

**Resolution No. 02 JD – 14
(May 28 of 2014)**

**Through which the CODE OF ETHICS AND GOOD GOVERNANCE for Empresa de
Desarrollo Urbano — EDU — is adopted**

The Board of Directors of Empresa de Desarrollo Urbano — EDU, exercising its legal powers, especially those granted by item f), Article 9 of Decree no, 158 of 2002, as partially modified by Decree 1364 of 2012, Law 489 of 1998 and

WHEREAS

1. That the Code of Ethics and Good Governance of Empresa de Desarrollo Urbano, EDU, was adopted through Resolution no. 04 of February 11, 2005.
2. That as of this date said provision is outdated with respect to the key concepts and the regulations issued during the past several years.
3. That the Code of Ethics and Good Governance is an action tool that will be applied to the employees to guide their day-to-day activities in order to facilitate and strengthen the governance, achieve the mission's objectives and, therefore, the fundamental purposes of the State.
4. That the Code of Ethics and Good Governance is based on the Universal Declaration of Human Rights by the United Nations in 1948, on the National Constitution of 1991, and on a set of concepts, methodologies, procedures and instruments aimed at complementing and facilitating the design, development and implementation in the organizational culture of public entities the control element "Ethical Agreements, Commitments and Protocols" from the Standard Internal Control Model adopted by the Government of Colombia through Decree no. 1599 of 2005.
5. That by adopting a Code of Ethics and Good Governance the intention is to establish the standards for behavior in the entity, the explicit statements about the conduct of public servants are agreed through participation to achieve the entity's purpose, maintaining the consistency of the actions with the principles set forth in the Political Constitution, the Law, and the social purpose of the State.
6. That ethical management seeks to promote in the public entity a set of values and policies within the greater framework of Human Rights so that it will become a road map for everyday activities and decisions by public servants. In organizational

terms, it states that every entity has a profound social and ethical responsibility for the consequences of its actions on those systems with which it interacts, both internally and externally.

7. That the National Government has passed Law 1474 of 2011 which establishes regulations aimed at strengthening mechanisms to prevent, investigate and punish acts of corruption, and the effectiveness of control over public administrations. In addition, it implements the Policy for Moralization and Transparency in Public Administration.
8. That it also issued Decree 2482 of 2012 which establishes the general guidelines to integrate planning and action and, among other things, the development of the policy for transparency, participation, and service to the citizens, aimed at getting the state closer to the citizen and making public actions more visible. It also allows you the participation of the community in decision-making and access to information, the processes and services, for a timely and effective service. Includes the anti-bribery plan and the plan for service to the citizens, and the requirements for community participation, accountability, and service to the citizens.
9. That, within this legal framework, the purpose of this instrument is to update the code of ethics and good governance and to issue the regulations that control relationships between the administration, the users, suppliers, the stakeholders, encouraging an environment of respect and control within Empresa de Desarrollo Urbano, EDU. An additional purpose is to set forth its commitment to encouraging participation, exercising social control by the users, accountability for public administrations, according to law 1474 of 2011, the anti-bribery statute, information and pedagogy of the rights and duties of the users, and their well-being.
10. That, by virtue of the above,

HEREBY RESOLVES:

First: THE ADOPTION OF the Code of Ethics and Good Governance of Empresa de Desarrollo Urbano EDU. This document gathers the principles, values and directives that will be the reference for the application of ethical management, and the top management's commitments that, as voluntary self-regulatory provisions, are expressed to different audiences and stakeholders. This code of ethics is detailed as follows

EMPRESA DE DESARROLLO URBANO EDU
CODE OF ETHICS AND GOOD GOVERNANCE

INTRODUCTION

Public administration is responsible for the care, management and use of public goods in its search for, will benefit in good for all the people who live in the national territory, within the framework of the Constitution and the law. In this respect, Empresa de Desarrollo Urbano EDU carries out its activities within the same framework and, especially, compliance with the purposes of an "integral transformation of the habitat in favor of the people". This will certainly promote general prosperity and will ensure the effectiveness of the principles, duties and rights established in the Constitution.

The law establishes and embodies an ethics that formalizes the decisions and actions of public servants and institutions within certain required minima but, by themselves, do not change people and certainly not entities. Therefore, it becomes necessary for the actions of Empresa de Desarrollo Urbano EDU focus on behaviors framed within an administration based on Ethics so that it will act as society expects it to act. Ethics-based management will require that the organization be understood as a system that, internally, focuses its actions on the construction of the public, the improvement of the community's living conditions, and building trust among all the audiences with which it interacts.

This, this Code of Ethics and Good Governance becomes a proposal to consolidate a culture of honesty in the EDU that contains the strategic focus, the ethical commitments, the policies for good governance, and the administration through the Good Governance Committee.

Good Governance, implemented as the application of the concept of corporate governance, is defined as the ethical commitments by top management with respect to the honest, efficient, and transparent administration of their job as directors or governors that are expressed to various stakeholders of the EDU as voluntary self-regulation provisions.

