



# TRANSPARENCY AND BUSINESS ETHICS PROGRAM - PTEE

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## CUADRO DE CAMBIOS

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## 1. INTRODUCTION

WATTLE PETROLEUM COMPANY S.A.S., hereinafter "Wattle" or the "Company", is a Colombian company that explores and produces hydrocarbons, efficiently and with integral responsibility in all activities. The Company is committed to sustainability in its operations, care for the environment and the conservation of ecosystems. For Wattle, the promotion of social responsibility with our stakeholders is of great importance, for which we work in partnership with communities and local authorities, in the generation of projects and strategies of mutual benefit that generate shared value. Likewise, it is of special importance to take care of and make good use of the Company's resources, and to comply with its internal regulations, and especially those that regulate the conduct of employees and their relationship with interested parties.

In the current globalized environment, both countries and corporations must seek to maintain a stable economic environment free of distortions so that the national and international business and transactions they carry out are carried out in such a way that shareholders, customers and suppliers can freely access any negotiation within the framework of legality and compliance.

This stable and undistorted economic environment prevents imbalances in the relationship with stakeholders. Indeed, the possibility of unequal relations between an entity and its stakeholders may arise from the lack of adequate controls to prevent and detect distorted practices, such as corruption and transnational bribery. As a result, Wattle Petroleum has adopted this Business Ethics and Transparency Program (the "Program").

The Program establishes the set of rules that the Company's stakeholders must comply with, in the face of the expected suitable, ethical and transparent conduct, in order to mitigate corrupt acts in the Company. This Program has been created in accordance with the specifications and guidelines provided for in Colombian regulations, specifically in External Circular No. 100-000011 of August 9, 2021 of the Superintendence of Corporations.

## 2. OBJECTIVES

### 2.1 General Objective

Establish and implement all guidelines, directives and procedures in relation to the risk management of Corruption and Transnational Bribery, where policies are observed and applied to improve the behavior and actions of the Company's employees, before third parties, counterparties and stakeholders with whom it has commercial and/or contractual relationships of any kind.

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## 2.2 Specific Objectives

- Establish compliance policies that guide employees' actions with counterparties.
- Develop the stages of the Program, through the identification, measurement, control and monitoring of the risks of Corruption and/or Transnational Bribery.
- Generate awareness of the Program, through the execution of training and dissemination to collaborators and contractors.

## 3. SCOPE

The program in its implementation has a scope on employees and any of the counterparties with whom the Company establishes a commercial, contractual or other relationship. The Program compiles the stages, compliance policies, and specific procedures that make up the Transparency and Business Ethics Program, in accordance with applicable requirements.

## 4. DEFINITIONS

The terms to be used within this programme shall be understood within the meaning described below and are established, regardless of whether they are used in the singular or in the plural:

**Associates:** They are those natural or legal persons who have made a contribution in money, work or other appreciable assets in money to a company or sole proprietorship in exchange for quotas, parts of interest, shares or any other form of participation contemplated by Colombian laws.

**Compliance Audit:** It is the systematic, critical and periodic review regarding the proper implementation and execution of the PTEE to be carried out at the express request of the compliance officer.

**Beneficial Owner:** It is the natural person(s) who ultimately owns or controls a customer or the natural person on whose behalf a transaction is made. It also includes the person(s) who exercise effective and/or final control, directly or indirectly, over a legal person or other structure without legal personality. The following are the Final Beneficiaries of the legal entity:

- a. A natural person who, acting individually or jointly, exercises control over the legal person, under the terms of Article 260 et seq. of the Commercial Code; or
- b. A natural person who, acting individually or jointly, owns, directly or indirectly, five percent (5%) or more of the capital or voting rights of the legal entity, and/or benefits five percent (5%) or more from the income, profits or assets of the legal entity;
- c. When no natural person is identified in paragraphs 1) and 2), the natural person who holds the position of legal representative, unless there is a natural person who holds greater authority in relation to the management or direction functions of the legal person.

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- d. The Final Beneficiaries of a trust contract, a structure without legal personality or a similar legal structure are the following natural persons who hold the status of:
- Settlor(s), settlor(s), constituent(s) or similar or equivalent position;
  - Trust Committee, Financial Committee, or similar or equivalent position;
  - Trustee(s), beneficiary(s), or conditional beneficiaries; and
  - Any other natural person who exercises effective and/or final control, or who has the right to enjoy and/or dispose of the Assets, profits, results or profits.

**Whistleblowing Channel:** This is the mechanism implemented by the Company for counterparties to report allegations of acts of corruption and transnational bribery identified in Wattle.

**Customers:** It is a natural or legal person who receives a service or acquires a service in exchange for remuneration.

**Contractor:** Means, in the context of a business or transaction, any **third party** that provides services to the Company or that has a contractual legal relationship of any nature with the Company. Contractors may include, but are not limited to, suppliers, intermediaries, agents, distributors, advisors, consultants, and persons who are parties to partnerships, joint ventures or consortiums, or joint ventures with the Company.

**Counterparty:** It is any natural or legal person with whom the Company has commercial, business, contractual or legal ties of any kind. Among others, associates, employees, customers, contractors and suppliers of the Company's Products are counterparties.

**Corruption or C:** Conduct aimed at the Company benefiting, or seeking a benefit or interest, or being used as a means in the commission of crimes against the public administration or public property or in the commission of Transnational Bribery conduct. (Circular 100-000011 of 2021).

**Due Diligence:** It is the process of constant and periodic review and evaluation that must be carried out on the Obligated Entity in accordance with the risks of corruption or transnational bribery risks to which it is exposed. In no case shall the term Due Diligence as defined in this program refer to due diligence procedures that are used in other risk management systems (e.g., money laundering and terrorist financing and financing of the proliferation of weapons of mass destruction), the conduct of which is governed by different rules.

**Employee:** It is the individual who is obliged to provide a personal service under an employment relationship or provision of services to the Company, in exchange for remuneration.

**Obligated Entity:** It is the Company, company and/or institution that, according to External Circular 100-000011 9/082021, is obliged to apply what it indicates and corresponds to it; the Company considers itself an entity obliged to implement the PTEE.

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**Risk Factors:** These are the possible elements or causes that generate C/ST Risk for any Supervised Entity.

**Law 1778 of 2016:** It is Law 1778 of February 2, 2016 in Colombia, which dictates rules on the liability of legal entities for acts of transnational corruption and other provisions on the fight against corruption.

**Law 2195 of 2022:** Law through which measures are adopted in the field of transparency, prevention and fight against corruption and other provisions are issued.

**Risk Matrix:** Tool that allows the Company to identify, measure, control and/or monitor corruption risks or transnational bribery risks.

**OECD:** Organization for Economic Cooperation and Development.

**Compliance Officer:** This is the natural person appointed by the Company's Board of Partners to comply with the functions and obligations established in this program and will be responsible for the audit and verification of compliance with the PTEE.

**Politically Exposed Person or PEP:** In accordance with the provisions of Decree 830 of 2021, Public servants of any system of nomenclature and classification of jobs in the national and territorial public administration will be considered as Politically Exposed Persons (PEP), when they have been assigned or delegated functions of: issuance of rules or regulations, general management, formulation of institutional policies and adoption of plans, programs and projects, direct management of goods, money or securities of the State, administration of justice or administrative sanctioning powers, and individuals who are in charge of the direction or management of resources in political movements or parties. Persons who perform prominent functions in another country will also be considered as Politically Exposed Persons (PEPs), who will be called Foreign Politically Exposed Persons.

**Compliance Policies:** These are the general policies adopted by the Company to conduct its business and operations in an ethical, transparent and honest manner; and to be in a position to identify, detect, prevent and mitigate risks of corruption or transnational bribery risks.

