Crime Prevention Manual

C&L FRUIT

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I. Introduction

Law No. 20,393 on the criminal liability of legal entities, which came into force on December 2, 2009, established for the first time in Chile that legal entities would be criminally liable for the offenses of bribery, money laundering and terrorist financing when: a) these offenses were committed by their owners, controllers, officers, principal executives, representatives or persons carrying out management activities, or by natural persons who are or have been under the direct supervision of any of the persons just named; b) they were committed in the interest or for the benefit of the respective legal entity; and c) their commission was the consequence of the legal entity's breach of the duties of direction and supervision incumbent upon it.

This law was amended by Law No. 20,931 of July 2016, Law No. 21,121 of November 2018, Law No. 21,132 of January 2019, Law No. 21,240 of June 2020, Law No. 21,325 of April 2021, Law No. 21,412 of January 2022, Law No. 21,459 of June 2022, Law No. 21,488 of September 2022 and Law No. 21,595 on Economic Crimes, published on August 17, 2023 in the Official Gazette, which came into force in September 2024, hereinafter jointly referred to as the "**Law**".

In accordance with the Law, following all of the amendments mentioned, legal entities may be liable for the following offenses:

(i) Bribery of a public official, whether national or foreign.

(ii) Money laundering.

(iii) Terrorist financing.

(iv) Receiving stolen goods.

(v) Corruption between private parties.

(vi) Incompatible negotiation.

(vii) Misappropriation.

(viii) Disloyal administration.

(ix) Water pollution.

(x) Violation of closed seasons for products.

(xi) Illegal fishing of seabed resources.

(xii) Illegal processing and storage of scarce products.

(xiii) Illegal carrying and manufacture of weapons.

(xiv) Infringement of the health regulations issued as a result of COVID-19.

(xv) Human trafficking.

(xvi) Timber theft.

(xvii) Computer offenses.

(xviii) Economic and environmental offenses.

Hereinafter, the offenses just listed will be jointly referred to as the "**Offenses**", and any of them as an "**Offense**".

Although the aforementioned amendments expanded the catalog of offenses, the latest reform, introduced by the Economic Crimes Law, in addition to creating the concept of an economic crime as such and adding more than 200 offenses to this catalog, introduced substantial changes to the Law and, in general, to all corporate regulatory compliance.

Indeed, following this reform, legal entities are criminally liable for the Offenses mentioned when these are committed:

(i) Within the framework of their activity;

(ii) By or with the intervention of any natural person holding a position, function or office in the entity, or providing services to it by managing its affairs before third parties, with or without representation; and

(iii) Provided that the perpetration of the act is favored or facilitated by the failure of the legal entity to effectively implement an adequate model for the prevention of such offenses. In addition, if the indicated requirements are met, a legal entity will also be liable for an act perpetrated by or with the intervention of a natural person related to a different legal entity, provided that the latter provides services to it by managing its affairs before third parties, with or without representation, or lacks operational autonomy with respect to it, where relations of ownership or participation exist between them.

Therefore, liability is no longer limited to senior management positions, nor is the interest of the company necessarily required; rather, it extends to any person holding a position in the company, third parties who manage assignments on its behalf even if they have no powers to represent it, and related third parties under the terms indicated above.

Likewise, the Law refers specifically to crime prevention models, granting them sufficient standing so that, to the extent that they seriously and reasonably address certain aspects or requirements, in view of the corporate purpose, line of business, size, complexity, resources and activities carried out by the legal entity, they exempt it from criminal liability.

In this regard, the aspects that must be considered for the purpose of exempting it from criminal liability are the following:

(i) Identifying the activities or processes of the legal entity that involve a risk of criminal conduct;

(ii) Establishing protocols and procedures to prevent and detect criminal conduct in the context of its activities, necessarily including secure whistleblowing channels and internal sanctions in the event of non-compliance;

(iii) Formalizing the appointment of one or more responsible officers (hereinafter interchangeably the "**Responsible Officer**" or "**RO**") for the application of such protocols, with adequate independence in the exercise of their role as RO, endowed with effective powers of direction and supervision and with direct access to the management of the legal entity in order to inform it in a timely manner, to account for their management and to request the adoption of measures that may go beyond their competence; and

(iv) Providing for periodic evaluations by independent third parties and mechanisms for improvement or updating based on such evaluations.