Ethical commitments are collective agreements about attitudes, practices and specific ways of acting made by the entity's public servants in order to apply the principles and values expressed in the Code of Ethics as they carry out their public function.

The purpose, the, is to drive changes of attitude among public servants so they will actually apply the principles, values and ethical commitments in their daily work through actions that affect their feelings rather than the conceptual and knowledge areas. The idea with this is to re-construct the meaning of working as public servants in terms of integrity, efficiency and transparency.

We are convinced that applying and following this code rigorously will make it possible to substantially improve the work climate at Empresa de Desarrollo Urbano EDU and to transform its culture taking it to the highest levels of integrity and transparency.

ETHICAL BASIS OF EMPRESA DE DESARROLLO URBANO EDU

Ethical Management is the self-regulated performance of public servants aimed at assuming their responsibilities vis-à-vis the groups with which they interact; at focusing their actions on establishing work models guided by public ethics; and at adjusting the strategic plans and organizational structures for the achievement of the social purposes.

In addition, Ethical Management intends to promote in Empresa de Desarrollo Urbano EDU, a set of values and principles that will become a road map for everyday activities and for the decisions that public servants must make. Ethical management requires that the entire entity includes social responsibility in its actions and the consequences of those actions on all those with whom the entity interacts, both internally and externally.

As the basis for the above, EDU assume that its employees are committed to changing their behavior. That change will be reflected in the construction of and care for the community's assets. This commitment includes having rules, and clear and precise criteria about the way to resolve conflicts between public and private interests.

The inclusion of ethical practices in the administration of public entities, as the law dictates, means working to change attitudes, meanings and images about things public and the exercise of the public function, and to dispose and motivate the entire entity to keep all their actions within the framework of the law and ethics, and to deny legitimacy and produce rejection of any action outside of these frameworks.

Therefore, the implementation of Ethical Management makes it necessary for all managers and their teams of public workers to act consistently with the purposes and practices of those who lead the organization and the change. It means creating conditions for dialog, participation, commitment, collective learning, and the transformation of individual and collective practices in such a way as to produce a purposeful climate with a proactive disposition for integrity and transparency in the exercise of the public function.

HISTORY

In order to carry out the construction of the San Antonio park, en 1993 the Council of Medellin empowered the Mayor to create and organize the Municipal Commercial and Industrial Company *Parque de San Antonio*, with legal personality, administrative autonomy, and with an independent capital.

Three year later, the company became *Promotora Inmobiliaria de Medellin* with the objective of carrying out representative urbanistic and real estate projects in public spaces and in urban renovation areas in the city of Medellin.

In February, 2002, with the purpose of implementing Integral Urban Projects, the by-laws were modified and the company became *Empresa de Desarrollo Urbano, EDU*, as a municipal legal entity, with its own capital, and with administrative and financial autonomy.

JOB STRUCTURE AT EMPRESA DE DESARROLLO URBANO, EDU

Article 13, Decree 158 of 2002 “*Through which the by-laws of Promotora Inmobiliaria de Medellin are modified and its name is changed*”, as amended through Resolution no. JD 008 - 14 of August 28, 2013, sets forth the classification of jobs in Empresa de Desarrollo Urbano EDU, as follows:

“Article 13. Classification.

Persons who provide their services to EDU are public servants, except for the following positions who perform functions of management, trust and administration, which must be held by government employees:

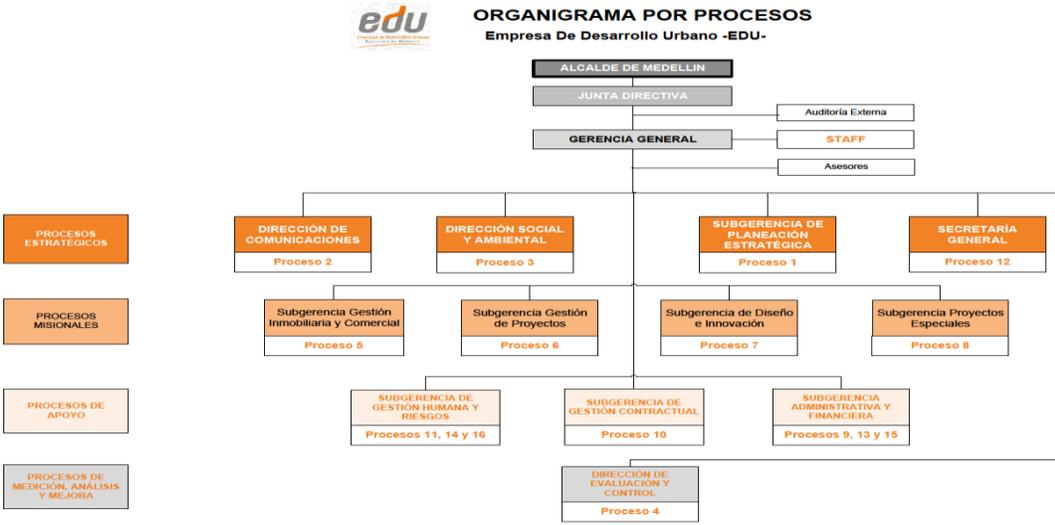
- (i) General manager,*
- (ii) Assistant managers,*
- (iii) Secretary General,*
- (iv) Director of Evaluation and Control,*
- (v) Treasurer,*
- (vi) Accountant,*
- (vii) Directors,*
- (viii) Assistant to the General Manager.”*

The Director of Evaluation and Control is appointed according to Article 8, Law 1474 of 2011, which modifies Article 11, Law 87 of 1993 which determines that, in the case of entities of the executive branch at the territorial level, the appointment of the person responsible for internal control will be made by the highest administrative authority of the respective territorial entity. Officer will be appointed for a fixed period of four years, in the middle of the period for the respective Mayor.