**Transparency and Business Ethics Program or PTEE:** It is the document that includes the Compliance Policy, the specific procedures in charge of the Compliance Officer, aimed at putting the Compliance Policy into operation, in order to identify, detect, prevent, manage and mitigate corruption risks or transnational bribery risks that may affect the Company. in accordance with the Risk Matrix and other instructions and recommendations established in the applicable legal regulations.

**Legal Representative:** Natural person, appointed by the Company's shareholders for legal representation and administration, in accordance with the company's bylaws.

**C/ST Risk:** Risk of Corruption or Transnational Bribery.

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**Risk of Corruption:** It is the possibility that, by action or omission, the purposes of the public administration are diverted or the public patrimony is affected towards a private benefit.

**Transnational Bribery Risk:** It is the possibility that a legal person, directly or indirectly, gives, offers or promises to a Foreign Public Servant sums of money, objects of pecuniary value or any benefit or utility in exchange for said public servant performing, omitting or delaying any act related to his functions and in relation to an International Business or Transaction.

**Foreign Public Servant:** This is what is established in paragraph 1 of Article 2 of Law 1778: "*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. Likewise, it shall be understood that any official or agent of a public international organization holds the aforementioned capacity.*"

**Transnational Bribery or TS:** is the conduct established in Article 2 of Law 1778: "*offer, or promise, to a foreign public servant, directly or indirectly: (i) sums of money, (ii) any object of pecuniary value or (iii) other benefit or utility, in exchange for the foreign public servant; performs, omits, or delays, any act related to the exercise of his functions and in connection with an international business or transaction.*"

## 5. STRUCTURE OF THE TRANSPARENCY AND BUSINESS ETHICS PROGRAM - PTEE

In accordance with current regulations, the PTEE is composed, in summary form, of elements, stages and responsibilities that are described in this document. In turn, this is developed in more detail through some documents such as the Ethics and Anti-Corruption Policy, C/ST Risk Matrix and others, which are an integral part of the document and develop Wattle Petroleum's compliance policy.

In the Company, the procedures will be aimed at putting into operation the Compliance Policies, in order to identify, detect, prevent, manage and mitigate Corruption Risks and/or Transnational Bribery Risks.

The elements are:

### 5.1 Design and Approval

The design of the PTEE will be based on a thorough assessment of the risks of Corruption and Transnational Bribery that the Company has identified and must mitigate.



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This PTEE specifies the responsibilities assigned to the administrators and the Wattle Compliance Officer, regarding the implementation of the PTEE. The Program in accordance with the standard is developed following the following design and approval procedures:

- a) Be prepared based on the exhaustive evaluation of the particularities and its risks of Corruption and Transnational Bribery risks to which the Company is exposed.
- b) Through the Delphi or expert methodology, it is identified, detected and seeks to prevent and mitigate the Corruption Risks and Transnational Bribery Risks to which the Company is exposed .

For the risks of Corruption and Transnational Bribery, the following aspects are taken into account:

- a) Through the Delphi Methodology, the identification and evaluation of the Risk of Corruption and Transnational Bribery (C/ST Risk) is carried out.
- b) The general policies and procedures for the management of C/ST Risk.
- c) The delivery and offering of gifts or benefits to third parties.
- d) Wattle's policy regarding remuneration and payment of commissions to Employees, Associates and Contractors.
- e) Wattle's expenses related to entertainment, food, lodging, and travel activities.
- f) Political contributions of any nature.
- g) Donations.
- h) Updates to the Compliance Policy and the PTEE, whenever there are changes in Wattle's activity that alter or may alter the degree of C/ST Risk, or at least every two (2) years.
- i) The control and auditing systems, which allow Wattle's tax auditor to verify the accuracy of the accounting and ensure that in the transfers of money or other assets that occur between the Company and its Subordinate Companies, direct or indirect payments related to bribes, gifts, bribes or other corrupt conduct are not hidden.
- j) The specific duties of Employees who are exposed to C/ST Risk, related to the prevention of Corruption.
- k) Appropriate and effective sanctioning procedures, in accordance with labor and disciplinary regulations, with respect to violations of the PTEE committed by any Wattle Employee or administrator.
- l) Creation of appropriate communication channels to allow anyone to confidentially and securely report suspicious activity related to C/ST Risk.
- m) The creation of tools that make it easier for Contractors, Employees and counterparties to access, know and be trained on the Company's Compliance Policies and PTEE.
- n) The obligation to report acts of Corruption by the Company, its administrators, Employees or Counterparties, internally and externally, and the applicable procedure.
- o) For Transnational Bribery Risks, the procedures for filing and preserving documents related to International Business or Transactions in which the Company is involved must be regulated.
- p) Translate the PTEE and the Compliance Policy into the official languages of the countries where the Company conducts international business and transactions or also to Contractors in other jurisdictions, when the language is not Spanish.

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### 5.2 PTEE Audit and Compliance

Wattle has a person responsible for the audit and verification of PTEE Compliance, this person is the Compliance Officer, who has the requirements established in the regulations and is the person who carries out the functions established in the PTEE.

The PTEE seeks to be a dynamic program and to be structured in such a way that the C/ST Risks can be easily modified depending on changes in activities, changes in risk factors, economic activities, countries in which it operates or the types of state contracts entered into by the Company.

Likewise, the PTEE has the consequences that counterparties may incur in the event of violating it.

### 5.3 Outreach and training

In order to effectively prevent Corruption and Transnational Bribery, the Company will internally disclose its PTEE to its employees, administrators, associates and contractors and other interested parties at least once a year. Wattle will use internal and external communication channels so that all its counterparties and interested persons are aware of the PTEE, aware of the compliance policies, as well as the consequences of violating the PTEE.

Wattle conducts training on the entry of new employees and annually re-induction is carried out on the PTEE established by the organization. The process includes knowledge assessment.

The PTEE will be shared, socialized and trained both to the counterparts currently linked to the Company and to the new ones that will be linked. The aim is that, with the training of employees, administrators and contractors, they have the knowledge and skills required so that they can properly execute the PTEE and thus be in a better position to effectively face the challenges posed by the fight against corruption.

The training will be provided in order to raise awareness regarding the C/ST Risks to which the Company is exposed. The training will be constantly updated and will take into account that greater attention should be given to individuals or businesses that are most exposed to C/ST risks, as well as to employees or associates involved in government contracting activities or distribution businesses in countries or geographical areas with a high risk of Transnational Bribery.

The disclosure within the Company will also expressly and unequivocally reflect the obligations of employees and associates in the prevention of Corruption and Transnational Bribery, which will show the procedures for disclosing and sharing the Company's compliance policies, on financial controls, delivery of gifts and donations, the channels established for the receipt of confidential reports on Corruption and Bribery activities Transnational, as well as information regarding the functions or responsibilities assigned in the PTEE. The disclosure will be made through email, where

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PTEE information capsules will be sent to employees or any other means that the Compliance Officer deems applicable.

#### **5.4 Assignment of duties to managers**

The Company has identified in the PTEE, the persons who are responsible for the exercise of the powers and functions necessary for the design, implementation and execution of the PTEE. These functions and powers guide the actions of its employees, associates, administrators and other related or interested parties. The PTEE requires the participation of all, therefore, although there are specific functions assigned, the interaction of all those responsible is essential for an adequate design, operation, implementation, execution, compliance and effectiveness of the PTEE.

Below, the responsibilities assigned to the Company's Shareholders' Meeting, regarding the PTEE are:

##### **5.4.1 Functions of the Members' Assembly**

- a) Issue and define the Compliance Policy.
- b) Define the profile of the Compliance Officer in accordance with the Compliance Policy, without prejudice to the provisions of Chapter XIII of the Basic Legal Circular of 2017.
- c) Designate the Compliance Officer.
- d) To approve the document contemplated by the PTEE.
- e) Assume a commitment aimed at the prevention of C/ST Risks, so that the Company can carry out its business in an ethical, transparent and honest manner.
- f) Ensure the supply of the economic, human and technological resources required by the Compliance Officer for the fulfillment of his work.
- g) To order the pertinent actions against the Associates, who have management and administrative functions in the Company, the Employees, and administrators, when any of the above violates the provisions of the PTEE.
- h) Lead an appropriate communication and pedagogy strategy to ensure the effective dissemination and knowledge of the Compliance Policies and the PTEE to Employees, Associates, Contractors (according to the Risk Factors and Risk Matrix) and other identified stakeholders.

##### **5.4.2. Responsibilities and Functions of the Legal Representative**

The responsibilities assigned to Wattle's Legal Representative, regarding the PTEE are:



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- a) Submit to the Compliance Officer, for approval by the Partners' Assembly, the PTEE's proposal.
- b) Ensure that the PTEE is articulated with the Compliance Policies adopted by the Members' Assembly.
- c) Provide effective, efficient, and timely support to the Compliance Officer in the design, direction, supervision, and monitoring of the PTEE.
- d) Certify to the Superintendence of Companies compliance with the provisions of Chapter XIII of the Basic Legal Circular of 2017, when required by the Superintendence of Companies.
- e) Ensure that the activities resulting from the development of the PTEE are duly documented, so that the information is allowed to meet criteria of integrity, reliability, availability, compliance, effectiveness, efficiency and confidentiality. The documentary supports must be kept in accordance with the provisions of Article 28 of Law 962 of 2005, or the regulation that modifies or replaces it.

### 5.4.3. Responsibilities and functions of the Compliance Officer:


The Compliance Officer is the person designated and charged with leading and administering the PTEE.

In its Compliance Policy, Wattle will determine: (i) The profile of the Compliance Officer; (ii) Incompatibilities and inabilities; (iii) the management of Conflicts of Interest and; (iv) the specific functions assigned to the Compliance Officer.

The Company's Compliance Officer must meet the following requirements:


- a) Have the ability to make decisions to manage C/ST Risk and have direct communication with, and report directly to, the Shareholders' Assembly.
- b) Have sufficient knowledge in matters of C/ST Risk management and understand the ordinary course of the Company's activities .
- c) Have the support of a human and technical work team, according to the C/ST Risk and the size of the Company, to the corporate bodies or belong to the tax audit body (serve as a tax auditor or be linked to the tax audit company that performs this function, if applicable) or whoever performs similar functions or takes their place in the Company.
- d) When the Compliance Officer is not linked to the Company, this natural person may or may not be linked to a legal entity.
- e) Not serve as a Compliance Officer, principal or alternate, in more than ten (10) Companies. To serve as the Compliance Officer of more than one Obligated Business, (i) the Compliance Officer must certify; and (ii) the body that appoints the Compliance Officer must verify that the Compliance Officer does not act as such in Companies that compete with each other.
- f) Be domiciled in Colombia.

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In addition, the Compliance Officer must fulfill the following functions and responsibilities:

- a) To present, together with the Legal Representative, for approval by the Assembly of Partners, the proposal of the PTEE.
- b) To promote within the Company, a culture of business ethics and respect and compliance with Anti-Corruption laws.
- c) Monitor compliance with Anti-Corruption Laws and due diligence within the Company, and by its Counterparties acting in favor of or on behalf of Wattle.
- d) To present to the Members' Assembly, with the periodicity that the facts warrant, or at least once a year, a management report containing the results on the effectiveness and efficiency of the PTEE and, if applicable, to propose the respective improvements. Likewise, demonstrate the results of the Compliance Officer and Wattle's management, in general, in compliance with the PTEE.
- e) Ensure that the PTEE is articulated with the Compliance Policies adopted by the Members' Assembly.
- f) Ensure effective, efficient and timely compliance with the PTEE.
- g) Implement a Risk Matrix and update it according to Wattle's own needs, its Risk Factors, the materiality of the C/ST Risk and in accordance with the Compliance Policy.
- h) Define, adopt and monitor actions and tools for the detection of C/ST Risk, in accordance with the Compliance Policy to prevent C/ST Risk and the Risk Matrix.
- i) Ensure the implementation of appropriate channels to allow anyone to report, confidentially and securely, about breaches of the PTEE and possible suspicious activities related to Corruption.
- j) Verify the proper application of the whistleblower protection policy that Wattle has established and, with respect to employees, the workplace harassment prevention policy in accordance with the law.
- k) Establish internal investigation procedures at Wattle, to detect breaches of the PTEE and acts of corruption.
- i) Define and implement a socialization and training plan on the PTEE within the Company, and with the required Counterparts, with the periodicity it deems necessary to guarantee the definition of the culture of legality and transparency. In any case, at least one training or update on the PTEE will be carried out once a year.
- j) Verify compliance with the Due Diligence procedures applicable to Wattle.
- k) Ensure the proper filing of documentary supports and other information related to the management and prevention of C/ST Risk.
- l) Periodically evaluate the corruption risk events faced by the Company.
- m) Immediately inform the Company's legal representative of any violation or possible violation of the PTEE that, due to its seriousness or potential exposure to Wattle, merits immediate decision.
- (n) To process complaints submitted through the Ethics Hotline, maintaining confidentiality and guaranteeing speed and impartiality in the development of internal investigations.
- (o) Decide on the necessary measures for the proper functioning of the PTEE based on their knowledge and experience in risk management.

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- (p) It will have direct access to the Shareholders' Assembly and the legal representative, and will be permanently available so that the Counterparties can bring to its attention situations that may constitute acts of Corruption.
- (q) Design the methodologies for classification, identification, measurement and control of C/ST Risk that will be part of the PTEE.
- (r) Carry out the evaluation of compliance with the PTEE and the C/ST Risk to which the Company is exposed

**Incompatibilities and Inabilities of the Compliance Officer** following situations will be considered as possible conflicts of interest, inabilities and incompatibilities to exercise the position of Compliance Officer:

- a) Persons who have ever filed proceedings related to crimes associated with the risk of Corruption and/or Transnational Bribery.
- b) Have relatives up to the fourth degree of consanguinity, fourth degree of affinity and first civil degree, about whom any link to activities or operations related to Corruption and/or Transnational Bribery has been known.
- c) Employees who, due to the performance of their functions and/or responsibilities, do not have the capacity to make decisions to manage C/ST Risk.
- d) Persons who serve as Compliance Officer in more than 10 Obligated Companies and compete with each other.
- e) Employees who, due to the development of their functions and/or responsibilities, carry out internal processes that must be subject to review by the Compliance Officer. The foregoing in order to ensure impartiality to exercise his function, so that he does not become a judge and part of his own acts.
- f) Employees who belong to the administration, members of the Board of Partners.
- g) Employees who act as Legal Representatives.
- h) Employees/Persons who exercise the position of tax Auditor.
- i) Employees/Persons who perform internal audit.

#### **5.4.4 Responsibilities and Roles of Employees**

- a) All Wattle employees must verify on a day-to-day basis the possible occurrence of acts of corruption that may occur in the Company, and that have not yet been included in the Risk Matrix.
- b) Immediately report, through the whistleblowing channel, any non-compliance with the provisions contained in the Global Policy, this Program or the Anti-Corruption Laws within the framework of Wattle's activities.
- c) Attend the training sessions on the PTEE coordinated by the Compliance Officer.
- d) Actively participate in the process review sessions convened by the Compliance Officer for the identification, measurement and control of corruption risks.