In accordance with the foregoing, the Law provides the company with an opportunity to protect itself from the consequences of Offenses that may be committed by natural persons, by implementing, in advance, a **Crime Prevention Model** (hereinafter the "**Model**" or the "**CPM**"); but it places special emphasis on the fact that this must be one that is particularly suited to its corporate purpose, line of business, size, complexity, resources and the activities it carries out.

In this context, and for the purpose of fully complying with these duties of effective implementation of a CPM appropriate to the Offenses that may be committed within it, **Holding C&L Frut**, for itself and for the companies that comprise it (hereinafter jointly and interchangeably referred to as the "**Companies**", the "**Company**", or the "**Holding**") has decided to develop this **"Crime Prevention Manual"**, for the purpose of establishing for the Companies a preventive and monitoring system through the various actions, policies, procedures, guidelines or protocols that have been established in the Company for the prevention of the commission of the Offenses.

Sanctions are avoidable in the company through the prior adoption and implementation of models of organization, administration and supervision to prevent the established offenses. The rules of this Model complement, but do not replace, the provisions contained in the respective Internal Regulations, policies and Procedures of the Company, which are equally applicable to all of its Employees.

It is the obligation of all employees subject to this Model to know, observe, comply with and fully enforce its provisions.

II. Objective

The main objectives of this Manual are the following:

- To set out in a simple manner all of the elements that comprise the Model implemented by the Company.
- To establish the mechanism for the prevention and mitigation of the risks of the commission of Offenses within the Company.
- To set out the protocols and procedures that must be carried out in the day-to-day operations of the Company in order to prevent and detect criminal conduct, as well as the functions and activities that will be the responsibility of the officers in charge of their application.
- In general, to serve as an instruction and guide for the understanding, implementation and operation of the activities involved in the Model.

It will be essential to disseminate and provide guidance to all of the Company's employees and to relevant third parties regarding the objective of the Model, so as to make them participants in it, thereby reducing the possibility that the Companies become involved in unlawful activities that may result in the attribution of criminal liability to them.

The Companies undertake to maintain correct, strict and diligent conduct in complying with the Model, as well as to ensure its proper dissemination and guidance.

III. Scope

The Model is mandatory for all of the Companies that comprise Holding C&L (also “the Company”), which are detailed below: Sociedad C&L FRUT SpA, Inmobiliaria e Inversiones Los Robles S.A, Sociedad Agrícola Las Pataguas SpA, Agrícola Las Vertientes S.A, Sociedad Agrícola El Carretón SpA, Agrícola Las Piedras 2 SpA, Sociedad Agrícola Lircay SpA, Agrícola Casas Viejas Ltda, Sociedad Comercial Terra Verde SpA, Sociedad Campo Bueno SpA and any other new company linked to Holding C&L that may be incorporated in the future; the application of this Model being considered for every person connected with such companies.

In this sense, the Model will be mandatory for natural persons holding a position, function or office in the Company, or providing services to it by managing its affairs before third parties, with or without representation, such as the Company's employees, its suppliers, service providers, temporary personnel, contractors and subcontractors; its owners, controllers, senior management, principal executives, directors, external advisors and, in general, those who carry out management and supervision activities in the Company (hereinafter, the “**Recipients of the Manual**” or the “**Recipients**”).

The foregoing applies regardless of the nature, form or type of employment or contractual arrangement under which the Recipients perform their duties within the Company.

IV. Offenses Covered by the Law

The Law contains a catalog of Offenses which, if perpetrated within the framework of the Company's activities by or with the intervention of any person holding a position, function or office in it, or providing services to it by managing its affairs before third parties, with or without representation, and provided that the perpetration of the act is favored or facilitated by the failure of the legal entity to effectively implement an adequate crime prevention model, will render it criminally liable.

Such Offenses are those referred to in Article 1 of the Law, namely:

(i) The offenses referred to in Articles 1, 2, 3 and 4 of the Economic Crimes Law, which may be classified as follows:

a) **First Category Offenses**, that is, those which under all circumstances are considered economic.

b) **Second Category Offenses**, that is, those contained in the laws that regulate economic activity and which are committed in the exercise of a role, position or office within a company, or which are for the economic benefit, or benefit of another nature, of the organization.

c) **Third Category Offenses**, that is, offenses committed by public officials in which a member within the company has also intervened, or from which a benefit for the company is reported.

d) **Fourth Category Offenses**, that is, receiving stolen goods, money laundering and asset laundering under the Economic Crimes Law, whether or not they are considered economic crimes by that law.