According to the general nature of his or her functions, the competencies and the requirements for their performance, the employees in the global payroll of Empresa de Desarrollo Urbano EDU, will be classified according to the following levels: Manager, Professional, Technician, and Assistant.

The Organizational Chart of Empresa de Desarrollo Urbano EDU is a key element in the SIG Quality Management System that defines the role of each position in the entity, from

the strategic, mission, support, and evaluation points of view, and determines their hierarchical level, as shown below:



TITLE I
About the entity’s strategic direction

Article 1. Identification and nature of the entity. Empresa de Desarrollo Urbano EDU was created through Municipal Decree 1215 of December three (03), nineteen ninety-three (1993), as a municipal industrial and commercial company under the name of Parque de San Antonio, Through Decree no. 158 of February 20, 2002 the name was changed to **EMPRESA DE DESARROLLO URBANO, EDU** and the by-laws were adopted, which were partially modified through Municipal Decree 1364 of 2012.

Article 2. Purpose of Empresa de Desarrollo Urbano, EDU. The main objective of Empresa de Desarrollo Urbano, EDU, a state-owned industrial and commercial enterprise, with legal personality, its own capital, administrative and financial autonomy, under the Office of the Assistant Mayor for Infrastructure, Habitat, Mobility and Sustainability, is urban and real estate management and operation, development, implementation, assistance, and consulting for urban and real estate programs, plans and projects at the municipal, departmental, national, and international levels.

Article 3. Mission and vision of the company. The mission of Empresa de Desarrollo Urbano, EDU, is *to guarantee wellbeing through the integral transformation of the habitat with innovation and corporate social responsibility*. The vision for **EDU 2025** we will *consolidate our leadership in the integral transformation of the habitat and we will achieve economic soundness through new national and international business*.

Article 4. Commitment to the objectives, the mission and the vision of the company. The General Manager of Empresa de Desarrollo Urbano EDU, the management team and the employees agree to focus all their actions during their exercise of the public function on achieving the objectives of the mission that the Constitution and the Law have defined for the entity, within a framework of integrity, transparency and efficiency.

Article 5. Commitment to the business strategy. The general manager of Empresa de Desarrollo Urbano, EDU, the management team and the employees agree to focus all their actions on implementing the business strategy whose motto is "*We make an integral transformation of the habitat in favor of the people, with quality, social interaction and the support of our brand*".

Article 6. Scope of the Code of Ethics and Good Governance The values, ethical policies and guidelines of Good Governance described in this code will be assumed and complied with in a conscious and responsible manner by all managers and civil servants of Empresa de Desarrollo Urbano, EDU, in their actions, and by private individuals who carry out public functions or are delegated to implement them, in order to consolidate them in our organizational culture. To create awareness and responsibility in the application of this code, each civil servant or active employee or future hire shall be given a copy of the code and these persons must agree in writing to abstain from corrupt practices or incite third parties to do so. This shall be included in their personal or contract file, depending on the type of connection.

Article 7. Ethical principles. Within the framework of public ethics, employees of Empresa de Desarrollo Urbano, EDU, assume that the following ethical principles are their basic beliefs about the proper way to carry out the public function and are the premises for all their actions. These principles are:

- a. The general interest prevails over the private interest.
- b. Public goods and resources must be used exclusively for purposes of the common good.
- c. The main purpose of Empresa de Desarrollo Urbano, EDU, is the urban and real estate management and operation, the implementation, assistance and advice of plans of urban and real estate plans, programs and projects at the municipal, departmental, national and international levels as they perform their mission.
- d. The main function of the public servant is to serve the citizens.
- e. Anyone who manages public resources is accountable to society for their use and the results of his or her management actions.
- f. Citizens have the right to participate in public decisions that affect them.
- g. Life is the greatest value and there is not a single idea or purpose that justifies the use of violence.
- h. The development and transformation of the city is a commitment by all citizens.

- i. The people who work at EDU are reliable, capable, and honest, and are committed to the project of the city.
- j. We will not use the power of the State to stifle opinions or to carry out political transactions.
- k. Example is the main tool for civic transformation.

Article 8. Ethical values. The ethical values of Empresa de Desarrollo Urbano EDU are the ethical expression as reflected by the personality and behavior of its public servants and their internalization is highly desirable so the ethical principles and the total compliance with the legal and constitutional mandates can be achieved during the performance of their jobs.

