



SANCTIONS POLICY

1. PURPOSE

Establish guidelines to support the management of sanctions and the identification of violations of the Code of Ethical Conduct, Randoncorp's internal regulations, and applicable laws.

2. APPLICATION AND COVERAGE

This Policy applies to Randoncorp and third parties related to the company's activities.

3. REFERENCES

- Randoncorp's Code of Ethical Conduct
- Anticorruption Policy
- Compliance Policy

4. DEFINITIONS

Compliance: comply with all legal obligations, maintain ethical values, and establish control systems to ensure compliance.

Legal or contractual infraction: the violation of the employee's duties and obligations arising from the employment contract, company policies and standards, and legislation.

Infraction: any action or omission that violates the principles and commitments outlined in the Code of Ethical Conduct, integrity mechanisms, internal policies and procedures, and legal obligations.

5. PRINCIPLES OF SANCTIONS MANAGEMENT

The application of this sanctions policy and related disciplinary measures must adhere to the following principles:

Transparency: all procedures directly or indirectly related to the application of sanctions by Randoncorp must be clear, with fully defined circumstances and information, properly recorded.

Integrity: individuals directly or indirectly involved in implementing company sanctions must act with integrity, prioritizing the best interests of the company and avoiding conduct that is contradictory, dubious, or damaging to the Company's reputation, credibility, or image.

Compliance: the application of sanctions must follow the principles and guidelines of Randoncorp's Code of Ethical Conduct, internal regulations, and applicable laws and regulations.

6. GUIDELINES

6.1 VIOLATIONS OF THE CODE OF ETHICAL CONDUCT

Measures for violations of Randoncorp's Code of Ethical Conduct and/or related laws and regulations must be applied to both procedural errors and misconduct. Below are the potential violations of the Company's Code of Ethical Conduct, which may result in the application of sanctions to the parties involved. However, disciplinary measures are not limited to these violations.

- i. Non-compliance with the conduct standards established in Randoncorp's Code of Ethical Conduct.
- ii. Engaging in corruption or fraudulent acts.
- iii. Failing to report potential conflicts of interest through established channels.
- iv. Misuse the Ethics Channel or act in bad faith when making reports.
- v. Gaining personal or third-party advantages from one's role or position within the Company.
- vi. Recruiting, selecting, or promoting professionals based solely on personal or affective relationships.
- vii. Offering gifts that conflict with current regulations, represent a conflict of interest, or influence decision-making.
- viii. Committing fraud in bidding processes or administrative contracts executed with public authorities.
- ix. Making donations or contributions to political parties, political campaigns, and/or candidates to public office in the name of Randoncorp.
- x. Engaging in political demonstrations, either in favor of or against political parties, political campaigns, and/or candidates for public office on behalf of Randoncorp.
- xi. Engaging in political demonstrations, either in favor of or against political parties, political campaigns, and/or candidates for public office during working hours or in the workplace.

- xii. Making or accepting inappropriate, ambiguous, or fraudulent accounting entries that may conceal or otherwise disguise illegal payments.
- xiii. Using accounting procedures, techniques, or artifices to conceal or disguise illegal payments.
- xiv. Failing to comply with sponsorship guidelines or violate or circumvent the established procedures for granting sponsorships and donations.
- xv. Selecting suppliers based on criteria that are not fair, legal, or technical, or that are evidently non-compliant with labor, tax, environmental, or anti-corruption legislation.
- xvi. Representing Randoncorp in negotiations with trade associations without being the designated and authorized professional for such a role.
- xvii. Failing to observe specific health and safety regulations, neglecting the use of protective equipment when necessary, or failing to report risks to anyone's physical integrity in the workplace.
- xviii. Consuming or being under the influence of alcohol or drugs while on company premises or performing company duties.
- xix. Unjustifiably failing to perform tasks related to the position or the functions outlined in the employment contract.
- xx. Unjustifiably failing to comply with agreed working hours with Randoncorp.
- xxi. Engaging in any form of physical or verbal violence, or any act that could be considered discrimination, moral harassment, sexual harassment, or abuse of power.
- xxii. Sharing confidential or sensitive information related to Randoncorp.
- xxiii. Failing to maintain or misuse the Company's equipment, machinery, or resources.
- xxiv. Using Randoncorp's assets for non-professional purposes.
- xxv. Harming Randoncorp's image by improperly or unauthorizedly publicizing its brands or expressing negative opinions about the Company.
- xxvi. Failing to comply with applicable environmental laws and internal regulations.
- xxvii. Refusing to participate in mandatory periodic training programs promoted by Randoncorp.
- xxviii. Committing any act that constitutes a violation of personal data protection regulations.
- xxix. Using Randoncorp's equipment for illicit activities.
- xxx. Engaging in anti-competitive practices (e.g., cartels, tying agreements, predatory pricing, discrimination against clients or suppliers).