(ii) Those provided for in Article 8 of Law No. 18,314, which determines terrorist conduct and sets its penalty; in Title II of Law No. 17,798 on Arms Control; and in Articles 411 quáter, 448 septies and 448 octies of the Criminal Code (for these purposes, we will refer to them as "**Other Offenses under Law No. 20,393**").

This Manual contains a reference to and an explanation of the main offenses applicable to the Company, taking into account the corporate purpose or line of business of the Companies, as well as their size, complexity, resources and activities, and it has been prepared on the basis of the risk matrix drawn up in accordance with the interviews held with various employees of the Company.

(i) <u>First Category Offenses</u>:

- **Bribery of a foreign public official:** as established in Article 251 bis of the Criminal Code, the bribery of a foreign public official is punished where the aim is to obtain or maintain, for oneself or for a third party, any business or advantage in the sphere of international transactions or economic activities abroad, by offering, promising, giving or consenting to give an economic or similar benefit to a foreign public official.

- **Alteration of prices by fraudulent means:** Article 285 of the Criminal Code punishes the alteration of the prices of services by fraudulent means.
- **Corruption between private parties:** Article 287 bis of the Criminal Code punishes the director, administrator, agent or employee of a company who requests or receives economic or similar benefits for having favored the awarding of a contract to a third party. In turn, Article 287 ter of the same Code punishes any person who gives, offers or consents to give a director, administrator, agent or employee of a company economic or similar benefits for having favored contracting with one bidder over another.
- **Incompatible negotiation:** Article 240 of the Criminal Code punishes various persons for the offense of incompatible negotiation, which punishes anyone who, directly or indirectly, takes an interest — that is, has a conflict of interest — in any negotiation, action, contract, operation or transaction in which they are required to intervene by reason of their position, involving the Company, thereby breaching the conditions established by law, as well as any person to whom the rules established with respect to the duties of the directors or managers of such companies are applicable. For the offense of incompatible negotiation to be consummated, it is sufficient that the person takes part in the matter or transaction with a personal interest, regardless of whether or not the intended advantage or benefit is obtained.
- **Insolvency offenses:** Article 463 ter of the Criminal Code punishes the debtor in reorganization or liquidation proceedings who provides false or incomplete information or records that do not reflect their true financial situation. Likewise, it punishes the debtor who, within the two years prior to the issuance of the liquidation ruling, or during the period between the notification of the compulsory liquidation claim and the issuance of the respective ruling, has failed to keep or preserve the accounting books and supporting documentation required by law, which must be made available to the liquidator once the liquidation ruling has been issued, or has concealed, rendered useless, destroyed or falsified the information such that it does not reflect the true situation of their assets and liabilities.
- **Offenses under Law No. 18,046 on Corporations, in particular:**
  - **Offense under Article 134 of said law:** this provision punishes the directors, managers, administrators or principal executives of a corporation who, in the annual report, balance sheets or other documents intended for the shareholders, third parties or the administration, required by law or by the applicable regulations, which must reflect the legal, economic and financial situation of the company, provide or approve the provision of false information on aspects relevant to knowing the equity and the

financial or legal situation of the company. Likewise, it punishes those who keep the company's accounts, or the experts, external auditors or account inspectors outside the company, who collaborate in the act described in the preceding paragraph.

- **Offense under Article 134 bis of said law:** this provision punishes anyone who, using a majority position on a Board of Directors, adopts abusive resolutions that benefit them or seek to benefit them to the detriment of other shares and without the resolution providing any benefit to the company. The controller of the company who induces such a resolution in the Board of Directors will likewise be punished.

• **Offenses against the securities market, provided for in Law No. 18,045 on the Securities Market, in particular:**

- **Delivery of false information to the market:** Article 59 of this law punishes, among others, anyone who, acting on behalf of an issuer of publicly offered securities, provides false information to the market on the financial, legal, equity or business situation of the respective issuer; anyone who carries out transactions in securities for the purpose of artificially maintaining or altering the market price of one or more securities; and anyone who provides false information to the market on behalf of a person subject to the supervision of the Financial Market Commission, in registers, prospectuses, statements or reports required by law or by said authority on a general basis, in a manner capable of influencing the decisions of the investing public or of concealing aspects relevant to knowing the equity or the financial or legal situation of the person.

