

Version	Effective Date	Prepared by:	Reviewed by:	Approved by:
1	04/29/2019	Legal Area and Ethics and Compliance	Maria Vera	Maria Vera

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1. PURPOSE

Inkia Energy ("Company") is committed to contributing to economic efficiency based on the respect of the rules of competition in all markets in which it participates.

Concentrated markets are usually subject to intense scrutiny by competition agencies, which seek to ensure the correct performance of the competitive process according to the rules of supply and demand. In this scenario, the electricity market is of special interest for competition law, not only because it is a highly concentrated market, but also because of its strategic importance in the development of countries and its direct impact on the users of the service.

To ensure compliance with the regulations to which the companies that are part of INKIA ENERGY are committed globally, it is important that their employees have a first approach to the competition rules, as well as guidelines of conduct to prevent and avoid potentially contingent situations for INKIA ENERGY and themselves.

This Policy describes the main principles of the Competition Rules in Latin America, as well as the basic rules that should guide the actions of our employees in the region in order to reduce the risk of their actions contravening them.

2. SCOPE OF APPLICATION

Inkia Energy group companies are required to implement and comply with all policies and guidelines in force.

Likewise, contractors of the group companies are required to keep the same spirit and intent of these policies and guidelines, standardizing the provisions that apply to them according to the type of contract.

WORD	DEFINITION
Competition Agencies	Governmental authorities that are empowered to enforce competition rules and impose the corresponding sanctions in cases of non-compliance.
Competitors or Competition	Economic agents that offer similar products or services within the same market as INKIA ENERGY.
Public Officials	A person holding a legislative, administrative or judicial office, by appointment, election or as successor, or any person

	<p>exercising a public function, including for a public agency or corporation, or any officer or agent of a local or international public organization, or any candidate for public office.</p> <p>The word Public Official, governmental authority or elected or appointed government officials includes but is not limited to the following cases:</p> <ol style="list-style-type: none"> 1. Any officer, official or employee of any government entity, department or agency (whether foreign, national, federal, state, municipal, local or tribal) and of any branch or power of the state (executive, legislative or judicial). 2. Any officer or employee of regulatory commissions, supervisory bodies and/or any other institution or entity that exercises supervision over the company. 3. Any employee of a business, school, hospital or other state-owned or government-owned or government-owned entity. 4. Any political party or official, official spokesperson, officer, representative or employee thereof. 5. Any candidate for public office during the period of candidacy. 6. Officials, officers or employees of a public international organization or any body or agency thereof (e.g., the United Nations, the Olympic Committee, the FIFA Committee or the World Bank). 7. Any person acting in an official capacity or on behalf of a government entity. 8. Native communities, peasant communities or COCODES including their leaders, representatives or directors. 9. Union Leaders and Representatives should be treated as Public Officials regardless of whether they are considered as such by the laws of the corresponding jurisdiction.
<p>Interaction with Public Officials</p>	<p>Interaction is understood as:</p> <ul style="list-style-type: none"> • A management that seeks as a result some action, decision or granting of rights (licenses, permits, authorizations or similar) by the Public Official. • An action where the Public Official requires or requests from the company the management or delivery of goods and services through the establishment of agreements or contracts. • An action where the company requires or requests from a Public Official the management or delivery of goods and services through the establishment of agreements or contracts.

	<ul style="list-style-type: none"> An action in which matters of interest to both parties are addressed, negotiated or discussed. Ex: Negotiation of tariffs, participation in activities, negotiation or working tables, participation in drafting laws or regulations.
Association	An association or organized group of persons engaged in the same trade or profession.
Inkia Energy	Companies that are part of the global INKIA ENERGY Group.
Free Competition	A market situation in which any person or company is free to participate or not in a given economic activity, in which consumers are free to choose which products or services to purchase and through whom to obtain them.
Competition Law	The rules that regulate the aspects related to free competition in the countries where INKIA ENERGY operates.
Policy	The free competition compliance policy contained in this document.
Technical and/or Ordinary Relationship with Public Officials	<p>Relationship is understood as:</p> <ul style="list-style-type: none"> Routine relationship such as technical coordination, maintenance, interruptions, etc. or in compliance with legal or regulatory provisions such as, delivery of reports, information, documentation, follow-up of files. Routine coordination arising from the execution of contracts and agreements previously signed between the company and the Public Official. Protocol participation such as attendance to public events as guests, inaugurations, presentation meetings of new officers, leaders or directors, etc. Other relations or meetings that do not qualify as Interaction.

4. POLICY STATEMENT

The purpose of the Policy is to comply with the Competition Rules. In a competitive market, prices are free of distortions and companies have sufficient incentives to be efficient in order to win consumer preferences and beat competitors.

However, companies have the possibility of gaining market power without respecting the competitive process (collusive agreements and other anti-competitive business practices) or misusing the power already acquired to eliminate competitors (abuse of dominant position). Competition rules are intended to protect the competitive process, which can be distorted by the actions of market participants, and ultimately to protect consumers.

The Competition Rules typically define three types of conduct that affect the competitive process:

- Horizontal agreements (horizontal collusive practices).
- Vertical agreements (vertical collusive practices).
- Abuses of dominance.

a. HORIZONTAL AGREEMENTS

Horizontal agreements or horizontal collusive practices are those made by economic agents that participate at the same level of the production, distribution or commercialization chain, and whose intend to restrict, prevent or distort free competition.

