



**CODE OF ETHICS AND CONDUCT
FOR THIRD PARTIES RELATED TO
*GRUPO BAL COMPANIES***






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INTRODUCTION



At *Grupo BAL* we conduct ourselves ethically in all our operations and business relationships, demonstrating this through our culture and the consistency of our actions and behavior. Our values are the basis of this culture and ethical behavior, which is why we extend them to the Third Parties with whom we establish a business relationship, as they are a fundamental part of our value chain. Therefore, *Grupo BAL* establishes this Code of Ethics and Conduct, so that the behavior of the Third Parties with whom it interacts is consistent with this culture during its business relationship.

Third Parties with whom *Grupo BAL* interacts are expected to behave ethically, based on honest, respectful, transparent, equity, and fair relationships, always acting with integrity, in accordance with the law and the guidelines of this Code.

The Third Parties, in turn, will promote and apply these or similar ethical standards in their own value chains, thus generating a virtuous circle for the benefit of the entire community and the country.

Grupo BAL has internal regulations that are part of the Corporate Governance of each company. These regulations are also made up of policies and procedures that each company has designed, which are mandatory, and which include guidelines for the evaluation and contracting of Third Parties. This Code should be considered as a reference framework for the actions of our Third Parties.

The Audit and Compliance areas are responsible for verifying that our relationship with Third Parties complies with this Code.

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VALIDITY AND OBJECTIVES

This Code of Ethics and Conduct defines the ethical standards that must guide the conduct of all Third Parties that relate to *Grupo BAL* companies. It is mandatory and its validity is indefinite as long as the business relationship is kept.

The term “Third Parties” refers to, but is not limited to, consultants, external representatives, distributors, agents, dealerships, advisors, franchisees, external accountants and lawyers, sales representatives, customs agents, similar intermediaries or any supplier of products or services with whom *Grupo BAL* companies have a relationship. Similarly, this concept includes all Business Partners with whom *Grupo BAL* companies do business, as well as any person who interacts with entities or public servants at any level of government, and whose activities are carried out on behalf of the company they represent.

CORPORATE VALUES

The reputation of *Grupo BAL* companies has been forged and remains constant thanks to the principles lived by our employees inside and outside the workplace; it is our individual commitment to apply the following values:

A INTEGRITY

To always act with rectitude under the principles of honesty, truth, justice, and transparency; to be congruent between what we think, we say, and we do, as well as to take individually, freely, and consciously, the commitment to develop the assigned tasks and the responsibility to fulfill them with care and promptness, to achieve the quality and excellence that distinguish us.

C RESPECT

To recognize the inherent value of every person and to treat them impartially, without distinction, to preserve their dignity and personal integrity, avoiding any conduct that may be offensive. As a fundamental part of this principle, we value the opinions and beliefs of all the people; therefore, we are willing to listen to ideas that differ from our own, to recognize their value and to accept people’s right to disagree. In addition, we are deeply committed to abide by the law and its spirit, and to protect the environment.

B LOYALTY

To always fulfill, even in adverse conditions, our commitments to our shareholders, the Group’s companies, our clients, colleagues, suppliers, authorities, society and even to ourselves. Furthermore, to look after the Group’s companies’ assets by safeguarding the assets entrusted to us, by keeping confidential the information we handle and by protecting the intellectual property rights and industrial secrets of *Grupo BAL* companies.

GENERAL PRINCIPLES

Grupo BAL keeps a commitment to excellence and innovation, conducts business in compliance with applicable regulations and establishes relationships with third parties based on selective criteria of quality, profitability, service, technical capacity, competitiveness, impartiality, economic aspects, experience, in addition to considering their ethics and integrity, as well as the needs of *Grupo BAL* companies.

