

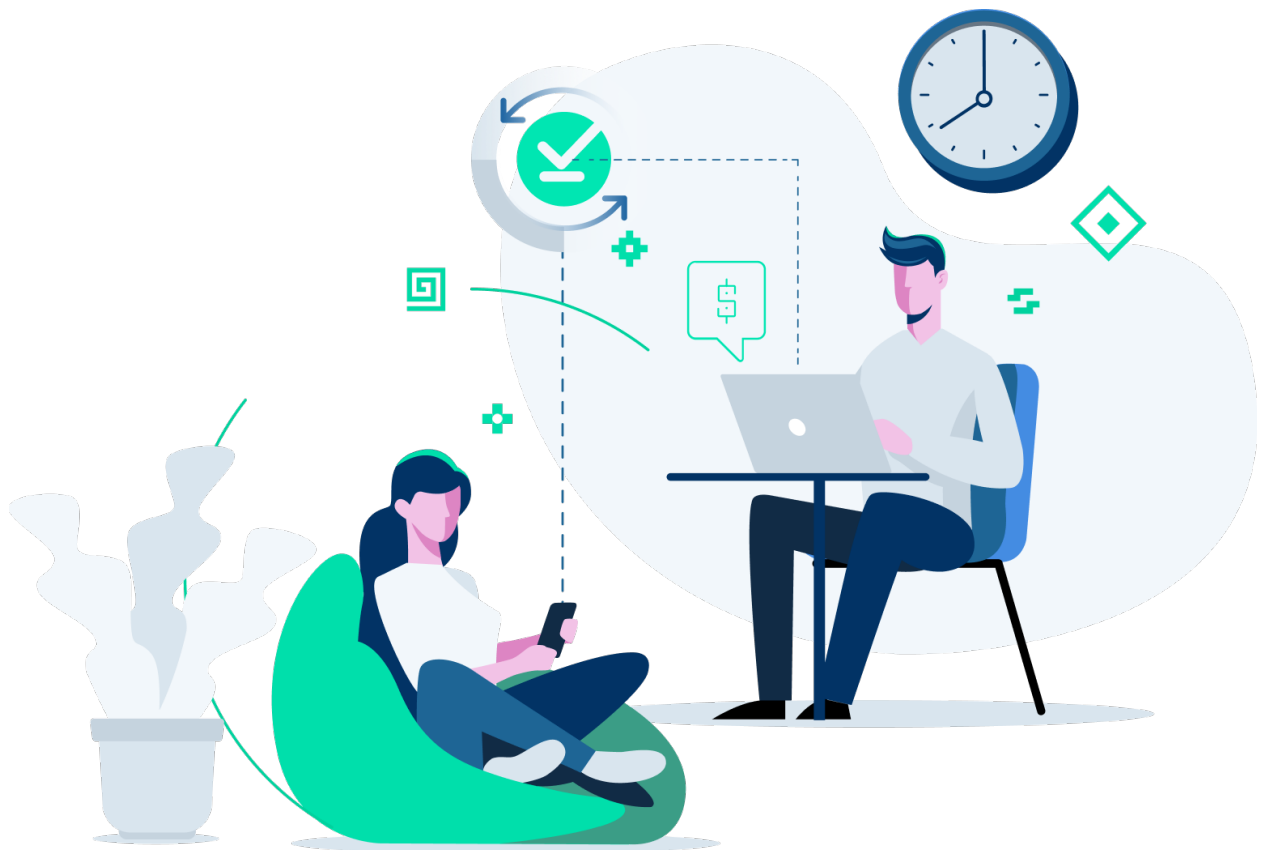


**ANTI BRIBERY AND ANTI  
CORRUPTION STANDARD (ABAC)  
Standard**

**GGC-MA-0201-KU**

**Version 2**

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## 1 INTRODUCTION

Bribery, corruption, and fraud are practices that can substantially affect Kushki's reputation and the attainment of its strategic goals. Considering this risk, the company's Top Management commits itself to ethical principles and standards, thereby rejecting any act of fraud or corruption within the Company. Likewise, it seeks to foster transparency in the manner it manages the businesses it develops with various interest groups.

Kushki establishes its Anti-bribery and anti-corruption standard, heretofore ABAC, based on international standards to prevent such events. To do so, it assigns the necessary roles and responsibilities for the proper functioning of the established operational, financial, and compliance processes.

## 2 LEGAL FRAMEWORK

For the implementation of its best practices for the prevention and risk management of transactional bribery, corruption, and fraud, Kushki followed international standards, recommendations, and local legislation applicable in each country, complying with the regulations established in Table 2.1.

**Table 2.1**  
**Regulatory framework per country**

Country	Affiliate	Regulatory framework
Ecuador	Kushki S.A.	Organic Law for the Prevention, Detection and Eradication of the Crimes of Asset Laundering and Financing of Crime as well as Resolution No. SB-2020-0550 dated May 29, 2020. Section V-Regulations for other entities.
Colombia	Kushki Colombia SAS.	Memorandum 10-000003-26072016, fully modified by Memorandum 100-000012 dated August 9 of 2021 – Anti-bribery Law N°1778 of 2016.
Chile	Kushki Chile SpA and Kushki Operadora S.A.	Law N°20.393 , Law N° 19.913 and Memoranda UAF N° 49; N° 53; N° 54; N° 57; N° 59; N° 60; and all the effective regulations issued by the regulating agency (UAF; CMF; SII, etc.).

## 3 OBJECTIVE

The objective of this ABAC standard is to establish the necessary guidelines to prevent, detect, and redress in an effective and timely manner all events of bribery, fraud, or corruption. It also seeks to promote an ethical culture focused on mitigating risks and the proper interaction with the relevant businesses, suppliers, and third parties.

Following and complying with this handbook will help to direct and promote the principles and values associated with business ethics, as well as the established corporate or specific policies relevant to this matter.

## 4 SCOPE

The company's business management is based on the principles of trust, transparency, resiliency, and others. Considering this, and following that essential foundation, the company's Board of Directors and General Management promote, driven by their own convictions, the utmost rigor and straightforwardness in all the actions undertaken by its work teams, its clients, suppliers, and all other related interest groups. Their behavior must always be inspired and follow the highest ethical standards.

