



## **RULES OF CONDUCT FOR SUPPLIERS OF KATOEN NATIE GROUP COMPANIES IN URUGUAY**

These rules of conduct for suppliers executing a contract with KTN (hereinafter the “Contract”) set forth the expectations of the KATOEN NATIE GROUP COMPANIES IN URUGUAY (heretofore “KTN”) in reference to the conduct of suppliers and commercial associates doing business with KTN. Suppliers must understand KTN’s vision on the prevention of corruption and act accordingly, respect labor conditions, hygiene, health and safety, and respect Human Rights. KTN expects its suppliers to share and divulge similar expectations in their own fields of activity.

KTN expects to do business with suppliers who comply with current applicable legislation and with KTN standards, and who conduct themselves in agreement with KTN’s values and reflect them in a positive manner throughout their commercial activity. KTN carefully selects its suppliers and expects them to fulfill contract requirements and comply with the law and regulations.

KTN requires its suppliers to immediately and formally report to the QHSE Department and to the KTN person who hired them any incident or non-compliance with these rules that may come to their attention.

Failure by a supplier to comply with current legislation or with the rules of conduct listed below shall enable KTN to unilaterally terminate any and all contracts executed with said supplier due to non-compliance (considered by default a very serious incident) without any responsibility for KTN, and to initiate any rightful legal actions and proceedings according to the law.

### **1. ANTI-CORRUPTION COMMITMENT**

In reference to the activities and/or operations covered by the Contract, the Party executing a contract with KTN (hereinafter “the Party”), shall (i) guarantee that the Party, its affiliates, branches, directors, employees, staff, representatives and personnel have not made, offered or authorized any payment, gift, promise or any other type of advantage, directly or through any other person or entity, for the use or benefit of any authority or public employee, any political party or any person employed by any political party or any candidate to a political position, or any other individual or entity, and (ii) ensure that the Party, its affiliates, branches, directors, employees, staff, representatives and personnel will not make, offer or authorize any payment, gift, promise or any other type of advantage, directly or through any other person or entity, for the use or benefit of any authority or public employee, any political party, or any person employed by any political party or any candidate to a political position, or any other individual or entity, when said payment, gift, promise or advantage violates the guarantee set forth in point (i), and/or the obligation indicated in point (ii), and/or the legislation regulating the fight against bribery and corruption and the prevention of money laundering in Uruguay and in other



jurisdictions that may be involved (hereinafter referred all together as “Anti-Corruption Legislation”).

Additionally, in reference to the activities and/or operations object of the Contract, the Party: (i) guarantees that the Party, its affiliates, directors, employees, staff, representatives and personnel have complied with, and (ii) ensures that the Party, its affiliates, directors, employees, staff, representatives and personnel will comply with the Anti-Corruption Legislation.

The Party shall, as soon as possible, notify KTN of any investigation or process initiated by a govern authority related to any alleged violation of the Anti-Corruption Legislation and the obligations stated above by the Party, its affiliates, directors, employees, staff, representatives and/or personnel, or any service supplier, their affiliates, directors, employees, staff, representatives and personnel, in relation to the activities and/or operations and/or services object of the Contract. The Party shall take every reasonable and possible measure to keep KTN informed of the progress of said investigation or process, unless it is legally forbidden.

The Party hereby declares, guarantees and commits to ensure that the Party, its affiliates, directors, employees, staff, representatives and personnel, or any service supplier or their affiliates, are informed of their obligations arising from the Anti-Corruption Legislation, and have adequate policies and procedures in place concerning commercial ethics and conduct and in reference to Anti-Corruption Legislation.

The Party hereby commits to defend, indemnify and hold KTN, its members, shareholders, directors and employees, harmless from any and all claims, damages, penalties, costs and expenses arising from or related to any non-compliance by the Party with the guarantees and agreements set forth in this clause and in the Anti-Corruption Legislation. This obligation to hold KTN harmless shall remain in place after the termination or expiration of the Contract for any possible cause.

The Party shall, within a reasonable period of time: (i) respond, with a reasonable degree of detail, any communication or request from KTN reasonably related to the guarantees, agreements and obligations set forth herein and the Anti-Corruption Legislation; and (ii) provide documentation to support their response. Said obligation to hold KTN harmless shall subsist after the termination or expiration of the contract.

