



# TUVACOL

TUBERIAS Y VALVULAS DE COLOMBIA

## TRANSPARENCY AND BUSINESS ETHICS PROGRAM:

## CODE OF ETHICS AND GOOD CORPORATE GOVERNANCE OF TUVACOL S.A.

Approved by:  Board	Version: 04
	Effective from: 24 /sept/ 2021

***Integrated Management  
System***

## PREAMBLE AND COMMITMENT OF TUVACOL S.A.

**TUVACOL S.A.**, in commitment to the integral fulfillment of the norms arranged for the control, prevention and eradication of national and transnational bribery, contemplated in laws 1474 of 2011 and 1778 of 2016, and in Resolution 100-002657 of 2016 and External Circular 100-000003 of 2016 issued by the Superintendency of Companies, the rules that modify or complement them, as well as in all international agreements signed by Colombia, including the Inter-American Convention against Corruption of the Organization of American States of 1997, the United Nations Convention against Corruption – UNCAC – of 2005, and the Convention of the Organization for Economic Cooperation and Development (OECD) to Combat bribery of Foreign Public Servants in International Commercial Transactions of 2012, has implemented, in response to the commitment described above, a Transparency and Business Ethics - PTEE program, contained in the following document: Code of Ethics and Good Corporate Governance.

In the **TUVACOL S.A.** program, corporate policies and procedures have been adopted that guarantee compliance with the Anti-Corruption Provisions through the management of the risks arising from (i) the commercial activity that is generated with the Third Parties of the different countries with which **TUVACOL S.A.** it is related in the development of its economic activity, (ii) the economic sectors in which it carries out its economic activity, and (iii) the intermediaries with which it carries out national and international transactions.

**TUVACOL S.A.**, seeks with its Code of Ethics and Good Governance to offer its Administrators, Directors, Employees, Third Parties, Intermediaries, and other related parties, a tool that allows the fulfillment of the corporate purpose, mission and vision. It describes corporate practices and mechanisms, based on values, ethical rules, conduct and adequate information, which allow the continuous improvement of our people, respect, loyalty and fairness in every way, contributing to generate trust and credibility, offering greater guarantees to stakeholders, generating safe processes for the well-being and protection of our workers.

In relation to the above, it has been evidenced the need, on the part of governments and both public and private entities, to assume commitments that go beyond legal requirements, with the aim of implementing Corporate Governance

in their organizations, which has led us to adjust our framework of action to the new expectations of transparency and efficiency for the benefit of the entire community.

This is how, in TUVACOL S.A., through the implementation of good corporate governance practices, it strengthens the organization's decision-making bodies and generates an institutional framework for the establishment and distribution of roles, rights and responsibilities.

For the purposes of understanding the different standards enshrined in this Code of Ethics and Good Corporate Governance, the following is established:

## **CODE OF ETHICS AND GOOD CORPORATE GOVERNANCE**

### **CHAPTER I IDENTIFICATION, NATURE AND ADDRESS OF THE COMPANY**

**Name:** The company name is **TUVACOL S.A.**

**Nature:** **TUVACOL S.A.**, is a national company of tradition, specialized in the supply of materials for the industry, offering solutions framed in a continuous growth, quality improvement and customer service. In this way we have managed to place ourselves at the forefront as the most competitive, modern and technical leading company in our sector, endowed with our own resources and infrastructure. It is a private entity whose purpose is the import and commercialization of pipes, valves and accessories for all types of industry.

**Address:** **TUVACOL S.A.** Has its Main House located in Cartagena in Albornoz Cra. 56 No. 3B-28 via Mamonal, and eight (8) Branches in the cities of Barranquilla, Cali, Bogotá, Medellín, Bucaramanga, Pereira, Manizales and Santa Marta.

### **CHAPTER II DEFINITIONS**

**Acts of Corruption:** It is any inappropriate use of power, whether private or public,

to divert the management of the public or collective towards one's own benefit. This concept includes bribery in all its forms, private corruption, contracting without compliance with legal requirements, influence peddling, transnational bribery and any other act that is related to crimes against the public administration, as well as corruption within private companies.

**Transnational Bribery:** Se understands as the act by virtue of which, a natural person or a legal person, by itself or through its Owners, Directors, Employees, Contractors or Subordinated Corporations, gives, offers or promises to a foreign public servant, directly or indirectly: sums of money, objects of pecuniary value or any benefit or utility in exchange for said Public Official to make, omits or delays any act relating to its functions and in connection with an international business or transaction. (See article 433 of the Colombian Penal Code.)

**Foreign Public:** Servant: Is any person who holds a legislative, administrative or judicial position in a State, its political subdivisions or local authorities, or a foreign jurisdiction, regardless of whether the individual has been appointed or elected. A foreign public servant is also considered to be any person who exercises a public function for a State, its political subdivisions or local authorities, or in a foreign jurisdiction, whether within a public body, or a State enterprise or an entity whose decision-making power is subject to the will of the State, its political subdivisions or local authorities, or from a foreign jurisdiction. Any official or agent of a public international organization shall also be deemed to hold that status. (See article 433 of the Colombian Penal Code.)

**Complaint Channels:** These are the mechanisms described in Chapter XIV of this Code, through which the Company can be informed of any improper conduct that may constitute an Act of Corruption of its employees or Contractors.

**Third:** It is understood as any person with whom TUVACOL S.A. has a contract different from the employment contract, such as: contract for the provision of services, supply, work, intermediation, etc. Within this concept are understood contractors, suppliers, intermediary agents, attorneys, etc.

**Due Diligence:** Refers to the periodic review that must be made on the legal, accounting and financial aspects related to a national or international business or transaction, whose purpose is to identify and evaluate the risks of Acts of Corruption that may affect TUVACOL S.A., its subsidiaries, employees and Third Parties.

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**Directors:** The Board of Directors and Legal Representatives of TUVACOL S.A. are understood to be the Board of Directors and Legal Representatives.