The company's responsible and ethical management system is defined in **GRH-CO-0101-KU** Code of ethics and conduct, and **GGC- MA-0201-KU** ABAC standard. Thus, these instruments must serve as key references for all actions and behaviors of the personnel working for the company.

This applies to all countries where Kushki operates.

## 5 DEFINITIONS

Pertaining to the Anti-Corruption and Anti-Bribery (ABAC) standard, the following terms shall have the meaning provided under the following definitions:

**ABAC:** Anti-Bribery and Anti-Corruption Program.

**Associates:** refers to physical or legal persons who have contributed money, labor, or other goods that could be converted to money to a company in exchange for fees, partial stocks, shares, or any other form of participation defined under the applicable laws.

**Bribery among privates:** crime committed by a person who, while acting in a position or role in the private sector, requests or accepts money or some other benefit for itself or a third party, or who otherwise offers, gives, or agrees to give money or any other benefit as a consideration for acting contrary to its duties, or abstaining to act according to them, in order to favor the hiring of one supplier instead of another.

**Bribery or passive bribery:** is the act through which a legal person, through its employees, managers, associates, or affiliate companies, gives, offers, or promises (either directly or indirectly) a foreign public official: (i) sums of money or objects that could be converted to money; or (ii) any benefit or profit in exchange for the public official to act, neglect to act, or delay any action associated with its responsibilities pertaining to a business or a national or transnational transaction.

**Bribery:** crime committed by a person when it offers or agrees to give an undue financial benefit to a public official so this may execute an action under its responsibilities, neglect to act, behave against its duties, exert influence, or commit a crime as a public servant.

**Collaborator:** is an individual who commits to rendering a personal service under the instructions of a legal person or any of its affiliated companies in exchange for a specific consideration.

**Compliance audit:** refers to the systematic, critical, and periodic review pertaining to the proper execution of the Transparency and Business Ethics Program.

**Compliance Officer:** is the physical person assigned by management to lead and manages the transnational bribery risk management system. This individual may also, if it is thus decided by the legal person's relevant organisms, assume roles associated with other risk management systems, such as those that address the laundering of assets, financing of terrorism and financing for the proliferation of weapons of mass destruction weapons.

**Compliance policies:** refers to the general policies adopted by a legal person's management so that the entity can carry out its businesses in an ethical, transparent, and honest manner. This includes setting the conditions for the legal person to identify, detect, prevent, and diminish the risks associated with transnational bribery and other corruption practices.

**Contractor:** under the context of an international business or transaction, it refers to any third party that renders services to a legal person or that has a contractual legal relation with it, regardless of the type of relation. Contractors include, among others, suppliers, intermediaries, agents, distributors, advisors, resellers, consultants, and persons who are parties to collaboration or shared risk agreements executed with that legal person.

**Due diligence:** refers to the periodic review that must be conduct regarding the legal, accounting, and financial matters relevant to an international business or transaction. The purpose of such actions is to identify and assess the risks of transnational bribery and other corruption practices that could affect the country's development or a legal person, its affiliated companies or contractors. Regarding the latter, it is further suggested to verify their standing credit and reputation.

In any case, the term due diligence, as defined herein, shall refer to the due diligence procedures established in other risk management systems (for instance, those to combat asset laundering and financing of terrorism or against the financing for the proliferation of weapons of mass destruction) that are regulated by separate standards.

**Fraud and other corruption practices risk management system:** refers to the system intended to properly coordinate the compliance policies with the Transparency and Business Ethics Program, as well as its due implementation within the legal person.

**Legal person:** is a fictitious person that is capable of exercising rights and acquiring obligations. Under the context of this report, it refers to entities that must implement the Transparency and Business Ethics Program.

**Passive bribery:** crime committed by public officials who request or accepts receiving an undue financial benefit (popularly known as "coima" or "soborno") to execute or for having executed an action under its responsibilities or for neglecting to act, behave contrary to its duties, exert pressure or influence, or commit a crime as a public servant.

**Reseller:** refers to commercial promoters who carry out the necessary actions to market, negotiate, and sell the services offered by Kushki. Resellers must abide by the company's acquiring policies and procedures. They do not have powers to represent Kushki.

**Supplier of strategic goods or services:** refers to a physical or legal person that delivers goods or services that are necessary for Kushki to carry out its operations with critical processes inherently related to its corporate purposes, and whose deficiency, weakness, or suspension

could affect the entity's regular operations. This definition emphasizes the goods and services associated with managing and preventing assets laundering and financing of crimes such as terrorism.

**Supplier:** refers to any physical or legal person, whether public or private, that engages in activities of production, manufacturing, importing, construction, and distribution.

**Top management:** refers to the hierarchical level within the organization that is autonomous in its decision-making. It includes legal representatives, chief officers, vice-presidents, directors, area managers, and other professionals in charge of executing the decisions of the board or an equivalent organism with similar attributions, following the assigned roles and the defined organizational structure.

**Transaction:** refers to a financial movement through which there is the completion of an existing financial operation between a debtor and creditor. This is achieved through the execution of payments or income by means of monetary instruments.

**Transfer:** refers to the transaction executed by a physical or legal person, who is identified as the principal, through an entity authorized in the relevant jurisdiction to carry out operations to send national and/or international resources. This action is executed so that a physical or legal person, who is identified as the beneficiary, can make use of any such moneys, whether in the same or a different entity authorized to carry out this type of transactions.

**Transparency and Business Ethic Program Compliance Standard:** is the document that defines the specific procedures meant to identify, detect, prevent, manage, and mitigate the risks of transnational bribery as well as any other associated with any acts of corruption that could affect a legal person.

## **6 ROLES AND RESPONSIBILITIES**

### **6.1 Top Corporate Organism**

- Approve the Transparency and Business Ethics Program, as well the updates to this handbook, and ensure its compliance.
- Appoint the Compliance Officer, who will be responsible for ensuring the implementation, follow-up, and verification of compliance with the ABAC.
- Establish the necessary operational, financial, physical, and technological measures, as well as the required resources, to ensure that the Compliance Officer can successfully perform its duties.
- Approve methodologies, models, qualitative indicators, quantitative indicators, matrices, and other instruments or tools to avoid the risks under the Transparency and Business Ethics Program.
- Provide efficient and timely official support for compliance by granting access to all the processes and information requested by this position.
- Include the activities associated with the Transparency and Business Ethics Program, performed under its responsibilities, in its yearly management report.

