

CODE OF CONDUCT

GIFTS, GRATUITIES AND BENEFITS AT DRUMMOND LTD.

All Drummond Ltd. employees must avoid the receipt, offering or requirement of gifts, gratuities, or benefits, in order to demonstrate that relationships with third parties or Company negotiations are within the framework of ethics and transparency, which exclude any type of preferential treatment in any sense.

The guidelines presented herein have as their objective to make Drummond Ltd. employees and all its stakeholders aware of adequate behaviors in terms of offering, accepting or delivering gifts, gratuities, or benefits according to those established in the Code of Conduct. These guidelines apply to all employees, providers, contractors, intermediates, and stakeholders who act on behalf of Drummond Ltd.

Likewise, these guidelines are critical to mitigate the risk of corrupt conducts, which could place Drummond Ltd. and the individuals at risk of receiving a civil or criminal sanction.

Gifts, benefits, or gratuities cannot be received or offered in compliance with these guidelines, nor can they be received or offered through other means, including third parties, independent employees or direct family members.

Drummond Ltd. employees cannot accept or offer gifts, gratuities or benefits that come from or are destined to providers, contractors, and/or stakeholders that have relationships with the Company. However, advertising or promotional material (pens, calendars, USBs...) may be received or offered as long as they do not have a representative value (exceeding two (2) current minimum daily legal salaries (SMDLV)). Gifts received that surpass said amount must be returned to the provider, contractor, or third party, and will be assumed by the company as a reaffirmation of the company's behaviors.

Under no circumstances can monetary gifts or benefits of any kind be received.



In cases where promotional gifts are to be delivered by Drummond Ltd. to government employees, the Company's President must previously approve them.

All Drummond Ltd. employees, independent from their position or function, who violate these guidelines, can be subject to the corresponding disciplinary measures. The violation to that stipulated herein constitutes a fault qualified as serious, which allows the Company to even terminate the employment contract under legal and regulatory just cause. Any disciplinary decision that the company applies in any situation will be without prejudice of civil and/or criminal consequences that could arise from said violation.

In case of any doubts related to the feasibility of receiving or offering gifts or gratuities, or if applying the parameters established herein is not possible, said concern should be immediately reported to the Ethics Committee so that said committee can provide a response or guidance on the issue.

Any employee, provider, contractor, or interested party that is certain or suspects that these guidelines have been violated, must inform so to its immediate supervisor, the Ethics Committee, or report it through the channels defined by Drummond Ltd.

These guidelines may be updated according to recommendations issued by the Ethics Committee, who any time it considers it necessary will review them and propose the modifications it considers relevant.

Authorized: *Richard Muller*
Date: *11/5/18*

Updated: