

## MANUAL OF METHODS AND PROCEDURES FOR THE PREVENTION OF CORRUPTION

At **jp.group** our ethical culture is of zero tolerance for acts of corruption or any related infractions.

The internal procedures for mitigating the risks of corruption and related infractions are duly listed in our Anti-Corruption Policy, which must be followed by all members of the Administration, Governing Bodies and employees of all companies that make up **jp.group**. In addition, all customers and business partners with whom **jp.group** maintains contractual relationships, or of any other nature, are also part of this ecosystem.

Most companies need, in the pursuit of their activity, to establish business relationships with third parties, such as agents, intermediaries, consultants, subcontractors, associated entities operating in a joint venture or even suppliers.

The hiring of business partners exponentially increases the risk of third parties granting undue benefits in the name and/or on behalf of the company, due to the inevitable asymmetries of information existing in this type of relationship.

Also, the fact that most of these contracts are signed on a fee basis increases the risk of corruption, by making it difficult to monitor and control the use and destination of the money.

Association with third parties may pose a risk to **jp.group**. If the third party commits acts of corruption, or similar acts, this can represent reputational and image damage for **jp.group**, in addition to a potential discrediting of the organization, which entails serious dangers of loss of public trust and consequent business losses.

Some third parties present a greater risk of corruption and related offences, namely due to their activities in certain countries or specific sectors. These third parties must be identified through prior assessment procedures and, in the event of non-compliance of third parties with the internal Regulatory Compliance Program, measures must be applied to mitigate the resulting risk to the organization.

**jp.group** shall ensure that its agents, consultants, pressure groups, distributors or sales representatives do not attribute benefits considered undue under Portuguese law to third parties.

To this end, *due diligence* processes are implemented on the history, curriculum and reputation of business partners through internet searches, contacts with companies in the sector, consultation with local chambers of commerce, business associations, or even through financial statements analysis of new partners; and a reassessment of the operating model used in the contracting of business partners is carried out, in order to reduce information asymmetries and dissidences with regard to the anti-corruption policy.

The following risk assessment procedures form part of **jp.group's** Regulatory Compliance Program and shall apply to third parties acting on its behalf, suppliers and customers, and shall be adapted to the level of risk of each third party.

## **1. Good practices in supplier relations, service providers, agents, consultants and others (“Third Parties”)**

**1.1 jp.group**, in its relationships with suppliers, service providers, agents, consultants, intermediaries and other people with whom it starts business relationships, or of any other nature, must ensure that they share the same ethical principles followed by **jp.group** and provided for in the **jp.group** Code of Conduct and which comply with applicable national and international provisions on the prevention of corruption.

**1.2** The hiring of Third Parties will observe the following criteria:

1.2.1 There must be a legitimate need for the services or goods to be purchased;

1.2.2 The price charged for the services and/or goods must correspond to the market value, unless there is a legitimate reason for not doing so;

1.2.3 The Third Party must be considered adequate in terms of the degree of exposure to the risk of corruption;

1.2.4 The best efforts must be made to include an anti-corruption clause or agreement in the contracts to be signed, for example by attaching our internal model Code of Conduct for Suppliers, and attaching a copy of this Policy, which must also be sent or delivered to existing suppliers and service providers.

**1.3** In determining the degree of exposure to the risk of corruption of the Third Party, the companies of the Group must take into account the following risk indicators (“Red Flags”):

1.3.1 The transaction/deal involves a country known for corrupt payments;

1.3.2 The Third Party has a close family, personal or professional relationship with officials (national, foreign or international organizations), holders of political positions (national or foreign) and holders of high public office;

1.3.3 The Third Party opposes the inclusion of anti-corruption clauses in the contracts to be entered into with the Group;

1.3.4 The Third Party requests unusual contractual conditions or payment agreements that raise doubts under applicable local legislation, such as phased payments in cash, payments in foreign currency or payments in high risk countries;

1.3.5 The Third Party is suggested by a public official with competence to make a decision (or who can influence decision making) on which the feasibility or execution of the transaction/business depends;

1.3.6 The Third Party's commission/remuneration, if any, exceeds the fair and reasonable compensation for the service to be performed.

**1.4** In order to ensure transparency, all payments made to Third Parties must:

1.4.1 Be carried out in accordance with **jp.group's** policies and procedures and in compliance with applicable local legislation;

1.4.2 Be carried out in accordance with established payment systems and duly accounted for;

1.4.3 Be carried out in accordance with the contracts concluded between the parties.

## **2. Procedure for prior assessment of the risks of corruption and related offenses**

**2.1** The prior assessment procedure should be applied to all suppliers, past and prospective, and, if practicable, integrated into the overall supplier assessment process.

**2.2** The following self-assessment questionnaire must be provided to each supplier and the answer must be substantiated with evidence of the application of concrete measures.

**2.3** The self-assessment questionnaire should be complemented with Supplier audits if it presents high risks of corruption or related infringements.

