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# TBEP COMPLIANCE POLICY

**2022**

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### CONTROL OF CHANGES

Date	Version	Description	Prepared by	Reviewed by	Approved by
May-22	01	Policy for the Transparency and Business Ethics Program (TBEP)	Maria Angélica Hernández	Igor Peña Zuñiga	Board of directors

This Policy for the Transparency and Business Ethics Program (TBEP) shall be updated to the extent that it may be required or at least every two (2) years, analyzing any changes in the activity of the Company which may affect or modify the risk level for Corruption or Transnational Bribery (C/TB)

The Board of Directors of Constructora Colpatria S.A.S. shall be responsible for the approval of all changes proposed by the TBEP Compliance Officer regarding the policies.

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## INTRODUCTION

The TBEP Policy is implemented within the framework of the laws and regulations in force applicable to Constructora Colpatria S.A.S. (hereinafter referred to as the "Company"), the Good Governance Code and the Code of Ethics. This document ratifies the Company's commitment of zero tolerance towards any conduct which may be considered Corruption or Transnational Bribery and validates the relevance of complying with the laws, regulations and internal guidelines provided for in these governance documents.

This document is created as a tool in order that all staff members of Constructora Colpatria S.A.S. and interested parties subject to this policy act diligently in the management and administration of TBEP-related risks.

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## 1. OBJECTIVE

Promote a corporate culture based on ethical conducts and establish the guidelines to be followed upon making contact with interested parties in order to avoid events related to Corruption and Transnational Bribery.

## 2. SCOPE

The Policy is oriented towards Constructora Colpatria S.A.S. and its affiliated companies abroad, its shareholders, administrators, staff members, suppliers and, in general, those persons acting on behalf, account and representation of the Company, who shall guarantee its compliance throughout their business, contractual or legal relationships.

## 3. APPLICABLE REGULATIONS

This Policy is in strict compliance with the applicable regulatory standards on matters of Corruption and Transnational Bribery, such as:

- a. Law 63 of 1993 (Vienna Convention)
- b. Law 80 of 1993 (General Law of Public Administration Contracts)
- c. Law 190 of 1995 (Anti-Corruption Law)
- d. Law 599 of 2000 (Colombian Criminal Code)
- e. Law 800 of 2003 (Palermo Convention)
- f. Law 970 of 2005 (Merida Convention)
- g. Law 1150 of 2007 (Public Contracts)
- h. Law 1474 of 2011 (Colombian Anti-Corruption Law)
- i. Law 1508 of 2012 (Public-Private Associations)
- j. Law 1573 of 2012 (Convention on Transnational Bribery)
- k. Law 1778 of 2016 (Transnational Bribery)

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- l. Decree 830 of July 26, 2021 (PEP), issued by the Administrative Department of the Presidency of the Republic.
- m. Public Notice (*Circular Externa*) No. 100-000011 of August 9, 2021, issued by the Superintendence of Companies.
- n. Public Notice No. 100-000012 of August 9, 2021, issued by the Superintendence of Companies.
- o. Resolution No. 000164 of December 27, 2021, issued by the DIAN.
- p. Resolution No. 000037 of March 17, 2022, issued by the DIAN.
- q. Law 2195 of 2022 (Transparency, Anti-corruption and Anti-money laundering)
- r. Tax Law (definition of ultimate beneficial owner)
- s. Good Governance Code of Constructora Colpatría S.A.S.
- t. Code of Ethics of Constructora Colpatría S.A.S.
- u. Any other applicable regulation provided for in the Colombian Law.

#### 4. DEFINITIONS

**Anti-competitive agreements:** Art. 410-A of the Colombian Criminal Code (CCC). It refers to those who, during a public tender, public auction, abbreviated bidding or competitive bidding process, make an agreement with another party for purposes of illegally disrupting the contractual process.