- Impose the internal penalties established for instances of noncompliance with the regulations as defined herein. This shall be done for cases under its jurisdiction, following due process and in accordance with the applicable law.

## **6.2 Legal Representative**

- Present, along with the Compliance Officer and for approval of the Board of Directors or the Top Corporate Organism, the ABAC proposal and its updates.
- Analyze the results of the bribery and corruption risk assessment carried out by the Compliance Officer, while also establishing relevant action plans based on the results.
- Efficiently assign technical and human resources, as determined by the managing Top Corporate Organism or its equivalent, as necessary to successfully implement the ABAC.
- Verify that the Compliance Officer is duly available and capable to perform its assigned roles.
- Provide effective, efficient, and timely support to the Compliance Officer to design, direct, supervise, and monitor the ABAC.
- Ensure that the activities deriving from the Transparency and Business Ethics Program are duly documented. This must be done so that the information gathered effectively responds to the criteria of integrity, reliability, availability, compliance, effectiveness, efficiency, and confidentiality.
- Certify before the Superintendency of Companies that there is compliance with the demands established in Resolution 100-006261 dated October 2, 2020, or otherwise certify other matters as required by this regulator. This applies for CO<sup>1</sup>.
- Verify that procedures established in the Transparency and Business Ethics Program are fulfill the purposes defined in this Compliance Handbook, as adopted by the Top Corporate Organism or its equivalent entity.

## **6.3 Crime Prevention Officer (CL<sup>2</sup>)**

- The officer in charge of prevention must act with autonomy from the decisions of management and the owners of the legal person.
- It may fulfill duties as an internal auditor and comptroller. In case the legal person's yearly revenues do not exceed one hundred thousand Unidad de Fomento in Chile, the owner, partner, or controlling shareholder may personally assume the role of prevention officer.
- This is the person in charge of adopting, implementing, and executing the Crime Prevention Model.
- This is the person in charge of receiving and investigating complaints.

## **6.4 Compliance Officer or its substitute**

The Compliance Officer is a managerial level position with powers to decide over any matters pertaining to the implementation of the ABAC. To fulfill this role, it will be responsible for:

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<sup>1</sup> Colombia

<sup>2</sup> Chile



- Leading the ABAC drafting process, which shall be defined in a Compliance Handbook. The contents of this handbook shall be mandatory for all managers, employees, and associates.
- Presenting quarterly reports about the results from the evaluation and analysis of the program's efficiency and efficacy, along with any improvements proposals, as applicable.
- Directing the periodic bribery risk evaluation activities.
- Delegating to other officers, as required, or to other affiliated companies registered outside the country, if this is duly authorized by Top Management, the management of the bribery risk management system. In any case, the Compliance Officer shall be considered the top authority in matters of bribery risk management relevant to the legal person and to its affiliated companies.
- Reporting to the Board of Directors about infringements to the PTEE perpetrated by employees so that the organism can determine the appropriate penalties or corresponding procedures as established in Kushki's internal work rules and regulations.
- Designing the training program for all collaborators in the onboarding and yearly training process. Likewise, design newsletters to update personnel on the subject.
- Establishing a system to permanently guide and support Kushki's employees and associates regarding the execution of the ABAC.
- Directing the system that Kushki implements to receive complaints from any person regarding a case of bribery or any other corruption practice.
- Responding to and coordinating any requirement, request, or notice from a judicial or administrative authority pertaining to the prevention and control of criminal activities.
- Ordering the opening of internal investigation procedures in Kushki by using all the relevant human and technological resources, both internal and from third parties specialized in such matters if there are suspicions that infringements to Law 1778 or to the ABAC have occurred.
- Adopting, in a timely manner, all redress measures in the event that control and vigilance organisms, internal auditors, or external auditors issue observations.
- Presenting reports, requests, and alerts to the Board of Directors or Top Corporate Organism. These cases must be related to the Transparency and Business Ethics Program, and the officer will determine if they require the organism's attention.

#### **6.4.1 Requirements for the Compliance Officer or its substitute**

The person assigned as Compliance Officers of a Liable Entity must meet the following requirements as a minimum:

- Having the ability to make decisions and manage the risk of corruption / transactional bribery and have direct communication with the Board of Directors (while also responding directly to it) or with the top authority of the organization if there is no board of directors installed.
- Having sufficient knowledge in matters pertaining to the risk of corruption / transactional bribery, while also understanding the industry associated with the activities of the Liable Entity.

- Having the support of a work team, including human and technical resources, suitable for the risk of corruption / transactional bribery and size of the liable entity.
- Not belonging to the management or authorities of the organization; or belonging to the discal auditing organization (serving as fiscal auditor or being linked to the fiscal auditing company that performs this function, if applicable); or executing functions within the Liable Entity similar or tantamount to the aforementioned.
- If the Compliance Officer does not have a labor relation with the Liable Entity, the relevant physical person may or may not be linked to another legal person.
- Not being a Compliance Officer, whether as office holder or substitute, in more than ten (10) Companies. To be the Compliance Officer in more than one Liable Entity, (i) the Compliance Officer must certify, and (ii) the authority assigning the Compliance Officer must verify, that the Compliance Officer does not fulfill the same function at companies in direct competition.
- If there is a business group involved or another relevant condition declared, the Compliance Officer at the matrix or controlling entity can be the same person for all the entities that are part of the group or association regardless of the total number of entities that constitute this collection.
- Having its registered address in Colombia<sup>3</sup>.

#### **6.4.2 Incompatibility and conflicts of interest of the Compliance Officer or its substitute**

- Belonging to control organisms or to areas directly associated with the activities defined in the main corporate purpose.
- Being an employee outsourced by the company.

#### **6.5 Roles of Auditing**

- Perform a yearly evaluation of the Transparency and Business Ethics Program to verify that the existing controls are effective as established in the defined work plan.

