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SAGRILIFT AND PTEE POLICY



1. PURPOSE

Define the guidelines under which the efficient self-management and control of risks associated with Money Laundering (ML), Financing of Terrorism (TF), Financing of the Proliferation of Weapons of Mass Destruction (FPADM), Transnational Bribery and Corruption, as well as its source crimes, establishing a management style that guarantees excellence, integrity, transparency, that complies with the legal basis and practices of good corporate governance and sustainability.

2. SCOPE

This policy is strictly complied with by the Shareholders, Administrators, Collaborators, Customers, Suppliers and interested parties of Aceros América Colombia, hereinafter the Company.

3. JUSTIFICATION

Contribute to the ethical and transparency culture defined in the corporate guidelines defined in the Code of Ethics, Code against Acts of Fraud and Corruption and Code of Ethics for Suppliers, as well as with the Colombian legal basis.

4. GUIDELINES

4.1. The Company rejects Money Laundering (ML), Financing of Terrorism (FT), Financing of the Proliferation of Weapons of Mass Destruction (FPADM), Transnational Bribery, Corruption and their source crimes; as well as it is obliged and committed to complying with the regulation of the “Superintendencia de Sociedades”, for which it has implemented a Comprehensive Risk Self-Control and Management System (SAGRILAFT) and a Business Ethics and Transparency Program (PTEE), prioritizing its compliance to the achievement of commercial and/or financial goals and safeguarding its image and reputation.

4.2. The Comprehensive Risk Self-Control and Management System (SAGRILAFT) and the Business Ethics and Transparency Program (PTEE) establish guidelines and internal control mechanisms applicable during the relationship with all its stakeholders, in all the company's activities, which allow the full and reliable identification of the same, as well as the verification and monitoring of the information provided by them, in order to avoid establishing a link with people or companies involved in crimes of the scope.

4.3. The Role of Compliance Officer has been defined as the natural person designated by the Company who is in charge of promoting, developing and ensuring compliance with the specific risk prevention, updating and mitigation procedures.

4.4. The Company will not have contractual ties with any natural or legal person that is linked or related to crimes of the scope, therefore, it will refrain from carrying out any operation to the extent that, with the verification and monitoring of information from the interested party, can reasonably determine that it is a suspicious transaction or indicates illicit purposes.

4.5. The verification prior to the beginning of the commercial relationship will be carried out in restrictive and/or binding lists to the legal persons and natural persons that appear in the certificate of existence and representation of the Chamber of Commerce, according to the level of risks in which counterparts are found. Likewise the legal representatives, tax inspectors and/or accountants and final beneficiaries will be verified. Additionally, it will carry out due diligence against PEP (Politically Exposed Person), according to the regulatory definition. As well as, annually and as part of the monitoring, the restrictive and/or binding lists for each counterparty will be reviewed.

4.6. The Company will report to the Financial Information and Analysis Unit (UIAF), through the Compliance Officer, those transactions that may qualify as suspicious. However, the Company will not require to be certain that it is a criminal activity, nor to identify the criminal type or that the resources involved come from such activities.

4.7. The Company does not maintain business or commercial relationships with counterparts that have businesses whose nature makes it difficult to verify the transparency of their activity, origin of their resources or that refuse to provide the information and documentation required.

4.8. Some counterparts may expose the Company to greater scope risks, therefore, the employees and the Compliance Officer will consider applying the Enhanced Due Diligence procedures when the counterparts are located in non-cooperative countries and due to their relationship with Politically Exposed Person (PEP).

4.9. It is considered that there is a conflict of interest related to the crimes of the scope, in the following situations:

- a) When the verification and monitoring of information of the interested party is carried out by a collaborator on their spouse or permanent partner, relatives within the fourth degree of consanguinity, second of affinity or first civil, or with respect to those operations in which the person in charge of carry out the verification has any personal interest, direct or indirect, in the result.
- b) When making reports to the authorities, in making a decision on the origin of the external report affects the person in charge.

In any of the events listed, the person in conflict must report it directly to the Compliance Officer.

In the event that the person in conflict is the Compliance Officer, and he is the one who notices said conflict, he must immediately remove himself from the situation and delegate all his functions to a Substitute Compliance Officer.

In case that it is a third party who notices the conflict of the Compliance Officer, he must notify the Board of Shareholders so that this body designates another person to carry out these ad hoc tasks.

4.10. The payment of the clients will be made through a bank entity by means of transfer or deposit to account. Payment in cash through the sales force is not authorized. Payment to suppliers will be made by bank transfer and in favor of the holder of the obligation.

4.11. The Company promotes a culture of transparency, ethics and prevention, through awareness, training and annual communication programs that ensure that its shareholders, employees and interested parties know, apply and comply with the provisions of the Comprehensive Risk Self-Control and Management System (SAGRILAFT) and the Business Ethics and Transparency Program (PTEE), under penalty of sanctions and criminal and administrative consequences in case of non-compliance.

4.12. Failure to comply with this policy and its associated documentation, whether intentional or caused by carelessness or negligence of any employee or interested party, will be sanctioned in accordance with the contractually signed commitments, labor law and the disciplinary action procedure without prejudice to the consequences civil, administrative and criminal that such conduct may entail.

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