The ethical values of Empresa de Desarrollo Urbano, EDU, are:

LEADERSHIP. Practicing leadership based on trust is to encourage participation, the exchange of ideas and points of view among employees in order to sustain a long-term vision that drives us to look for innovative forms of competitiveness by creatively optimizing with ingenuity and creativity the resources we have available to constantly re-invent ourselves and adapt to all changes in the environment.

RESPECT. Our behavior is based on principles of ethics and honesty. All of this is reflected in the quality of our services and our relations with clients, employees, and internal company relations. It is based primarily on having a clear understanding of the fundamental rights, the right to life, freedom, and peaceful coexistence to be able to live with pride and dignity. Our best contribution to the respect for others is reflected by security on the job, respect for the environment and general wellbeing with which our company operates to serve the community.

TRANSPARENCY. We carry out every operation with transparency and rectitude, we are serious in our work, in keeping with our rights and duties, to keep our promises to the clients, offering the best service and constantly aiming for continuous improvement because an ethical corporate culture guarantees transparency and equality in the relationships of organizations.

COMMITMENT. This is being professional when performing the functions that make it possible to achieve the company's mission, perform our duties during more than what is expected, do everything that is agreed upon in the most complete and efficient manner and within the agreed times. Being so committed as to not do this as an obligation but as a way to improve yourself by serving others, considering that a job well done is the most important thing. For this, it is necessary to set demanding and achievable goals whose achievement deserves recognition.

CREATIVITY. Innovating and creativity are key words for keeping our commitment to progress, developing solutions that anticipate and satisfy the needs of our clients,

constantly looking for way to improve quality and maintain growth. To this end, we encourage and creativity and development to make our company more competitive through constant improvement of our processes.

Article 9. Commitment to the Code of Ethics. The general manager, the management team and the employees of the company express their clear willingness to self-regulate. To this end, they agree to carry out their activities according to the principles expressed in the Constitution, currently applicable regulations, this Code of Ethics and the Code of Good Governance, focusing on performing with integrity vis-à-vis all their stakeholders.

Article 10. Commitment to the eradication of corrupt practices. The general manager, the management team and the employees of the company agree to fight against corruption. To this end, they make commitments to achieve this objective by its public servants and contractors.

In addition, the company agrees to provide training on anti-bribery policies and actions for its top management and personnel, and to its stakeholders when it is deemed appropriate.

To achieve this objective, everyone who joins the company either directly or indirectly signs an agreement to become familiar with the Code of Ethics and to adopt a standard of conduct that excludes accepting or offering bribes. This agreement includes anyone who wishes to participate in any kind of contract with the company.

Article 11. Commitment to the Quality Policy. The general manager, the management team and the employees of the company agree to focus their activities on achieving quality benefits and results for the community. To this end, they agree to implement a quality management system and to continuous process improvement by having competent personnel and community participation, and by practicing integral self-control in an efficient and effective manner.

Article 12. Commitment to corporate social responsibility. The general manager, the management team and the employees of the company agree to achieve the corporate mission, to guarantee wellbeing through an integral transformation of the habitat in favor of the people, with quality, innovation, efficient use of resources, and social interaction, managing and controlling any significant impact on their stakeholders, as follows:

- a. Follow-up on integral risk management to comply with the criteria of environmental sustainability of the projects implemented to improve the quality of the urban habitat. In addition, to supervise the energy efficiency, proper use of water and fight against climate change, avoiding any kind of contamination by rationalizing the use of natural and energy resources and evaluating environmental and social risks.
- b. Show our social commitment to the wellbeing of the community by implementing urban transformation projects to benefit the people, and to do so with quality, innovation and social interaction.

- c. Serve the community recognizing their needs as opportunities for development that are dealt with through projects for the integral transformation of the habitat.
- d. Meet the needs of the clients considering the objectives of competitiveness, productivity and growth. Work to build the corporate reputation by ensuring quality standards and continuous improvement in efficacy, efficiency and effectiveness of the management system, through highly skilled, committed and competent personnel.
- e. Achieve maximum satisfaction for our clients while complying with the established requirements, optimize and promote the development of urban projects and social responsibility practices, and provide excellent customer service.
- f. Validate compliance with the corporate social responsibility requirements in association strategies, and help improve the management system in the areas of compliance, quality, and occupational health.
- g. In project implementation, reflect the business ethics that implies respect for the rights recognized by society and fight against corruption, defamation, and misleading announcements.
- h. Create a work environment that encourages the employees' personal and professional development, including programs for incentives and inclusion of the workers in corporate social responsibility practices. To achieve this through these and work conditions to support the employees' work safety and health.
- i. Maximize productivity of resources which regional growth and business continuity and the creation of added value for clients and shareholders while preserving the institution's ethical integrity.
- j. Provide healthy and safe work environments, prevent accidents and sickness by controlling mitigating occupational risks and by supervising work and health conditions to eliminate risks to contractors, employees and visitors.