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#### 5.4.5. Functions of the tax Auditor

As part of his specific duties established for the tax auditor by Article 207 of the Commercial Code, he must ensure that the transactions carried out or carried out on behalf of the Company comply with the articles of association and the decisions of the Shareholders' Assembly, as well as inform said body of irregularities in the operation of the Company and in the development of its business. Likewise, in accordance with Law 1778 of 2016, which adds numeral 5 of article 26 of Law 43 of 1990, tax auditors are expressly obliged to report to the criminal, disciplinary and administrative authorities, for the alleged commission of crimes, which they detect in the exercise of their position. Still, despite professional secrecy. In this regard, the Company's tax auditor must:

- a) Pay special attention to alerts that may give rise to suspicion of an act related to a possible act of corruption.
- b) Communicate to the Shareholders' Assembly or body in charge of Wattle, about the facts of alleged commission of crimes related to C/ST Risks.
- c) To report to the criminal, disciplinary and administrative authorities acts of corruption, as well as the alleged commission of a crime against the public administration, a crime against the economic and social order, or a crime against the economic patrimony that they have detected in the exercise of their position. They must also bring these facts to the attention of the corporate bodies and the company's administration. The corresponding complaints must be filed within six (6) months following the time the tax auditor became aware of the facts. For the purposes of this article, the regime of professional secrecy that protects tax auditors shall not be applicable."
- d) Verify compliance with the current regulations applicable to the company with respect to the PTEE, as well as the controls established by the Company, to protect itself from C/ST risks.

Due to the difference in the functions of the tax auditor, the legal representative and the Compliance Officer, the tax auditor or legal representative should not be appointed as the Compliance Officer.

## 6. STAGES OF THE PTEE:


The PTEE contemplates the following stages to identify, prevent, control and manage the C/ST Risk and the consequences of materialization.

### 6.1 Identification of the C/ST risk:

Wattle will perform the following activities to identify the risk of C/ST:

Establish as a preliminary methodology for the identification of the risk of C/ST and its associated risks the Delphi method or opinion of a group of experts<sup>1</sup>. The associated risks that will be considered are: operational, legal, reputational and contagion.

<sup>1</sup> As defined in Annex 31010 of the ISO 31000 Risk Management Technical Standard, the Delphi method is for experts to express their opinions individually while having access to the views of other

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Based on the methodology established above, identify the ways in which the risk of C/ST may arise in the Company.

The Delphi method, or expert opinion, consists of a group of experts who have extensive knowledge of the subject matter to be managed in the case of risk and individual or group opinions on the identification, measurement and controls. This methodology generally does not use historical data, but the feedback that the results provide to the expert can be significantly considered.

To achieve the effectiveness of this methodology in the Company, the opinion of the area or process managers will be obtained to identify the C/ST risk events, the measurement of the identified risks, the suggestion of PTEE controls and the measurement of the effectiveness of said measures adopted.

In addition, the information and technical documents on the subject of S/ST risk published by the OECD, the Superintendence of Companies and other recognized entities in the field will be taken into account and considered as very valuable.

In the Company, the identification of the C/ST risk events of each of the risk factors and the associated risks will be managed through the "C/ST risk matrix" file, which will be reviewed at least annually by the Compliance Officer.

#### 6.1.1 Identification of C/ST Risk Factors

In accordance with the above, the following Risk Factors C/ST must be taken into account, which according to international practice have a greater possibility of occurring, as indicated in External Circular 100-000011 of August 9, 2021. These C/ST risk factors are:

- a) **Country Risk:** For Transnational Bribery Risks, it refers to nations with high rates of perception of corruption, which are characterized, among other circumstances, by the absence of an independent and efficient administration of justice, a high number of public officials questioned for corrupt practices, the lack of effective rules to combat corruption and the lack of transparent policies on public procurement and investment International. In some countries, corruption perception indices may vary from region to region, which may be the result of differences in the degree of economic development between different regions, the political-administrative structure of each country, and the absence of effective state presence in certain geographical areas, among other reasons. There is also a risk when the Obligated Entity carries out operations through Subordinate Companies in countries that are considered tax havens according to the classification formulated by the Directorate of National Taxes and Customs - DIAN.

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experts as the process progresses. In this case, the experts will be each of the process managers or heads of the areas of WATTLE PETROLEUM COMPANY S.A.S.



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- b) **Economic sector risk:** According to the OECD Analysis of cases of international bribery concluded between 15/02/1999 and 01/06/2014. Based on the 55 cases that contained information on both the amount paid in bribes and the value of the transaction, the following data show bribes as a percentage of the transaction by sector:<sup>2</sup>

| Sector                                | Percentage (%) |
|---------------------------------------|----------------|
| Extraction                            | 21             |
| Wholesale trade and retail            | 19             |
| Activities of services Administrative | 17             |
| Transportation and storage            | 16             |
| Industries manufactureras             | 16             |
| Human Health                          | 14             |
| Other activities of service           | 13             |
| Supply electricity and gas            | 11             |
| Administration Public and defense     | 8              |
| Activities scientific and technical   | 6              |
| Information and communication         | 5              |
| Construction                          | 4              |
| Agriculture                           | 4              |

<sup>2</sup> OECD (2015), OECD Report on International Bribery. Analysis of the Crime of Bribery of Foreign Public Servants, OECD Publishing. <http://dx.doi.org/10.1787/9789264226654-es>

|                        |   |
|------------------------|---|
| Forestry and fisheries |   |
| Education              | 2 |
| Water supply           | 2 |

*Board 1 Bribes as a percentage of the value of the transaction by sector*

Additionally, according to the OECD report, the degree of risk increases in countries with high rates of corruption perception and, under certain circumstances, when there is frequent interaction between the Obligated Entity, its Employees, administrators, Associates or its Contractors with Foreign Public Servants or national public servants. In this sense, according to the OECD, when local regulations require a large number of permits, licenses and other regulatory requirements for the development of any economic activity, it is also easier to carry out corrupt practices in order to speed up a particular procedure.<sup>3</sup>

- c) **Third-party risks:** According to the OECD Report, 71% of corruption cases involved the involvement of third parties, such as contractors and subordinate companies. In this regard, several foreign authorities have pointed out that the most frequent cases of corruption include the participation of contractors of high economic value, in which it is not easy to identify a legitimate object and its realization is not appreciated at market values. The risk increases in countries that require intermediaries to enter into an International Business or Transaction, in accordance with local customs and regulations. Consequently, authorities of other nations consider the participation of a company in collaboration or risk-sharing contracts with Contractors or that the latter are closely related to officials of the high government of a particular country, in the context of an International or local Business or Transaction, to be high risk.
- d) **Other risk factors:** In any case, there may be additional Risk Factors to those described in paragraphs a, b and c above, so it is essential that each Obligated Entity makes a detailed assessment of its C/ST Risks, in a periodic, informed and documented manner.

The Company will carry out the following activities to identify the risk of C/ST:

- a) Establish as a preliminary methodology for the identification of the risk of C/ST and its associated risks the Delphi method or opinion of a group of experts. The associated risks that will be considered are: operational, legal, reputational and contagion.

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<sup>3</sup> Organisation for Economic Co-operation and Development. "OECD Foreign Bribery Report: An analysis of the crime of bribery of foreign public officials, en AssetManagement/oecd/governance/oecd-foreign-bribery-report 9789264226616-en#page4, 2014, pág. 22



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- b) Based on the methodology established in the previous item, identify the ways in which the risk of C/ST may occur in the Company.
- c) The Delphi method, or expert opinion, consists of a group of experts who have extensive knowledge of the subject matter to be managed in the case of risk and individual or group opinions on the identification, measurement and controls. This methodology generally does not use historical data, but the feedback that the figures provide to the expert can be significantly considered.
- d) To achieve the effectiveness of this methodology in Wattle, the opinion of the area or process heads will be obtained to identify the C/ST risk events, the measurement of the identified risks, the suggestion of PTEE controls and the measurement of the effectiveness of these measures adopted. In addition, the information and technical documents on the subject of S/ST risk published by the OECD, the Superintendence of Companies and other recognized entities in the field will be taken into account and considered as very valuable.

