



**ARF** || Americas  
Road Fund

# Code of Ethics

NOVEMBER 2020

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## Letter from the chairman

Shared values and philosophy within the organization are paramount to achieve Americas Road Fund mission to maximize the return on investments within a framework of embedded risk control, professional integrity, and sustainable value creation.

ARF abides by the Principles for Responsible Investment convened by the United Nations, a voluntary and aspirational set of investment principles for incorporating environmental, social, and corporate governance issues into investment practice.

We are fortunate to work in a sector that triggers development by bringing services closer to people and providing a strong footing for economic growth and social wellbeing.

We take pride in our job and are committed to join efforts with all stake holders to act competently and righteous. We believe that inclusive and future oriented growth is the only way to achieve successful business results that contribute to regional development.

Our core values, principles and rules of conduct constitute the foundation of our philosophy and guide every behavior and decisions we make.

The corporate culture outlined in this Code is the ruling instrument and framework that defines the way every participated project is approached, managed, and operated.

Compliance with this Code of ethics is expected from every member of the company while performing their work and is shared with our partners and key suppliers to abide by similar standards while representing the company or doing business with us.

Juan Luis Osuna





## Our values

### — INTEGRITY

Honesty and reliability must guide every action we take. We demand that every member of our team adheres to strong ethical principles and values. Doing the right thing in all circumstances and accounting for our actions impacts positively in the company's reputation and growth.

### — TRANSPARENCY

Simple and clear communication in work performance is essential to being a trusted partner for investors, clients, providers, and local communities. All work processes and relations with interested parties must be undertaken in a clear, straightforward, and precise way.

### — MERIT

We require everyone to perform their work to the best of their professional capabilities and within a responsible citizenship moral framework that furthers sustainable development.

### — PRUDENCE

Both caution and foresight are key elements to avoid risk and identify improvement opportunities. We demand of every member of our team to manage in a sensible way the company resources, commit to good stewardship of concession assets and maintain a forward-looking stance.

## Our principles

- 1 Responsible Investment
- 2 Optimization of investments leveraging operational expertise
- 3 Excellence in the Corporate Governance of our investments
- 4 Full transparency for our investors
- 5 Co-investment as the main element to align interests
- 6 Minimization of loss through exhaustive analysis

### Responsibility and commitment

Our principles entail responsibility and a solid commitment to further business ethics and sustainable growth.

ARF is devoted to a responsible investment strategy imbedded in the business model to trigger performance improvement, competitive financial returns, excellence in governance, and positive environmental and social impact.

The adoption of environmental, social, and corporate governance criteria (ESG) in our investments decisions and asset management increases sustainable development and shared accomplishments among all stakeholders.

ARF's sustainable investing policy is based on global application guidelines such as United Nations Principles for Responsible Investment, Global Compact and Sustainable Development Goals, the OECD Guidelines on Corporate Governance, and the applicable principles of the International Labor Organization.



ARF's mission is to maximize the return on investments within a framework of embedded risk control, professional integrity and sustainable value creation.

ESG analysis is a critical part in the full investment life cycle: from due diligence in potential investing opportunities through its complete integration into the management of invested road assets.



## ENVIRONMENT

Natural phenomena associated with climate change and increasing scarcity of natural resources pose serious challenges for industries future development. ARF'S approach to environmental challenges include both, value protection to ensure the resilience of infrastructure assets, and value creation through change and adaptation. Key environmental issues are addressed in the context of major global challenges and those specifically affecting the road infrastructures sector.

- Preservation of natural resources
  - Control and management of environmental direct and indirect impact to minimize ecological footprint and assure compliance with global standards and the local regulatory body.
  - Stewardship of natural ecosystems surrounding managed infrastructure to contribute to the protection and conservation of biodiversity.
  - Resource input efficiency through training and awareness, and responsible waste management.
- Energy efficiency
  - Control and reduction of greenhouse gas emissions.
  - Promotion of clean energy consumption and energy efficiency measures that enable minimized environmental impact and savings in operation costs.
- Resilience
  - Implementation of operational protocols in physical and digital infrastructure to prevent, resist and recover from chronic difficulties arising from external risks.
  - Improvement of crisis response capacity and adaptation to regulatory changes and evolving clients' demand.



## SOCIAL

Social matters are approached internally and externally and focus on generating trust, engagement and advancement on the Fund and participated assets human capital, chain of supply, road users service quality and safety, and positive social impact in surrounding communities.

- Diversity and renowned work practices
  - Top-down and bottom-up strategy to further an inclusive and diverse environment.
  - Health and safety at the workplace, stability, training, talent promotion and teamwork.
  - Coordination of business activities.
- Service integrity and supply chain
  - Reliable partnerships with investors, public administrations, road users and suppliers.
  - Excellence in service to reinforce good operational practices, client satisfaction and minimize regulatory risks.
  - Solvency and commitment to transparency in the supply chain.
- Active participation in the community
  - Human Rights defense and promotion.
  - Support and further sustainable development goals applicable to our business activity.
  - Measure and maximize the impact of contributions to surrounding communities and social development agents.



## GOVERNANCE

Governing bodies will set, and ensure, that the business strategy, objectives, internal control architecture and performance evaluation are implemented and properly executed throughout the investments.