### **7 COMMITMENTS AND EXPECTATIONS**

These are Kushki's commitments and expectations pertaining to the bribery, fraud, and corruption risk management and mitigation:

- The Board of Directors has assumed the commitment to carry out its business activities with integrity and following the strictest ethical standards in the organization.
- All Kushki employees and managers must abide by the relevant ABAC Laws corresponding to the jurisdictions where Kushki operates. They must also follow the internal controls designed to prevent, detect, and respond to cases of bribery and corruption.

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<sup>3</sup> This applies to the Compliance Officer for Colombia.

- Any forbidden activity associated with bribes or corruption represents a direct infringement of the Code of Conduct and of this policy. Therefore, any such actions could result in the application of disciplinary measures up to and including the termination of employment.
- Kushki's Ethics and Conduct Committee is the organism responsible for determining the corrective, preventive, or disciplinary actions derived from the findings of investigations.
- Kushki shall not conduct businesses with third parties that engage in bribery and corruption. This behavior contravenes its ethical standards and could be a reason to terminate a contract or suspend, dismiss, or reject any current or potential business relation.
- Kushki assumed the commitment of continuously improve its ABAC Program.

## **8 STATEMENT OF CORPORATE POLICY AND GUIDELINES**

At Kushki, we are committed to a zero-tolerance policy against bribery, fraud, and corruption in any of its modes. We are also committed to promoting a culture that combats these issues and helps conduct its businesses and operations with high ethical standards and abiding by all the applicable laws and regulations.

Each collaborator is responsible for applying the criteria defined in this policy and adjust their behavior according to the corporate values and guidelines established in **GRH-CO-0101-KU** Code of ethics and conduct:

- **Transparency in our communication makes us more efficient:** At Kushki, we communicate clearly, directly, and honestly, inviting to a respectful dialogue, listening with humility, and sharing our ideas to mobilize swiftly for the purpose of growing the business.
- **The success of our clients is our pleasure:** At Kushki, we live to exceed our clients' expectations, understanding the reality of every market, being empathetic to their needs, acting with efficiency and flexibility to achieve collective success.
- **We are a habitat for high performance:** At Kushki, we believe in people, we develop them professionally, creating environments that promote ownership and collaboration, ultimately enabling a culture of well-being and high performance.
- **We write the future of payments through innovation:** At Kushki, we stay focused on our long-term goal, staying at the forefront of technology by being curious, disruptive, designing and improving our products in a systematic manner to continue enhancing businesses in our region.

## **9 KUSHKI'S ANTI-BRIBERY AND CORRUPTION FIGHTING POLICY**

Kushki S.A. provides guidance regarding the obligations defined in **GRH-CO- 0101-KU** Code of ethics and conduct regarding bribery, payments, and corruption practices. The code addresses key risks associated with bribery and corruption, and it promotes its prevention, detection, and response in matters pertaining to the relations established by or on behalf of Kushki with public officials, third parties (intermediaries and suppliers), and clients.

In this sense, the company has defined the following internal policies:

- Kushki's policy regarding the combat against bribery and corruption entails carrying out business activities while complying with the ethical standards established in the Code of Conduct and in this policy. The activities must also comply with the applicable ABAC laws.
- Asset laundering prevention program standard. Kushki has implemented the best practices regarding prevention and risk control against asset laundering and financing of terrorism following international standards as well as the recommendations issued by the International Financial Action Group, heretofore known as GAFI, and each country's local standards according to their regulations.
- Kushki's Code of ethics and conduct, which is set as a framework for action that is adjusted to the values and principles that govern all of the company's actions and business dealings. It also provides the parameters over the behavior that Kushki expects from all of its shareholders, investors, managers, directors, employees, providers, contractors, and, in general, from everybody who directly or indirectly establishes a commercial relation with the company.
- Guidelines on gifts and entertainment. Kushki prohibits its collaborators from requesting or receiving, as a consideration or gift, any money, bonds, professional fees, other fees, down payments, travel expenses, checks, debit cards, entertainment, deeds, securities, or any other document that could be converted into money.
- Kushki delivers **GGC-CO-0202-KU** Code of conduct of the counterparties to all its suppliers as part of the development of activities.
- Policy for the linking of relatives to Kushki products to manage potential conflicts of interests that could arise from the direct linking of relatives by members of Kushki's work team pertaining to any of the products offered by the company.
- Kushki does not establish commercial relations with persons who are unable to demonstrate the lawful origin of the resources they use to acquire any such products or services.
- Kushki shall report all transactional suspicious operations to the relevant authorities, while also providing all due back-ups and support as requested by such authorities under the valid legal provisions.
- Kushki works actively so that its collaborators know the contents of this handbook, including its policies, procedures, and its updates. This helps them protect themselves against such risks. Kushki's collaborators shall also favor foremost the compliance with standards in matters of combat against bribery and corruption, such as fraud, and the observance of the ethical principles relevant to the achievement of the commercial goals.
- Kushki does not carry out transaction from and to countries that have not taken adequate measures to mitigate the risk of asset laundering and financing crime, such as terrorism, and that are identified by international organisms such as GAFI as being high-risk locations. Likewise, it shall measure the risk exposure caused by having relations with third parties based in places that are considered higher-risk jurisdictions according to the Corruption Perception Index (IPC).
- Kushki shall deliver the information required by the relevant authorities after receiving an authorization from the Legal Representative and the Legal department.

- Donations Policy: any donations executed for a charity organization by current or potential counterparties, or executed for charity organizations supported by the latter, could be perceived negatively by the regulatory agencies. Therefore, there must always be due diligence whenever there is some contribution or helps coming from Kushki to NGOs or to other charity institutions it decides to support. In any such scenario, it must always comply with the various valid provisions that regulate the subject in the countries where the company is active. To obtain the approval and more guidance before carrying out a donation for charity, please consult the Compliance area beforehand.

### **Donations policy**

- At Kushki, we acknowledge the relevance of contributing to the development of society and supporting non-profit organizations that pursue charitable causes. However, we must ensure our compliance with the highest ethical and legal standards in our donations. To this end, the organization implements the document **GGC-PL-0201-KU** Regional donation policy and the procedure **GGC-PD-0203-KU** Regional donations, which provide the guidelines relevant to this matter.