**Public Official:** Is any natural person who holds in Colombia a public office in any of the branches of public power, autonomous bodies or control bodies, regardless of whether they are of the national, departmental, municipal order; if their form of election is popular, contest of merits or free appointment and removal; their hierarchy; or if in Colombian norms they are called members of corporations, public employees, or official workers. Likewise, members of the public force, individuals who exercise public functions on a permanent or temporary basis, officials and workers of autonomous bodies such as the Bank of the Republic or bodies of collaboration by decentralization or deconcentration such as Public Notaries and Registry Offices are considered Public Officials.

**Restrictive Lists:** are lists that relate people and companies that according to the body that publishes them, may be linked to illegal or criminal activities, such as the lists of the United Nations Security Council, OFAC, INTERPOL, National Police, etc.

**Compliance Officer:** Is the natural person appointed by the Board of Directors to lead and administer this Program. The same individual may, if the competent bodies of TUVACOL S.A. so decide, assume functions in relation to other risk management systems within the Company.

**Facilitation Payments:** These are payments or gifts of small amount that are made to a person (including Public Officials or employees of private companies), to get a favor, speed up an administrative process, obtain a permit, a license or a service, or avoid an abuse of power. (Acts that are prohibited within TUVACOL S.A.)

**Corporate Governance:** It is the system by which the governing bodies of an organization are related; combining their interests and expectations and including in its components the orientation, direction and control of the same through the design of rules and implementation of good practices with which value is generated and greater transparency is established in management.

**Transparency of Information:** In TUVACOL S.A., employees, apprentices and Third Parties, must disclose complete and timely information, allowing the knowledge of the actions, operation and decision-making of the company to the

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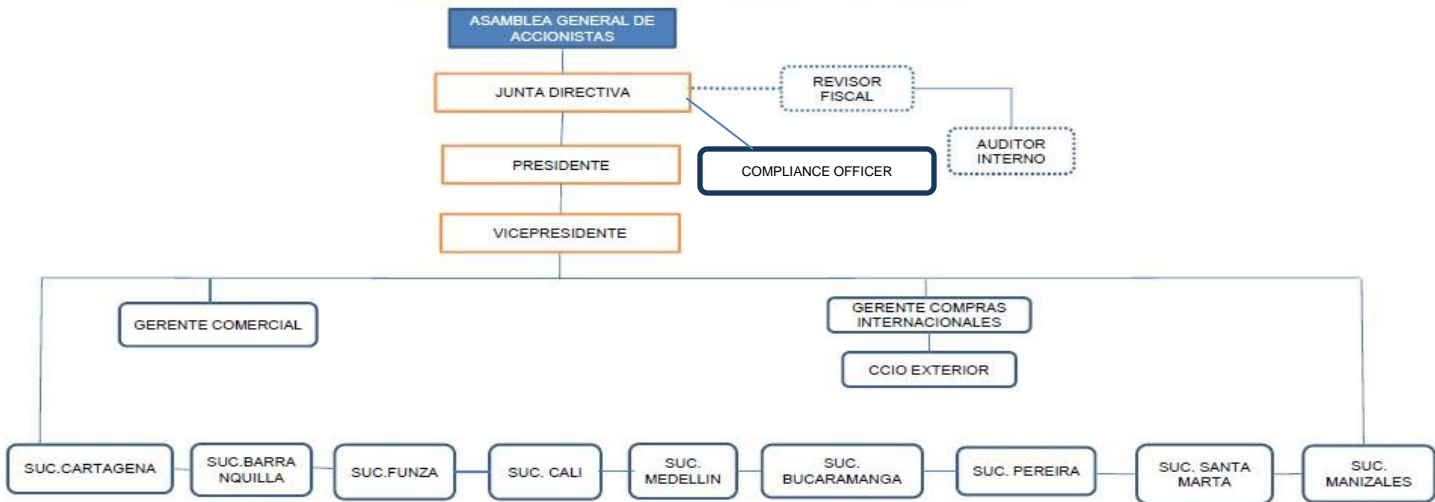
competent authorities when it is the case and the procedure is duly authorized by a legal or judicial order.

**Efficiency:** The management of TUVACOL. S.A., will be characterized by an adequate administration of its resources and by the achievement of the objectives for which it was created.

**Conflict of Interest:** it is defined as the situation in which the interests of the Company are in opposition to the personal interests of the collaborators, Third Parties or their relatives, in such a way that they lead the collaborator to act under parameters different from those that have been established to guarantee the real and ethical fulfillment of their responsibilities towards the Company.

### CHAPTER III ORGANIZATIONAL STRUCTURE AND FRAMEWORK

#### ORGANIGRAMA TUVACOL S.A.



#### Corporate Values.

These Values frame the corporate philosophy defining the ideal behavior on which the organizational culture should rest:

- **Innovation:** In TUVACOL S.A. creativity is stimulated as a contribution to individual and collective knowledge, applied to products and services, with the aim of expanding our markets and achieving the economic success of our organization.
- **Commitment:** TUVACOL S.A. promotes responsibility and a sense of belonging applied in its internal management, thus contributing to continuous improvement, which results in the benefit of all employees and each of our clients and allies.
- **Leadership:** The collaborators of TUVACOL S.A. they are oriented to the search for excellence through effective action, thus facilitating that their ideas allow us to optimize processes and achieve our objectives.
- **Teamwork:** At TUVACOL S.A. teamwork is promoted as a factor of integration, participation, trust and collective creativity, thus achieving the

necessary synergy that will enhance the results obtained in the development of the activities.

- **Social Responsibility:** Tuvacol S.A. respects and fulfills the commitments acquired with individuals, with the community and with the State, as well as recognizing the duty acquired by the environmental impact of its business activity and acts in an attempt to achieve a sustainable and harmonious development with the environment.
- **Research:** At TUVACOL S.A. the generation of knowledge is promoted through systematic, organized and objective processes with the purpose of responding to the needs and requirements of our clients.