To provide a high-performing and transparent investment to our limited partnerships, ARF pledges to work professionally and with ethical integrity, equitable representation, fairness among interested parties, compliance, reliable risk management function and internal control system, accountability and transparency.

- Comprehensive compliance plan
  - Prevention of regulations infringement, corruption, and money laundering.
  - Assurance of professional and ethical standards.
  - Safeguard and strengthening of corporate values and conduct principles.
- Highly integrated risk management function
  - Timely communication and consistency in the management of risks related to financial, operational and ESG matters.
  - Support for strategic decision-making.
  - Delivery of impartial monitoring and effective assessment.
- Transparency and disclosure
  - Clear, opportune, and reliable information regarding all material matters.
  - Permanent dialogue and collaborative solutions with all related parties.



## PROFESSIONAL ASSESSMENT

We have a fiduciary duty towards our investors and conceding administration and thus dedicated to administering key resources in the most effective manner possible.

ARF's market analysis and operational standards evaluation are carried out on a strong basis of materiality assessment that enables:

- Risks and opportunities identification.
- The categorization of challenges.
- The implementation of comprehensive planning.
- Clear targets, monitoring and reporting in invested assets.



## EXCELLENCE IN SERVICE

To achieve a high service goal, we promote professional expertise, an innovative mindset and a quality-oriented culture that serves our employees, customers, and stakeholders.

Our pledge to excellence in service highlights:

- Safety and security for road users.
- The outstanding state of the infrastructure.
- The optimization of the asset value through O&M and financing expertise.
- Detailed monitoring and transparent reporting on asset performance.

# Rules of conduct

Our role as Investment Manager of toll road concessions entails a close relationship with public administrations, regulating agencies, financial entities, suppliers, customers, and other organizations and individuals.

Strict adherence to all applicable laws and ethical principles in business performance is mandatory for all members and personnel of Americas Road Fund and affiliates.

## — HUMAN & LABOR RIGHTS

ARF subscribes and actively promotes in its business operations the defense of rights and freedoms set both in The Universal Declaration of Human Rights and International Labor Organization fundamental conventions.

- Equal rights and opportunities for everybody
- Freedom of association and the right to collective bargaining
- Eradication of all forms of forced or compulsory labor
- Abolition of child labor
- Dismissal of any form of discrimination or harassment at the workplace

## — COMPLIANCE WITH ALL APPLICABLE LAWS

### • Anti-corruption and bribery

We have zero tolerance for dishonest or fraudulent conduct, or intent, aimed at influencing or obtaining benefits from a public officer or any other third party in breach of their lawful and professional obligations.

ARF personnel is required to act with utmost integrity, and it is forbidden to accept or solicit, in person or through a close family member or friend, any kind of benefit or value given by a third party expecting to gain an undue advantage.

### • Prevention of money laundering

ARF sets to the best of the company's capacity all the resources and controls aimed at implementing transparent monetary transactions in its operations.

All employees must abide by implemented best standards and fulfill local law requirements against money laundering. Any suspicion of illegally obtained money or intention to conceal money origins should be informed to the relevant operational line management or denounced through our whistle blowing channel: [info@amrdf.com](mailto:info@amrdf.com).

### • Fair competition

ARF participates in road infrastructure public tenders and auctions and we are committed to safeguard free marketplace competition and bids pricing for the benefit of business ethics, public interest, and customers.

No employee or person representing the company can engage in illegal practices or activities deemed detrimental to fair competition.





- **Confidentiality and intellectual property**

Privileged or confidential information related to our business activities, customers, regulating agencies, suppliers, etc. must be dealt with in a secure way to honor the trust given by any related party.

All ARF's and affiliates personnel must use the company's intellectual property and business information (i.e. documents, procedures, methodologies, tools, etc.) solely for the purpose of carrying out their professional responsibilities with due diligence.

Personnel or partners with access to privileged or confidential information may be required to sign specific non-disclosure agreements.

- **CONFLICT OF INTERESTS**

Every member of the company or its affiliates must prevent, in the exercise of their functions, any conflict of interest that could compromise objectivity or professional judgement.

If a conflict of interest is identified, the person or persons involved must notify their operating management line so it can be dealt with absolute transparency and careful examination.

- **PRIVACY PROTECTION**

Honoring the trust given to ARF by sharing information and/or personal data with the company is very important for us.

ARF's Privacy and legal policy complies with the highest international standards and reflects our commitment to ensure that all personal data is safeguarded and processed in a transparent way by our data protection officer vis a vis its proprietor.

## Compliance & contact channel

Compliance with our Code of ethics is required from every member of the company while performing their work and is shared with our partners and key suppliers to abide by similar standards while representing the company or doing business with us.

Any breach of our values, principles and rules of conduct may affect severely our business or the company's reputation.

Any employee or related party that identifies a violation of our business ethics, or has doubts concerning a possible infringement of this Code of ethics, should promptly inform or ask for appropriate advice through our whistleblowing channel: [info@amrdf.com](mailto:info@amrdf.com) or by writing to us at our postal address: Av. Alberto Alcocer 46B-2A, 28016 Madrid-Spain.



Happy to assist you



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