**Unfair administration:** Art. 250-B of the CCC. Any de facto or de jure administrator, or partner of a company that already exists or in process of incorporation, director, employee or advisor who, on his/her own benefit or for the benefit of any third party, by abusing the power of his/her position, fraudulently uses the company's properties or incurs into debts to the charge thereof, causing a direct financial and measurable damage to his/her partners.

**Associate:** refers to those natural persons or legal entities that have made contributions, whether through money, work or other valuable goods, to a company or sole proprietorship in exchange for quotas, equity interests, shares or any other type of interest provided for in the Colombian laws.

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**Complaints Channel:** refers to the online reporting system for complaints regarding Transnational Bribery activities made available by the Superintendence of Companies through its website.

**Proper bribery (cohecho propio):** Art. 405 of the CCC. A public officer who directly or indirectly receives, whether for himself/herself or a third party, money or other economic benefit or remunerative promise for purposes of delaying or omitting an action inherent to his/her position or carrying out an action contrary to his/her official duties.

**Improper bribery (cohecho impropio):** Art. 406 of the CCC. A public officer who directly or indirectly accepts for himself/herself or a third party, money or other economic benefit or remunerative promise for any action to be executed within the performance of his/her duties.

A public officer that receives money or other benefits from a person interested in any matter submitted to his/her knowledge.

**Bribery by giving or offering:** Art. 407 of the CCC. Any person who gives or offers money or other benefits to a public officer in the events provided for in Articles 405 and 406 of the CCC.

**Counterparties:** natural persons or legal entities that have any type of business, contractual or legal relationships with the Company; i.e. partners, shareholders, staff members, customers and suppliers or contractors of goods and services.

**Contractor:** refers, within the context of a business or transaction, to any third party who renders services to the Company or has any legal contractual relationship with the latter. Contractors may include, among others, suppliers, intermediaries, agents, distributors, advisors, consultants and persons who are part of cooperation agreements, joint ventures or consortiums or risk-sharing agreements with the Company.

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**Public Contract:** refers to the definition provided for in Article 32 of Law 80 of 1993.

**Corruption:** refers to all conducts aimed at benefiting a Company or seeking a benefit or interest for it, or it be used as a means for committing crimes against the public administration or public resources or for carrying out conducts of Transnational Bribery.

**Private corruption:** Art. 250-A of the CCC. refers to the person who, directly or through an intermediary third party, promises, offers or gives to directors, administrators, employees or advisors of a company, association or foundation any gift or any other unjustified benefit in order to favor himself/herself or any third party to the prejudice thereof.

The same penalty shall apply to any director, administrator, employee or advisor of a company, association or foundation who, by himself/herself or through an intermediary third party, receives, requires or accepts a gift or any unjustified benefit to the prejudice thereof.

Whenever the conduct generates an economic prejudice to the detriment of the company, association or foundation.

**Gift:** any type of benefit or advantage, whether in the form of assets or not, obtained by the public authority or official during a bribery crime, for his/her own benefit or for any third party. It may be a direct or indirect benefit but substantial in nature for purposes of lessening his/her impartiality upon exercising his/her duties (definition taken from the dictionary of the Spanish Royal Academy (RAE))

**Due Diligence:** it is the process of constant and periodical revision and evaluation to be carried out by the liable organization based on the Corruption Risks or Transnational Bribery Risks to which it may be exposed.

**Crimes against Public Administration:** refers to the conducts defined in Title XV of the Colombian Criminal Code, starting from Article 397 to Article 434B.



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**Bribery:** offer, promise, delivery or acceptance of an improper advantage of any value (which may be financial or non-financial), directly or indirectly, and independently from its location, in violation to the applicable law, as an incentive or reward, in order that a person acts or fails to act regarding the performance of such person's obligations.

**Transnational Bribery:** refers to the conduct provided for in Article 2 of Law 1778.

**Ethics Line:** it refers to the reporting channel made available by the Company for purposes of being informed, by the TBEP Compliance Officer, about any irregularity or situation which violates the laws, rules, policies and internal processes, including conducts of Transnational Bribery and Corruption, which may arise in regards to shareholders, administrators, employees, suppliers and contractors.