Therefore, in addition to sharing our values, it is necessary that those who have commercial relationships with the companies of *Grupo BAL*:

- a) Are either legally incorporated companies or natural persons in business and, in both cases, of good reputation.
- b) Comply with and monitor the compliance with the laws, regulatory frameworks and provisions that apply to them.
- c) Base their relationships on good business practices, on an ethical commitment and on the provisions of current legislation, as well as this Code of Ethics.
- d) Establish mutually beneficial, long-term relationships.
- e) Report to the Compliance area any unlawful activity, malpractice or breach of this Code or any applicable regulations, of which they are aware, involving employees of the companies that make up *Grupo BAL* or Third Parties related to it.
- f) Establish the corresponding disciplinary measures for those who fail to comply with the provisions of this Code.



The minimum behaviors expected from the Third Parties are:

- a) To fulfill their commitments consistently, honestly, and responsibly.
- b) To treat the people of *Grupo BAL* companies with full respect for their dignity, avoiding any conduct that could be offensive such as harassment, mobbing, discrimination, or defamation. Likewise, treat their own staff with the same respect and dignity, always asserting their human and labor rights.
- c) To ensure that there is no forced or child labor.
- d) To project the good image of *Grupo BAL* through their appropriate behavior, especially when acting on its behalf or representation.
- e) To refrain from conduct that endangers the integrity, health, or safety of any person on the premises of *Grupo BAL* companies.
- f) To respect the behavior rules that are established within the *Grupo BAL* facilities.
- g) To refrain from misrepresenting any facts, information, or documents, and cooperate with investigations regarding violations of this Code of Ethics and Conduct, and always tell the truth.

- h) To promote and adopt high standards of protection for the environment and the communities in which they operate.
- i) To protect confidential information they receive, regardless of why it was provided to them.

j) To respect people's privacy.

k) To ratify their commitment to this Code at the time of acceptance as a Third Party by signing their adherence to the Code, the Conflict of Interest Statement and the Confidentiality and Information Handling Pledge.

Grupo BAL keeps a zero-tolerance stance on bribery and corruption. Therefore, Third Parties related to the group must adhere to the applicable laws in force. Accordingly, they must refrain from:

- a) Requesting *Grupo BAL* companies' staff or related Third Parties to provide them with any information related to similar quotations from other competitors, for the purpose of benefiting from being hired or in any other way.
- b) Requesting or managing payments of invoices outside the terms and deadlines agreed or established by contract, or outside our internal policies.
- c) Requesting payments to be made to entities or persons other than those stipulated by contract, or who are effectively commercially related to *Grupo BAL* companies.
- d) Giving or offering gifts, hospitality, sponsorship, incentives, or payments of any kind to *Grupo BAL* staff or companies, outside our internal policies.
- e) Giving, offering, or receiving gifts, hospitality, sponsorship, incentives, or payments in cash or in kind, in exchange for obtaining an undue advantage, commercial benefit or illegitimately influence any action or decision by any government authority towards any of the *Grupo BAL* companies.
- f) Delivering or offering payments or bribes directly or indirectly to expedite the issuance of any procedure or resource with any government authority, in which any of the companies of *Grupo BAL* may be involved.

COMPLIANCE WITH LAWS AND REGULATIONS

At *Grupo BAL*, it is required to comply with applicable laws and regulations, and Third Parties are expected to take the necessary steps to comply with the corresponding regulations. Therefore, the Third Parties must provide the required documentation by the Group companies to be able to comply with the regulations; for example, the required information to ensure the compliance with the tax and social security obligations of the specialized service providers.



3.1 PROTECTION OF PERSONAL DATA

Third Parties are expected to ensure respect for the privacy of their employees' and clients' data, to comply with all applicable regulations on the protection of personal data, to treat and safeguard them properly and to report immediately in case of possible breaches of the protection of personal data related to *Grupo BAL* companies.

