



ALEATICA

DCM-NORM-03

REPRESENTATION, GIFTS, HOSPITALITY AND CORPORATE COURTESIES EXPENSES

Proposed by:

Risk Management and
Internal Control

Reviewed by:

Audit Committee

Date: January 2018

Approved by:

Date: January 2018

Board of Directors

Scope:

Date: January 2018

The staff of ALEATICA; including staff of its Business Units, as well as employees of agencies, consultants and contractors, regardless of their location, function, grade or position.

**Document
Classification**

Internal use

Change control

Revision	Section	Brief description of the change

Related and applicable documentation

Code	Name of the document
DCM-CODI-01	Code of Ethics
DCM-POLI-01	Anti-corruption Policy

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1. OBJECTIVE

Establish action guidelines that employees of ALEATICA and its Business Units (henceforth ALEATICA or the Company) should follow in relation to the representation expenses, gifts and attention to comply with anti-corruption laws and ensure the compliance with the Anti-corruption Policy and the Company's Code of Ethics.

2. ACTION GUIDELINES

For the understanding and proper implementation of the document, the following definitions shall be taken into account:

- a. **Representation expenses.** They are expenditures made by employees (outside the scope of their offices, premises or establishments) in the name of ALEATICA, derived from any action which has the aim of attracting a new customer, increase the presence in the market or promote the image of the Company. Such actions must stick with the local and/or international anti-bribery and anti-corruption regulations depending on the scope of application; as well as, the Anti-corruption Policy and Code of Ethics of ALEATICA.
- b. **Courtesy or corporate care.** Any article or benefit of representative value related to the business of ALEATICA, granted to a third party for free or at a discount (not available for the public in general). These items or benefits are given or accepted as part of a potential business relationship and are not considered gifts.
- c. **Representative value.** Any item, asset, service or benefit that exceeds the amount authorized in the Anti-corruption Policy.
- d. **Gifts.** They are goods, services or benefits of a strictly promotional nature from a third party or to any third party; for example: printed organizers, pens, calendars.

2.1. Representation Expenses

In order to recognize loyalty, consistency and support of customers, suppliers, institutions, trade unions and workers' centers, ALEATICA allows Directors, Senior Managers and Managers levels the entitlement to provide corporate courtesies; provided that they adhere to the guidelines set out in point 3.3. of the company's Anticorruption Policy.

They are not included in this concept, the cost of travel expenses or costs of mobility.

Representation expenses in any case may be used to compensate employees, or be considered as a complement to the salary or benefit of the employee.

Representation expenses must be done with corporate credit card and obtain the corresponding tax receipt.

The Director, Senior Manager or authorized personnel to render this courtesies may request reimbursement of these expenses, provided that it meets any of the following scenarios:

- A client, provider, institution, union or workers' center is present.
- b. When at least an employee of ALEATICA works outside the town.
- c. For confidentiality purposes, business should be driven out of ALEATICA facilities.
- d. Expenditures are made in the location in which the Business Unit that the employee who carries out the expenditure belongs.
- e. Working dinners with directors or employees of ALEATICA.

Representation expenses must be checked by format verification of expenses and delivered to the Accounting area for processing.

2.2. Gift Delivery and Reception

Giving or receiving gifts is considered acceptable if:

- a. In correspondence to business-related events.
- b. Offered and received in good faith.
- c. Permitted under laws and local customs.
- d. Offered and received as set out in this document.

2.2.1 Gift delivery

No gift-giving or offering cards with the intention of influencing another person to carry out their functions in a dishonest way or to favor ALEATICA.

The value of gifts offered must adhere to provisions of the Anti-corruption Policy and the Code of Ethics.

It is important that those gifts do not affect or influence decisions of the person to whom it is addressed, or even give the wrong impression that they may intend to do it.

Offered gifts may be paid with the corporate card whenever possible, or following provisions of Purchase standards and Contracting of services, following the corresponding flow of authorizations.

2.2.2. Gift Reception

No gift should affect business decision-making.

Only institutional gifts could be received, gifts of symbolic value and in any case, can receive gifts that, based on a reasonable assessment, can be estimated that its value is equal to or less than \$4,000 MxP in a calendar year.

For recording and monitoring purposes, the gifts received and granted must be informed via email to the Compliance Management. Gifts with value higher than the authorized amount must be approved by the Compliance Management to evaluate their acceptance and disposition.

ALEATICA personnel, aligned with the Anti-corruption Policy, can provide and accept "reasonable" and "proportional" gifts.

Employees can only receive allowed gifts directly and not through any of their family members or any other intermediary, can not receive them out of their workplace.

Gifts that violate the ethical principles of ALEATICA or that go against the anti-corruption laws are not received.

Gifts can be accepted from suppliers, customers or others, originated in trade relations, provided that these do not generate an implicit obligation to whom makes them entitling them with a preferential treatment to be granted contracts, obtaining better prices or more favorable trading conditions.

2.3 Courtesies and corporate care

ALEATICA employees may offer legitimate courtesies and corporate care for legitimate commercial purposes, such as maintain and improve relations with customers or suppliers, provided that they conform to the Anti-corruption Policy and the Code of Ethics.

It is permissible to grant courtesies and attentions if:

- a. They are non-recurring
- b. They are reasonably related to a legitimate commercial purpose (for example, socialization activities, meals or other similar).
- c. They are not made in the form of bribery, payment or improper commission (for example, to obtain or retain contracts or to get undue advantages on legitimate and legal processes).
- d. They are reasonable and appropriate in the context of the business opportunity.

Attentions may include:

- a. Invitations to have breakfast or to eat, preferably without alcoholic beverages.
- b. Visits to business units, construction sites and company facilities.
- c. Attendance at cultural events.
- d. Other events compliant to moral and good customs.

The monetary value of gifts and attentions offered must adhere to provisions of the Anti-corruption Policy and the Code of Ethics.

The form Representation offered by the staff reflects the Company's culture, so it should be lead under a behavior of right business and adhered to the Anti-corruption Policy and the Code of Ethics. Doubts regarding the offered representation should be discussed with the Compliance Management before taking place.

2.4 Unacceptable practices

It is not allowed to receive or provide certain types of gifts, hospitality and courtesies, which include the following:

- a. Cash or the cash equivalent (for example, certificates of gifts, loans, shares, stocks, bonds or redeemable value items options).
- b. Gifts in pieces of gold, silver or precious metals.
- c. Offering of personal favors or other treatment of a preferential nature compared to those that are commonly available on the market.
- d. Payment of personal expenses for travel or shopping.
- e. Events of suppliers that do not relate to the business.
- f. Gifts or hospitality provided to spouses, family members or other persons who have a direct personal relationship with that who would hold a business relationship.
- g. Weekend or vacation accommodation of any kind.
- h. Courtesy of events for adults or any type of activity that includes inappropriate behaviors.
- i. Invitations to extravagant events.

3. PENALTIES FOR NON-COMPLIANCE

The sanctions established for breach hereunder shall be determined according to the degree of disruption caused to the Company by the offender. Such penalties, may range from a warning, to the dismissal; or even, where appropriate, the initiation of legal proceedings when there is a damage to the patrimony or the reputation of the Company.