At Wattle, the identification of the C/ST risk events of each of the risk factors and associated risks will be managed through the "C/ST risk matrix" file, which will be reviewed at least annually by the Compliance Officer.

### 6.2 Measurement or assessment of risk with ST

After the stage of identifying C/ST risk events, the Wattle Program allows measuring the possibility or probability of materialization of the inherent risk of C/ST against each of the risk factors, as well as the impact if it materializes through the associated risks.

Inherent risk is the level of risk inherent in Wattle's business, without regard to the effect of controls.

As in the identification stage, the measurement of the C/ST risk events of each of the risk factors and associated risks is carried out using the Delphi method, and will be managed through the "C/ST risk matrix" file, where the methodology for measuring or evaluating the risks in question is detailed.

Based on the result obtained in the measurement stage, Wattle will establish the inherent risk profile of C/ST.

### 6.3 Control

The control stage will allow the Company to manage each of the identified and measured risk events of C/ST, through the adoption of measures conducive to controlling the inherent risk.

To control the risk of C/ST, the Company establishes the following actions:

- a) Establish controls and tools for the identification of possible acts of corruption and transnational bribery, based on the C/ST risks identified in the classification, and

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individualization of the C/ST risk factors and according to the C/ST risk matrix, taking into account that the greater the risk, the greater the control.

- b) Establish methodologies to qualify the effectiveness of the controls defined to the identified risks.
- c) Similar to the previous stages, the adoption of controls for each of the C/ST risk events of the risk factors and associated business risks will be carried out using the Delphi method and will be managed through the "C/ST risk matrix" file, which will be reviewed, at least, annually by the Compliance Officer.
- d) To control the risk of C/ST, Wattle will perform the identification and evaluation of effectiveness controls for the risk events associated with each C/ST risk factor, considering the type of control, its nature, the suitability of the person responsible for the execution of controls, the frequency of execution and its documentation status.

The above methodology described will be developed through the "C/ST risk matrix"

### 6.4 Monitoring

The monitoring stage will allow the Company to follow up on its risk profile – inherent and residual – and, in general, the PTEE and see the evolution of its C/ST risk.

To monitor the risk of C/ST, the Company shall:

- a) To carry out a follow-up that allows the timely detection of the deficiencies of the PTEE. The frequency of this monitoring will be carried out in accordance with the Company's residual risk profile of C/ST, but in any case, it must be carried out at least annually.
- b) Ensure that controls are operating in a timely, effective and efficient manner.
- c) Ensure that residual risks are at the acceptance levels determined by the Company (medium level).


The Company may choose from a wide variety of procedures to control and supervise the Compliance Policies and the PTEE, such as those indicated below:

- a. The supervision by the Compliance Officer regarding the management of the C/ST Risk in the legal relations with State Entities or in the International or National Businesses or Transactions in which the Company participates.
- b. The periodic performance of Compliance Audits and Due Diligence procedures, as provided by the Compliance Officer.
- c. Conducting surveys of Employees and Contractors, in order to verify the effectiveness of the PTEE.

Monitoring of the PTEE will be handled by Wattle's Compliance Officer.

## 7. WARNING SIGNS

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Red flags are those situations that show atypical behaviors of Counterparts and help identify or detect behaviors, activities, methods or situations that may hide situations of Corruption or Transnational Bribery.

The fact that an operation or situation is classified as unusual does not mean that it is linked to Corruption or Transnational Bribery activities. For this reason, it is necessary to study each of the operations, businesses and contracts in order to verify their unusual nature.

The following red flags can be established, among others, that should draw the attention of Wattle employees, who should contact the Compliance Officer so that they can be evaluated.

Regarding the analysis of accounting records, operations or financial statements, contracts and operations with counterparties:

- a) Invoices that appear to be false or do not reflect the reality of a transaction or are inflated and contain excess discounts or refunds.
- b) Operations abroad whose contractual terms are highly sophisticated.
- c) Transfer of funds to countries considered as tax havens.
- d) Operations that do not have a logical, economic or practical explanation.
- e) Operations that are outside the ordinary course of business.
- f) Transactions where the identity of the parties or the origin of the funds is unclear.
- g) Assets or rights, included in the financial statements, that have no real value or that do not exist.

In the corporate structure or corporate purpose:

- a) Complex or international legal structures with no apparent commercial, legal or tax benefits or owning and controlling a legal entity with no commercial purpose, particularly if it is located abroad.
- b) Legal entities with structures where there are national trusts or foreign trusts, or non-profit foundations.
- c) Legal entities with "*off shore entities*" or "*off shore bank accounts*" structures.
- d) Non-operating companies under the terms of Law 1955 of 2019 or that due to the development of the business can be considered as "paper" entities, that is, that reasonably do not fulfill any commercial purpose.
- e) Companies declared as fictitious suppliers by the DIAN.
- f) Legal entities where the Final Beneficiary is not identified.

In the analysis of transactions or contracts:



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- a) Frequently resort to consultancy contracts, brokerage contracts and the use of *joint ventures*.
- b) Contracts with contractors or state entities that give the appearance of legality that do not reflect precise contractual duties and obligations.
- c) Contracts with Contractors that provide services to a single client.
- d) Unusual gains or losses on contracts with Contractors or state entities or significant changes without business justification.
- e) Contracts that contain variable remuneration that is unreasonable or that contains payments in cash, in Virtual Assets (as this term is defined in Chapter X), or in kind.
- f) Payments to PEPs or people close to the PEPs.
- g) Payments to related parties (Associates, Employees, Subordinate Companies, branches, among others) without apparent justification.
- h) Coincidences of the Counterparty, or parties related to it, in the media on matters related to Corruption and Transnational Bribery.
- i) Coincidences of the Counterparty, or parties related to it, in reports of national or foreign competent authorities related to Crimes.
- j) Breach of contractual clauses, especially with regard to the prevention and mitigation of C/ST risks.
- k) Requesting payment or money transfers to third parties that are not related to the relationship.
- l) Trade or business with people who are on the control lists.
- m) Contracts with contractors or state entities that give the appearance of legality that do not reflect precise duties and obligations.
- n) Contracts with Contractors that provide services to a single client.
- o) Unusual gains or losses on contracts with contractors or state entities or significant changes without business justification.
- p) Contracts that contain variable remuneration that is unreasonable or that contain payments in cash, in Virtual Assets or in kind.
- q) Payments to PEPs or People Close to PEPs.
- r) Payments to related parties (associates, employees, subordinate companies, branches, among others) without apparent justification.

In the Corporate Structure or Corporate Purpose:

- a) Complex or international legal structures with no apparent commercial, legal or tax benefits or owning and controlling a legal entity with no commercial purpose, particularly if it is located abroad.
- b) Legal entities with structures where there are national trusts or foreign trusts or non-profit foundations or entities with offshore entity structures.
- c) Legal Entities considered as "paper" entities that do not reasonably fulfill any commercial purpose.
- d) Companies Declared as fictitious suppliers by the DIAN.
- e) Legal Entities where the Final Beneficiary is not identified.