### **Mission**

TUVACOL S.A. imports and markets pipes, valves, accessories and materials for processes, maintenance and industrial assemblies of the best brands and specifications, aimed at satisfying the needs and expectations of our Customers nationally and internationally in all sectors of the industry where we are present; for this we rely on a wide and diversified portfolio of products and a very competent team, always willing to provide effective technical advice for the identification of the best solutions for customers. Likewise, our internal and foreign trade processes are based on security, thus generating development and benefits to the community, workers and shareholders.

### **Vision**

We project ourselves for the year 2022 as the leading company in the commercialization of pipes, valves, accessories and materials for processes, maintenance and industrial assemblies nationwide, and position ourselves as an important competitor in Central America, constantly innovating, stimulating the development of our human talent, to guarantee a service of excellence, generating an adequate profitability and projecting an impeccable corporate image and focused on the safety of our internal and foreign trade processes.



## **CHAPTER IV DECALOGUE OF ETHICAL CONDUCT**

The addressees of this Code shall act with:

- **Honesty:** The employee of **TUVACOL S.A.** will act with honesty, honorability and moderation in each of its performances.
- **Commitment:** The employee of **TUVACOL S.A.** you will always be committed to your work, your company, your family and yourself.
- **Responsibility:** The employee of **TUVACOL S.A.** it must exercise the fulfillment of its duties, with integrity and professionalism.
- **Loyalty:** The employee of **TUVACOL S.A.** will be integral and loyal to its principles, collaborators, customers, to the company.
- **Respect:** The employee of **TUVACOL S.A.** it will always strive for respect for people, acting with a collaborative spirit, with love, enthusiasm and vocation.
- **Entrepreneur and innovator:** The employee of **TUVACOL S.A.** will be entrepreneurial, innovative, efficient, working as a team, respecting the diversity of thoughts and criteria of others, always maintaining a spirit of progress.
- **Integral Quality:** The employee of **TUVACOL S.A.** it will always seek efficiency and effectiveness will foster dialogue, listening and I understand the other, for the search for truth and the solution of problems.
- **Ethics:** The employee of **TUVACOL S.A.** acts ethically, is honest, loyal and faithful to our principles, acting at all times in accordance with the regulations in force both at the corporate and business level.
- **Self-care:** The employee of **TUVACOL S.A.** , is committed to the care of the environment seeking sustainable development, and well-being for him, his family, the company and the community

## **CHAPTER V SOCIAL RESPONSIBILITY**

**Social Responsibility Policy:** **TUVACOL S.A.** has analyzed and evaluated the existing social and economic situation, and through the company has

participated socially in the socio-economic improvement of the main cities of the country, generating employment and development in these headquarters.

**TUVACOL S.A.** expressly declares its commitment, from its internal management, to the protection of fundamental rights, safeguarding the basic parameters of protection of life, liberty, equality, human dignity, privacy, the free development of personality, freedom of conscience and worship, information, work, association, respect and care for nature, active citizen intervention, and solidarity, among others.

**Environmental Policy:** Maintain as part of its strategic planning, a preventive policy of the negative impacts that the activity of **TUVACOL S.A.** can produce in the surrounding environment, implementing within the organization the use of clean technologies, the development of efficient and ecologically friendly practices, controlling the production of waste, garbage and polluting substances, so as to guarantee respect and monitoring of natural resources, protecting the diversity of fauna and flora and the environment in general. Likewise, it will strive for compliance with this policy through the implementation of good and healthy hygiene and safety practices, optimizing environmental resources.

**Protection of intellectual property:** Implement internal practices that recognize and protect the rights of creators of works of the intellect, the owners of industrial property and in general of the generators of knowledge inside and outside **TUVACOL S.A.** Regulate the use of protected material within the organization and design mechanisms to obtain and / or maintain in force the authorizations, records, licenses of the creations used by **TUVACOL S.A.** in their activities.

## **CHAPTER VI MANAGEMENT AND ADMINISTRATION REGIME**

### **Management and administrative bodies.**

In accordance with the Statutes, the management and administrative bodies of **TUVACOL S.A.** are as follows:

**GENERAL SHAREHOLDERS'  
MEETING BOARD**

PRESIDENT

Through this Code of Ethics and Good Governance, the management and administrative bodies of **TUVACOL S.A.** establish the policies that it considers necessary for the full, transparent and efficient exercise of its function, based on the norms contemplated in the Political Constitution of Colombia, the legal, regulatory and statutory regulations that are its own, so that these bodies are committed, together with its management team, to give them effective application and compliance in the development of their management.

Therefore, the entire work team of **TUVACOL S.A.** undertakes to stand out for its competence, integrity, transparency and responsibility, acting with objectivity and professionalism in the fulfillment of its functions, guiding all the actions of **TUVACOL S.A.** towards the fulfillment of its mission, formulating the policies and strategic actions that are necessary for it, and being responsible for its execution, for which it undertakes to orient its personal and professional capacities towards the effective fulfillment of the missionary purposes of **TUVACOL S.A.**, to fully comply with current regulations, to maintain confidentiality in the information that requires it, to comply with the policies and procedures existing in the company.

## **CHAPTER VII CONTROL BODIES**

### **Control mechanisms:**

**TUVACOL S.A.** has audit entities that strive for security, transparency, efficiency and diligence in the development of its object.

**TUVACOL S.A.** undertakes to maintain harmonious relations with the internal and external control bodies and to provide them with the information they legally require in a timely, complete and truthful so that they can carry out their work effectively. Likewise, it undertakes to implement the improvement actions that the control bodies recommend in their respective reports.