- **Insider information:** Article 60 of this law punishes anyone who carries out a transaction using privileged information, whether by acquiring or transferring, on their own account or on behalf of another, directly or indirectly, the securities to which such information refers, or by canceling or modifying an order relating to such securities.

- **Offenses under Article 61 of said Law:** this provision punishes the following conduct:

a) The omission of a public tender offer for shares that should have been made;

b) The improper custody of securities;

c) The intermediation of securities in respect of an issuer in insolvency, knowing or having reason to know of its financial condition;

d) Any person who, by reason of their position in a risk rating agency or external audit firm, discloses information about one securities issuer to another.

- **Offenses under letters c) and d) of Article 62 of said Law:** this provision punishes the manipulation of records that prevent supervision by the Financial Market Commission, as well as the director, administrator, manager or principal executive of a securities issuer who delivers false statements or records to the Board of Directors, risk rating agencies, audit firms or the Financial Market Commission.

- **Offenses under Decree Law No. 3,538, which creates the Financial Market Commission, in particular:**
    - o **Offense under Article 35 of said Decree Law:** punishes the obstruction of the work of the Financial Market Commission, by anyone who, without justification, fails to appear to testify before the Financial Market Commission or gives false statements.
    - o **Offense under Article 43 of said Decree Law:** punishes the breach of the obligation to maintain confidentiality with respect to information learned in sanctioning proceedings.
    - o **Offense under Article 58 of said Decree Law:** punishes anyone who obstructs an investigation by the Financial Market Commission, or anyone who requests the benefit of leniency based on false or fraudulent information.
- **Offenses under Law No. 18,840, the Central Bank Law, in particular the one contemplated in Article 59:** this provision punishes the delivery of false information in relation to its actions before the Central Bank or in the international exchange operations governed by the law.
- **Offenses under Law No. 20,416, which sets forth special rules for smaller companies, also known as the Law on the Reorganization of Micro and Small Enterprises, in particular:**
    - o **Offense under Article 12 of said law:** punishes the advisors, partners, debtors or creditors of a company undergoing reorganization who collude in order to receive some undue advantage from the process.
    - o **Offense under Article 24, paragraph 6, of said law:** punishes the debtor who provides false information regarding their creditors, obligations or others.
- **Offenses under Decree Law No. 211 of 1973 on Free Competition, in particular Article 62:** this provision punishes anyone who enters into, orders the entering into, executes or organizes an agreement involving two or more competitors with one another, in order to fix sale or purchase prices of goods or services in one or more markets; limit their production or supply; divide, assign or allocate market zones or quotas; or affect the outcome of tenders conducted by public companies, private companies providing public services, or public bodies.

(ii) <u>Second Category Offenses</u>:

- **Bribery of a national public employee:** as established in Article 250 of the Criminal Code, bribery is committed by anyone who gives, offers or consents to give a public employee an economic benefit or a benefit of another nature, for the benefit of that employee or of a third party, by reason of the employee's position under the terms of the first paragraph of Article 248 of the Criminal Code, or so that they carry out the actions or incur in the omissions indicated in Articles 248, second paragraph, 248 bis and 249 of the same legal text, or for having carried them out or having incurred in them.

- **Quasi-offenses:** these are regulated in Article 492 of the Criminal Code, which punishes anyone who, in breach of the regulations and through mere recklessness or negligence, performs an act or incurs in an omission which, if malicious, would constitute a crime or a simple offense against persons.

- **Misappropriation:** pursuant to Article 470 number 1 of the Criminal Code, punishment is imposed on those who, to the detriment of another, appropriate or divert money, goods or any other movable property that they have received on deposit, commission or administration, or under any other title creating an obligation to deliver or return it.

- **Offenses under the Tax Code, and in particular:**

  - **Declarations and other improper maneuvers to reduce taxes:** Article 97 number 5 of this Code punishes, among other conduct, the making of maliciously incomplete or false declarations that may lead to the assessment of a lower tax than the one due, or the malicious omission from the accounting books of entries relating to goods acquired, sold or exchanged or to other taxed transactions, the alteration of balance sheets or inventories or the presentation of these fraudulently falsified, the use of receipts, debit notes, credit notes or invoices already used in previous transactions, or the use of other fraudulent procedures aimed at concealing or distorting the true amount of the transactions carried out or at evading the tax.