## **10 RISK ASSESSMENT**

As part of the ABAC, an assessment and a review are conducted. This involves all the areas and processes of the company where the Policy to combat corruption and bribery has the most substantial impact.

Through the conducted evaluations, the risk level for corruption and bribery in the various areas and processes is identified. The assessments are carried out using the Self-Assessment, as defined in point 10.1.

### **10.1 Self-assessment**

This is a self-assessment process regarding bribery and corruption risks. Form **GGC-FO-0202-KU** is utilized for this process. It is applied to each of the company's processes together with each of the area's leadership. To ensure the proper application of this evaluation, the Compliance area supports the applying area. The application processes, methodology, scope, and general information about each of the area's processes are explained during the support meeting.

This questionnaire has 5 risk categories that are assessed thusly:

- a) Country risk
- b) Internal risk
- c) Client risk
- d) Government control risk
- e) Business activities risk
- f) Transactional risk

The results are consolidated and grouped as the base to diagnose over which processes there should be supervision and monitoring work focused on the corruption and bribery risk. In this sense, a results analysis is carried out for each of the areas, measuring the risk level based on

the highest risk scores. An action, supervision, and monitoring plan is defined for each of these high scores.

## **11 DUE DILIGENCE**

As part of its business ethics policy, Kushki conducts due diligence processes based on the minimum required elements to identify and evaluate the bribery risks associated with the activities of a given legal person, its affiliate companies, or its contractors, if the latter are exposed to a high risk of transactional bribery.

In any case, the scope of the due diligence process shall vary depending on the subject and complexity of the agreements, the sum of the consideration given to the contractors, and the geographical areas where they carry out their activities.

### **11.1 Procedure**

The due diligence procedures are carried out regularly, based on the contractual or commercial relations relevant within Kushki's regular operations. In this way, the periodical review of legal, countable, or financial matters is carried out regularly.

Due diligence is conducted following these principles:

- Identifying and evaluating the bribery risks associated with the Kushki's line of business, or that of its affiliates and contractors. This will particularly encompass the appropriate review of specific qualities of each contractor, its reputation, relations with third parties, which shall specifically include the relations they have with foreign public officials regardless of their rank.
- Being in written, so that it can be easy to access and understand by the Compliance Officer.
- Providing elements to determine if the payment of an excessively elevated consideration to a contractor is actually a method to hide indirect bribery payments for foreign public officials, or if such payment represents a remuneration for the contractor's activities as intermediary in a bribery operation.
- Providing information to the Compliance Officer about the reputation of such contractors that are highly exposed to the risk of bribery.

## **12 TYPES OF BEHAVIOR THAT ARE IN DIRECT CONFLICT WITH TRANSPARENCY, INTEGRITY, AND BUSINESS ETHICS**

For the purposes of Kushki's ABAC, bribery, and corruption in general, is defined as the will to act dishonestly in exchange for money or personal benefits, thereby causing damages for unjustly favoring a few who abuse their position or power. This not only creates disloyal competition, but it also hinders the progress to organizational efficiency and the integrity of individuals.

For a clearer understanding, the following types of behavior are considered to be directly against the ABAC.

### **12.1 Conflicts of interests**

There are conflicts of interests when:

- There are conflicts between the interests of a collaborator and the interests of the company, which could lead to making decisions or executing actions meant to benefit the individual person or third parties and to the detriment of the company's interests. In this definition, the following situations are considered to be conflicts of interest:
  - Direct or indirect labor relation
  - Participation in Kushki transactions, assets, or investments
  - Hiring processes
  - Handling of presents, gifts, or hospitality
- When there is any circumstance that could decrease the independence, equality, or objectivity in the behavior of any of the company's collaborators, and that situation could be in detriment for the company.
- Regarding collaborators that have any relative who has a contractual relation where Kushki is a counterparty (supplier - client - consultant - advisor - shareholder), they must:
  - Notify by e-mail to [compliance@kushkipagos.com](mailto:compliance@kushkipagos.com) that there is a direct relation of relatives with Kushki products in the cases where there is such a relation as clients or suppliers.
  - Ensure there is no direct dependence between the Kushki collaborator and the counterparty.
  - If the counterparties clear an existing conflict of interests, this shall still be approved by another higher authority.
- Any collaborator that wishes to refer a relative for consideration in a recruitment process must obtain a clearance from RRHH and Compliance before the referral. Likewise, any candidate that has directly applied or has been contacted by the recruitment team and is related to any of the current employees of the company must report this condition during the interviews process, so that the recruitment team can carry out the relevant validation and obtain a clearance from RRHH and Compliance to approve the candidacy.
- Any collaborator that receives additional income due to activities developed independently, such as income from advisory, consultancy, freelancing, among others, must also:
  - Report the activities it performs outside its functions as a Kushki employee to the Vice-presidency of Human Resources, with a copy for the Compliance area, including any activities that could represent a conflict of interests.
  - Sign a clause in the employment contract stating that no direct Kushki collaborator may exercise the same role at the same time in any other company.
- Regarding the revelation of familial relations, whether by means of consanguinity or affinity, for collaborators working in Kushki, it is necessary to consider:
  - It is the Kushki collaborator's duty to notify, by e-mail, all possible conflicts of interest that could arise.
  - The Vice-presidency of Human Resources shall inform the Compliance area about any situation that could represent conflict of interests, including any familial relations, position, area, and immediate subordination or supervisor.

- Restrict any relation of subordination that may arise among relatives working in the company.

## **12.2 Bribery**

Bribery can be described as the act of a person giving or receiving something valuable (usually money, gifts, loans, rewards, favors, fees, or entertainment) as an undue motivation or reward for securing a business operation or in exchange for any other benefit. Bribery can happen in the public sector (for instance, when a bribe is offered to a domestic or foreign public official or servant) or in the private sector (for instance, when an employee attempts to bribe a client or supplier).

Therefore, bribery and illegal fees include, but are not limited to:

- Gifts and entertainment, hospitality, travels, and excessive or inappropriate accommodation expenses.
- Paying a bribe to a third party (private or public) to obtain an undue advantage over its competitors. Making contributions, either in money or goods and services, to a political cause with the goal of obtaining a commercial advantage.
- Other “favors” provided to public officials or servants, clients, or suppliers, such as contracting a company that belongs to a relative of a relevant public official, client, or supplier.
- Using the services, facilities, or assets of the company without paying any consideration in return.