### **Internal Control Mechanisms.**

**Internal Audit:** She is in charge of measuring and evaluating the efficiency, effectiveness, equity and economy of the entity's operations, advising Senior Management on the continuity of the administrative process. It also makes the

necessary recommendations for the fulfillment of the goals and objectives, so it will ensure that the staff of **TUVACOL S.A.** comply with the different control mechanisms, so that management strategies are developed that lead to an efficient, effective, impartial, integral and transparent administration, through self-regulation, self-management, self-control and continuous improvement for the fulfillment of corporate objectives, and promoting strategic control, management control and evaluation control

#### **External Control Mechanisms.**

**Fiscal Reviewer:** The Tax Reviewer of **TUVACOL S.A.** and the alternate will be elected by the Board of Directors from a list presented for this purpose by the president of **TUVACOL S.A.**, for periods of one year, which may be extended indefinitely. The appointment may not fall on members of **TUVACOL S.A.**

## **CHAPTER VIII INFORMATION MANAGEMENT**

Information management. **TUVACOL S.A.** it has the following guidelines for the handling and use of information:

- The information provided by **TUVACOL S.A.** to its officials, contractors, customers, supervisory bodies or to the general public, it must be true and verifiable in accordance with its accounts, insofar as it relates to operations which by its Nature must be reflected in the financial statements of **TUVACOL S.A.**, or in accordance with the expectations, projections, cash flows or budgets thereof, in the case of business initiatives and projects, all within the restrictions that under the law, or confidentiality contracts and agreements, are imposed with respect to the disclosure of this type of operations.
- The commercial information obtained by **TUVACOL S.A.** of its clients or debtors is confidential, it belongs to them, although **TUVACOL S.A.** has the power to administer it according to the interests of the Company and in accordance with the initial authorization they gave. Its disclosure

proceeds only by court order, at the request of State surveillance and control bodies or other competent authority. In other cases, in order for others to have this information, prior, written and express authorization from

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its owner is required.

- The recipients of this Code must use the information whose use they have been authorized only for the purposes of their functions and activities. Likewise, they may not use the name of the entity in activities other than those of their position or for which they do not have authorization or power conferred.
- The addressees of this Code shall refrain from disclosing the prices or conditions of quotations, proposals or offers, which put in conditions of advantage to any proposer, offeror or supplier, as well as from giving information on the awards of the offers or contests before the officialization of the result by the competent official, under penalty of presuming that he is privileging the offeror who receives such information.
- The addressees of this Code, in relation to the information they provide, must observe that it corresponds to the truth and that it is supported by certain and authentic documentation. It is considered inadmissible, reprehensible and inappropriate conduct to distort or conceal the truth.
- The recipients of this Code who are assigned the management of keys or access codes to the systems of the entity must keep them in reserve and under their responsibility.
- The dissemination of information in **TUVACOL S.A.** it will have a strategic character and will be aimed at strengthening the institutional image and expanding the productive capacity of officials. To this end, the communicative actions and the dissemination of information will be carried out in accordance with the parameters that are established internally; therefore, an informative communication policy will be developed that contributes to establishing permanent contact with the recipients of this Code and that guarantees that the information provided is timely, updated, clear, truthful and reliable, through the formats and channels defined for this, among which can be enunciated: newsletters, brochures or circulars, newspapers, anti-corruption line, email and website.
- Organizational communication will be fundamentally oriented to strengthen **TUVACOL S.A.** internally to present the best corporate image both inside and outside of it. This will be achieved through activities that improve the attitude of service of each of its officials, that generate awareness of the need to respond timely and satisfactorily to the requests of users,

and that contribute to creating conditions for a true teamwork.

- For the management of privileged information, confidentiality agreements will be signed in a way that ensures that the information you have reserved is handled prudently and is not published or known by third parties. None of the interest groups may directly or indirectly use privileged and confidential information of **TUVACOL S.A.** for their own interests.

## **CHAPTER IX CONFLICTS OF INTEREST**

### **Commitment to Conflicts of Interest:**

**TUVACOL S.A.**, through this Code, establishes a policy of conflicts of interest that will be developed in order to contain prevention, management, disclosure and resolution of the same, as well as the criteria that regulate the relations between **TUVACOL S.A.** and its stakeholders.

In development of this commitment and as a complement to the anti-corruption policy, **TUVACOL S.A.** rejects and prohibits all those linked to it, incur in any of the following practices:

- Receive remuneration, gifts or any other type of compensation in money or kind from any legal or natural person, by reason of the work or service provided by **TUVACOL S.A.**
- Grant compensation not authorized by the relevant rules.
- Improperly using privileged or confidential information to obtain benefit or safeguard individual interests of oneself or of third parties.
- Disclose confidential information of its management.
- Use the position in the company or its name to obtain special treatment in the supply of goods or services by persons negotiating with the company
- Seek or obtain utility for himself, for his relatives or for third parties, of privileged or confidential information that is presented to him for being an employee of **TUVACOL S.A.**
- Allocate assets, services, products and material and human resources of the company, for purposes other than those assigned by **TUVACOL S.A.**

- Enter into or execute contract, business or operation with former employees of **TUVACOL S.A.**, whose withdrawal has had as its origin a conduct that violates it, its policies and interests.
- Accept attention in cash or in kind, such as gifts, invitations, commissions, travel, participation in business and any other offer, that may compromise or tilt their conduct in favor of the person who makes them. Only normal and commonly used attentions are accepted within healthy business practices, and these must be known to the respective head or directors of the company.

Conflict of interest is an ethical problem and aims to safeguard the general principles of transparency, fairness, rectitude and prudence in acts, business and contracts.

Conflict of Interest situations are avoidable to the extent that they are achieved by employees that are responsible for not generating for their benefit and from the Company, income beyond strictly labor.

### **Guiding principles on conflict of interest.**

The Recipients of the Code must permanently apply the following principles:

- **Goodwill:** As a principle, it supposes a personal position of honesty and honesty in all the acts that the individual performs in his condition of person, a position that carries inserted, *per se*, the full awareness of not deceiving or harming anyone with traps, abuses, discriminations, preferences and distortions.
- **Loyalty:** Refers to the duty of loyalty to the Company and the correctness in the actions in the relations that are had with it, with the officials, and to the loyalty they owe to other Corporations, suppliers and contractors. In the exercise of their activity, the workers and Administrators of **TUVACOL**

**S.A.** comply with such duty by exercising their powers or faculties safeguarding the social interest of **TUVACOL S.A.**, without obtaining advantages for himself or a third party at the expense of it. In the event of pursuing personal interests, the person will be responsible to **TUVACOL S.A.**

- **Full information or disclosure:** Understood as the duty to communicate

everything that could affect the guarantee of the rights of others. It is a duty to communicate any situation that is or appears to be a conflict of interest and to provide all necessary information related to the situation. The information must include both the nature of the interest in a given operation, its extent or scope, or the benefits it could bring if it were carried out, as well as the information necessary to resolve the possible conflict.

