





## PROCEDURE FOR CRIME PREVENTION AND DETECTION

*Translation for reference purposes only*

### PROCEDURE CRIMINAL COMPLIANCE POLICY

Document Reference:	13.07.00
Edition:	01
Date:	22/04/2020

© Teltronic S.A. Unipersonal

DOCUMENT APPROVAL			
	Date	Name	Signature
Made	22/04/2020	PwC	N/A
Revised Legal Manager	28/05/2020	Adrian García	
Revised Quality Director	28/05/2020	Jose Luis Val	
Approved Director- General/Department Director	30/06/2020	Juan Ferro	

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

---

## Index

1.	PURPOSE AND SCOPE .....	3
2.	REFERENCES .....	3
3.	DEFINITIONS .....	3
4.	SCOPE OF APPLICATION .....	4
5.	THE CRIME PREVENTION MODEL .....	4
6.	PRINCIPLES OF ACTION .....	6
7.	RESPONSIBILITIES .....	7
7.1.	CRIMINAL COMPLIANCE COMMITTEE .....	7
7.2.	AFFILIATES, AREAS AND DEPARTMENTS .....	7
8.	APPROVAL AND UPDATING OF THE POLICY .....	8
9.	ANNEXES .....	8

---

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

## 1. PURPOSE AND SCOPE

This Policy is integrated within the MPDD and is based on the firm commitment of the Teltronic Group, its direct and indirect shareholders, directors and management with the values and principles contained on the Code of Ethics, being said values and principles projected on the employees, managers and management bodies of the Group, with a strong message of rejection and zero tolerance towards any unlawful conduct in contravention of the policies, values and principles of the Group.

In this sense, this Policy contributes, on the one hand, to strengthen the Group's commitment to good corporate governance in accordance with defined values and principles and, on the other hand, to exercise diligently the proper control that is enforceable over the management bodies, directors and employees of the Group, to minimize as much as possible the risk of bad practices or regulatory breaches in the development of the activity likely to generate criminal liability of the legal person within any entity belonging to the Group.

This Policy has the main objectives listed below:

- Strengthen the existing commitment to work from the approach of compliance with applicable legislation.
- Comply with the legal and regulatory requirements that are established in order to obtain a continuous improvement of the MPDD, as well as to attend to the latest regulatory developments, especially in criminal matters.
- Demonstrate before third parties that Teltronic Group exercises due diligence in relation to the control and management of criminal compliance risks.
- Prohibit the commission of criminal acts within the Group and its business activity.

## 2. REFERENCES

N/A

## 3. DEFINITIONS

<b>Code of Ethics</b>	It refers to the code of ethics and conduct in force in the Teltronic Group.
<b>Criminal Compliance Committee</b>	It refers to the body responsible for ensuring the supervision of the operation and compliance of the MPDD.
<b>Teltronic Group or the Group</b>	<p>It refers interchangeably to Teltronic, S.A.U. and all its subsidiaries, branches and, subsidiaries, existing at all times.</p> <p>By way of example and not limiting:</p> <ul style="list-style-type: none"> <li>(a) Teltronic Redes y Servicios, S.A.U.</li> <li>(b) PowerTrunk, Inc.</li> <li>(c) PowerTrunk Groupe, Inc.</li> </ul>

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

- (d) Teltronic Brasil, LTDA.
- (e) Teltronic Andina, S.A.S.
- (f) Teltronic Mexico (branch).
- (g) Teltronic del Perú, S.A.C.
- (h) Teltronic Singapore PTE. Ltd.

**MPDD** It refers to the crime prevention and detection model implemented in the Teltronic Group.

**Policy** Refers to this criminal compliance policy.

**Professional** It refers to the administrators, directors, agents, employees and fellows working in the Teltronic Group and the other persons who are under the direction of the aforementioned companies that are part of the Teltronic Group, regardless of the hierarchical or functional level they occupy or the place where they perform their work.

**Business Partners** It refers to clients, consortium partners, contractors, commissioners, consultants, subcontractors, suppliers, sellers, consultants, agents, distributors, representatives, intermediaries, investors and any independent third parties, etc.

**TELTRONIC** Refers to Teltronic, S.A.U.

#### **4. SCOPE OF APPLICATION**

This Policy operates as an internal standard of mandatory compliance within the Teltronic Group. Specifically, this Policy will apply to the following groups:

- Group administrators, managers and employees.
- Business Partners with the capacity to act on behalf of the Group.
- Persons acting as representatives of the entities that are part of the Group.