Article 13. Ethical directives. These are guidelines on the way in which Empresa de Desarrollo Urbano EDU and its public servants relate to each stakeholder in order to practice the ethical values and principles that have been adopted. The ethical directives are:

- a. **WITH THE COMMUNITY.** (Transparency, respect, leadership). We provide citizens the required services in a timely, respect, efficient and quality manner, without distinctions or preferences. We promote spaces for participation agreement among the various actors in decision-making, and we provide accurate, constant and timely information about the progress and results of the public administration access mechanisms and public accountability.
- b. **WITH OUR CLIENTS.** (Respect, creativity). We create clear, timely and reliable relationships with our clients in order to satisfy their needs within the framework of lower competencies, and we encourage spaces for dialogue and acting participation in decision-making, as well as joint activities in an environment of cooperation and mutual.

- c. WITH PUBLIC SERVANTS. (Leadership, respect, commitment). Which time towards the company's strategic objectives we optimize resources and make proper use of institutional information; we prioritize the work to achieve common goals; we encourage civility and respect in the relationships among employees. We guarantee impartial and respectful treatment of the rights of all public servants, and the value that are ideas for planning and implementing the work.
- d. WITH ASSOCIATIONS. (Transparency, commitment). We create and maintain spaces for the participation of economic, workers, and community associations in articulating policies and obtained their support for actions aimed at strengthening them and the country.
- e. WITH THE MEDIA. (Transparency, respect). We assist, advice and guide the media with their information needs, and show them what EDU does. We give them accurate, timely, accessible and complete and reliable information; we create and promote spaces to receive their suggestions, recommendations and considerations to facilitate the delivery and dissemination of information; and we respond to each journalist's request de respectively of the medium he or she represents.
- f. WITH CONTRACTS AND SUPPLIERS. (Transparency, respect). We complied fully with the regulations that control the hiring processes according to the internal contracting handbook, to ensure an objective selection. We fulfill our contractual commitments on time; we respond quickly and efficiently to the requirements of the contractors during the implementation of the contract; and we comply with the quality and timeliness requirements for the goods and services provided in the contract.
- g. WITH CONTROL AGENCIES. (Transparency, respect and responsibility). Provide complete, clear, accurate and timely information as well as the necessary resources to allow control agencies to carry out their functions. We used the defined channels and spaces to apply current regulations to the processes; we assume of the consequences for the results achieved; and reuse improvement plans to implement any recommendations we receive.
- h. WITH THE ENVIRONMENT. (Respect, responsibility). We promote an organizational culture that helps sustainable development and we actively share the global concern over the environment, it is protection and care, focusing on promoting and consolidating practices for the proper and rational use of natural resources in the company, the proper disposal of waste material, and compliance with environmental regulations.
- i. WITH THE MUNICIPALITY. (Respect, commitment, creativity). We follow the directives issued by the municipality of Medellin to implement the development plan according to the constitutional and legal principles that serve as a framework for the relationship among the community we serve, the central entity, and the company.

TITLE II ABOUT GOOD GOVERNANCE POLICIES FOR THE MANAGEMENT AND ADMINISTRATION OF THE COMPANY

Article 14. *Good governance is the basis for management.* The general manager, the management team and the employees of the company, make an explicit commitment to the Code of Ethics and Good Governance as a means to carry out their everyday activities, reach the mission objectives and encourage and develop a culture of efficiency, transparency and integrity based on personal accountability, and strengthening specific areas of the organization such as strategy, human talent, management processes, risks and controls, auditing, and assurance.

Article 15. *Management personnel.* The following public servants are considered managers with special responsibilities for the application of this Code of Good Governance in Empresa de Desarrollo Urbano, EDU: the general manager, the secretary general, the assistant managers and area directors. To evaluate and control their activities, these public servants would be subject to external social, political, fiscal and disciplinary control, and to internal control that evaluates performance and the ensures efficiency and effectiveness of the administrative function.

Article 16. *Commitment to the mission goals.* The general manager, the management team and the employees of the company agree to achieve the current goals of the company's mission by applying the principles of efficiency, integrity and transparency and the management of public resources, accountability, coordination and cooperation with various public entities, and all other aspects of their job, to provide an effective response to the needs of the population from which they are responsible

To this end, there will be permanent monitoring of the performance indicators that have been defined both in the area of strategy and operations and for the sector, to ensure the efficacy, effectiveness and efficiency of the processes and projects carried out by the company.

Article 17. *Commitment to society.* Empresa de Desarrollo Urbano, EDU will focus all their actions on an *integral transformation of the habitat in favor of the people*, applying criteria of the quality, social responsibility, quality and effectiveness within the framework of the constitutional and legal mandates, and will promote citizen participation and oversight over the.

EDU expressly states its commitment to the protection of fundamental rights and, specifically, the protection of life, freedom, equality, human dignity, freedom of conscience and religion, information, association, respect for nature, and citizen participation.

Article 18°. *Responsibility for delegation.* The general manager, according to the provisions of the political Constitution and law 489 of 1998 May delegate her functions on public servants of the management and advisory levels working for the company in order to comply with the principles of administrative function.

When an employee off Empresa de Desarrollo Urbano, EDU, or a private individual takes on public functions in the case of the former, or through a contract for the latter, they must also carry out their job with total commitment and responsibility, performing their functions in accordance with the guidelines for good governance established in this code.