It is possible to become immersed in a bribery situation. In such scenario, the employee must apply what is established in **GRH-CO-0101-KU** Code of ethics and conduct.

## **12.3 Corruption**

It refers to any event, attempt, or deliberate omission to obtain a benefit for itself or for third parties in detriment to the organizational principles, independently of the financial effects on the affected companies. These encompass actions under two different modes of behavior:

- **Internal:** accepting bribes coming from third parties for company collaborators so that their decisions, actions, or omissions benefit that third party.
- **Corporate:** accepting bribes coming from company employees for government officials or third parties –either directly or through agents– with the purpose that the decisions of the third party, its actions or omissions, benefit the company or any of its employees.

## **12.4 Fraud**

It is understood as the intentional action or omission that is designed to deceive others. It is carried out by one or more persons to obtain, exploit, or acquire the assets of another (whether these are tangible or intangible assets) in an undue manner and damaging other parties, normally by exploiting the affected party’s lack of knowledge or acting with malice.

Based on the aforementioned, the following behaviors are specially considered to be against the principles of transparency and corporate integrity:



- Intentional acts that seek a personal benefit or a benefit for third parties (whether tangible or intangible) beyond the interests of the company.
- Alteration of company information and documents to obtain a particular benefit or altering contracts during a process of public, private, or special bids.
- Generating reports based on false or inaccurate information.
- Undue use of internal or confidential information (intellectual property, reserved information, etc.)
- Deliberate behaviors in the processes of hiring and bid evaluation that is designed to obtain benefits (payments or gifts for third parties, receiving payment or gifts for third parties, etc.)
- Pretend that resources generated from illegal activities are actually legal.
- Provide resources to finance terrorism.
- Unduly use the assets of the company that are entrusted to the person for safeguarding.
- Cyber fraud.
- Any irregularity that is similar or related to the aforementioned scenarios.

### **12.5 Accounting fraud**

- Alter or unduly manipulate the revenue and/or expenses accounts to represent a performance that does not match with reality.
- Making accounting records for the wrong periods with the purpose of presenting a financial situation that does not match with reality.
- Wrongfully appraise Kushki's assets to present a financial situation that does not match with reality.
- Wrongfully reveal information in the financial statements that could lead to inadequate decision-making by the investors, lenders, or any other user of the financial statements.
- Make or fail to make adjustments to accounting records for personal gain or for the benefit of third parties.
- Intentionally hide accounting errors.

### **12.6 Misappropriation of assets**

- Unduly take money or assets or take them without authorization.
- Embezzling resources from one of Kushki's accounts for personal gain or for the benefit of a third party.
- Obtain money from Kushki by deception or dishonorable behavior, such as declaring a fictitious expense.
- Buy goods or services, using Kushki's resources, for personal enjoyment or for the enjoyment of a third party.
- Subtract or excessively use Kushki's assets (such as real estate, equipment, furniture, stock, investments, or others) for personal enjoyment or for the enjoyment of a third party.

- Make unauthorized repeat payments or make expenses that are not supported by formal documents and are beyond the authorized sums.
- Unduly manipulate cash surplus for personal gain or for the benefit of a third party.
- Inappropriately handle or use Kushki's information assets for personal gain or for the benefit of a third party.
- Embezzle money that was tagged for charity or sponsorships to obtain a personal benefit or to commit an act of corruption.

### **12.7 Intellectual property infringement**

- Obtain a commercial secret (regardless of the method to obtain it) without authorization from Kushki's authorized user.
- Improperly sell, offer, disclaim, or use Kushki's commercial secrets, including proprietary or confidential information or other intellectual property.
- Alter, erase, or render inoperable any software or computer program.
- Copy, reproduce, or distribute unauthorized computer programs or software.
- Destroy, erase, render inoperable, or improperly use Kushki's digital records.

## **13 RECEIVED OR OFFERED GIFTS AND BENEFITS POLICY**

### **13.1 Received gifts and benefits**

Kushki collaborators must never request, accept, offer, or provide gifts, entertainment, hospitality, or sponsorships with the purpose of inducing, supporting, or rewarding an irregular behavior intended to secure a business involving the company.

In case it is deemed adequate to give a gift or benefit, this must not be worth more than USD 100. If the benefit or gift is worth more than this amount, it must be approved by the Country Head in each country or by a higher authority. Further, this must be reported to the Compliance area to the e-mail [compliance@kushkipagos.com](mailto:compliance@kushkipagos.com). Any such gratuities must be recorded using form **GGC- FO-0201-KU** Record of Gifts, Gratuities, and other Benefits, designed for this particular end. This must be done in strict compliance with the company's policies and procedures.

Nonetheless, Kushki allows its collaborator to accept or receive presents or gratuities, as long as they fulfill the following conditions:

- They are promotional merchandise, such as notebooks, planners, umbrellas, caps, pens, calendar, or other items.
- Their value does not exceed 100 dollars, and they are not received more than once per year coming from the same third party.
- They are invitations to events linked to the company's ordinary line of business, such as: breakfast, lunch, dinner, cocktails, workshops, seminars, trips, and, in general, activities meant to serve as demonstrations of services and products.
- They are gifts or gratuities with academic or training purposes.
- Gifts and gratuities that do not have the inappropriate intent of influencing the manner in which the collaborator performs its functions.

- All Kushki collaborators must report by e-mail to [compliance@kushkipagos.com](mailto:compliance@kushkipagos.com) about any gift, present, or invitation received by third parties. The collaborator must send form **GGC-FO-0201-KU** Record of Gifts, Gratuities, and other Benefits with the authorization of the direct supervisor if the expense is within the approved amount. If the benefit or gift surpasses the approved amount, the collaborator must request the approval of the Country Head in each country and then report it to Compliance.