**2.4** With regard to customers, the procedure is structured so as to be directly applicable to them as well.

**2.5** Prior assessment questionnaire.

## **BUSINESS STRATEGY:**

### **General**

Does the company have a general code of conduct or a statement of principles or similar document? (2 points)

Does the Code of Conduct include a reference to corruption or related offences? (3 points)

Which of the following does the global code of conduct apply or refer to: (1 point if Management is included)

- Employees
- Management, family and close associates
- Senior Managers
- Unclear
- Not applicable (NA)

### **Initiatives**

If applicable, which of the following initiatives does the company belong to or support? (1 point if any are indicated)

Sectoral initiatives:

- Global Compact Partnering Against Corruption Initiative (PACI)
- Business Principles for Countering Bribery (BPCB)
- Rules of conduct to combat extortion and bribery of the International Chamber of Commerce (ICC)
- Other

### **Anti-corruption policy**

Does the Organization have an anti-bribery policy? (3 points)

To whom the anti-corruption policy applies: (1 point if including Management)

- Employees
- Management, family and close associates
- Senior Managers
- Business partners and agents
- Unclear
- Not applicable (NA)

### **Internal Policy**

Which of the following is addressed in the anti-corruption policy: (1 point for each)

- Bribery prevention
- Facilitation payments
- Gifts
- Political contributions
- Charitable Donations
- Lobbying

## **Bribery**

How extensive is the company's anti-bribery policy? (1 point)

## **Facilitation payments** (1 point for each)

What is the scope of the facilitation payments policy?

Is it policy to keep a record of all facilitation payments?

## **Gifts** (1 point for each)

How extensive is the company's policy on offers?

Does the gift policy cover hospitality?

Does the gift policy cover "expenses"?

Has the gift policy set an upper value limit?

Does the gift policy refer to the cultural context?

## **Contributions** (1 point for each)

How extensive are the guidelines on political contributions? Are political donations prohibited or regulated?

## **Lobbying**

How extensive is the lobbying policy? (1 point)

## **MANAGEMENT SYSTEMS**

### **General** (1 point for each)

Which of the following aspects exist in the company's management systems:

- management and monitoring systems for business partners/agents
- training and communication related to corruption
- a whistleblower mechanism
- internal management and review systems
- external audit or verification

### **Third parties** (1 point for each)

How extensive are business partners' anti-corruption systems?

Does the company conduct corruption-related due diligence on business partners?

The company sanctions business partners involved in corruption?

**Training** (1 point for each

How extensive is employee training in the company's corruption program?

How extensive is the training of business partners in the company's corruption programme?

Is the anti-corruption policy part of employee induction training?

Is training provided to agents in the corruption program?

Does the training provide guidance in dealing with specific situations? Is there anti-corruption training for board members?

Is the anti-bribery and corruption policy communicated to company employees?

Is the policy translated into other languages?

**Report** (1 point for each)

How extensive is the company's corruption reporting facility? How easy is it for employees to seek advice or raise concerns about bribery? Is there a commitment not to condone retaliatory behavior against good faith reports acts of corruption?

**Controls and Review** (1 point for each)

Is the Compliance Program regularly reviewed and monitored?

Are reports on complaints and their resolution presented to members of management?

Does the organization apply sanctions to internal offenders?

Are there measures in place for the implementation of procedures for prior assessment of the risk of corruption and related infringements by third parties?

Is there evidence from external audits, which provide for corruption prevention topics?

The questionnaire has a maximum score of 50 points. An average rating corresponds to 50 points.

### 3. Internal conduct in the face of non-compliance by Third Parties

**3.1** **jp.group** implements a Zero Tolerance Policy against Corrupt Practices or Related Offenses.

**3.2** A third party that has partially implemented, by the end of 2023, a regulatory compliance program must be notified, in writing, of the need to deepen efforts to achieve compliance and of the possible consequences of remaining in non-compliance. If the Third Party, after a period of one year counting from the verification of the non-compliance, remains in the same situation, or in a similar situation, the contractual relationship with the Third Party must be terminated.

**3.3** Third party that does not implement, by the end of 2023, any mandatory measure of the Regulatory Compliance Program (preparation and publication of PPR, elaboration and publication of Code of Conduct, implementation of a reporting channel and providing training to its employees on the prevention of corruption and related infringements) the contract that effectively binds **jp.group** to the Third Party must be terminated.

### 4. Repression of Internal Transgressors

**4.1** The practice of acts of retaliation against whistleblowers will be punished internally with disciplinary proceedings that may result in dismissal without the right to compensation or compensation.

**4.2** The practice of acts of corruption or related offenses will be punished internally with disciplinary proceedings that could result in dismissal without the right to indemnity or compensation.

**4.3** The practice of acts of corruption or related offenses on the part of members of the Administration, or of the Governing Bodies of **jp.group** companies may result in the dismissal of the persons involved.