Article 19. *Commitment to integrity.* The general manager, the management team and the employees of the company use public ethics as a way to carry out their functions with strict compliance of the Constitution and the law, in terms of efficiency, integrity, transparency, and focus on the common good.

Article 20. *Commitment to the promotion of good governance practices.* The general manager, the management team and the employees of the company agree to implement and promote good governance practices in order to achieve. Institutional goals. For this purpose, the following measures will be applied:

- a. Guide all their actions according to the ethical references established in this code.
- b. Broadly publicize the basic ethical references and advise about the unwavering decision to follow them in the ordinary course of their activities.
- c. Guarantee that every institutional process is characterized by impartiality and transparency.
- d. Reject and denounce improper conduct by employees with the appropriate control agencies.
- e. Be accountable for their actions to the community and other stakeholders, making sure that the public has access to the company's non-confidential information.
- f. Base the hiring process strictly on the principles of transparency, economy and responsibility, applying clear and fair selection processes with no rules that ensure impartiality and the objective selection of the contractor, even in cases of direct hiring.
- g. All actions in the contractual activity are to be performed with austerity in terms of time, means and costs. In addition, all company employees and contractors, advisors, consultants and supervisors who participate in contractual processes are obliged to protect the company's interests and, therefore, are liable to disciplinary, civil, criminal and fiscal measures for their actions or omissions.

Article 21. *Inter-institutional cooperation to promote good governance practices.* The general manager, the management team and the employees of the company agree to improve communication systems through a clear dialogue with public, private, and trade entities, and through ethical agreements on the performance of the administrative function and the hiring process with the overarching objective of building networks to create good practices for integrity, transparency and efficiency in the exercise of the public.

Article 22. *Commitment to the protection of intellectual property, copyrights and the EDU brand.* The general management, the management team, and the employees of the company will ensure that the regulations about protection of intellectual property, copyrights and the EDU are followed by establishing an information security and preservation policy both for internal and external documents.

It is necessary to ensure that the delivery and use of copies, the production, public disclosure, translation, and adaptation among other uses, of the information owned by the entity are carried out according to the limits for the time of use and economic compensation. These conditions must be accepted by the party and must be contained in the written document.

Article 23. *Commitment vis-à-vis internal control.* To ensure that the organizational objectives are achieved, the general manager, the management team and the employees of the company agree to implement, maintain and improve the internal control system using as a model the internal control standard in articulation with the other models that are part of the integrated management system, cost the promoting self-regulation, self-management, self-control, and continuous improvement by all public servants.

Good governance at Empresa de Desarrollo Urbano, EDU, is a commitment by all levels of the organization; its defense is a function not only to those who are responsible for the processes but also of the assistant managers and department directors, and reaches the company's top management as the highest reference for leadership of good governance. It also involves the company's evaluation and control directorate.

Article 24. *Commitment to risk management.* The general manager, the management team and the employees of the company agree to guide the company within the framework of risk management according to whatever methodology is defined for the purpose, and implementing the management actions and policies established to avoid situations that present the organizational objectives from being achieved.

Article 25. *Commitment vis-à-vis conflicts of interest.* The general manager, the management team and the employees of the company must recuse themselves from acting on a matter whether they or their spouse, permanent companion, or any blood relative at the level defined by law have a private and direct interest on the action, control or decision, according to the provisions of the anti-bribery statute, the administrative procedure code, the contentious administrative code and other regulations sent legal guidelines that pertain to conflicts of interest.

Article 26. *Practices that should be avoided to prevent conflicts of interest.* The general manager, the management team and the employees of the company reject, condemn and prohibit the following practices, among others:

- a. Giving, offering or accepting, directly or indirectly, gifts, favors, donations, invitations, trips or payments for providing their services are performing their functions and which might influence their decision to facilitate contract, appointments or operations for their own benefit or for the benefit of third parties.
- b. Give compensations not authorized by the appropriate regulations.
- c. Improper use of privileged or confidential information to obtain benefits or safeguard personal or third-party individual interests.
- d. Engage in political or religious person advertising take advantage of their position, job or relations with the company.
- e. Commit resources to finance political campaigns. Create bureaucracy to favor politicians or any other legal entity or individual.
- f. Any practice that goes against the company's management integrity and transparency and against the proper use of public resources.
- g. Any traffic of influence to prioritize procedures.

Article 27. *Duties of the team with respect to conflicts of interest.* Without preventing other procedures to be established, the duties of the company's public servants with respect to conflicts of interest within the framework of the Sole Disciplinary Code and the anti-bribery statute as follows:

- a. Submit timely written reports to their immediate supervisors or control authorities about any possible conflict of interest that arises or in which they may be involved.
- b. Enable proper implementation of the functions assigned to the evaluation and control directorate and two other external agencies that exercise control over the company.
- c. Help give fair treatment and guarantee the rights of all inhabitants within the country.
- d. Maintain the confidentiality and protect any privileged information to which they have access as a result of their functions or their work.
- e. Abstain from using privileged information for personal or third-party.
- f. Abstain from altering or distorting the information of the company or its clients, and from offering inaccurate or false information.
- g. Certify every year that they are not involved in a conflict of interests.