- **Principle of equal treatment:** Duty to act in accordance with the social interest and with respect for equal treatment.

### **Conduct to be followed by recipients in conflict situations.**

The recipients of this Code must make known the hierarchical level immediately above in the organizational structure of **TUVACOL S.A.**, the possible conflicts of interest that may arise in the development of the operations of **TUVACOL S.A.** when they benefit any person or entity of which they are part as directors and /or shareholders or have claims. Also when they benefit any person or entity in which their spouse, partner or partner has investments or claims. The information that reveals the conflict situation should include the identification of the benefits and consequences that would occur in case of acting under the disclosed situation.

**Conduct to be followed by the Company in Conflict situations:** When a situation of conflict of interest arises and the competent according to its hierarchical level is prevented, it will be removed from handling it and will be assumed by the hierarchical superior of the initially disabled.

## **CHAPTER X DISABILITIES AND INCOMPATIBILITIES**

**Disabilities:** The recipients of this Code will abide by the prohibitions and restrictions established below:

### **In personnel selection:**

- **TUVACOL S.A.**, from the date of publication of this code, may not bind directly or through outsourcing companies, fixed-term employment contract, temporary service companies and contracts for the provision of services or others, personnel whose spouse or permanent partner, family



member up to fourth grade of consanguinity, second of affinity or first civil, is working in **TUVACOL S.A.** and is in a direct relationship of subordination.

- From the date of publication of this Code, it is forbidden for them to work in **TUVACOL S.A.** at the same time, officials who marry or who make up a de facto marital union with each other, one of them must be withdrawn, only if there is a direct relationship of subordination.
- They cannot be linked to **TUVACOL S.A.**, directly or through the contracts described, to personnel who have been dismissed with just cause, when the employee has been declared insubstantial or removed from office as a result of a fiscal, disciplinary or criminal proceedings brought against him.
- At the time prior to the link, the candidate must declare under the gravity of the oath that none of the inabilities and incompatibilities described herein exist, according to the format that for this purpose has established the Administrative Management.

In the conclusion of contracts with **TUVACOL S.A.** : They will not be able to enter into contracts with **TUVACOL S.A.** the following people:

- The person who has been convicted of crimes against the Economic and Social Order, Public Security, Public Health, Public Administration and / or the Existence and Security of the Status.
- The natural or legal person who does not comply with his obligation to make contributions to health systems, occupational risks, pensions and family compensation funds, Colombian Institute of Family Welfare and National Learning Service, in accordance with the provisions of Law 789 of 2002.
- The natural person whose spouse, partner or permanent partner provides their services as a contractor or supplier of **TUVACOL S.A.** The same prohibition shall apply to the spouse, partner or permanent partner of the legal representative, shareholder, partner or member of the board of directors of the contracting company.
- A lawyer who is sanctioned by the Superior Council of the Judiciary.
- The person who has been excluded from the exercise of his profession.
- The natural person or legal representative of the legal entity that is a member of the Board of Directors of **TUVACOL S.A.** or the spouse,

permanent partner, relatives within the fourth degree of consanguinity, second degree of affinity or first civil of said members.

- The natural person or legal person whose legal representative is the spouse, permanent partner or relative who is within the fourth degree of consanguinity, second of affinity, first civil, of an official of **TUVACOL S.A.** who holds a managerial position in the company.

**Incompatibilities:** For the purposes of determining possible incompatibilities, **TUVACOL S.A.** will be governed by those contemplated in the National Constitution, the Law and in the Current Contracting Manual.

**Supervening disabilities and incompatibilities:** The supervening disabilities and incompatibilities must be made known to **TUVACOL S.A.** immediately by the addressees of this Code, in order to authorize the possible assignment of the contract or the unilateral declaration of the termination of the same without any compensation.

**Prior declaration:** All suppliers, proposers, contractors and, in general, all recipients of this Code, must declare, before entering into their respective contracts and under the gravity of the oath, not be subject to any cause of incapacity, incompatibility or conflict of interest of those contemplated in this Code, in accordance with the format established for the purpose.

## **CHAPTER XI CONTRACTING AND SELECTION OF SUPPLIERS**

For the establishment of commercial and contractual relationships with suppliers and contractors, **TUVACOL S.A.** take into account and apply the principles of transparency, free competition, objectivity, ability to pay and experience, choice of the highest bidder, clear information on commercial possibilities and respect for trademarks and industrial property.

**TUVACOL S.A.** ensures that the purchased product complies with the purchase requirements specified in the request to suppliers through physical samples and technical sheet. The type and scope of control applied to the supplier and the product purchased, depend on the commercial conditions, delivery times, payment terms, negotiation terms and transit times, reliability and security in operations.

**TUVACOL S.A.** previously registers its suppliers and after the first negotiation with each of them, the evaluation of them is carried out. These suppliers are selected and evaluated based on their ability to supply products (valves, pipes and/or fittings) and services according to the organization's requirements. The criteria for selection and evaluation are specified in formats where they are recorded.

Likewise, in the first quarter of each year, suppliers are reevaluated using the formats provided for this purpose. The suppliers evaluated are those that correspond to:

Shopping  
Transport Customs Agency  
Banks  
International Freight Transport

Suppliers inactive for more than 18 months must be evaluated as new suppliers.

Criteria such as trajectory in the market, rates, quality system, guarantees offered, processing times, Information on order statuses, transit of merchandise, sending of documents, legalization of advances are taken into account.

TUVACOL S.A. keeps a record of the results of evaluations, re-evaluations and any necessary actions resulting therein.

In case of presenting in the evaluation a score below the expected, the provider is considered as an alternative in case one fails. It is

reevaluation and if the second time, the score persists and does not improve, it is canceled, it is not hired anymore.