3.2 MONEY LAUNDERING PREVENTION

Third Parties related to or acting on behalf of *Grupo BAL* companies must know and comply with the corresponding legal provisions to the prevention of money laundering and terrorist financing, to prevent the use of *Grupo BAL*'s services or products to hide or simulate the origin of resources of illicit origin. *Grupo BAL* refrains from doing business with third parties with whom there are objective indications of involvement in these activities.

Grupo BAL expects that the Third Parties related to it, apply the necessary measures to ensure that the business transactions they carry out are done with lawful origin resources.

3.3 CRIME PREVENTION

Grupo BAL is committed to the prevention of crime within the organization. This requires, on the part of all related Third Parties, diligent behavior in compliance with applicable laws.

If Third Parties become aware of the commission of any crime that may affect *Grupo BAL* or in any way is related to it, they must report it immediately through the whistleblower hotline.

Third Parties are expected to comply with crime prevention regulations within their organizations, and to keep adequate controls and remediation if one is committed by their staff to the detriment of *Grupo BAL*.

Grupo BAL companies will apply the corresponding disciplinary measures, without detriment to any legal consequences.

3.4 OUTSOURCING OF SPECIALIZED SERVICES

The Group companies may only subcontract specialized services if the Third Parties are duly registered, for the specifically contracted service, in the registry of the Department of Labor and Social Welfare (*Secretaría del Trabajo y Previsión Social*) and have provided all the information requested by the Group companies to demonstrate compliance with the applicable tax and labor requirements, undertaking to continue providing the information required from them.



ANTI-CORRUPTION

Grupo BAL conducts all its operations and business relationships in an ethical manner. It has therefore established a zero-tolerance policy for corruption, bribery, and facilitation payments.



4.1 CORRUPTION

Corruption is the abuse of power for personal benefit or for a third party. Corruption encompasses a variety of situations such as: bribery, nepotism, collusion, influence peddling, facilitating or accelerating payments, conflicts of interest, theft, extortion, embezzlement, misuse of resources, among others.

4.2 BRIBERY

Bribery is any offer, promise or giving of a benefit, whether in money, gifts, entertainment payments, hospitality, travel, dues payments, vacations, offers of employment, privileges, loans, personal services, assumption of obligations or the giving of anything of value in exchange for:

- Avoiding compliance with a legal provision, administrative or judicial resolution.
- Failing to comply with other companies' code of conduct or statement of ethical principles.
- Obtaining directly or indirectly advantage or personal benefit.
- Influencing a decision.
- Securing a business.

The above applies whether it is carried out with public officials, authorities, private companies or between individuals.



4.3 FACILITATION PAYMENT

A facilitation payment is any form of monetary or in-kind payment (usually of small value) made to a public servant for the purpose of “expediting or securing the performance of a routinary governmental action”. A “routinary governmental action” consists in an activity that the public servant is responsible for.

When conducting business activities regarding to or on behalf of *Grupo BAL* companies, Third Parties shall:

- Comply with applicable local and international anti-corruption regulations, including, but not limited to, the Mexican General Law of Administrative Responsibilities (*Ley General de Responsabilidades Administrativas* or LGRA), the Federal Criminal Code (*Código Penal Federal* or CPF), the Foreign Corrupt Practices Act (FCPA), and the United Kingdom Bribery Act (UKBA).
- Ensure that all their staff and others working on their behalf are aware of and comply with these regulations.
- Always act with integrity and transparency, especially when interacting with government authorities, public agencies, and public service personnel.

- Refrain from engaging in or being perceived as a participant in bribery, facilitation, or corruption, either on their own behalf or on behalf of *Grupo BAL* companies.
- Refrain from promising, implying, offering, or giving bribes, gifts, hospitality, fees, rewards, facilitation payments or any other type of benefit to any staff of the public service or *Grupo BAL* companies, including invitations to entertainment events, travel, donations, or anything comparable, to obtain an undue advantage or illegitimately influence any action or decision.

