics Hotline, and the No-retaliation of its use.

#### 15. REPORTING CHANNELS

All clients, employees, suppliers, contractors, and other stakeholders, are liable to report possible or suspected non-compliances to the Business Transparency and Ethics Program, and to this Manual, through the Ethics Hotline, which has three communication mechanisms available:

- E-mail: [lineaetica@manuelita.com](mailto:lineaetica@manuelita.com)
- E- mail: [oclaftamsa@manuelita.com](mailto:oclaftamsa@manuelita.com)
- Physical mailboxes: Located at MANUELITA S.A.
  - Toll-free number
    - o Colombia: 018000940043

Employees, suppliers, contractors, communities, and other stakeholders will be required to cooperate upon any inquiry or investigation concerning a possible violation to ethics or a legal or regulatory non-compliance. In all cases **MANUELITA S.A.** expects that truthful and complete information be provided to the appointed person in charge of said investigation or audit.



**MANUELITA S.A.** prohibits retaliation against Counterparts that may report a possible or suspected non-compliance to a Law, legislation, the Code of Conduct or our policies.

Upon reporting, the counterpart may feel free to do so in anonymity or by providing contact information. The reporting person's data, if provided, will be kept under confidentiality, and if regarding an employee from **MANUELITA S.A.**, it will be guaranteed that there won't be work-related repercussions resulting from a report. Should such a thing occur, the employee may reach the mechanisms provided by the company to prevent workplace harassment

No false or reckless reports or complaints will be accepted.

Individuals retaliating due to the issuing of a report or officials issuing false reports, will be subject to disciplinary action under the terms of Internal Labor Regulations.

It is imperative to reiterate that no employee or official of the company will be demoted, fined, or faced to any adverse consequence of the sort, when refusing to pay bribes, even if the company is to lose a deal because of that. By the same token, the needed, helpful, and proportional measures in favor of said whistleblower, will be guaranteed, for the latter not to be subject to retaliation and/or threats of any nature, which also applies to the official serving as witness to whistleblower.

Reports submitted through available channels must be documented and solved, recording it in the "Reports Control Form".

Either way, compliance is to be given to the Reports Management Procedure through the Ethics Hotline.

All reports related with possible non-compliances to this Manual, will be evaluated by **MANUELITA S.A.'s** Ethics Committee and the Compliance Officer.

### **15.1 Submitting of reports about transnational bribery to the Superintendence of Corporations and about Acts of Corruption to the Department of Transparency.**

Not only reporting channels established by the company are the suitable tools to report possible activities that translate into acts of corruption or transnational bribery; to that end, anybody aware of such, may reach the Superintendence of Corporations' institutional reporting channels:

Acts of corruption:

<http://www.secretariatransparency.gov.co/observatorio-anticorrupcion/portalanticorrupcion>

Transnational Bribery: [https://www.Superintendence of Corporations.gov.co/delegatura\\_aec/Paginas/Canal-dereports- bribery-Internacional.aspx](https://www.Superintendence of Corporations.gov.co/delegatura_aec/Paginas/Canal-dereports- bribery-Internacional.aspx)

### **15.2 Warning signs**

Some warning signs the organization will regard upon the carrying out of businesses, staffing, signing of contracts, and other activities in the development of its corporate purpose, are:

**In the assessment of accounting books, operations, or financial statements:**

- Invoices that may seem fake or not reflecting the fact of a transaction, or may be inflated, and having excessive discounts or rebates.
- Operations overseas, with highly sophisticated contractual terms.
- Money transfers to countries regarded as tax havens.
- Operations that lack a logic, economic, or practical justification.
- Operations outside the normal course of business.
- Operations with unclear parties' identity or origin of funds.
- Assets or entitlements, included in financial statements, without an actual value or inexistent.

**In the corporate structure or purpose:**

- Complex or foreign legal structures, apparently without commercial, legal, or tax-related benefits, or the ownership and control of a legal entity with no commercial purpose, particularly when located overseas.
- Legal persons with domestic or foreign trust fund structures, or non-profit foundations.
- Legal persons with “offshore entities” or “offshore bank accounts” structures.
- Companies that appear to be non-operative pursuant Law 1955 from 2019, or that given their business operation may be regarded as "In-the-paper" entities, which means, those that don't fairly fulfill any commercial purpose.
- Companies declared as phony suppliers by DIAN.
- Legal persons where the Final Beneficiary is not identified.