Article 28. *Prohibitions for personnel about conflicts of interest.* Without prejudice to the expression of these prohibitions, EDU employees will abstain from the following practices during their everyday activities:

- a. Improper use of privileged and confidential information against the interests of the.
- b. Become involved in activities that are contrary to the interests of the administration.
- c. Provide gifts to other public servants in exchange for any kind of benefit.
- d. Use company resources for activities other than those that have to do with their job, or use them for personal or third-party gains.
- e. Accepting for themselves or for third parties donations in cash or in-kind from suppliers, contractors, or any person involved are not with the administration, or

from individuals or entities with which EDU has a business relationship, which would lead to the creation of any kind of unauthorized commitment.

Article 29. *Commitment to the quality of service.* In order to guarantee efficacy, efficiency, effectiveness and transparency in achieving the institutional objectives and social purposes, and to assure satisfaction of the client and stakeholders, the general manager, the management team and the employees of the company agreed to establish, implement and continuously improve the integrated management system, articulating its processes and services, harmoniously and in a complementary manner, compliance with the legal requirements and the components of quality management, environmental management, internal control, and administered to the development, with special emphasis on establishing controls for managing risks according to the strategic guidelines defined by the company.

Article 30. *Commitment to public communications.* The general manager, the management team and the employees of the company will consider communication and information as public goods and will give them a strategic status whose main purpose is the accurate, timely and transparent information and disclosure to the community and society about the plans, programs, projects, actions and achievements by EDU intended to produce an integral transformation of the habitat in favor of the people.

Furthermore, the general manager, the management team and the employees of the company, will ensure that the necessary steps are taken to control the procedures managing the information produced by the company and thus ensure effective public communications.

Article 31. *Commitment to organizational communications.* The general manager, the management team and the employees of the company will develop internal communications aimed at encouraging an organizational culture based on the principles of service, quality management, ethical values and commitments, and other initiatives intended to strengthen the company's management.

In addition, communications will be a mechanism to build and strengthen the relations among the employees in order to provide shared visions and communication environments conducive to the implementation of projects and tasks that lead to the achievement of mission goals.

Article 32. *Commitment to confidentiality.* The general manager, the management team and the employees of the company agree to permanently control and ascertain that the privileged or confidential information of the EDU is kept confidential and is not disclosed to third parties or used for personal or third-party gains, or against the interests of the EDU. They also agree to establish mechanisms for controlling and evaluating the risk posed by the loss of information.

The contracts of Empresa de Desarrollo Urbano, EDU, will include a confidentiality clause under which the contractor agrees to maintain strict confidentiality with respect to all private information obtained during the implementation of the contract. This obligation must remain in force as long as the information remains confidential.

Article 33. *Commitment to information circulation and disclosure.* The general manager, the management team and the employees of the company, will use mechanisms so that the information about EDU reaches society and the stakeholders in a timely, accurate, up-to-date, clear and reliable manner, through effective policies for the production, management and dissemination of the information. To this end, information processes will be adopted, and the appropriate virtual and in-person communications and participative management methods will be applied.

Article 34. *Commitment to on-line government.* The general manager, the management team and the employees of the company agree to the effective application of the on-line government strategy and any required actions that contribute to the construction of a more transparent and participative State that provides better services through the use of the ITC's to accomplish the mission and discharge the responsibilities of the EDU.

Article 35. *Information and communications with society.* The management reports submitted by Empresa de Desarrollo Urbano, EDU, to the various regulatory and control agencies must be disclosed and made available to the community, which has the right to be constantly informed about all events that take place in the company that are not confidential. In addition, the reports and recommendations made by regulatory and control agencies with respect to company's activities and continuous improvement. The information media that can be used include bulletins, brochures or circular letters, newspapers, toll-free telephone numbers, e-mail and.

Article 36. *Commitment to accountability con.* The general manager, the management team and the employees of the company agree to submit to conference reports at least once per year in order to inform the community about the progress and achievement of the goals contained in EDU's strategic plan and the way in which the budget is being used. The available communications channels will be used for this purpose so that this activity can reach all interested parties.

Article 37. *Receiving petitions, complaints, claims, suggestions, and congratulations.* The general manager, the management team and the employees of the company, the customer service office, agreed to provide a 10 response to any petitions, complaints, claims, suggestions and procedures that are filed, and to provide effective information about the services provided by the EDU within the time periods established by law and the respective processes of the integrated management system.

Article 38. *Social control.* The general manager, the management team and the employees of the company will promote the participation of the community, social and community

organizations, users and beneficiaries, and controllership and oversight committees, among others, to prevent, rationalize, propose, assist, watch over and control its institutional management, results, and probation of the services which is charged. In addition, they agreed to provide in a timely manner the information required by the community to exercise the function of citizen controllership.