TUVACOL S.A. carries out the nationalization process directly in the ports of Cartagena and Barranquilla. In the other ports it uses a Customs Agency, to whom the documents required to advance the process, previously reviewed, are sent. In addition, you are provided with the descriptions of the merchandise in Spanish and requirements required by the Customs Legislation in Resolution 532/2002.

TUVAOL S.A ensures that taxes are settled under current international agreements.

Once the nationalization process is completed, the merchandise is available to be distributed within the national territory.

It has a matrix of Partners, both Suppliers and Customers where according to some valuations it is established if they are critical or not. According to the weighting, controls are established to be followed, including visits to the facilities and follow-up to the safety study that is carried out.

**Legal representation and autonomy:** The President will request authorization from the Board of Directors for the celebration of legal acts, only in those cases contemplated in the Statutes.

**Transparency in contractual and anti-corruption matters. The Recipients of the Code must:**

- Refrain from offering gifts of any kind, in order that **TUVACOL S.A.** you are awarded a contract.
- Refrain from accepting attention, in cash or in kind, such as gifts, invitations, commissions, trips, participation in business or any other offer that implies a compliment that may compromise or tilt the conduct of the same in favor of the one who makes them. Exceptions are institutional or advertising gifts or invitations that are part of the ordinary course of business and that have a defined commercial objective.
- Refrain and denounce any practice that tends to seek bribes, illegitimate

benefits or irregular or illegal conduct both within **TUVACOL S.A.** as in your dealings with third parties.

## **CHAPTER XII ETHICS COMMITTEE**

**TUVACOL S.A.** will have an ethics committee that will be made up of the Presidency, Fiscal Review, Cartagena Administrative Management, Internal Audit, and Integral Compliance Officer and will have, among others, the function of evaluating the application of this Code and will be the organizational body in charge of promoting and leading the process of implementation of management ethics, as well as assuming the prevention and management of conflicts of interest

within **TUVACOL S.A.**

The general functions of this Committee are:

- Fully fulfill its functions and obligations.
- Record in minutes what happened in the meetings.
- Keep the confidentiality that matters require.
- Respect and abide by the rules of respective conflicts of interest.
- Propose the identification of the existence of a conflict of interest in a specific case.
- Recommend criteria, strategies, procedures and mechanisms to facilitate the prevention, management and resolution of conflicts of interest.

### **CHAPTER XIII TREATMENT OF SOURCES OF CORRUPTION**

In addition to the corporate values and the Decalogue of conduct, which operate as guiding principles that describe this Code of Ethics and that guide the behavior of each of the members that make up the company, TUVACOL S.A. adopts the following measures in relation to the specific sources of risk of TUVACOL S.A., as follows:

#### **a) Remuneration and payment of commissions to Third Parties**

Any payment or disbursement of the resources of TUVACOL S.A. addressed to its Third Parties, whether national or foreign, must be made through banking channels, in which it is possible to track all movements and payments.

All payments for services abroad must comply with the Colombian exchange rate regime and be channeled through authorized banking entities or through clearing accounts duly registered with the Bank of the Republic.

All payments made to Third Parties must be supported by the values stipulated in the Contract, and may be audited by specialized firms that confirm the legality of the payments.

TUVACOL S.A. may not order its employees to make payments that do not comply with the procedures described. Likewise, no employee will accede to requests from Third Parties to make payments that violate the guiding principles and duties established.

**b) Anti-Corruption Clauses in the Contracts of TUVACOL S.A.**

**TUVACOL S.A.** undertakes that in the execution of the contracts it subscribes, the risk of Acts of Corruption being presented, or of Third Parties carrying out Acts of Corruption, is limited to the maximum. For this purpose, in all contracts entered into by **TUVACOL S.A.** with employees, contractors or any third party, or intermediary, clauses will be included that protect and offer legal solutions to **TUVACOL S.A.** when your counterpart performs Acts of Corruption.

In all contracts, **TUVACOL S.A.** informs its counterpart about the requirement to comply with the Anti-Corruption Provisions, as well as the existence of the Program. According to the contract concluded, the contractor must comply with the Anti-Corruption Provisions and the burdens that this program imposes on him, under penalty of **TUVACOL S.A.** may make use of the contractually agreed termination powers.

**c) Ethical conduct regarding the receipt or sending of gifts and / or attention**

**TUVACOL S.A.** considers the delivery of gifts as a source of high risk in terms of Acts of Corruption. Therefore, the delivery of gifts to third parties by **TUVACOL S.A.** is restricted.

It is contrary to the law and morality to give money or objects of **TUVACOL S.A.** to Public Officials or representatives of private companies with the purpose of obtaining benefits for the economic activity of **TUVACOL S.A.**, or to influence administrative, legal, judicial or contractual decisions in which the Company has an interest.

No employee of **TUVACOL S.A.** you will use your position in the Company to request any kind of personal favor, payment, discount, travel, accommodation, gifts or loans to third parties, whether these are government entities or private companies. Nor will it request or accept from third parties favors or gifts whose nature or importance may incline it to favor the donor or server in the contracting of goods or services by **TUVACOL S.A.** In case of doubt, the employee should consult with his immediate boss or the Compliance Officer. Likewise, for no reason can you obtain or seek

personal benefits derived from the information you have obtained in your capacity as employees of the Company.

However, expenditure on normal or current social care will be allowed within the respective authorization, but they must be reasonable, so that they cannot be interpreted as intending to influence decisions that favor it.

In accordance with this, the employee who wants to give this type of attention, must obtain the authorization of the president of **TUVACOL S.A.**

#### **d) Expenses for entertainment activities and travel expenses of employees**

The expenses for entertainment activities and per diems of the staff of **TUVACOL S.A.** it must be included in the Annual Budget of the Company, which must have a reasonable average according to the number of employees, the budget of the previous year, the sufficiency or deficit of the budget of the previous year.

All these expenses must have the respective supports of invoices, electronic transfers, and internal records of delivery of cash to Managers and employees, so that they can bear the respective expense or expense in the accounting item.

