

# CORPORATE POLICIES

## CORPORATE RECRUITMENT AND SELECTION POLICY

### APPROACH

The Prodeco Group hires personnel with the required technical and behavioral competencies through a transparent and fair selection process based on fitness for the position and the organizational culture in response to business needs.

The purpose of this policy is to formalize, standardize and legitimize our practices. With this policy, we ensure that the best candidate is hired for the vacant position, based on a risk prevention approach against risks that may affect the recruitment and selection process, such as the hiring of personnel that fails to meet the requirements of the position or the guidelines established in the Prodeco Group Corporate Practice, or the existence of pressures caused by factors such as conflicts of interest, bribery or any other practice associated with fraud and corruption.

Without exception, all candidates must be assessed within a standardized, fair and formal process that focuses on evaluating the candidates' qualifications. When a candidate is related to government officials, contractors or customers, due diligence processes must be applied to ensure that said candidates are evaluated and, as applicable, hired based solely on merit and in no way as a form favor, payment of favors or any other form of bribery, conflict of interest or corruption. Candidates must be hired or promoted to new positions based solely on merit and not as a means to provide something of value to third parties. Finally, no position should be created specifically to hire a recommended candidate internally or externally.

### RELATED CORPORATE POLICIES

#### **Code of Conduct**

According to our Code of Conduct, each of our employees, trainees, interns and contractors (our people) must be hired, promoted and have development opportunities based on their qualifications and success in their specific positions.

#### **Anti-Corruption Policy**

According to our Anti-Corruption Policy, corrupt practices are not tolerated by the Prodeco Group.

#### **Non-Discrimination and Diversity**

In managing the corruption risks associated with hiring, one approach could be to reject applications from candidates related to government officials, contractors or customers. This approach, however, is discriminatory and violates the principle of equal opportunities. In accordance with our Code of Conduct, we value the diversity and fair treatment of our people, granting equal opportunities at all levels of the organization. We will not reject candidates related to government officials, contractors or customers. Neither will we not hire candidates based on their relationship with government officials, contractors and customers.

Furthermore, we prohibit discrimination based on race, nationality, religion, gender, age, sexual orientation, disability, ancestry, social origin, political or other opinion, or other arguments.

#### **Conflict of Interest**

Conflicts of interests must always be declared, reviewed and subject to our Conflict of Interest guidelines. If a person

is being recommended to a position due to his relationships/connections, the situation must be clearly stated and the process must be handled and reviewed by objective persons and, therefore, without any conflict of interest.

## HIRING PROCEDURE

### Origin of the Position

Personnel needs are determined by the different areas of the Company and must be previously established within the Personnel Budget Master Plan, which is defined in advance for the following year. In case of vacancies not budgeted in the Master Plan, the approval process defined in the procedure must be completed.

Therefore, candidates must be hired in positions that have been determined according to the plans and needs of the business. Accordingly, positions should not be created specifically for internally or externally recommended candidates. There may be legitimate exceptions to this rule; however, they require particular considerations based on each specific case. Each legitimate exception requires prior review and approval by the Human Resources Department, Compliance Officer and the Vice Presidency or Presidency, as appropriate.

### Local Workforce Hiring

As part of the Prodeco Group's commitment to improving living conditions and generating employment in the communities where we operate, we seek to hire personnel from the Company's area of influence. It is therefore expected that any unskilled or partially qualified personnel come from the Company's area of direct influence, understanding that, should it not be available, these personnel will be sought outside of said area. The exceptions must be authorized by the General Manager of each Operation.

