

# POLICY

## ON THE MANAGEMENT OF THE RISK OF FRAUD, CORRUPTION AND BRIBERY

**Carlos Sarmiento L. & Cia. Ingenio Sancarlos S.A. is committed to a zero-tolerance policy against fraud, corruption, and bribery. Therefore, the following policy is established and applicable to all employees and stakeholders.**

- 1. Carlos Sarmiento L. & Cia. Ingenio Sancarlos S.A** does not tolerate any type of participation, for whatever reason, whether direct or indirect, in acts of corruption, fraud or bribery. The Company promotes a corporate culture to adequately manage these risks and take precise measures to face them.
- 2. Carlos Sarmiento L. & Cia. Ingenio Sancarlos S.A** does has an internal accounting control system to ensure that transactions are authorized, conducted, and recorded appropriately, with the aim of ensuring that the accounting books and records are dependable and reasonable, giving an accurate and faithful account of Company transactions.
- 3.** No employee or person directly or indirectly related to the Company may function as the issuer or recipient of any allowance in cash or in kind, with the aim of violating the law or facilitating procedures of any nature.
- 4.** No employee shall make donations on behalf of the Company unless they are authorized by the Board of Directors in accordance with the provisions of the Company Bylaws. Company sponsorships will be approved by the CEO according to their relevance and will be part of the Operations VP annual budget. It is strictly forbidden to accept gifts against the policy established in M-PA15-002 Transparency and Business Ethics Program Handbook.
- 5.** Employees must prevent any act of fraud, corruption, or bribery, managing these risks in the analysis of their processes and implementing controls to mitigate them.
- 6.** Prior to establishing commercial relations with other companies or individuals who have been convicted of fraud, corruption, or bribery in Colombia or abroad and who have already served their sentence and/or paid the respective penalty, the Company will conduct a seriousness or impact analysis to determine whether to establish such relation. The Compliance Committee will analyze these cases.
- 7.** Nor will it hire employees who, either directly or as managers of such companies, have been subject to sanction by regulatory bodies.
- 8.** No contract, business or commercial operation may be entered into with former employees of **Carlos Sarmiento L. & Cia. Ingenio Sancarlos S.A** its affiliates or subsidiaries, whose termination was due to harmful conduct or who infringed upon the policies or interests of the group companies.
- 9.** Company employees shall not make contributions to any candidate or political party on behalf of **Carlos Sarmiento L. & Cia. Ingenio Sancarlos S.A**

The policy is implemented as an effective tool, which is supplemented by the Transparency and Business Ethics Program Handbook, the Ethics Line, and the Code of Ethics to achieve transparency in the actions of employees at all levels, avoiding improper practices that affect the institutional image. Any deviation from this policy must be reported to the Compliance Committee under the Transparency and Business Ethics Program.

Any change, amendment or exception to this document must be submitted to the Board of Directors of **Carlos Sarmiento L. & Cia. Ingenio Sancarlos S.A** for approval.