If any Third Party participates in an act of bribery, facilitation, or corruption, or in any conduct that could be perceived as such, any type of relationship with *Grupo BAL* companies may be terminated, being banned as a supplier or Third Party, regardless of the measures, if any, that may be legally appropriate.

4.4 GIFTS AND HOSPITALITY

The staff of *Grupo BAL* companies are not allowed, throughout the year, to accept or request any kind of special care, special treatment, gifts, compensation, or gratuities from Third Parties, which are or could be perceived as a bribe, or that in any way compromise the exercise of their function in exchange for an undue personal benefit, whether real or perceived by others.

Therefore, it is *Grupo BAL*'s policy to prohibit the acceptance and/or giving of a gift, and under no circumstances is it permitted to accept a gift in cash or its equivalent in gift cards or with commercial conditions other than those offered to the public.

In *Grupo BAL*, it is forbidden for all employees to accept invitations from suppliers, customers, financial institutions, or Third Parties to shows or sporting or entertainment events. In the case of invitations for commercial or business-related purposes, such as presentations and conferences, these must be authorized by the General Management before being accepted, and travel expenses will be covered by the respective *Grupo BAL* company.

Any form of hospitality received by employees of *Grupo BAL* companies must be for legitimate business purposes and therefore it should be appropriate, lawful, and proportionate to this purpose.

4.5 POLITICAL CONTRIBUTIONS

Grupo BAL recognizes and respects the right of everyone to engage in political activities. If the Third Party decides to make contributions for political purposes, such contributions must comply with applicable laws, be legal and must not interfere with or must not compromise the obligations and responsibilities of the Third Party, or must not be made with the expectation of obtaining a direct or indirect benefit for any of the companies of *Grupo BAL*.



CONFLICTS OF INTEREST

They arise when personal interests come into play and conflict with those of *Grupo BAL* companies. Because conflicts of interest can affect judgment and objectivity in decision-making, the interests of *Grupo BAL* companies must always be prioritized over any other interests.

A conflict of interest exists when, but not limited to, a Third Party, its shareholders, directors, or key personnel related to *Grupo BAL* companies:

- Breach with their responsibilities due to pressure exerted by a Third Party, because of their position, authority, or influence.
- Receive any improper benefit, whether personal, through a family member or a Third Party, because of their relationship with *Grupo BAL* companies.
- Is a former employee of *Grupo BAL* companies and provides them with goods or services, without the corresponding written authorization.

Third Parties must identify and avoid situations in which a real, potential, or apparent conflict of interest may exist and, if detected, must immediately inform it to the Compliance area or through the whistleblower hotline.

INTELLECTUAL PROPERTY AND CONFIDENTIALITY

Grupo BAL requires Third Parties to respect its intellectual and industrial property rights and not to disclose confidential or sensitive information of *Grupo BAL* companies to unauthorized third parties, even after the commercial or legal relationship has been terminated.

It is forbidden to take photographs, videos, audio recordings and live broadcasts within the Group companies' facilities without the corresponding authorization.

Third Parties, when obtaining confidential information because of their business relationship, shall take the necessary measures to ensure that non-public information and information that may or may not be classified as a trade secret is considered strictly confidential. They shall also be responsible for safeguarding it and shall refrain from disclosing it.

The creation of new technology, inventions or literary or artistic works that the Third Parties carry out as part of their assignment are property and exclusive use of *Grupo BAL* companies.

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CARE AND PROTECTION OF RESOURCES



The assets owned, leased, or used by *Grupo BAL* companies, whether they are tangible assets (cash, securities, furniture, real estate, machinery, equipment, vehicles, e-mail, etc.) or intangible assets (trademarks, patents, logos, concessions, etc.) may be used by Third Parties expressly authorized for such purposes, only to carry out the operations of *Grupo BAL* companies and not for their personal use.



SUSTAINABILITY

Third Parties are expected to promote respect for human rights, good relations with the communities and the environment in which *Grupo BAL* companies operate, as well as the care and safeguarding of the Group's physical and informational assets.