**In the assessment of transactions or contracts:**

- The frequent turning to consultancy and arbitration contracts, and the use of joint ventures.
- Contracts with contractors or public entities, under color of law, that do not reflect accurate contractual duties and obligations.
- Contracts with contractors providing services to a single client . Unusual profits or losses in contracts with public contractors or entities, or significant changes without commercial justification.
- Contracts with unreasonable variable compensations or containing payments in cash, in Virtual Assets (As defined in Chapter X from the Legal Basic Circular Letter of the Superintendence of Corporations), or in kind.
- Payments to PEPs or those close to them.
- Payments to related parties (Associates, Staff members, Subordinate Companies, Branches, among others) without any apparent justification.

The aforementioned warning signs will be enunciative in nature, in other words, they will not be the only ones regarded by the organization; according to CE100-000011 from 2021, those occurring pursuant risk factors identified in the issuing of this PTEE will also be considered.

## 16. FINES

Fines resulting from breaching the national Anti-bribery standards, may translate into serious fines for the Company, its directors, and Associates. **MANUELITA S.A.** staff members and officials that breach this Program or the Anti-bribery policies, will be subject to fines and disciplinary measures pursuant the Internal Labor Regulations and the Substantive Labor Code, without detriment to legal actions that may be pursued for the matter.

**MANUELITA S.A.** will not cover the costs related to technical defense fees, which are to be assumed by the person involved, nor pay fines imposed by relevant authorities due to facts concerning corruption and bribery.

### **Administrative fines (Law 2195 from January 18, 2022)**

Administrative fines that apply to legal persons and branches of foreign companies posted in Colombia, pursuant Article 34, Law 1474 from 2011, may be one or some of the following:

- a. A fine of up to two hundred thousand (200,000) minimum standing legal monthly wages, to which the greater amount between obtained and intended benefit is to be added. The relevant authority will consider the legal person's patrimonial capacity.
- b. Inability to contract pursuant item j) from Article 8, Law 80,1993 and Paragraph 1 from Article 9 of the same Law.
- c. The advertising in widespread circulation means up to five (5) times, with a periodicity stated by authorities, from the ruling decision statement. Advertising from the ruling decision statement, will also proceed on the said fined legal person's website, from six (6) months and for a maximum term of one (1) year. The fined legal person will assume said announcement's costs".
- d. The prohibition to receive an incentive of any sort, or subsidies from the State, for a term of ten (10) years.
- e. Dismissal of directors or other officials, or staff members, from the legal person or foreign company branch posted in Colombia, that have been convicted, or subject to a principle of discretion, unless said Dismissal was stated by the judge during the operative part of the judgment.
- f. Dismissal of directors or other officials or staff members from the legal person who had tolerated or consent the conduct of the convicted natural person or the conduct subject to principle of discretion.
- g. Entities that operate as matrix will be liable and fined, should any of its subordinates incur into a bribery or corruption conduct under the matrix' consent or tolerance.
- h. Subordinates will also be liable and fined when its (i) matrix or (ii) any other legal person, member of the same corporate group, or that is either directly or indirectly controlled by the matrix, incur into any bribery and corruption conducts, to the benefit of subordinates.

## 17. MONITORING AND EVALUATION

**MANUELITA S.A.'s** Compliance Officer and General Manager must monitor the Program and evaluate its adequacy and effectiveness at least once a year and implement the needed improvements.

They must submit an annual report about the Program's evaluation results to the Board of Directors.

### 17.1 Surveys:

As part of his/her monitoring, the Compliance Officer, may conduct surveys to staff members, suppliers, and contractors, aiming to verify the Business Transparency and Ethics Program effectiveness. Surveys designed for that purpose will be conducted, and their result evaluated, in order to establish possible improvement opportunities for the Business Transparency and Ethics Program.

Survey questions may be updated, or reformulated as regarded by the Ethics Compliance Officer.

## 18. RELATED DOCUMENTS

Code of Conduct  
Due Diligence Procedure  
General Procedure for Political Contributions  
Bribery and corruption Risk matrix

## 19. CHANGES CONTROL

This Manual of the Transparency and Business Ethics Program - PTEE of MANUELITA S.A., was submitted to the consideration of the Board of Directors, who approved it through Minute # 1040 of July 23, 2021.

Update of the PTEE Manual, in accordance with Circular 100-000011 of August 9, 2021, registered in Minute 1044 of April 29, 2022

VERSION	DATE	PREPARED BY	REVIEWED BY	APPROVED BY	CHANGE
1.0		Risk Consulting Global Group	Compliance Officer	Board of Directors	Initial manual documentation