In this sense, competitors in a market that individually would not have relevant power obtain it artificially through the adoption of a decision to "stop competing". The adoption of such agreements is the most serious type of infringement of the Competition Rules, and the one that resulted in the highest fines in recent years, and a criminal sanction under the Competition Rules of certain jurisdictions.

Examples of agreements that allow companies to "stop competing":

- Fixing prices and other commercial or service conditions.
- Restriction on production or sales, in particular by means of quotas.
- Allocation of customers, suppliers, or geographic zones.
- Misleading bidding processes, tenders and other forms of contracting or public procurement (through bids or refraining from submitting bids).

It should be noted that in order to prove the existence of an infringing conduct, it is not necessary to have written documents that provide explicit evidence of the agreement between competitors. The Competition Agencies usually use other types of evidence such as statements of the parties, testimonies, inspection visits to the facilities, expert opinions, among other elements that, seen as a whole, allow inferring the existence of an anticompetition conduct.

It is also important to note that, in most cases, only the evidence of the existence of these agreements leads to the imposition of a sanction for the companies and even the individuals who participated in the conduct. Thus, the imposition of a sanction will not depend on whether the agreement is actually executed or on the existence of anticompetition effects it causes (impact on consumers and competitors not participating in the cartel): THE AGREEMENT ITSELF IS AN INFRINGEMENT.

b. VERTICAL AGREEMENTS

Vertical agreements or vertical collusive practices are defined as mutually arranged acts carried out by economic agents operating at different levels of the production, distribution or commercialization chain, which intend to restrict, prevent or distort free competition.

Considering that it is usual, and even necessary, for companies that are part of different levels of the production chain to enter into commercial agreements among themselves, the Competition Rules are designed to prohibit only those agreements that may harm the competition process. In this sense, in order for this type of conduct to be sanctioned, the Competition Agencies must evidence the existence of a damage in the market arising from a vertical agreement.

The vertical agreements that are prohibited are those that do not have an economic rationale supporting them and that are capable of affecting the market, excluding other agents in the market or decreasing the level of competition.

Examples of vertical agreements:

- Arrangement, without justification, to refuse to contract with third parties.
- Applying unequal conditions for equivalent services.
- Applying lock-up clauses in relations with third parties.
- Establishing exclusivity without cause.

C. ABUSE OF DOMINANT POSITION

There is an abuse of dominant position when a dominant agent makes use of such position to unduly restrict competition, obtaining benefits for itself and prejudicing its competitors. By doing so, a company with market power may take undue advantage of this situation to prevent the entry of new competitors or hinder the continuation of those already operating in the market, for example.

The Competition Rules do not sanction or punish the fact that an agent has a dominant position or has a monopoly in a particular market. The abusive exercise of such position to unlawfully affect competitors is prohibited. For this reason, in order for this type of conduct to be sanctioned, it will not have a reasonable justification and the Competition Agencies must prove the existence of a damage in the market as a result from the practice.

These are some of the most investigated conducts as abuse of dominant position:

- Unjustified refusal to contract with third parties.
- Applying unequal conditions for equivalent services.
- Applying lock-up clauses in relations with third parties.
- Establishing unjustified exclusivity.
- Narrowing of margins.

5. RESPONSIBILITIES

Employees

- Know and comply with the provisions of this Policy, as well as the Competition Rules applicable to the activities they perform.
- Seek for orientation from the Legal and Compliance and Ethics Areas when required.
- Know and report any concern regarding this Policy.

- Participate in training as required.
- Be aware of how they could potentially be perceived if interacting with Public Officials.

Managers and Supervisors

- Raise Employees awareness on the content and compliance with this Policy.
- Coordinate with and seek guidance from the Legal and Ethics and Compliance Areas to establish processes, practices and controls that ensure compliance with the requirements of this Policy.
- Record and document the approvals required by the Policy.

Legal Area

- Inform about the guidelines and recommendations established in the rules of each jurisdiction, as the case may be.
- Inform and resolve queries about the legal framework applicable to this Policy.
- Refer and clarify any doubt or comment related to the legal framework applicable to this Policy.

Ethics and Compliance Area

Area responsible for the administration of this policy and in charge of:

- Updating its content when required.
- Communicating and disseminating updates, changes, exceptions and any other matter related to it.
- Referring and clarifying any doubt or comment on the Policy.
- Providing specific guidance on each situation or case that arises in application of the Policy.
- Keep record of and document the approvals required in this Policy.

6. CONTROL AND COMPLIANCE

Compliance with this Policy is mandatory. All Inkia Energy personnel must understand their role and responsibility in relation to this Policy.

The cases that arise shall be documented by the Employee and duly reviewed and approved, all information shall be kept on file as support when required by the Ethics and Compliance Area or any control body.

7. CONSEQUENCES OF NON-COMPLIANCE

Deviations and non-compliance with this policy may result in disciplinary measures, which, if applied, will serve as an educational component of our organizational culture.

Disciplinary measures must be fair, reasonable and proportional to the offense committed, respecting the corresponding legal framework.

8. EXCEPTIONS

Any exceptions to this policy must be dealt with on a case-by-case basis and must be duly supported by the CEO of the OpCo, and approved by the BU CEO, the Corporate Director of Ethics and Compliance, Corporate Legal Director and CEO of Inkia Energy.

CHANGE CONTROL			
Edition	Date	Description	Updated by
1	04/29/19	Initial document	Legal anf Ethics and Compliance Areas
2	07/15/2021	Updating of definitions	Ximena Corbetto
3	10/26/2021	Updating of definitions	Evangelina Vidal and Ximena Corbetto
4	05/31/2022	English adaptation	External translator