  - **Malicious omission of declarations:** Article 97 number 5 of this Code punishes the malicious omission of declarations required by tax laws for the determination or assessment of a tax, incurred by the taxpayer or their representative, and by the managers and administrators of legal entities or the partners who have the use of the corporate name.

- **Offenses under Law No. 21,459, which establishes rules on computer crimes, and in particular:**

  - **Attack on the integrity of a computer system:** Article 1 of this law punishes anyone who obstructs or prevents the normal functioning, in whole or in part, of a computer system, through the introduction, transmission, damage, deterioration, alteration or suppression of computer data.

  - **Unlawful access to a computer system:** Article 2 of this law punishes anyone who, without authorization or exceeding the authorization they hold, and overcoming technical barriers or technological security measures, accesses a computer system.

- o **Receiving of computer data:** Article 6 of this law punishes anyone who, knowing its origin or not being able to fail to know it, markets, transfers or stores, with the same purpose or another unlawful purpose, on any basis, computer data originating from the conduct described in Articles 2, 3 and 5 thereof.
- o **Computer fraud:** Article 7 of this law punishes anyone who, causing harm to another, with the aim of obtaining an economic benefit for themselves or for a third party, manipulates a computer system by introducing, altering, damaging or suppressing computer data, or through any interference with the functioning of a computer system.

- **Offenses under Decree with Force of Law No. 3 of 1997, known as the General Banking Law, in particular the one contemplated in Article 160:** this provision punishes anyone who obtains credit from public or private credit institutions by supplying or providing false or maliciously incomplete information about their identity, activities or financial position or assets, causing harm to the institution.
- **Offenses under Law No. 20,920, which establishes a framework for waste management, extended producer responsibility and the promotion of recycling, in particular Article 44:** this provision punishes anyone who exports, imports or handles hazardous waste where prohibited or without holding the authorizations to do so.
- **Failure to observe isolation in the event of an epidemic or pandemic:** an offense defined in Article 318 ter of the Criminal Code, which punishes anyone who, knowingly and having authority to direct the work of a subordinate, orders them to attend their place of work when this is different from their home or residence, and the worker is under quarantine or mandatory health isolation ordered by the health authority.

(iii) <u>Fourth Category Offenses</u>:

- **Receiving stolen goods:** an offense defined in Article 456 bis A of the Criminal Code. Under that provision, the offense of receiving is committed by anyone who, knowing their origin or not being able to fail to know it, has in their possession, on any basis, items that have been stolen, robbed or are the object of livestock theft, of receiving or of the misappropriation referred to in Article 470, number 1, or transports, buys, sells, transforms or markets them in any way, even where they have already been disposed of. It will be considered an aggravating circumstance if the items are motor vehicles or things forming part of public or domestic utility supply networks, such as electrical cables, gas, water or sewerage pipes, rainwater collectors or telephone lines.
- **Money laundering:** defined in Article 27 of Law 19,913. This offense refers to any act intended to conceal or disguise the unlawful origin of certain assets, knowing that they come from the perpetration of any of the offenses indicated in Article 27 of said law, or to anyone who, knowing such unlawful origin, conceals or disguises those assets. It also

refers to acquiring, possessing, holding or using said assets for profit, when at the time of receiving them their unlawful origin was known, and to concealing the assets as such.

Money laundering covers a large number of offenses called “predicate offenses” or “underlying offenses”, that is, those whose proceeds, money or assets are sought to be concealed or disguised and which are listed in the aforementioned Article 27 of Law 19,913.

(iv) Other Offenses under Law No. 20,393:

- **Terrorist financing:** as established in Article 8 of Law No. 18,314, the offense of terrorist financing is committed by any natural or legal person who, by any means, directly or indirectly, requests, collects or provides funds with the aim that they be used in the commission of any terrorist offense.
- **Offenses provided for in Title II of Law No. 17,798 on Arms Control, in particular the one provided for in Article 14:** this provision punishes those who carry any of the weapons or elements indicated in the first or second paragraphs of Article 3 of the same law.
- **Human trafficking:** Article 411 quáter of the Criminal Code punishes anyone who, by means of violence, intimidation, coercion, deception, abuse of power, taking advantage of a situation of vulnerability or of dependence of the victim, or the granting or receipt of payments or other benefits in order to obtain the consent of a person having authority over another, recruits, transports, harbors or receives persons for the purpose of subjecting them to some form of sexual exploitation, including pornography, forced labor or services, servitude or slavery or practices similar to it, or the removal of organs.