The Party shall, in relation to the issues that are object of the Contract:

- (i) Organize and maintain adequate internal controls in relation to the obligations set forth in this document.
- (ii) Organize and prepare its books and records in agreement with applicable standard accounting practices.

- (iii) Duly register and report all transactions so that they adequately reflect, in reasonable detail and transparency, the Party's assets and liabilities.
- (iv) Duly maintain the aforementioned books and records for the time period imposed by the law.
- (v) Comply with all applicable legislation.

The Party hereby commits to respond immediately and with a reasonable level of detail, any request of information from KTN related to the compliance with the aforementioned, including information supporting said compliance, unless the Party is legally forbidden to reveal the requested information.

The Party, at KTN's request, shall provide complete and accurate information about its representatives and administrators, and about the practices and compliance policies in place related to its field of business, to the effect of allowing a regular and periodical evaluation by KTN of its conformity and compliance with the policies and procedures on commercial ethics and conduct set forth herein and the applicable Anti-Corruption and Anti-Money Laundering Legislation.

## **2. ANTI-NEPOTISM POLICY**

The Party hereby declares that none of its administrators, managers and/or shareholders with the authority to represent the company, nor any of the professionals hired by the Party are the spouse, partner, concubine or direct or indirect blood relative until the third degree, of any KTN employee with the authority or the trust of the company to enable said KTN employee to: i) assign the Contract to the Party; or (ii) represent KTN in the negotiations related to the Contract; or (iii) be responsible for the commercial need of the Contract; or iv) be responsible for hiring the Party; or v) be the immediate superior of the person responsible for the commercial need of the Contract; or vi) be the immediate superior of the person responsible for hiring the Party.

## **3. HEALTH, SAFETY AND ENVIRONMENTAL POLICIES**

The Party is responsible for complying with national and departmental laws and regulations and with KTN's policies related to the protection of the environment, including the obtention and renewal of all required permits, authorizations and studies necessary for the full development of its activities, and is also responsible for taking all the pertinent measures and applying all necessary procedures in order to prevent any aggression, danger or risk of damages to the physical and psychological integrity of its employees or to the environment, which may be caused by or during the activities that the Party is carrying out under the Contract, and even when said activities are subcontracted or delegated to third parties. Additionally, the Party shall hold KTN, its members, directors, shareholders and employees, harmless and safe from all and every obligation, risk, damage or expenses which are the consequence of eventual environmental damages, non-compliances or penalties arising from non-compliance with the laws and regulations that relate to



the environment, and shall remedy directly and/or retroactively all and every damages, penalties or expenses caused by the Party.

For the purpose of the Contract, the term “environment” or those related to environmental responsibility, also include all other issues regulated by the norms related to the environment, such as public health, urban planning, historic/cultural heritage and environmental administration, including all permits that the project, its execution and operation require the Party to obtain, in reference to the activities, works or services which are the object of the Contract.

The Party’s responsibility includes all existing penalties and requirements set forth by Laws 15.239, 16.466, 17.283, 17.775 and others, current applicable decrees and national/departmental administrative acts regulating the environment, or those to be created in the future. The Party’s responsibility also extends to the eventual collection and transportation of toxic residues (contaminated waters or soil), complying with the applicable legislation on the subject.

#### **4. RESPECT FOR HUMAN RIGHTS**

The Party must comply with all applicable legislation regarding human rights, particularly those regulating labor conditions, working hours, salaries and benefits. Employees must receive their salary in a timely manner and in compliance with or in excess of minimum legal requirements.

The Party shall not use any form of forced or involuntary labor, and must take all reasonable measures to guarantee that all of its employees understand the terms of their employment.

The Party shall not use child labor. KTN maintains a zero-tolerance policy in reference to child labor when the age of employment does not comply with applicable legislation.

The Party shall not become involved, directly or otherwise, with human trafficking. KTN forbids all abuses involving human trafficking.

When the Party is authorized to hire intermediaries or subcontractors, it must guarantee that those individuals or entities also comply with the commercial ethics and applicable legislation in this regard.

The Party shall not discriminate based on sex, color, nationality, religion, sexual orientation, age, disability, gender identity, etc. KTN will not tolerate any type of harassment or discrimination.

The Party shall comply with applicable legislation acknowledging and respecting its employees’ rights to free association and collective negotiation.