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### 8. POLICIES

#### 8.1 Compliance Policy

- **Wattle Petroleum** has specific guidelines to manage issues related to donations, entertainment expenses, food, lodging, travel expenses, remuneration for international transactions, political contributions, among others, which they develop through each of them.
- **Wattle Petroleum**, in its commitment to compliance with the Transparency and Business Ethics Program, has appointed a Compliance Officer responsible for auditing and verifying compliance with the guidelines contemplated.
- **Wattle Petroleum** has communication channels to receive reports of Corruption and/or Transnational Bribery of the Company.
- **Wattle Petroleum** has a Transnational Corruption and Bribery risk matrix, through which it develops the stages of the Transparency and Business Ethics Program, in order to identify, measure, control and monitor risk events.
- **Wattle Petroleum** has prior third-party relationships and performs due diligence through the periodic review of legal, accounting or financial aspects, in order to verify the good credit or reputation of third parties.
- **Wattle Petroleum**, with the aim of ensuring compliance with the Transparency and Business Ethics Program, annually trains its Employees and Interested Parties, in turn disseminates fundamental issues for the proper development of the established controls.


#### 8.2 Policy on the identification and assessment of risks related to corruption and transnational bribery

##### 8.2.1 Purpose

The objective of this policy is to establish guidelines related to the development of the stages of the Program, through the identification, measurement, control and monitoring of risks of corruption and transnational bribery.

##### 8.2.2 Basic principles

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Through its stages, the Program allows managing the risks of corruption and transnational bribery inherent to the development of Wattle's activity in order to protect the Company from reputational, contagion, operational and legal risks. Therefore, it establishes the postulates set forth below.

### 8.2.3 Guidelines

- a) Wattle manages its C/ST risks through a risk matrix by which events are identified for each of the corruption and transnational bribery risk factors.
- b) Wattle develops the identification of risks by analyzing their causes and consequences, considering size, structure, nature, countries of operation and specific activities of the Company
- c) Wattle measures the inherent risk of C/ST by taking into account the probability of occurrence and its impact.
- d) Wattle applies reasonable control measures for the respective C/ST risks in order to reduce the probability of occurrence and its impact if it materializes. The measurement of the residual risk is carried out after the application of the controls.
- e) Wattle monitors C/ST risks through the review of the risk matrix once a year. In the event that any risk of C/ST materializes, this review should be carried out on a shorter periodicity.

## 8.3 General policies and procedures for C/ST risk management


### 8.3.1 Purpose

The objective of this policy is to establish the general guidelines and procedures to manage the risk of corruption and transnational bribery in the development of the Company's economic activity

### 8.3.2 Basic principles

In line with our corporate values, in the development of our operation we act under:

- a) **Accountability:** we have standards that allow us to identify the level of risk of corruption and transnational bribery that can be generated by the relationship with a counterparty, taking into account the jurisdiction or economic sector to which it belongs.
- b) **Teamwork:** We have qualified personnel to carry out functions that contribute to the development of general procedures for the management of C/ST risk.

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### 8.3.3 Guidelines

The Company has adopted the following specific policies and procedures for managing the risk of corruption and transnational bribery:

- a) Cash handling policy: The Company establishes the financial system as the only means of payment to contractors and suppliers. The above in order to prevent payments related to bribes.
- b) Due diligence procedures: Through the review of legal, accounting, financial and reputational aspects, the Company develops due diligence on its counterparties prior to their contractual relationship.
- c) In addition, the compliance policies developed in this section complement other guidelines established by the Company for the management of the risk of Corruption and Transnational Bribery.

## 8.4 Policy on Gifts, Invitations, Charitable Donations, and Sponsorships of WATTLE PETROLEUM COMPANY

### 8.4.1 Objective

Guide the actions of employees and interested parties in the acceptance of gifts, attentions or gratuities to and from third parties, such as trips, valuable items, invitations to entertainment activities, among others, taking into account predefined criteria to ensure that decisions comply with established guidelines, are in line with our values and do not have any undue influence.

### 8.4.2 Scope

This policy applies to all interested parties of the organization, so that they know the elements allowed to receive or accept, in case of any offer from a third party.

### 8.4.3 Basic principles

In some situations, it is possible that an employee of the Company may receive gifts from third parties.

Before you agree to anything, make sure you are:

**Objective:** Avoid situations in which personal interests, external activities or relationships generate a conflict, or appear to be in conflict, with the interests of the Company.

**Expert:** Know how to recognize a potential conflict and the steps you should take if you have one, see one, or suspect one.

**Alert:** Avoid any actions that could result in unfair treatment or even the appearance of unfair treatment.



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### 8.4.4 What can we accept?

Wattle Employees are not authorized to offer, give, demand, request or accept gifts, attention, courtesies and in general hospitality outside the functions they perform within the Company, because they may lead to inducing the employee in the practice of improper behavior, violating the minimum principles established within this Program. receiving or offering anything of value. Likewise, anything of value is not limited to cash, cash equivalents (gift cards), gifts, favors, food, entertainment, and opportunities. In this way, Wattle Employees are also not authorized to offer, give, demand, request or accept gifts, attention, courtesies and in general hospitality outside the functions they perform within the Company related to or that have to do with public officials directly or indirectly. Therefore, it is made clear that gifts and courtesies are only provided by requesting written authorization from the Vice Presidency to which it depends organizationally and in accordance with the guidelines established herein for this purpose.

Acceptable gifts may include:

- a) Promotional items such as pens, calendars, diaries, notebooks, mugs or magnets.
- b) Seasonal greeting cards.
- c) Small gifts of symbolic value on special occasions such as birthdays, weddings or graduations, chocolates, donuts, etc.

Unacceptable gifts may include:

- a) Gifts in cash or cash equivalents, such as checks and gift cards or certificates.
- b) Luxury items such as expensive watches or pens, spirits, fine wines, or expensive electronics.

## 8.5 CONFLICTS OF INTEREST

### 8.5.1 Objective

Establish the guidelines of action that must be followed in terms of prevention, or, where appropriate, treatment of conflicts of interest in which shareholders, collaborators, suppliers, customers, in their relations with the organization may find themselves.

### 8.5.2 Scope / Scope

This policy applies to the organization's relationship with shareholders, employees, suppliers and customers.

### 8.5.3 Principles

A conflict of interest is a situation in which the personal interest of a particular member of the organization, or a group of members, may not be consistent or consistent with the interests of the organization. One incurs a conflict of interest when instead of complying with what is due, one could guide one's decisions for one's own benefit or that of a third party. In other words: when a person's personal interest, relationships, or circumstances influence or there is a possibility that they

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influence an organizational decision and may lead them to actions, activities, or relationships that are not in the interest of the organization, its associates, or employees, but in one's own. Conflict of interest in the workplace refers to when a member of the organization participates in an activity or relationship that benefits him or her and not the organization. For example, if a person or entity has a conflict of interest, it usually affects their decision-making, their ability to carry out their responsibility, and their loyalty to the organization or its *stakeholders*.

Here are some examples of conflicts of interest:

- a) Associates who in turn hold an executive position in the organization with responsibility for direction and control, conflicts may occur since certain decisions could be aimed at improving the value of their investment and not be objective decisions.
- b) The process manager/area leader who is in a romantic relationship with a subordinate.
- c) Business with companies in which there is a direct or indirect family relationship.
- d) Perform work for other companies, using material and information from Wattle, without having been previously informed and approved by the Company.
- e) Hiring related people, that is, that there is some type of family or personal relationship with Wattle employees.
- f) Romantic relationships between employees.

#### **8.5.4 Functions of the conflict of interest process:**

There are three key functions within the organization for this procedure to be carried out effectively:

Contributor: Responsible for ensuring that you have read and understood this policy, in addition:

- a) You must proactively report to the Compliance Officer the conflicts you identify within the organization, taking as a reference the conflicts proposed in the principles item of this policy.
- b) Understand when to talk to your superior about potential conflicts.
- c) Reject relationships or situations that are clear conflicts of interest.