8.1 LABOR AND HUMAN RIGHTS

Third Parties are expected to assume the commitment to protect the human and labor rights of their personnel, including treating all people with dignity and respect, without discriminating based on ethnic origin, nationality, gender, age, disability, social or economic status, health conditions, religion, sexual orientation, marital status, union membership, or any other action that violates human dignity and is intended to nullify or impair the rights and freedoms of individuals. All the above should be carried out through actions aimed to:

- Comply with all applicable local and international labor and human rights regulations, including, but not limited to, the Political Constitution of the United Mexican States (*Constitución Política de los Estados Unidos Mexicanos* or CPEUM) and the Federal Labor Law (*Ley Federal del Trabajo* or LFT), among others.
- Promote and implement fair labor practices in accordance with the law.
- Fulfill the requirements of the law with respect to the compensation and benefits of its personnel.
- Limit overtime to the maximum amount allowed by law.
- Apply reasonable pay for performance systems, which are duly communicated to workers.
- Not use payroll deductions and withholdings as a disciplinary measure.
- Implement the necessary measures to ensure that forced labor, child labor and recruitment of persons related to human trafficking do not occur.
- Ensure that their staff are treated fairly and with dignity.
- Ensure that their workplace is free from all forms of discrimination, harassment, and retaliation.
- Respect the personal right to freedom of expression and association.
- Respect and encourage diversity and inclusion of all people.
- Respect the different preferences, backgrounds, and beliefs of all people, including religious, spiritual, and ideological.
- Strive to provide the necessary facilities and conditions within their workplaces for employees with disabilities.
- Promote equal opportunities between genders and do not allow gender violence.
- Prevent harassment on any of the grounds listed above, including workplace and sexual harassment.
- Respect people's privacy.
- Respect political preferences and affiliations, without influencing, intervening, or restricting participation in political affairs.

8.2 HEALTH AND SAFETY

Grupo BAL is committed to health and safety in its workplaces and to maintain an appropriate culture for risk prevention, so it provides training, equipment, and the necessary tools to keep a safe and healthy work environment.

Third Parties shall observe the internal rules of conduct, safety, and hygiene of *Grupo BAL* companies, and under no circumstances shall they carry out actions that put at risk the physical integrity of any person.

It is forbidden to consume, to possess or to sell alcohol, narcotics, or any other prohibited substances on the premises of *Grupo BAL* companies, as well as to enter them under their effects. It is also forbidden to carry or to use weapons within the workplaces of *Grupo BAL* companies.

Third Parties are expected to adopt strict health and safety measures in accordance with current regulations, as well as the highest standards to protect the integrity of their personnel and *Grupo BAL*'s employees.

If the Third Party's activities are carried out outside the premises of *Grupo BAL* companies, the Third Party is expected to have healthy and safe workplaces with adequate measures to prevent accidents and occupational diseases.

8.3 ENVIRONMENT

Grupo BAL is committed to the protection of the environment, and therefore promotes that the Third Parties with which it relates also keep measures of protection, care, and mitigation of environmental risks, carrying out actions such as those indicated below:

- To reduce carbon footprint through energy efficiency measures.
- To minimize the environmental impact using clean energies.
- To protect ecosystems by promoting reforestation and care for wildlife, among other actions.
- To implement measures to protect biodiversity in their projects.
- To ensure that there is no impact on biodiversity.
- To seek efficiency in the consumption of natural resources, such as water and non-renewable materials, recognizing their social, environmental, and economic value.
- To prevent pollution by reducing, reusing, and recycling waste.
- To promote the protection of the environment.



8.4 FAIR COMPETITION

Grupo BAL promotes fair competition, sound conduct, and free concurrence of business. Therefore, it expects Third Parties to comply with applicable competition and antitrust laws and regulations, which establish that Third Parties must:

- Participate in purchasing procedures, tenders, or bids independently of their competitors.
- Refrain from entering into agreements that may artificially and improperly manipulate prices and restrict free competition.
- Not share sensitive information that could lead to distortions in competition, such as their price catalogues or quotations for a purchasing procedure.
- Refrain from sharing information using unethical methods or from illicit sources.