**International business or transaction:** international business or transaction refers to any type of businesses or transactions with foreign natural persons or legal entities, whether of private or public nature.

**Transparency and Business Ethics Program:** refers to the document comprised by the Compliance Policy, the specific procedures under the responsibility of the Compliance Officer for purposes of implementing the Compliance Policy in order to identify, detect, prevent, manage and mitigate the Corruption Risks and Transnational Bribery Risks that may affect the Company, pursuant to the Risk Matrix and other instructions and recommendations established by the regulations issued by the Superintendence of Companies of Colombia.

**C/TB Risks:** refers to the Corruption Risk and/or Transnational Bribery Risk.

**Corruption Risks:** refers to the possibility of the fact that, due to an action or omission, there is a diversion in the intentions of public administration or use of public resources towards an individual benefit.

**Transnational Bribery Risk or TB Risk:** refers to the possibility of the fact that a legal

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entity directly or indirectly offers or promises to a Foreign Public Officer amounts of money, objects of financial value or any benefit or advantage in exchange for such public officer's action, omission or delay in the performance of his/her duties and regarding any International Business or Transaction.

**Foreign Public Officer:** refers to the definition established in the 1<sup>st</sup> paragraph of Article 2 of Law 1778.

**Subsidiary:** it has the scope provided for in Article 260 of the Commercial Code.

## **5. GENERAL POLICIES OF THE TRANSPARENCY AND BUSINESS ETHICS PROGRAM**

The Company, based on its organizational culture and corporate values, sets forth guidelines and directives to be followed by its counterparties on matters of Corruption and Transnational Bribery (C/TB) risk, which must be encompassed in transparent, fair and legal behaviors:

- a. The Company is committed to carrying out its operations following high ethical principles in compliance with the applicable laws.
- b. All operations, businesses and agreements carried out by the Company shall meet the policies and guidelines defined herein.
- c. The Company does not support, accept nor covers up activities included within the concepts of Corruption and Transnational Bribery in none of its commercial relationships.
- d. The Company expresses its zero-tolerance stance against any type of Corruption and Transnational Bribery activity and promotes its decision to take all necessary steps for fighting against them.
- e. The Company promotes and establishes an institutional culture for complying with the TBEP policies in its relationships with counterparties.

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- f. The administration is responsible for informing all staff members under its direction about the rules, procedures and protocols to be followed for preventing and controlling the Corruption and Transnational Bribery risk and implementing the necessary controls for preventing that the Company and/or its staff members facilitate such type of activities.
- g. The Company shall have no relationship with counterparties that have been finally convicted for criminal activities related to Corruption and Transnational Bribery.
- h. The Company has guidelines for the prevention and resolution of conflicts of interests pursuant to the provisions of the Code of Ethics.
- i. The Company creates an environment of transparency and keeps proper channels for favoring the communication of matters related to potential events of Corruption and Transnational Bribery.
- j. The Company has a confidential and anonymous reporting system called "Ethics Line" (*Línea Ética*) so that staff members, customers, suppliers or any interested parties may report any irregular conduct.
- k. The Company manages all reports about irregular conducts submitted through the Ethics Line on a timely manner, guaranteeing confidentiality, objectivity, transparency and no retaliations. No employee shall be subject to any type of retaliation or any other negative consequence for preventing, rejecting or informing about any act of Corruption and Transnational Bribery.
- l. The Company prohibits bribes to local or foreign individuals and public or private officials, whether directly or indirectly through third parties or intermediaries, in exchange for a prohibited benefit or improper advantage.
- m. The Company has a penalty system established in the Internal Labor Regulation which sets forth the consequences resulting from a serious violation by an employee with his/her contractual or regulatory obligations, such as the case of the TBEP.
- n. The Company shall report to the competent authorities any identified Corruption and Transnational Bribery activities.