### Process Management

The information related to the Recruitment and Selection Process is CONFIDENTIAL. This information should ONLY be provided to the Human Resources Chief who will be responsible for managing it. For Superintendent/chiefs Positions and below: any vacant position must be sourced through the internal recruiting and selection process, with the following exceptions:

- When, despite the existence of talent with the required profile in the Company, the Company (as determined by the Manager of the area) considers it of strategic importance to bring external talent to a specific position. In these cases, there must be validation of the Human Resources Manager and express approval of the Vice Presidency and/or Presidency, as appropriate, according to the reporting line.
- When the Immediate Manager of the area where the vacancy is located considers it more convenient for the business to make an internal movement in the area, provided that the candidate is part of the succession plan approved by the Company. It also requires the express & written approval of the Vice Presidency and/or the Presidency, as appropriate, in accordance with the reporting line.
- When the internal recruiting and selection process is unable to source a suitable candidate for the role.

The organization undertakes to notify any and all non-elected internal and/or external candidates of the results of the selection process in which they have participated.

Everyone participating in the Selection Process should focus their decisions objectively on the search and selection of the candidate with the best fit for the profile of the vacancy.

### Consanguinity-Affinity

If a candidate chosen for a vacancy informs their affinity or consanguinity with an employee of the Company, the case will be studied to determine whether the hiring is appropriate, based on their relationship with the position of the employee, their participation and/or decision making in the same process and the existence of some kind of hierarchical dependence between the parties. This in order to prevent the materialization of a conflict of interest.

It should be noted that, by virtue of our commitment to prioritize the hiring of local workforce, even in the face of existing consanguinity and affinity ties in operating personnel, we will continue to promote the hiring of this staff given that the profile and competencies required is limited in the region. To support the due

diligence for this process, this situation must be reported following the Conflict of Interest guidelines of the Prodeco Group.

### **Internal Job Posting**

Whenever possible, hiring must be done through an internal job posting. The evaluation of several candidates for a position ensures the hiring of the most qualified candidate, which contributes to the continued success of the business. A Job Posting process that follows the standards of the local organization also minimizes the potential for inappropriate hiring decisions based on candidates' connections above their qualifications. Therefore, if a candidate has been internally recommended, the following must be ensured:

1. The position remained open for other applicants,
2. The candidate participated in the same standardized process as the other candidates, and
3. The candidate was the most qualified among the other applicants.

This policy seeks to ensure that the Human Resources Department guarantees that the preselection of resumes resulting from the recruitment correspond to the minimum requirement described in the profile of the position, ensuring quality and suitability.

Internal applications should be treated the same as applications received from external sources.

### **Evaluation of Qualifications**

Naturally, appropriate qualifications vary by position and may include numerous considerations, including: formal education, professional experience, languages. Therefore, as a prerequisite to start a Selection process the job description must identify the minimum requirements to successfully hold the position, with additional desirable requirements if applicable. Candidates eligible for a position must meet these minimum requirements. In the exceptional case that after exhausting the internal and external market no candidate is found who meets the minimum requirements, the approval of said exception may be requested upon analysis and approval of the Human Resources

Management of the Group and the Vice Presidency and/o Presidency, as appropriate, according to the reporting line.

Once the candidate has been previously approved by the Human Resources Management and the respective Manager, a development plan that aims to close as soon as possible the identified gap between the candidate and the requirement of the position is mandatory. Said development plan must contain activities to perform, times, responsible parties and measurements to validate that the gap was closed. The Manager of the position shall be responsible for this action, with the support of the respective Human Resources Management.

The evaluation and documentation of the skills and qualifications of the candidates must be documented and duly filed.

### **Interviews**

Candidates must be interviewed to ensure that they are eligible to fill vacant positions. Interview notes must be recorded.

### **Verification of Information, Certificates and References**

Based on what is legally possible, the academic, professional, employment and any other relevant history must be reviewed for all individuals proving to have the best qualifications to occupy a vacant position. In addition, their references must be evaluated and reviewed, and all certificates submitted must be validated.

### **Personal Evaluation - Personality Profile**

Final candidates must complete a predictive evaluation to determine their personal profile in terms of skills for the vacancy requirements. Other personal evaluations and personality tools are allowed provided that those administering them are properly trained to do so.

### **Records**

The documentation related to the recruitment and selection process of the candidates must be filed for as long as may be relevant.

  
**Mark McManus**  
CEO