Compliance Officer/Immediate Boss/Supervisor or Contract Manager/Legal Representative: Responsible for analyzing possible conflicts with employees and helping them determine the appropriate next steps, in addition:

- a) Provide a response to notification of the potential conflict of interest within a reasonable time (10 business days).
- b) Make consistent recommendations on existing or potential conflicts.
- c) Help ensure that employees' external relationships align with and protect the organization's values.

This conflict arises when the personal interests of the recipient of this program or of a third party compete with the interests of Wattle, making it impossible to be in function of the interests of the company, for which the following parameters are indicated:

- a) No recipient may represent the Company in any business relationship in which it may have any personal interest, directly or indirectly, at Wattle's expense



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- b) Decision-making is based exclusively on professional criteria, ensuring that hierarchical position, activity and influence are not used for personal gain.
- c) In order to avoid conflicts between particular interests and the interests of the Company in order to facilitate a solution if required, all recipients have the responsibility to declare any financial or non-financial interest that may conflict with their role within the Company.
- d) Company funds may not be used for private purposes, under any circumstances, much less may the Company's personnel, facilities or other resources be used for private purposes, except with the express authorization of the company's general management.

### 8.5.6 Prevention and treatment of conflicts of interest

The general principles of action in the event of a conflict of interest will be the following:

- a) Duty to abstain from deliberations and decision-making.
- b) Duty to refrain from accessing confidential information.
- c) Duty of transparency and proactive declaration of conflicts of interest.
- d) Duty to collaborate in the resolution of conflicts of interest.

In the event that there is a conflict of interest, measures will be applied to avoid it or, where appropriate, manage it through the Ethics Committee, following the guidelines established in this Policy.

## 8.6 POLITICAL CONTRIBUTIONS

### 8.6.1 Purpose


In order to develop transparent relationships and reduce the risk of reputational damage and contagion, the Company adopts the following guidelines in relation to the execution of contributions to political parties or campaigns.

### 8.6.2 Basic principles

Faced with the possibility of providing contributions to political parties and campaigns, which may materialize in the risk of contagion and reputation, we are responsible: we understand the risks in the context of supporting political campaigns or parties and we take care of our good name.

### 8.6.3 Guidelines

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The Company will not make contributions of political or partisan origin within the political and public sector where it operates.

## **8.7 NON-RETALIATION REPORTING POLICY**

### **8.7.1 Objective**

Establish the guidelines to guarantee the protection of any interested party of Wattle, once a complaint is made for non-compliance with the policies established in the PTEE and/or the anti-corruption and ethics policy.

### **8.7.2 Scope of application**

This policy applies to any interested party who makes a complaint related to non-compliance with the PTEE and/or the Ethics and Anti-Corruption Policy, through the whistleblowing channel established by the organization.

### **8.7.3 Basic principles**

In the development of the organization's activities we seek to ensure compliance with the PTEE's compliance policies, therefore, when identifying a possible breach related to corruption and/or transnational bribery, we are:

- a) Honest and respectful: We understand our responsibility when reporting potential acts of non-compliance to the PTEE and the consequences for those involved.
- b) Collaborators: we provide all the information we know about the case, understanding that there will be no acts of retaliation against the reporter.

#### **What is retaliation?**

Retaliation is any type of intentional negative action or unlawful discrimination against a current or former employee, contractor, or vendor that takes the form of punishment and creates a hostile, threatening, or uncomfortable environment in the workplace, because the individual is engaged in a protected activity, including a reported complaint or participation in an investigation of alleged workplace misconduct. Examples of potential retaliation include, but are not limited to:

- a) Reprimanding or sanctioning employees for reporting a concern or participating in an investigation.
- b) Offer a low-performance assessment with no evidence to back it up.
- c) Transferring the employee to a lower-level position where the transfer is not related to organizational restructuring, elimination of the position for business reasons, or a performance management issue.
- d) Repeatedly passing the employee through development opportunities when development opportunities have been offered to other employees in similar roles and with similar qualifications, skill sets, and behaviors.
- e) Changing the employee's work schedule without justification or increasing the review of the employee's performance of duties, without indicating a performance problem.



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- f) Making the employee's job significantly more difficult without any justification.
- g) Spreading false information about the collaborator.
- h) Excluding the collaborator from participation in teams, meetings, projects, etc. without justification and in which the collaborator should be reasonably involved based on their responsibilities.

### 9. UPDATE TO COMPLIANCE POLICY AND PROGRAM

In order to keep the Program in accordance with the needs and requirements established by the internal and external context, the following policy is established. Therefore, updates to the compliance policy and the Program will be made whenever there are changes in Wattle's activity that alter the degree of C/ST Risk, or at least every two (2) years. Updates to the Compliance Policy and the PTEE will be made every time there are changes in the Company's activity that alter or may alter the degree of C/ST Risk, or at least every two (2) years.

### 10. CONTROL AND AUDIT SYSTEMS

In order to verify compliance and effectiveness with the Transparency and Business Ethics Program, audits of the PTEE will be carried out annually. The findings must be shared with the Compliance Officer and General Manager in order to take the respective action plans.

### 11. DOCUMENT ARCHIVING AND PRESERVATION POLICY

The Company has the following guidelines which guide the filing and conservation of documents that are related to International Business or Transactions, in which the Company is involved:

- The documentation is kept in an internal archive through a OneDrive folder in the accounting area and is saved in chronological order according to the date of execution of the operation.
- Access to the information contained in the folder is only allowed for the finance area.
- The retention time of the records is ten (10) years.
- Transactions are reconciled annually with the Bank of the Republic.

### 12. PREVENTION, DETECTION, INVESTIGATION AND RESPONSE

Once a report of non-compliance is received from the PTEE, an investigation procedure must be developed. The activities are detailed below:

#### 12.1 Reception and classification protocol

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The Compliance Officer, upon receiving a complaint through the established channels and identifying that it is related to the Program, must follow the steps mentioned below to classify the report:

- a) Read the complaint received.
- b) Identify that the complaint corresponds to possible breaches of the PTEE and any corrupt practices.
- c) Identify the complainant(s) and/or involved, and the fact(s).
- d) Record information on the case, in the form of a record of complaints of corruption.
- e) Notify the research team made up of a representative of the Human Talent area, Legal area and/or Legal Representative, in order to initiate the investigation process.
- f) The registration and classification of complaints must be carried out within a maximum period of 15 calendar days from the date of receipt of the complaint.

### **12.2 Protocol to avoid conflict of interest**

The Compliance Officer must analyze the content of the complaints in order to minimize the possibility of a conflict of interest between the investigators and those involved in the complaint.

The Compliance Officer must be aware of, or aware of, the responsibilities of investigators and all those who will be involved in the complaint, and must make all possible means to avoid an assignment that is causing a conflict of interest in the first place.

If, upon being notified of the complaint, any member of the investigation team of the complaint presents a conflict of interest with it, he/she must notify the other members of the investigation team and request the exclusion of the participant with whom the conflict is generated in the management of said complaint.

The causes of conflict of interest for the research team, but not limited to, are:

- a) One or more investigators or team members are involved in the complaint.
- b) The complainant or defendant reports hierarchically to the investigator or a member of the team.
- c) One of the researchers or members of the research team has a degree of consanguinity as follows:
  - First grade: Includes father, mother and children.
  - Second degree: Includes grandparents, grandchildren, siblings.
  - Third degree: Includes great-grandchildren, great-grandparents, uncles, nieces and nephews.
  - Fourth grade: Includes great-great-grandchildren, great-great-grandparents, and cousins.