In addition, to the extent agreed by the Criminal Compliance Committee (as defined below) and/or required by the MPDD, TELTRONIC may require any of its Business Partners to adhere to this MPDD.

Therefore, this Policy and other documents that form the MPDD may be disclosed and made available to the Group's Business Partners in order to strengthen our mutual understanding of how the MPDD should be implemented day by day.

#### **5. THE CRIME PREVENTION MODEL**

Teltronic Group has established a specific programme to reduce the risk of crime commission, consisting of a set of general and specific measures aimed at the prevention, detection and reaction to possible crimes. This program as a whole is defined as MPDD and, in turn, will allow to be able to demonstrate to third parties and before the judicial and management bodies, that

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

the Group exercises the proper control of prevention that is legally enforceable to any corporate corporation, on its employees, directors, management bodies and, where appropriate, Business Partners.

In particular, the MDDA is based on the principles of (i) prevention, (ii) control, (iii) complaint and (iv) redress to regulatory compliance risks, covering in this regard all the activities and processes of Teltronic Group.

The main documents that integrate the Teltronic's MPDD are as follows and may made available to any interested party with a legitimate interest:

- **Code of Ethics:** It is a basic and essential document for all employees and third parties who collaborate in some way with the Group. Its objective is to define the values that the Group expects of the professional conduct and behavior of each and every one of its members and those with whom it has business relationships.
- **This Policy:** Establishes the overall framework of the MPDD and includes the package of measures aimed at the prevention, detection and reaction to criminal behaviour.
- **Statute of the Criminal Compliance Committee:** Establishes the internal rules governing the operation of the managing and operating body which has the necessary powers to monitor and control the operation, effectiveness and enforcement of the MPDD.
- **Compliance Risk Map and Identification of Control Activities:** Identifies the activities in which compliance risks may impact, and identifies these risks, as well as the control mechanisms available to the Group to prevent the risk of commissioning the specific types of criminals affecting the Group.
- **Complaints channel and its rules of procedure:** The main objective of this document is to define a procedure to ensure that the behaviour of the members of the Group and, where appropriate, of its environment, correspond to the corporate values of respect for current regulations, trying to prevent and above all, identify in time facts that may affect or jeopardize the financial situation, assets, image and reputation of the Group and even attitudes that could generate criminal responsibilities attributable to any of the entities that are part of the Group.
- **Disciplinary model:** This is the sanctioning regime (model of legal management of offenses and sanctions in accordance with the labour legislation of each country in which the Teltronic Group operates and the collective agreements that apply) applicable to employees, managers and members of the Group's management bodies in the event of non-compliance with the controls and requirements set out in the MPDD.
- **Monitoring Handbook:** The main objective of this document is to establish a procedure to ensure the review and due updating of the MPDD, defining a methodology and system for the supervision of the general and specific controls provided for in the MPDD.

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

## 6. PRINCIPLES OF ACTION

The general principles of action on which the MPDD are based on that all persons who are part of the Group must respect and ensure compliance in order to prevent, detect and react to possible unlawful acts are as follows:

- Act at all times under the current legislation and within the framework established by the Code of Ethics of the Teltronic Group, giving compliance with the MPDD and the rest of the internal regulations established in the Group.
- Identify the main regulatory areas of compliance that affect the organization, along with the principles of action associated with them.
- Promote a preventive culture based on the principle of zero tolerance towards the commission of unlawful or criminal acts, and on the application of the principles and values established in the Group.
- Maintain and promote proactive activities, aimed at prevention and detection, against reactive activities, such as research and sanction.
- Constitute as the main review control a Criminal Compliance Committee, with autonomy and independence, whose functions are defined and regulated in the statute of said Criminal Compliance Committee.
- Encourage internal rules, procedures and protocols for action and decision, which do not allow any person or group of persons to have decision-making powers not subject to monitoring.
- Develop and implement appropriate procedures for prevention, control and monitoring that enable the MPDD to meet its objectives and stay up-to-date.
- Ensure that the Group's areas and departments have the material and human financial resources necessary to maintain an adequate level of efficiency and effectiveness in the implementation of the control measures referred to in the MPDD.
- Implement appropriate and necessary training programs, on a sufficient basis, and that transfer the requirements of the applicable legislation in such a way as to ensure the correct updating of the knowledge of Teltronic Group Professionals.
- To report any facts constituting a possible criminal offence, fraud or irregularity that is known, through the Complaint Channel that the Group has established in this regard.
- Investigate any allegation of a suspected criminal act or fraudulent act, regardless of amount, as soon as possible, ensuring the confidentiality of the complainant and the rights of the persons investigated.
- Provide all assistance and cooperation that may be required by the judicial, administrative or any national or international supervisory body, for the investigation of alleged criminal or fraudulent acts.