6.2 TYPES OF CONSEQUENCES

6.2.1 For Randoncorp Employees

Verbal Warning: a verbal notice to inform the employee that their actions and/or behaviors are not aligned with applicable guidelines and/or laws in force. It is the first disciplinary measure applied in the event of a legal and/or contractual infraction, depending on the severity of the offense.

Written Warning: a written notice informing the employee that their actions and/or behaviors are not aligned with applicable guidelines and/or laws in force. It is applied in cases of repeated infractions of the same nature or for a first-time offense, considering its severity.

Disciplinary Suspension: a measure that involves temporarily removing the employee from their duties without compensation, applied as punishment for repeated infractions previously addressed by warnings or for a moderately serious offense.

Dismissal or Dismissal for Cause: a measure involving the termination of the employment contract, applied in cases of repeated infractions previously punished by suspension or for a serious offense.

6.2.2 For third parties related to Randoncorp

Third parties related to Randoncorp include suppliers, service providers, partners, intermediaries, sponsored parties, and others.

Warning: a notice to the third party to inform them that their conduct does not comply with applicable guidelines and/or laws in force. All warnings must be issued via an extrajudicial notification and recorded in the third party's file for future reference. In case of repeated violations, more severe sanctions may be adopted.

Registration Suspension: this measure is applied to address violations committed by a third party who has already received a warning or in cases of moderately serious infractions. When this measure is applied, the third party will not be allowed to execute contracts with the Company for a specified period. In the event of repeated violations, more severe sanctions may be imposed.

Contract Suspension: this measure is applied to ensure that a third party, after receiving repeated warnings or committing a moderately serious infraction, rectifies the situation that caused the infraction and/or

warnings. When contract suspension is implemented, the third party is prohibited from performing the contract's subject matter for the duration of the suspension. The suspension period must not exceed 30 (thirty) consecutive days and will not result in the application of fines or interest for delays, without prejudice to other contractual clauses. In cases of repeated violations, more severe sanctions may be imposed.

Contract Termination: if previously applied measures prove ineffective or the third party commits a serious infraction, the contract must be unilaterally terminated for cause, without prejudice to the application of penalties provided for in the contract and applicable legislation, and without prejudice to fines or recovery of damages. Unilateral termination for cause must also result in the suspension of the third party's registration.

7 REPORT MANAGEMENT

Randoncorp will maintain a reporting management system to ensure that all actions and behaviors inconsistent with the Code of Ethical Conduct, the Integrity Program, and internal and legal regulations are thoroughly investigated, will hold employees and third parties accountable, ensure compensation for damages to the companies, and implement remediation measures to mitigate risks and prevent future violations.

8 RESPONSIBILITIES

Board of Directors

- Approve the sanctions policy.

Ethics Committee

- Ensure the enforcement of this sanctions policy.
- Participate in resolutions regarding sanctions involving Randoncorp's senior management and, when requested, in discussions on critical violations committed by employees and third parties.

Risk Management and Compliance Department

- Conduct or oversee investigations of reports related to the Integrity Program.
- Monitor the implementation of this sanctions policy.

9 CONTROL INFORMATION

This Policy was approved by the Board of Directors on November 07, 2017, becoming effective from November 2017.

Version	Date	Effectiveness
1 st version	11/07/2017	11/07/2017
2 nd version	03/14/2019	03/14/2019
3 rd version	11/10/2021	11/10/2021
4 th version	12/14/2023	12/14/2023
5 th Version (in effect)	12/12/2024	12/12/2024

Parties responsible for the document:

Preparation

Risk Management and Compliance

Review

Legal

Approval

Board of Directors

Latest review:

Date: 12/12/2024