V. Elements of the Crime Prevention Model and Responsible Officers

In accordance with the provisions of the Law on the Criminal Liability of Legal Entities, the Companies have voluntarily determined to implement a Crime Prevention Model, which considers the following elements:

➤ It identifies the activities and processes of the Company that involve a risk of criminal conduct;

➤ It establishes protocols and procedures to prevent and detect such criminal conduct, such as this Manual; the Code of Conduct, which promotes ethical commercial and personal behavior consistent with safety, teamwork, respect and integrity; integrity guidelines that strengthen awareness of the law; and the Health and Safety Regulations.

➤ It assigns Responsible Officers for the application of the protocols, who are independent and endowed with effective powers of direction and supervision and with direct access to the Company's management in order to inform it in a timely manner of the measures and plans implemented in the fulfillment of their task, to account for their management and to require the adoption of the measures necessary for their task that may go beyond their competence.

- ➤ Supervision of the implementation of the protocols by an officer responsible for the crime prevention model.
- ➤ It provides for a confidential whistleblowing channel and internal sanctions in the event of non-compliance.
- ➤ Review and periodic evaluations every 2 years by independent third parties and mechanisms for improvement or updating based on such evaluations.

1. Officers responsible for the Crime Prevention Model

Management will appoint one or more Responsible Officers for the application of the protocols and procedures intended to prevent and detect criminal conduct in the context of the Company's activities. The RO(s) will be the persons empowered to supervise the Model, and must, together with Management, implement and supervise it.

The Responsible Officer(s) will hold office for a period of one year, which may be renewed for periods of equal duration.

2. Definition of the resources and powers of the Responsible Officers

In order to carry out their duties, the RO will have at least the following resources, functions, powers and responsibilities:

a. **Legal powers and authority.** To exercise the powers of RO as established in the Law and in accordance with the powers specially granted for that purpose by Management. In this regard, they are endowed with effective powers of direction and supervision of the CPM.

b. **Implementation of the Model.** To ensure the proper development, implementation and operation of the CPM of Holding C&L.

c. **Access to Management:** To have direct access to Management in order to inform it in a timely manner of the measures and plans implemented in the fulfillment of their task, to account for their management and to require the adoption of necessary measures that may go beyond their competence. For these purposes, the RO must report to the Board of Directors on a half-yearly basis on the implementation and operation of the Model, with the aim of reporting findings and accounting for their management. Notwithstanding the foregoing, and when circumstances so warrant, they will also inform Management, as soon as possible, of any relevant contingency that, in their opinion, should be brought to its attention.

d. **Evaluation of the Model.** The RO must periodically evaluate the effectiveness of the Model, as well as its conformity with the laws and other regulations, proposing to Management the amendments required for that purpose. Likewise, they must promote risk control policies to Management.

e. **Oversight.** To oversee and encourage the Company's internal processes and activities to comply with the effective protocols and procedures that exist or that are implemented for the prevention of the risk of Offenses, and to maintain a record of evidence of compliance with and execution of these controls. To this end, they may request from the relevant area the records or evidence of compliance with the controls established under the CPM.

f. **Reports.** To report, on a half-yearly basis, to Management on the evaluations, measures, controls, protocols and procedures implemented in the fulfillment of their task, accounting for their management. Likewise, they may require the adoption of the measures necessary for the proper performance of their function that may go beyond their competence. The report prepared by the RO must cover at least the following matters:

   i. The identification of deficiencies in the operation and design of the controls in the risk matrix, and the proposal to resolve them.

   ii. The reports made during the period, and the status of the investigation of the same.

   iii. A proposal of the sanctions that must be implemented in each case.

g. **Monitoring and supervision:** The RO must establish, on an annual basis, a monitoring plan for the Model, including, for example, documentation to support the evidence gathered in the investigation of an Offense, or the supervision of compliance with the restrictions implemented. If they do not have the means to provide adequate monitoring and supervision on their own, they may turn to the respective management areas to define the plans and actions to be carried out and, additionally, request support from external auditors or advisors for these purposes.

h. **Ongoing updating:** At least once a year, the Model must be updated in accordance with the needs of the Company, on the basis of any new regulations that may come into force or changes in the industry, and permanent follow-up must be carried out on the improvements implemented for greater control. On this basis, the RO must update the Company's risk matrix, proposing the changes to management for approval.