Or has a degree of kinship by affinity of:

- First degree: Includes spouse (permanent partner), in-laws.
- Second degree: Includes brothers-in-law.

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- Third degree: Includes nephews-in-law.
- Fourth grade: Includes cousins-in-law.
  
- Degrees of kinship by adoption: comprises a single degree which includes adopted children.

The above related to the with the accused or complainant.

- d) It is determined that there are well-founded reasons for one or more investigators to act in a non-objective manner or that they could improperly conduct the classification, investigation or conclusion procedure, as well as apply inappropriate disciplinary measures.
  
- e) When a member of the investigative team is named in a complaint, he or she must exclude himself from any participation in that and other complaints until the resolution of the complaint.

### 12.3 Research protocol

Once the investigative team in charge of reviewing the complaint is defined internally, the application of the investigation protocol to be carried out must begin within a period of 90 calendar days (depending on the complexity of the complaint received, in the opinion of the investigators) after the investigative team has been assigned and which consists of three stages:

Stage 1 Investigation planning: During this stage, the focus points or lines of investigation will be defined, that is, the issues of the complaint that must be investigated with priority. Who will participate in the research, that is, if any other area or person needs to be involved. If there is more than one researcher, how are the focus points going to be distributed? Finally, the procedures for the search for strong evidence should be clear.

Stage 2 Preliminary Investigation: The purpose of this stage is to justify conducting a full investigation. It has to be conducted with great discretion, not to betray the complainant(s), to involve the least number of people, to remain unbiased, to look for solid indications and to obtain preliminary conclusions:

- a) Facts were verified that point to possible perpetrators, which leads to a complete investigation.
- b) Facts were verified without being able to determine possible perpetrators, which leads to a study of the situation and a request for more information from the complainant.
- c) It was not proven that the facts alleged in the complaint exist, but it is likely that they were committed, which leads to remediation and requesting more information from the complainant. There is no indication that it is true and all control measures are in place, which leads to dismissing the complaint or requesting more information from the complainant.

Stage 3 Investigation and collection of evidence: The purpose of this stage is to look for strong evidence of what improper actions were or were not carried out.

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#### **12.4 Protocol for the protection of those involved in the complaint**

Those employees who have the responsibility of leading, accompanying and guiding teams of employees and anyone involved in the management of a complaint, have the responsibility to:

- a) Ensure that no one who reports alleged breaches, in good faith, suffers any retaliation as a result.
- b) Provide evidence that is known to them, so that the investigation process is properly developed.

#### **12.5 Protocol of conclusions, remediation and closure**

This stage focuses on the outcome of the investigation, trying to answer what happened, how it happened, who did it, when, and how often. It also serves to remedy, that is, to correct what happened, prevent it from happening and find the optimal solution in the short and medium term. And it must be carried out within a period of 60 calendar days depending on the complexity of the case in the opinion of the investigators.

In accordance with the above, the following conclusions can be presented:

- a) Facts and direct perpetrators were verified, which implies applying sanctions, remedying and obtaining statistics of the facts.
- b) Facts were verified without direct responsibility, which implies remedying and obtaining statistics of the facts.
- c) No facts were verified, but weaknesses of the process or control were verified, which implies gathering the statistics of these.
- d) No indication was found that the complaint is true, it is dismissed and complaints of corruption are documented in the registration form.

### **13. WHISTLEBLOWING CHANNEL**

The Company has a whistleblowing channel to receive reports of non-compliance related to the Program via email. This communication channel is essential for fostering a culture of transparency and for employees, as well as other stakeholders, to be able to report ethical concerns or policy violations in a secure and confidential manner.

#### a) Objective of the Communication Channel

The goal of the communication channel is to provide employees and other stakeholders with a secure and confidential means to report potential violations of Company policies, illegal activities, or unethical behavior.

#### b) Characteristics of the Whistleblowing Channel

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The channel is available to all stakeholders of the Company and must be accessible at any time.

The Company undertakes to carry out thorough and timely investigations into all complaints received in accordance with the procedure set forth in this Policy, as well as not to retaliate against those who make reports in good faith. If necessary, the Company will implement the appropriate corrective measures.

c) Method of access.

This channel includes the mechanisms that allow employees, administrators, associates, contractors, clients, as well as any person who has knowledge of corrupt conduct related to the Company, the possibility of confidentially and anonymously reporting any possible irregularity in compliance with the PTEE, as well as any possible corruption conduct; The whistleblowing channel is a mechanism that encourages whistleblowers to report such irregularities or conduct without fear of possible retaliation from other officials of the obligated entity or workplace harassment behaviors in the case of employees. The Compliance Officer shall take appropriate measures to ensure the confidentiality and anonymity of the reports received.

Any counterparty of the Company may access the whistleblowing channel through the email [oficial.cumplimiento@wattlepc.com](mailto:oficial.cumplimiento@wattlepc.com)


Through the whistleblowing channel, the Company's interested parties can access the email and file complaints or reports related to:

- a) Accounting or Finance: Questionable or fraudulent activities involving accounting or financial records, auditing and controls, reporting or other related practices, or insider trading.
- b) Bribery: Concerns related to bribery or influence peddling to influence a government activity or to gain a business advantage, such as obtaining government approvals, permits, or licenses, or winning bids.
- c) Conflicts of Interest: Competing personal or business relationships that are incompatible with an employee's job functions or with the best interests of Wattle Petroleum.
- d) Supplier Concerns: Related to the actions or behavior of third parties with whom Wattle Petroleum does business.

The compliance officer will be notified of the reports of non-compliance related to this PTEE and will manage them in accordance with the protocol of disciplinary investigations.

#### 14. SANCTIONING PROCEDURES

The Company adopts the following guidelines in order to develop disciplinary processes and sanctions for employees, derived from reports on allegations of acts of corruption and transnational

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bribery. To support the guidelines, reference is made to *CHAPTER XIV SCALE OF MISDEMEANORS AND DISCIPLINARY SANCTIONS* of the Company's Internal Work Regulations.

#### **15. OBLIGATION TO REPORT ACTS OF CORRUPTION AND TRANSNATIONAL BRIBERY**

Wattle, through this PTEE, promotes the reporting channels, provided by the Secretary of Transparency of the Superintendence of Companies.

The Transnational Bribery Complaints Channel is as follows:

[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)

Likewise, the Complaints Channel available to report acts of corruption to the Superintendence of Corporations is as follows:

<http://www.secretariatransparencia.gov.co/observatorio-anticorrupcion/portal-anticorrupcion>

#### **16. PTEE AND COMPLIANCE POLICY IN OTHER LANGUAGES**

Wattle has global policies, which integrate this Transparency and Business Ethics Program in several languages, which applies as the official language of the countries where the Company conducts Business or International Transactions.

#### **17. SURVEYS**

In order to control and supervise the Policies and the Transparency and Business Ethics Program, the organization conducts surveys of Employees and Contractors, in order to verify the effectiveness of the Compliance Policies. This survey contains topics related to employees' knowledge of established compliance policies such as donations, political contributions, reporting channels, among others. Based on the results of the survey implementation, necessary corrective action will be taken.

#### **18. ANTI-CORRUPTION COMMITMENT CLAUSES**

The Company, within its anti-bribery and anti-corruption policy, includes the adoption of an anti-corruption clause among contracts entered into with third parties.



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### 19. APPROVAL

This manual was approved by the Shareholders' Meeting on May 15, 2024.

### 20. ANNEXES

- C/ST Risk Matrix.
- Conflicts of interest procedure.
- Conflict of interest declaration form.
- Register complaints of corruption.
- Ethical and Anti-Corruption Policy.
- Anti-corruption clauses.
- Air ticket application form.

**DOCUMENTO CONTROLADO**