### **13.2 Offered gifts and benefits**

Kushki collaborators will be able to make gifts, gratuities, or presents to third parties as long as:

- These are promotional merchandise, such as umbrellas, caps, pens, calendars, planners, chocolates, or any POP material that is meant to promote Kushki or any of the companies with which it may have a current or potential commercial relation within Kushki's line of business.
- These are gifts, gratuities, or invitations to events linked to the company's ordinary line of business, such as breakfast, lunch, dinner, cocktail, workshop, seminar, gifts, gratuities, and, in general, any activity intended to function as a demonstration for services or products corresponding to the corporate purpose of each entity. These invitations may not surpass USD 200 in value, and they must not be issued more than once per year by the same third party.

All Kushki collaborators must report by e-mail to [compliance@kushkipagos.com](mailto:compliance@kushkipagos.com) any gifts, gratuities, and invitations they make for third parties. They must send form **GGC-FO-0201-KU** Record of Gifts, Gratuities, and other Benefits with the authorization of the direct supervisor if the expense is within the accepted amount. If the benefit or gift surpasses the accepted sum, it must be approved by the Country Head of each country and then report it to Compliance.

### **13.3 Befriending public officials or persons**

All gifts, entertainment expenses, or other gratuities for the benefit of a public servants or officials are forbidden.

### **13.4 Negotiations with agents, intermediaries, and facilitation payments**

The company shall not use intermediaries or third parties to execute inappropriate payments. All facilitation payments (payments given to an official or a businessperson to speed up a procedure) are forbidden. No such payments must be made to public official, not even if they are a customary practice in a given country.

## **14 AGREEMENTS OR COVENANTS WITH THIRD PARTIES**

All agreements and covenants executed by the company must include clauses, representations, or warranties regarding its anti-bribery and anti-corruption policies. Additionally, they must comply with the provisions of the policies handbook for the selection and association with providers in the supplier selection and association sub-process.

## **15 ACCOUNTING RECORDS**

Kushki keeps and maintains records with the accounts that precisely and accurately reflect the completed transactions. None of the company's collaborators are allowed to change, dismiss, or

distort the records to hide inappropriate activities, or activities that otherwise fail to reflect the nature of a recorded transaction.

There are also internal controls to avoid the concealment or dissimulation of bribes or other undue payments related to transactions, such as: fees, professional fees, sponsorships, donations, legal representation expenses, or any other item intended to conceal or cover up the improper nature of the payment.

## **16 TRAINING PROGRAM**

The goal of the training program is to communicate, promote, and foster a preventative culture against bribery, fraud, and corruption for the protection of the collaborators and the company. Training is mandatory and must be completed by collaborators during their onboarding process. Once per year the program must be updated as necessary. Any such changes can be communicated by the virtual and/or in-person mechanisms defined for such purposes.

During the training process, the program will focus on Kushki's commitment to combating bribery, fraud, and corruption. It will also include a description of the events or behaviors that could constitute fraud or corruption, and that must be therefore reported; the mechanisms for whistleblowing and warranties of anonymity for whistleblowers; the damages caused by persons who commit fraud or acts of corruption; illegal actions or unethical behaviors; and the disciplinary penalties applicable in case of transgressions.

As a mechanism to determine the efficacy of the completed training, the collaborators shall undertake an evaluation to assess the acquired knowledge. The evaluation includes 5 questions, and the collaborator must score a minimum of 80% to approve. Collaborators that obtain a score below the approval threshold shall receive feedback and will take the evaluation again, this time with an approval score of 100%.

Additionally, Kushki shall use its internal means of communication (Slack or e-mail) to forward newsletters, videos, news, blogs with relevant topics, and updates associated with the prevention of fraud, corruption, and bribery.

## **17 DOCUMENTATION AND COMMUNICATION**

This standard, along with its corresponding attachments, shall be deposited in the document management tool. Likewise, the Processes area is in charge of disseminating the relevant updates to this document.

The following are such related documents:

- Documents and records that sustain the design, development, and implementation of methodologies to prevent bribery, fraud, and corruption.
- Reports drafted by the Compliance Officer.
- All the additional documents supporting the implementation and update of the program.

Considering the conditions defined in the local regulations, Kushki shall conserve the following documents for at least ten (10) years (unless the local laws or Kushki's policies on document conservation establishes a longer period):

- Reports presented before government authorities pertaining to suspicious activities, such as potential cases of bribery, corruption, or other criminal activities, as well as the documents that support such suspicions;
- Records of the trainings completed, including the names, levels, and business units of the participants, as well as the dates and locations where such trainings took place; and
- Any other document that must be conserved following the applicable laws to combat bribery, fraud, and corruption.

## **18 REPORTS AND INVESTIGATIONS**

Any collaborator that is aware of any type of behavior described in chapter 12 of this document must report the situation immediately through the mechanisms established by the ABAC, by the Compliance Officer, to the direct superior or, if necessary, to the Ethics Hotline. If the report is done directly to the direct superior, it must report it to the Compliance area within the following 24 hours.

In these cases, the collaborator enjoys the following guarantees:

- Confidentiality about the information and persons.
- Resumption of good faith. When a person reports a conduct, it must be done responsibly, although it is presumed that it is done in good faith and based on real elements or evidence.

### **18.1 Whistleblower Channel**

Considering its preventive focus, Kushki has an Ethics Hotline through which all of its collaborators, providers, clients, shareholders, and other interest groups, regardless of their duties, role, or position, can communicate when there is a complex situation regarding ethical behaviors, bribery, fraud, or corruption.

The channels to report are:

- E-mail: [líneaetica@kushki.com](mailto:líneaetica@kushki.com)
- Website: <https://www.kushki.com/gobcorp/>

Basic concept of the Ethics Hotline. The Ethics Hotline is separate from the customer service line.

It is not a tool for complaints or grievances, but rather a channel to report conducts that go against the company's principles of transparency and integrity.

It is not meant to receive suggestions, attend to labor or personal issues.

It must be used responsibly. Any incident reported must be real and verifiable.

All the complaints shall be received and analyzed by the VP of Human Resources if the incident is related to matters within its area of responsibility. If the incidents are related to matters of

unethical behavior or business probity, the Crime Prevention Officer and/or the Compliance Officer and the Compliance Director shall receive reports.

The Republic of Colombia demands that all reports involving transactional bribery be likewise directed to the Superintendency of Companies. And, regarding acts of corruption, these must be directed to the Secretariat of Transparency.