Article 39. *Commitment to the protection and development of new talent.* The general manager, the management team and the employees of the company agree to develop the competencies, skills and abilities, and to the competence of the company's public servants to respond to the requirements of the institution's management of the design of policies and practices that ensure the technical, professional in human quality of the employees. In addition, the EDU will carry out transparent, impartial and fair selection, promotion and evaluation processes, in conditions of equality that ensure the continuous improvement and excellence in the provision of its services.

Article 40. *Commitment to the contractors.* The general manager, the management team and the employees of the company will comply formally and actually with all the principles and regulations that govern contracts, including the directives set forth in the anti-bribery statute. For this purpose, they agreed to diligently, accurately and quickly abide by the legal provisions, and to ensure that the information about contractual processes in conditions are published in a timely, sufficient and equitable manner, and that the decisions to sign the contracts are made without any kind of bias or preference but rather on the basis of an objective analysis and selection of the proposals submitted. This code of ethics and good governance will be an integral part of any terms and conditions and contracts signed by Empresa de Desarrollo Urbano, EDU, and a clear and precise reference should be made to the anti-bribery commitment. Additionally, the proposal submitted by private individuals to the company must include the written commitment to abstain from corrupt practices or inciting others to do so.

The contract processes, regardless of their modality, must be published in the electronic public contracts system (Sistema Electrónico de Contratación Pública — SECOP). The company's webpage must contain a clear indication of the site or link where individuals can obtain information about the contract processes being implemented by the company, whenever the modality.

Article 41. *Transparency and shared responsibility with economic associations.* The general manager, the management team and the employees of the company will encourage ethical agreements between the public and private sectors with respect to their contracting processes. In addition, based on the principles of transparency and participation, the EDU will create and maintain spaces for the participation of economic associations, workers and the community for the articulation of joint actions.

Article 42. *Responsibility towards the environment.* The general manager, the management team and the employees of the company agree to improve their

environmental performance and to prevent contamination of their environmental programs for saving and efficient use of water, saving and efficient use of energy, and for integral waste management, all within the framework of their actions in the programs and projects that it designs and implements.

TITLE III

About the policy for relations between internal and external control agencies

Article 43. Internal and external monitoring and control entities for Empresa de Desarrollo Urbano, EDU, are the Board of Directors, the evaluation and control directorate, the controllership of the municipality of Medellin, legal personality of the municipality of Medellin and the Council of the city of Medellin, in addition to all the entities whose legal mission is to monitor and control the company. In addition, the company subject to social control by the community.

Article 44°. *Commitment to control agencies.* The general manager, the management team and the employees of the company agree to maintain harmonious relations with the control agencies to provide the information legally required by them in a timely, complete and accurate manner so the agencies can carry out their job in an effective manner. They also agree to implement any institutional improvement actions derived from the reports submitted by the control agencies.

TITLE IV

About the administration of the code of good governance

Article 45. *Good governance committee.* Empresa de Desarrollo Urbano, EDU in the performance of its public motion agrees to establish a committee for good governance that will contribute to an honest, efficient and transparent management by the administration.

Article 46. *Membership of the good governance.* Empresa de Desarrollo Urbano, EDU has a probity and transparency committee created through resolution no. CG - 219 of 2012 that will perform the functions of the committee for good governance whose functions and powers would be the same as those of the probity and transparency committee. Specifically, the committee will be in charge of:

- a. Encourage ethical, transparent and efficient conduct and behaviors levels of the organization.
- b. Encourage dissemination and interiorization of the ethical values, principles and directives among company employees, and act as the official voice of Empresa de Desarrollo Urbano, EDU, for the interpretation of any ethical dilemmas that arise.
- c. Issue that the good governance model and its implementation include the elements of strategy, human talent, management processes, risks and controls, auditing, and

assurance in the company management to provide efficient responses to the needs of its stakeholders through a culture that promotes high-performance and personal.

Article 47. *Conflict resolution.* The committee will be charge of determining the procedure to resolve any conflicts that arise from the interpretation of the Code of Ethics and Good Governance according to the event in question. The constitutional, legal and regulatory frameworks, as well as the ethical principles and values taken on by the organization in the spirit of the code of ethics and good governance will be applied to manage and resolve any conflict arising from the code of ethics and good governance.

TITLE IV

Good governance indicators

Article 48. The general manager agrees to perform the hearing evaluation of the performance of governance in the company, according to the indicators established by the integrated quality management system in the indicators and have to do with good governance such as transparency, communications, and service to the citizen, among other things.

Article 49. *Dissemination of the Code of Ethics and Good Governance.* The Code of Ethics and Good Governance will be communicated to all members of the company and its stakeholders.

Article 50. *Effect of the Code of Ethics and Good Governance.* The Code of Ethics and Good Governance will be effective as of the date of issue of this administrative act.

Second: This resolution supersedes Resolution no. 04 of February 11, 2005 and is effective as of the date of publication.

TO BE PUBLISHED, COMMUNICATED AND COMPLIED WITH

LUZ ELENA GAVIRIA LÓPEZ
Chairwoman of the Board of Directors

LUCRECIA LONDOÑO BUILES
Executive Secretary