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- o. In affiliates, subsidiaries, related companies and investments deemed as Associated Companies, the following process shall be applied:
  - I. Request a semiannual certification to the Compliance Officer and/or Legal Representative regarding the effectiveness of the implementation of their Business Ethics and Money Laundering programs, together with any relevant events which may have arisen during such period.
  - II. The representatives of the boards of directors of affiliates and/or attorneys-in-fact shall notify the TBEP Compliance Officer regarding any events which are considered related to Corruption, Transnational Bribery and/or Money Laundering.

### **5.1 Acceptance of gifts or courtesies**

For purposes of reviewing the regulation regarding the acceptance of gifts and courtesies, please refer to the guidelines on these matters included in the Code of Ethics and Conduct.

### **5.2 Remunerations and payment of commissions to employees, associates and contractors**

#### **5.2.1 Employees**

The payments to be made to employees are described in the corporate remuneration policy which sets forth the guidelines related to the work-related items paid to the staff members of Constructora Colpatria S.A.S. and its affiliated companies. Likewise, the guide seeks attracting and keeping the best talent, aligned to the organizational strategy.

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### **5.2.2 Associates**

The payments to be made to Associates derive from the structuring of businesses based on the financial model approved by the board of directors and must be expressly specified in detail in the agreements and/or contracts subscribed for such purposes, guaranteeing the traceability and full identification of transactions.

### **5.2.3 Suppliers and Contractors**

The payments to be made to Suppliers and Contractors are governed by the policy of negotiations and/or purchases of each Branch Office, the accounts payable process and Treasury payment process, where the requirements are established for the accounting of invoices or accounts payable generated by the services rendered or obligations acquired by the Company for purposes of carrying out its operations.

### **5.3 Local and international travel expenses**

The Company has established guidelines for the process of requesting, approval and legalization of local and international travel expenses for its staff members through the "Policy of local and international travel expenses" of each branch office/country. These documents apply for all those Company staff members who must travel away from the city of origin for purposes of performing their duties.

### **5.4 Contributions to political campaigns**

Based on its principles, Constructora Colpatria S.A.S. and its affiliated companies do not make contributions to political candidates or public institution officials. For purposes of reviewing the regulation regarding this type of contributions, please refer to the guidelines on these matters included in the Code of Ethics.

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## **5.5 Donations**

Within the framework of Corporate Social Responsibility, based on the promotion of the 5 helixes generating circularity in the University-Company-State-Society-Environment relationship, and according to the provisions of Article XI of the Good Governance Code, Constructora Colpatria may grant donations for academic, civic or humanitarian aid purposes, as well as social investments, entering into sponsorship agreements and being involved in projects for the protection of the environment and the cultural heritage of the Nation. The guidelines described in the Code of Ethics and Conduct shall apply.

## **5.6 Transfer of money, goods and services with subsidiaries**

Transactions with subsidiaries domiciled abroad are subject to the approval of the board of directors and shall be expressly specified in detail in the agreements and/or contracts subscribed for such purposes, guaranteeing the traceability and full identification of transactions.

## **5.7 Contact with Public Officers**

Any contact with public officers by staff members and business partners who, acting in representation or on behalf of the Company and due to their title, duties or position must interact with such officials, shall be done pursuant to the guidelines established in the Code of Ethics and Conduct.

## **5.8 Conflicts of Interests**

For purposes of reviewing the regulation on conflicts of interests, please refer to the guidelines on these matters included in the Good Governance Code and the Code of Ethics.

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## 6. BIBLIOGRAPHIC REFERENCES

- Public Notice (*Circular Externa*) 100-000011 of 2021 of the Superintendence of Companies.
- Public Notice 100-000016 of 2020 – SAGRILAF of the Superintendence of Companies.
- ISO 37001 International Standard - Anti-bribery Management Systems, 2016.
- Colombian Criminal Code.



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