Additionally, the Superintendency of Companies in Colombia provides the following links for whistleblowers who wish to report any act of transactional bribery or corruption:

- Transactional bribery: [Link](#)<sup>4</sup>
- Corruption: [Link](#)<sup>5</sup>

## **18.2 Labor responsibilities**

The incidents associated with labor matters must only be handled through the Vice-presidency of Human Resources. The vice-president shall use its criteria to define if the issue is a matter that must be handled by the Employee Relations Committee or the Ethics and Conduct Committee.

Any case that involves potential conflicts of interest shall be directed according to the instructions issued by the channels thus established by the company.

## **18.3 Protection against reprisals and presumption of good faith**

Kushki seeks to provide protection against reprisals targeting any collaborator, manager, or third party that reports an event of fraud, bribery, or corruption. In case there are reprisals, these would be a violation against the fundamental obligation of all Kushki collaborators of acting with utmost efficacy, competency, and integrity, as well as complying with their functions and performing in a manner most beneficial for the company's interests.

To receive protection, the whistleblowers must act in good faith and have reasonable motivations to believe that there has been a potential event of fraud, corruption, or a possible noncompliance against the ethics policies of each entity. Given the circumstances, and to the degree possible, the whistleblower shall provide evidence or the precise information that led it to conclude there is an unethical behavior, fraud, or act of corruption. It is further established that the acts of conveying baseless rumors shall not be protected.

Persons who deem they have been subjected to reprisals must communicate all the available information and documentation they have to the e-mail [compliance@kushki.com](mailto:compliance@kushki.com).

If it is established that there was a reprisal against any person who reported an act of fraud, bribery, corruption, or noncompliance with ethics policies, Kushki, as it may apply, shall apply the necessary and timely measures to redress the negative consequences caused by any such reprisal. The person who exerted any such act of reprisal, after there is an investigation proving the incident actually took place, may be subjected to administrative or disciplinary measures in addition to the legal measures that could apply.

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<sup>4</sup> Applicable to Colombia.

<sup>5</sup> Applicable to Colombia.

## **18.4 Investigation Procedure**

The investigation mechanisms are designed to carry out the necessary actions that will help clarify the possible events of fraud, bribery, or corruption. Kushki is committed to investigating all these events in an objective and thorough manner through the channel that is thus established for such ends.

The investigation process is the responsibility of the area that Kushki's administration establishes, as applicable. The process can be carried out along with an independent third party or with whoever is internally appointed for such ends, when it is thus decided based on the criticality, circumstances, involved personnel, and other relevant aspects. The Ethics and Conduct Committee shall make this decision.

Kushki, when it is applicable, shall inform the corresponding authorities about any behavior relating to fraud, bribery, or corruption. It shall also present the proofs it has available pertaining to the relevant legal actions and that have been determined by the independent third party, which in this case must be an attorney.

The investigations are confidential until it is determined that, as part of their final outcome, these should be communicated, reported, and conveyed to the relevant internal and/or external entities. The collaborators that participate in the investigation process are under the obligation of keeping all information in utter confidentiality.

The investigation process may require, among other things and as long as they do not contravene the legal provisions of each country, the following activities:

- Interviews with collaborators or external persons.
- Collection and analysis of documents or evidence.
- Access to physical and magnetic files.
- Inspection of funds, goods, or assets.
- Inquiries or interviews with law enforcement agencies, regulating entities, or vigilance and control organisms.

The evidence obtained through this investigation process shall be conserved as a support for the process and for the actions that will be taken based on the decisions that will be accordingly established by the Ethics and Conduct Committee.

The Ethics and Conduct Committee shall determine the penalties applicable to the collaborator or collaborators that act against what is established in this handbook and its related policies. The penalties are determined based on the results of the investigation.

The application of penalties is done based on the procedures established in the internal work Rules and/or in the applicable regulations. Refer to the penalties section.

As applicable and when deemed necessary, Kushki shall inform the corresponding authorities about any event of bribery, fraud, or corruption. It will also file and follow-up on all the relevant legal actions.

### **Results of the investigation**

The Ethics and Conduct Committee shall determine the representative that will communicate to the establishment, business, provider, collaborator, or third party, the result of the investigation, thereby guaranteeing reasonable behavior in each case.

## 19 **CONSEQUENCES OF NON-COMPLIANCE**

Noncompliance of the policies, processes, and controls established in this handbook –and in general in all the standards associated with the prevention of bribery, fraud, and corruption– shall carry the application of sanctions established in the Code of Ethics and Conduct applicable to all collaborators that incur in noncompliance according to the role they perform in the entity.

In the matters associated with collaborators linked to the company, the latter shall proceed according to the legal labor provisions and the company’s internal labor rules.

All providers of goods, services, and distributors must fulfill what is contractually agreed upon in the legal instrument that regulates the obligations and rights of the parties and comply with the methods legally provided to terminate the relation if necessary.

Government Authorities. If it is necessary, the company will also file the relevant report before the relevant government agencies.

## 20 **REFERENCES**

- Not apply

## 21 **RELATED DOCUMENTS**

- GRH-CO-0101-KU Code of ethics and conduct
- GGC-CO-0202-KU Code of conduct for counterparties
- GGC-FO-0201-KU Registry of gifts, hospitality, and other benefits
- GGC-FO-0202-KU Self-assessment
- GGC-PL-0201-KU Regional donation policy
- GGC-PD-0203-KU Regional donations

## 22 **CHANGE TRACKING**

Version	Date	Changes made
V1	02/06/2022	All the documents. Updated the term for Code of Ethics and Behavior. All the documents. Updated the regional name of ABAC (anti-bribery and anti-corruption) that established everything associated with the Business Ethics and Transparency Program (PTEE) that applies to Colombia. 5. Eliminated the definition of the PTEE Handbook. 6.4.1. Added 8 minimum requirements that must be met to be assigned as Compliance Officer. 8. Added specifications of corporate values and their relevant scope.



Version	Date	Changes made
		9. Updated the name for the document GGC-CO-0202-KU. Added the donations policy. 17. Document management is the responsibility of the Processes area. 18.1. Added information for whistleblowers to report corruption and transactional bribery in Colombia.