#### **e) Political contributions**

**TUVACOL S.A.** declares that it does not make contributions to national or foreign political campaigns.

#### **f) Donations**

**TUVACOL S.A.** understands that, in general terms, donations constitute a source of high risk and, therefore, it is essential to have strict procedures that guarantee compliance with internal policies against donations, which are contained in the manual of control of policies against money laundering, financing of terrorism and financing of the proliferation of weapons of mass destruction (SAGRILAF) of **TUVACOL S.A.** Therefore, **TUVACOL S.A.** declares that it does not receive donations of any kind and guarantees the lawful origin of the donated funds.

#### **g) Intermediaries in other countries**

**TUVACOL S.A.** will guarantee that all employees, Third Parties and intermediaries in other countries, are subject to the transparency and business ethics program. In

the same way, special measures will be carried out in front of them to ensure their compliance.

#### **h) Use of the Company's resources**

It constitutes a duty for those who have been commissioned to manage the resources of the Company, to ensure the correct disposition and rational use, with exclusive benefit for the Company. In the same way, the collaborators are obliged to inform their superior, the presence of inappropriate behaviors on the part of other members of **TUVACOL S.A.** or third parties, which puts at risk the integrity and effectiveness of such resources.

#### **i) Prohibition of use of illegal software**

The use or installation of illegal or unauthorized software in the development of employee functions or on equipment owned by the Company is prohibited without exception. Likewise, it is forbidden to reproduce for one's own benefit, for the benefit of relatives, relatives or third parties, the software that has been acquired with license by the Company.

### **CHAPTER XIV REPORTING CHANNELS**

**TUVACOL S.A.** has made available to all its Directors, employees, and even Third Parties, Some Complaint Channels through which the Company can be informed of any improper conduct that may constitute an Act of Corruption of its employees or Third Parties.

All employees or Third Parties must inform, through the channels that are listed at the bottom of this section, and avoiding disseminating it by other means, the possible improper behaviors that may configure an Act of Corruption of which they are aware.

Employees who make use of the Complaint Channels will be protected against any type of retaliation and it is guaranteed that there will be no deductions from their salary on actions they have performed under a state of need, insurmountable fear, and / or coercion of public officials.



Finally, employees or Third Parties may use the Reporting Channels to make inquiries in specific cases about the application of the Program or to advise themselves on decision-making in situations of attempted Acts of Corruption.

Email: oficialcumplimiento@tuvacol.com  
Phone: 3619797 ext. 142  
Face-to-face complaint: Compliance Officer.

Likewise, the Compliance Officer will report complaints related to *Transnational Bribery*, in the following link:  
[https://www.supersociedades.gov.co/delegatura\\_aec/Paginas/Canal-de-Denuncias-Soborno-Internacional.aspx](https://www.supersociedades.gov.co/delegatura_aec/Paginas/Canal-de-Denuncias-Soborno-Internacional.aspx)

and *complaints* related to acts of corruption, will be made at the following link:  
<http://www.secretariatransparencia.gov.co/observatorio-anticorrupcion/portal-anticorrupcion>

## **CAPITULO XV TRAINING**

**TUVACOL S.A.** through the Compliance Officer, in the manner in which he determines, will conduct training to employees annually, and at the time when there are modifications to the Program or the Anti-Corruption Provisions.

The Compliance Officer will determine which Third Parties should be trained by **TUVACOL S.A.** provided that this will provide any benefit to the Program. These Third Parties will be offered the possibility of attending the training days.

## **CHAPTER XVI SANCTIONING REGIME**

All **TUVACOL S.A.** contributors will be obliged, based on the knowledge of this Code of Ethics and Good Corporate Governance, to comply with and enforce the rules that contain it. Likewise, they are obliged to report to their immediate superior and this in turn, to the officer of integral compliance, any conduct that in their concept generates or may derive the breach of these rules.

The full compliance officer, with the help of the heads of each area, undertakes to objectively investigate the facts, in order to present said investigation to the Ethics

and Good Governance Committee of **TUVACOL S.A.**, so that together determinations are made that allow adjusting such behaviors, whether of a disciplinary and / or administrative nature.

The recipients of the Code who engage in conduct that violates the ethical principles and rules enshrined in this Code, will be punished in accordance with the provisions of the law and the Internal Labor Regulations of **TUVACOL S.A.**

This sanctioning mechanism will be activated in the event that any of the employees, shareholders, and / or Directors of **TUVACOL S.A.** :

- a) Engage in any conduct contrary to this Program or the Anti-Corruption Provisions; and tolerate and/or consent to such conduct;
- b) Are aware of any conduct contrary to this Program or the Anti-Corruption Provisions; and tolerate and/or consent to such conduct; and/or do not report it in time.
- c) Do not fulfill their functions in accordance with the Program and other Compliance Policies.

In the same way and when the nature of the facts is sanctioned by the legal norms in criminal matters, prior authorization granted by the Presidency of the Company, the circumstances will be reported to the competent authorities.

## **CHAPTER XVII ARCHIVING AND CONSERVATION**

All supports on compliance with this Program, whether internal, external reports to the competent authorities, evidentiary material collected during the investigations, results in search of Restrictive Lists, minutes of the Board of Directors, authorizations of the Directors on the Program, among others must be kept in physical files for the term of ten (10) years from the date of the respective entry. After this period, the supports can be destroyed provided that, by any appropriate digital technical means, their exact reproduction is guaranteed.

## **CHAPTER XVIII DUTY OF RESERVATION**

The information obtained in the course of the procedures and practices that make up the Program, is confidential information owned by the Company, and is subject

to reservation, which means that it can only be known by the Company's officials, or by the competent authorities upon request.

Therefore, all shareholders, Directors, employees, and Third Parties of the Company who have responsibilities assigned by this Program, are under the obligation to safeguard and limit the use of the information obtained in the development of the Program, to the purposes strictly established.