8.5 COMMUNITY RELATIONS

Our communities, as well as the Third Parties we engage with, are strategic partners. We recognize that building trust is the only way to achieve and keep our social license to operate, so we expect Third Parties to embrace this commitment and engage with *Grupo BAL* to:

- Keep the social license to operate, contributing to *Grupo BAL's* culture of social responsibility, respect for nature and for the community.
- Respect the culture and customs of the communities, in accordance with the legal order.
- Contribute to the promotion of human rights and self-determined development.
- Treat people in the community with dignity and respect, and to take steps to prevent coercion, harassment, abuse, threat or use of violence towards people in the community.
- Not generate negative impacts to the health, safety, and welfare of communities.

- Take the necessary measures to prevent their involvement in contemporary forms of slavery, such as forced labor, child labor, human trafficking, and sexual exploitation of people in the community.



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EXPECTATION OF MEMBERSHIP

The Third Parties with whom *Grupo BAL* has a commercial relationship must commit to comply with this Code by signing a letter of adherence or by accepting the relevant clause included in their contract.

This Code of Ethics and Conduct, as well as the policies to which it relates to, are available on the website bal.lineacorrecta.com to facilitate its access and ensure its dissemination.

For any related questions or concerns, please contact the Compliance area.

WHISTLEBLOWING AND PROTECTION AGAINST RETALIATION

Grupo BAL encourages its Third Parties to have an anonymous and confidential complaints mechanism, to which its staff can send their concerns without fear of retaliation.

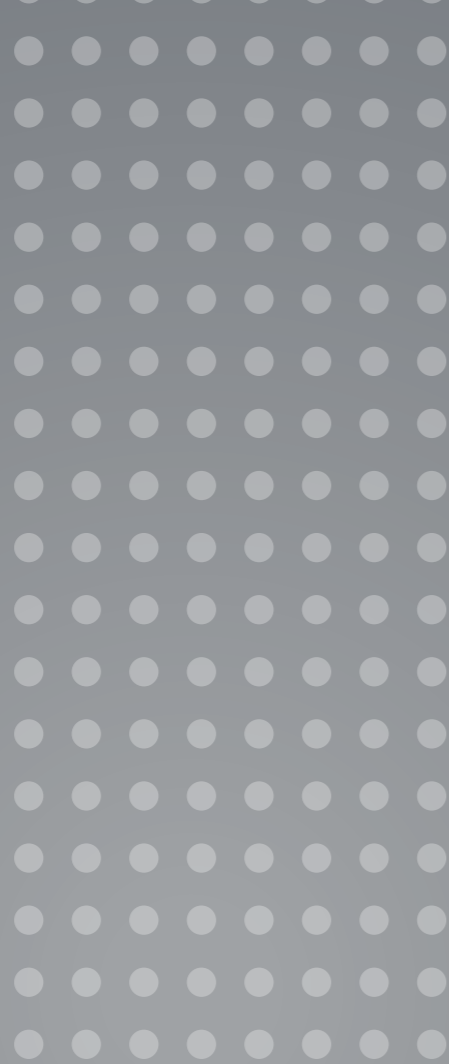
In addition, *Grupo BAL* makes available to Third Parties a whistleblower mechanism to report any conduct contrary to the provisions of this Code of Ethics and Conduct.