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

- Establish a disciplinary model that adequately sanctions non-compliance with the measures established by the MPDD and to ensure fair, non-discriminatory and proportionate application of such sanctions, in accordance with the provisions of the sanctioning regime and the applicable legislation at all times.
- Ensure that whistleblowers will not suffer any retaliation.
- To carry out a periodic verification of this Policy and the MPDD implemented, and of its possible modification, when relevant violations of its provisions are revealed, or when changes occur in the organization, where there are changes in the control structure or activity developed.

## **7. RESPONSIBILITIES**

### **7.1. CRIMINAL COMPLIANCE COMMITTEE**

The Criminal Compliance Committee is the managing and operational body that has the necessary powers to formulate, monitor and control the operation, effectiveness and compliance with the MPDD, which have been assigned to it by TELTRONIC's management body. The functions of this Criminal Compliance Committee are defined and regulated in the bylaws of the Criminal Compliance Committee.

The Criminal Compliance Committee is hierarchically dependent on the management body. Its members may also be a member of TELTRONIC's steering committee.

In relation to the control environment, the MPDD has two main types of controls for the mitigation of compliance risks:

- General controls (which may be corporate or local) that are constituted as the basis of risk control and are effective in mitigating the generic risk of non-compliance.
- Specific controls (which may be corporate or local) consist of concrete measures aimed at mitigating a specific risk of compliance.

### **7.2. AFFILIATES, AREAS AND DEPARTMENTS**

Taking into account the wide variety of legal obligations that affect the development of the Group's ordinary activities, all of the responsables for branches, subsidiaries, areas or departments, as well as the members of the management committee who are responsible for complying with legal obligations due to<sup>1</sup> their office or for being so arranged in the MPDD will assume, among their management responsibilities, the following:

- Ensure compliance with the obligations for which they are responsible, informing employees belonging to them about the legal obligations that affect them, and adopting control processes in a proactive manner for the prevention and detection of legal breaches.

<sup>1</sup> These are understood for this purpose by legal obligations, those existing in any legal field (tax, environmental, labor, commercial, administrative, environment, occupational risks - including operational and security obligations -, etc.), whether at the state, European, regional or local level, and which relate to the activities carried out by the Group.

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

- Provide the Criminal Compliance Committee with appropriate periodicity with sufficient evidence of adequate mitigation of the legal risks for which they are responsible for the risk map and other documents that are part of the MPDD.
- Seek to be informed of any legislative changes that may apply to them.
- Ensure that relations with public administrations and public law entities or bodies are presided over by the principles of transparency, mutual trust, good faith and loyalty, and to provide the necessary cooperation that may be required by judicial, administrative or any national or international supervisory body, to audit or verify compliance with our legal obligations.
- Those responsible for branches or subsidiaries shall also assume the role of local compliance body (which may be individual or collective) for all purposes of the legislation of the country in which the branch and/or subsidiary operates, although they shall also be subject to the guidelines and instructions they receive from the TELTRONIC Criminal Compliance Committee.


## 8. APPROVAL AND UPDATING OF THE POLICY

This Policy will enter into force once approved by the management body and has the vocation to be implemented and applied in all entities that constitute the Teltronic Group.

Changes to this Policy shall be approved by the management body, on a proposal from the Criminal Compliance Committee.

## 9. ANNEXES

No.	Document	Content
[9.1]		
[9.2]		
[9.3]		

	<b>CRIMINAL COMPLIANCE POLICY</b> <i>Translation for reference purposes only</i>	Code: 13.07.00
		Edition: 01

### DOCUMENT CHANGE RECORD

Edition	Date	Author	Description
1	2020/04/22	Adrián García	First edition of the document.

#### **Copyright**

Neither the set nor extracts of the information contained herein or of the associated documents may be copied, distributed or transmitted by any means to third parties without prior written authorization by Teltronic S.A. Unipersonal. The distribution of this document may be protected by NDA (confidentiality agreement) between Teltronic S.A. Unipersonal and the recipient.

The information contained in some parts of these documents may be protected by patent rights.

This document, the associated documents and the product described are considered protected by copyright in accordance with applicable laws.

Teltronic and the Teltronic logo are registered trademarks of Teltronic S.A. Unipersonal.

© Teltronic S.A. Unipersonal.