## **CHAPTER XIX COMPLIANCE OFFICER**

The Compliance Officer will lead the Business Ethics and Good Corporate Governance Transparency Program within TUVACOL S.A., will have decision-making power in the entity and must have basic knowledge in the matter discussed here. He is appointed by the Board of Directors.

The following are the duties of the Compliance Officer:

- a) Ensure the effective, efficient and timely fulfillment of this program.
- b) Submit, at least every six (6) months, reports to the Presidency or, failing that, to the highest corporate body. At a minimum, the reports should contain an evaluation and analysis of the efficiency and effectiveness of the program and, if applicable, propose the respective improvements. Likewise, demonstrate the results of the management of the Compliance Officer, in compliance with this program.
- c) Promote the adoption of corrections and updates to the program, when circumstances require it and at least once each year. To this end, it must submit to the board of directors or the highest corporate body, as the case may be, the proposals and justifications for the corrections and updates suggested to the Transparency and Business Ethics Program.
- d) Coordinate the development of internal training programs.
- e) Ensure the proper archiving of documentary supports and other information related to the management and application of this program.
- f) Submit Report No. 52 to the Superintendency of Companies and any other report or report required by the provisions in force, as established by current regulations.

**CHAPTER XX  
FINAL PROVISIONS**

The addressees of this code must bring to the attention of the hierarchical superior the conduct in violation of this Code.

Differences arising during the application of this Code shall be resolved by the Ethics and Good Governance Committee.

This Code of Ethics and Good Corporate Governance is adopted by **TUVACOL S.A.** as a normative circular. Therefore, it is mandatory for the recipients of the same. To this extent, the violation of its precepts will be sanctioned in accordance with the provisions of the law and the Internal Labor Regulations of **TUVACOL S.A.**


This Code must be disseminated among all its Recipients. The validity of this Code begins from the date. When it deems it convenient and applicable, **TUVACOL S.A.** make revisions to verify that its contents remain relevant and in accordance with good corporate governance practices, the law and the Bylaws.

This update of the Code of Ethics and Good Corporate Governance of **TUVACOL S.A.** is issued in the city of Cartagena de Indias on the fifteenth (19th) day of November of two thousand and nineteen (2019).

This Code of Ethics and Good Corporate Governance of **TUVACOL S.A.** is updated in the city of Barranquilla on June 10, 2021.

**CHANGE CONTROL**

Date	Version	Description
	01	Creation of the document.
	02	Information of Daniel Yacaman Foundation for Social Responsibility is deleted
12-02-2021	03	Coding of the Procedure.
24/09/2021	04	This code is updated, in accordance with the instructions of Circular 100-000011 of August 9, 2021, including the commitment to comprehensive compliance with the rules established for the control, prevention and eradication of national and

 <p><b>TUVACOL</b> TUBERIAS Y VALVULAS DE COLOMBIA</p> <p>System of Management Integral</p>	<p><b>CODE OF ETHICS Y GOOD GOVERNMENT CORPORATE OF TUVACOL S.A.</b></p>		<p>Valid from: 24/09/2021</p> <p>Code: GE-P-009 Elaborate by: Committee Ethics and Good Governance</p> <p>Reviewed and Approved by: Committee Ethics and Good Governance.</p> <p>Page: 29 of 30</p>
		<p>transnational <b><i>bribery</i></b> and <b><i>corruption</i></b>, treatment of the sources of acts of corruption, reporting channels within the company, archiving, preservation, reservation of information and functions of the compliance officer.</p>	

**ANNEXES**

Annex No. 1 Sworn Declaration Format Natural Person. Annex No. 2 Sworn Declaration Format Legal Entity.



**CODE OF ETHICS Y GOOD  
GOVERNMENT CORPORATE OF  
TUVACOL S.A.**

Valid from:  
24/09/2021  
Code: GE-P-009 Elaborate  
by: Committee Ethics and  
Good Governance  
Reviewed and Approved  
by: Committee Ethics and Good  
Governance.

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**ANNEX N° 1**

(City), (Date)

Gentlemen  
**TUVACOL S.A.**  
E.S.M.

Subject: Sworn Declaration of Natural Person.

Respected Gentlemen,

\_\_\_\_\_, of legal age, domiciled in the city of \_\_\_\_\_, identified with the citizenship card \_\_\_\_\_ number, acting in my capacity as offeror for (\*See note \_\_\_\_\_), I declare under the gravity of the oath not to be involved in any of the causes of inability, incompatibility or conflicts of interest of those contemplated in the Code of Ethics and Good Governance of **TUVACOL S.A.**

I also declare that in the event of any of the disabilities, incompatibilities or conflicts of interest in a supervening manner will be immediately disclosed to **TUVACOL S.A.**

Kind regards

C.C. # \_\_\_\_\_

\*Note: Description of the contract, purchase order or service or commercial offer to be subscribed



**CODE OF ETHICS Y GOOD  
GOVERNMENT CORPORATE OF  
TUVACOL S.A.**

Valid from:  
24/09/2021  
Code: GE-P-009 Elaborate  
by: Committee Ethics and  
Good Governance  
Reviewed and Approved  
by: Committee Ethics and Good  
Governance.

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**ANNEX N° 2**

(City), (Date)

Gentlemen  
**TUVACOL S.A.**  
E.S.M.

Subject: Sworn Declaration of Legal Person.

Respected Gentlemen,

\_\_\_\_\_, of legal age, domiciled in the \_\_\_\_\_ city of \_\_\_\_\_, identified with the citizenship card \_\_\_\_\_ number, acting in my capacity as legal representative of, offeror for (\*See \_\_\_\_\_ note), I declare under the gravity of the oath that the company I represent is not incurso in any of the causes of inability, incompatibility or conflict of interest of those contemplated in the Code of Ethics and Good Governance of **TUVACOL S.A.**

I also declare that in the event of any of the disabilities, incompatibilities or conflicts of interest in a supervening manner will be immediately disclosed to **TUVACOL S.A.**

Kind regards

\_\_\_\_\_  
Legal Representative

\*Note: Description of the contract, purchase order or service or commercial offer to be subscribed