3. Support for the Responsible Officer

In order to carry out their duties, the RO has various areas that seek to provide support in their tasks. The purpose of these areas is to advise them in decision-making, in the coordination of activities, the provision of information, control reports, etc.

In the first place, it is the Company's Board of Directors, in compliance with its duties of direction and supervision, that will be responsible for:

a. Selecting the ROs, ratifying their appointment and removing them where necessary.

b. Making available to the RO the resources and material means necessary to properly carry out their duties, taking into account the Company's capacity.

c. Providing the appropriate communication channels for communicating with the RO.

d. Approving the Model and the crime prevention policies and procedures, as well as the updates suggested by the RO, in addition to supervising the correct implementation and operation of the Model in force.

e. Reviewing the reports periodically delivered to it by the RO on the operation of the Model.

f. Carrying out the actions and sanctions that must be implemented in response to the reports notified by the RO.

Secondly, the **Management Areas** of the Company also have a series of obligations, fundamentally to:

a. Support the RO, ensuring their unrestricted access to information and to people, as well as in the coordination of the activities of the Model in the areas and processes required.

b. Notify the RO of any activity in which a breach of the Law or of the procedures indicated for compliance with the Model has been detected, maintaining active participation in the prevention of the commission of Offenses and implementing the controls necessary to mitigate the risks.

c. Disseminate, control and promote the Model in their area of competence.

Thirdly, we have the **Legal Area**, which is made up of the Company's in-house lawyers and its external lawyers, who advise it on legal matters, mainly in:

a. Supporting the RO in situations that may correspond to conduct constituting Offenses under the Law, in the detection of risks and the correct implementation of the controls to prevent them.

b. Proposing clauses to be incorporated into the contracts that the Company enters into with third parties and its employees, in order to maintain consistency with the Model previously established.

c. Assisting the RO in the investigations that take place as a result of reports arising from breaches of the Model and the Law, and assisting them with the sanctions or corrective actions that must be implemented.

Fourthly, the **Audit Areas**. These support the RO in several respects, fundamentally by monitoring the design and the effective application of their controls in order to prevent risks within the Company. For this purpose, the following must be audited and reviewed:

a. The election and appointment of the RO in accordance with the Law.

b. The half-yearly reports delivered by the RO to management.

c. The carrying out and recording of dissemination and training activities, as well as ensuring compliance with the reporting procedures and protocols.

Fifthly, the **Human Resources Area** must support the RO in the following matters:

a. Coordination of the various training activities of the Model.

b. Assisting the RO in the investigations that take place as a result of reports arising from breaches of the Model and the Law, and assisting them with the sanctions or corrective actions that must be implemented.

c. Including clauses consistent with the Model in the employment and service contracts of the Company.

d. Coordinating the training and dissemination activities of the model in the Company, keeping an attendance record of the meetings held for that purpose.

Finally, **personnel and employees** are also important when it comes to following the guidelines of the Model and complying with the policies, protocols and procedures established.

4. The crime prevention system:

All employees of Holding C&L must know the content of the Model and must always work under these guidelines and objectives. Should any of the Offenses contained in Section IV of this Model occur, the Responsible Officer for Crime Prevention will ensure compliance with this Model and, in the event of a breach of the protocols, will have the obligation to cooperate in clarifying the facts, in accordance with the rules of Article 63 of the Economic Crimes Law, which sets out the mitigating and exempting rules for the penalties imposed for effective cooperation in respect of economic crimes and criminal organizations.

Disregard of the terms of this Model by employees and by those responsible for applying the risk mitigation protocols will be grounds for **sanctions**, which may range from a verbal warning to termination of employment, without prejudice to any other measure that may apply according to the nature of the relationship between the employee and Holding C&L and the respective sanctions under criminal law.

VI. Effective Date and Updating

This Model must be approved by the Company's Board of Directors and will be permanently monitored and reviewed annually, as from its entry into force, by the Responsible Officer, who will propose the corresponding changes, both as to form and substance.

This Crime Prevention Manual will take effect immediately upon its publication. In addition, this Model must be permanently monitored and updated in line with the expansion of the activities carried out and the new risks that may be identified by the Responsible Officers. The necessary changes must be proposed by the Responsible Officers who detect shortcomings in the system, or during the review of the Model carried out by an independent third party, according to the circumstances and needs faced by Holding C&L or the regulatory changes that may affect the Law in question.