Website: <https://bal.lineacorrecta.com>

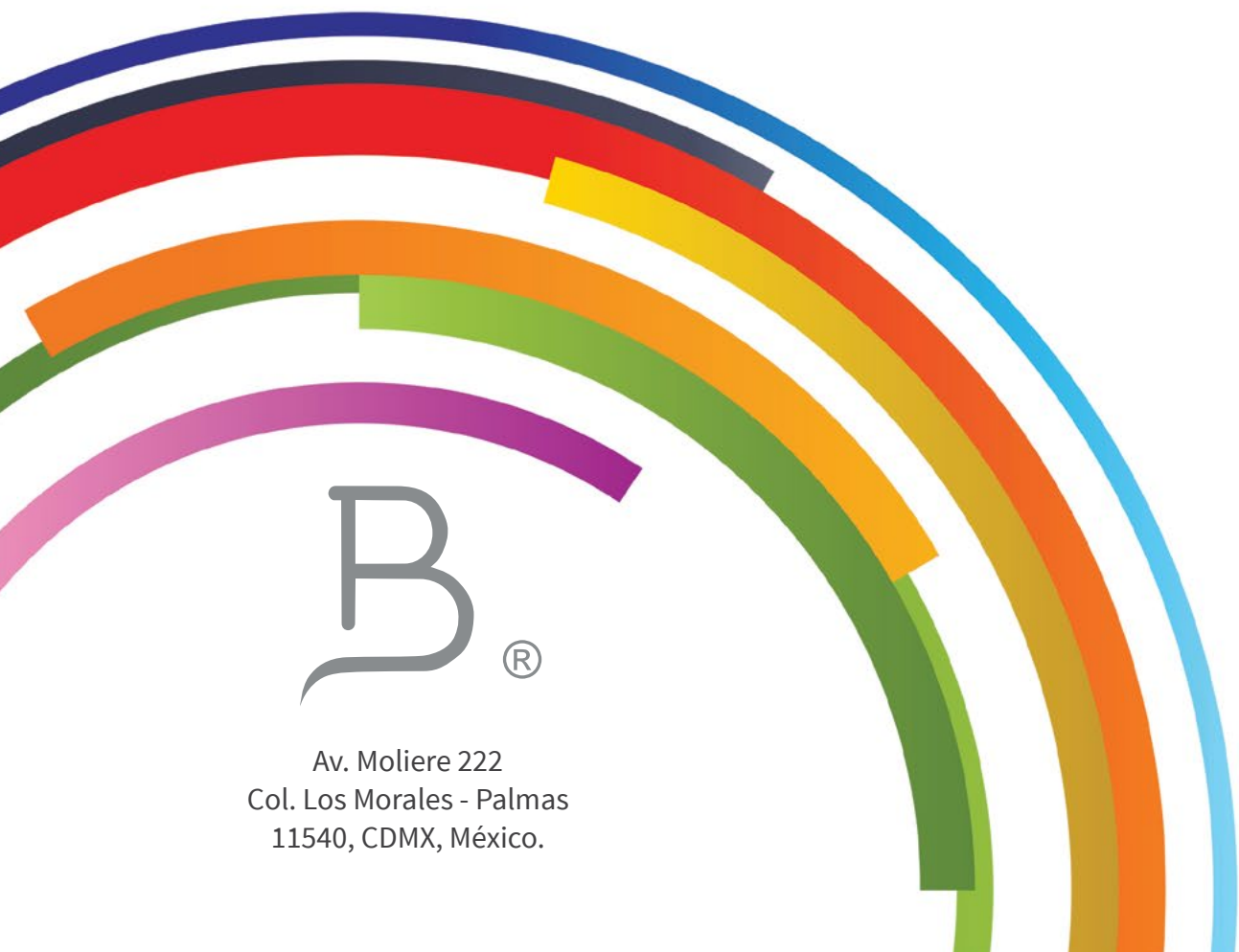
Phone: 800 0146774

Email: bal@lineacorrecta.com

Grupo BAL is committed to the protection and confidentiality of whistleblowers, so is forbidden to impose any form of punishment or retaliation against those who raise or assist in raising a genuine concern in good faith about a breach of this Code, as well as those who cooperate in any investigation.



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